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CLERK SUPREME COURT

Iowa Child Support Guidelines Review  
Committee

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### **A. Introduction**

The federal Family Support Act of 1988 requires each state to maintain uniform child support guidelines and criteria and to review the guidelines and criteria at least once every four years. The Iowa General Assembly has entrusted the Iowa Supreme Court with this responsibility. See Iowa Code section 598.21B(1). The guidelines were last reviewed in 2016 and the Court approved updates in 2017.

In June 2020, the Court established the 2020 Iowa Child Support Guidelines Review Committee (Committee) to assist with the latest scheduled review of Iowa's child support guidelines. The Court appointed the following members to the Committee:

Hon. Chad A. Kepros, Sixth Judicial District, Iowa City, Co-Chair

Marlis J. Robberts, Attorney, Burlington, Co-Chair

Hon. Thomas A. Bitter, First Judicial District, Dubuque

Hon. Craig M. Dreismeier, Fourth Judicial District, Council Bluffs

Hon. Laura Parrish, First Judicial District, Decorah

Wayne Bergman, Assistant Attorney General, Des Moines

DeShawne L. Bird-Sell, Attorney, Glenwood

Eric Borseth, Attorney, Altoona

Jill M. Davis, Attorney, Spencer

Kevin E. Kaufman, Assistant Attorney General, Davenport

Steven H. Lytle, Attorney, Des Moines

Andrea McGinn, Attorney, Van Meter

Evelyn Ocheltree, Attorney, Iowa Legal Aid, Mason City

Alison Werner Smith, Attorney, Iowa City

Tim Eckley, Assistant Counsel to the Chief Justice, Iowa Supreme Court; Kate Bigg, Policy Specialist/Child Support Recovery Unit (CSRU); and Cathy Tesar, Program Planner/CSRU, served as Committee Staff.

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Jane Venohr, Ph.D., Research Associate/Economist, Center for Policy Research, Denver, Colorado, served as technical consultant for the review. Dr. Venohr is nationally known for her expertise on child support guidelines and has helped many states, including Iowa, with guidelines reviews. She has been involved several times with Iowa's reviews and again provided valuable insight and advice to the Committee during Committee meetings and by providing the report "Review of the Iowa Child Support Guidelines: Updated Schedule," attached to this Report as Appendix G. Dr. Venohr's report includes extensive research, economic data, analysis, and history underpinning the structure and calculations of the Iowa child support guidelines.

The Iowa Supreme Court generally charged the Committee with reviewing Iowa's child support guidelines "to ensure that their application results in the determination of appropriate child support award amounts." See 42 U.S.C. section 667(a) (method for establishment of state child support guidelines). In considering this charge, the Committee discussed the history of the guidelines, asked for and received input from the public, evaluated key facts, considered economic and case data, and reached a consensus on recommendations to be made to the Court.

There are general elements in every guidelines review, including those that are federally mandated.

- The Committee compares child support obligations derived from Iowa's existing Schedule of Basic Support Obligations with child support obligations for surrounding states.
- The Committee analyzes case data on the number of deviations from the guidelines pursuant to federal requirements. Iowa's IV-D agency,<sup>1</sup> the Child Support Recovery Unit (CSRU), has the best information on deviations because deviations on private cases are not tracked on the Iowa Court Information System (ICIS). The deviation data tracked on

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<sup>1</sup> In 1975, Congress passed the Social Services Amendments of 1974, which created Title IV, Part D, (Title IV-D) of the Social Security Act. Pub. L. No. 93-647, 88 Stat. 2337 (1975) (codified as amended at 42 U.S.C. §§ 651-669). This legislation established federal oversight of a child support system within which each participating state is responsible for the operation of a "IV-D" child support program. All states, as well as several territories and tribes, have opted to participate in the IV-D system. In order to receive federal funding, participating states must comply with a vast federal statutory and regulatory scheme. See, e.g., 42 U.S.C. § 654 (setting forth state plan requirements).

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CSRU's automated database, ICAR, includes all orders CSRU is enforcing, whether obtained privately or by CSRU.

- As a part of the review process and pursuant to federal requirements, the Committee also considers economic data. Several studies have attempted to measure child-rearing expenditures in relation to family income. The present Iowa schedule is based on measurements of child-rearing expenditures developed by Professor David Betson in 2006 using the Rothbarth methodology (also called "Betson-Rothbarth" methodology), updated for 2012 price levels and 2012 poverty and minimum wage levels. Federal regulations require that states consider economic data on the cost of child rearing and update their schedules as appropriate. The determination of what is appropriate is up to each state. To that end:
  - In any review of the guidelines, the Schedule of Basic Support Obligations may be left unchanged if the relevant economic factors in the preceding four years do not necessitate a change.
  - Use of a particular economic study can affect the support obligations in the Iowa schedule.
  - Existing amounts from the economic study used for the existing schedule can be updated for the change in the cost of living.

In addition to the general elements of the review, the Committee also considers whether it should recommend other updates or changes to chapter 9 of the Iowa Court Rules. The Committee's recommendations are presented later in this report.

Before the 2020 Guidelines Review Committee's first meeting during the Covid-19 pandemic, the Committee was presented an option of delaying its quadrennial review for one year pursuant to the Stafford Disaster Relief and Emergency Assistance Act. Under the Act, the federal Office of Child Support Enforcement (OCSE) determined that it would be appropriate to modify but not waive specific timelines for certain child support services. The Committee considered the option but determined to proceed on schedule with its review of the Iowa Child Support Guidelines.

### **B. History of Iowa's Child Support Guidelines**

#### **1. The guidelines in the 1980s**

Iowa began using child support guidelines in the early 1980s. The guidelines implicitly recognize two fundamental principles: (1) both parents

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have a duty to provide adequate support for their children in proportion to their respective incomes, and (2) this shared obligation should be tied to the actual cost of raising a child. Guided by these principles, the Iowa Supreme Court has adapted and refined the guidelines over time to address increasingly complex economic and societal issues facing families, and to ensure the guidelines treat both parents as fairly and equitably as possible.

In 1984, the Iowa Supreme Court, upon the recommendation of the Iowa Judicial Council, adopted guidelines for temporary support. In adopting the first guidelines, the Court intended to promote uniformity in temporary support orders, advance judicial economy, and reduce the cost of litigation. The early guidelines were basic tables that factored in both parents' net incomes and the number of minor children involved.

In 1987, the Court adopted new temporary guidelines on the advice of the Iowa Judicial Council. They were arranged in simple charts depending on the number of children involved, using the net monthly income of both parents ranging from \$0 to \$1001 in increments of \$100. The charts included a percentage which, when multiplied against the noncustodial parent's net monthly income, would determine the monthly child support obligation. These guidelines set the standard for future guidelines.

In 1988, soon after Congress passed the federal Family Support Act, members of the Iowa General Assembly approached the Iowa Supreme Court about assuming the responsibility of promulgating permanent child support guidelines for Iowa. The legislators favored the Court's involvement because the process of adopting court rules is much easier and less politically charged than the process of approving administrative rules or statutes. The Court agreed to take on the duty, and the General Assembly codified the Court's new responsibility in Iowa Code section 598.21(4) (later renumbered as section 598.21B(1)).

In 1989, the Court adopted the guidelines previously used for setting temporary support as Iowa's first permanent uniform guidelines. Since this initial action, the Court has reviewed and revised the guidelines seven times.

### **2. The 1990 guidelines review**

In 1990, after months of study and consideration of public comment, the Court approved a more complex set of permanent guidelines. The 1990 guidelines included several more items as deductions for determining net income, addressed the issue of medical support, and revised the charts to include new percentages and special instructions for cases involving parents in

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low income (\$500 per month and under) and high income (\$3000 per month and above) brackets.

### **3. The 1995 guidelines review**

The Court revised the guidelines again in 1995 after receiving recommendations from an advisory committee. The 1995 amendments included extending the schedule to cover net incomes up to \$6000 per month, adjusting the schedules for persons with net incomes under \$500 per month, adopting a fixed deduction as a multi-family adjustment (Qualified Additional Dependent Deduction), and adopting required support computation forms.

### **4. The 2000 guidelines review**

Major innovations to the guidelines followed the 2000 review. Based upon advisory committee recommendations, the Court amended the guidelines to include a credit for noncustodial parents for extraordinary amounts of visitation, allow parties to deduct the total health insurance premium costs paid by each parent when the child is covered by the plan, allow a limited amount of unreimbursed medical expenses for purposes of calculating net income, and add a provision outlining the respective obligations of both parents with regard to medical expenses not covered by insurance.

### **5. The 2004 guidelines review**

The guidelines were again amended in 2004. Based on recommendations of the advisory committee, the Court added a rule to standardize the deductions for income taxes for purposes of calculating child support by specifying the tax filing status for each parent and an allocation of personal exemptions, unless the district court were to find that actual taxes differed substantially. The Court also reduced the amount of the extraordinary visitation credit, added a rule for calculation of child support when parents exercise joint or split physical care, extended the top income brackets of the schedule to net monthly combined income of \$10,000, and removed the child support requirement for parents whose only income was Supplemental Security Income. Finally, the Court agreed with the advisory committee's recommendation to consider replacing Iowa's present guidelines with a Pure Income Shares Model.

### **6. The 2008 guidelines review**

In 2009, the Court revised the guidelines again with major changes based on the Committee's 2008 review and recommendations. The amendments included adoption of a Pure Income Shares Model. At present, there are 41 states that utilize the prototype Pure Income Shares Model guidelines. This model more clearly reflects the underlying principle that each parent has a duty

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to support the child and the level of support is a *pro rata* share of the parent's income. The previous charts determined the amount of support only in terms of a percentage of the obligor's income. Adoption of the Pure Income Shares Model allowed the guideline support amounts to be portrayed on a single schedule, rather than the six charts previously used in Iowa.

The Pure Income Shares Model lists the combined income of both parents and shows the child support obligation as a dollar figure to be apportioned between the parents according to their respective incomes. The model assumes the child should receive the same proportion of combined parental income that was estimated to have been spent on the child when the household was intact. The model also allocates health insurance premiums between the parents in proportion to their respective incomes, regardless of which parent carries the insurance. The fairness of this approach is readily apparent.

In addition to adoption of the Pure Income Shares Model, the Court also adopted the advisory committee's recommendations to strike a fairer balance between upward and downward deviations, eliminate the \$25 deduction for unreimbursed medical expenses, make the prior support order deduction gender neutral, adjust the Qualified Additional Dependent Deduction to conform with updated economic concepts, make significant changes to the medical support provisions in accordance with changes in federal law, use a self-support reserve for low-income parents, allow the extraordinary visitation credit even at the very lowest income level, lower the minimum support obligation, clarify how to calculate support obligations in joint physical care cases, and use the parties' combined incomes in joint physical care cases.

### **7. The 2012 guidelines review**

In 2013, based on the advisory committee's 2012 review and recommendations, the Court revised the guidelines again with minor changes, which were mostly clarifying in nature. The amendments to the Schedule of Basic Support Obligations included updating to reflect 2012 price levels, the 2012 federal poverty level, and the 2012 Iowa minimum wage level; adding shaded area "B" to eliminate the "notch effect"—where a slight increase in the payor's income under certain circumstances would decrease the child support; and increasing the maximum amount of monthly net income to \$25,000 on the Schedule of Basic Support Obligations and Medical Support Table. The Court also increased the minimum monthly support obligation to \$30 for one child or \$50 for two or more children and updated the Adjusted Net Monthly Income Grid and the Basic and Joint Physical Care Computation Grids.

Regarding medical support, the Court amended the guidelines rules to allow an add-on and proration of the cost of health insurance when a stepparent

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provides health insurance for the child(ren) (except when the payor's income falls in the low-income area of the Schedule of Basic Support Obligations), allow for parents to share all uncovered medical expenses, and remove the requirement to pay the first \$250 in joint physical care cases.

The Court also amended the deductions allowed under the rules to limit mandatory pension deductions to parents who do not contribute to Social Security to the applicable Social Security or Medicare rate, and to allow a deduction for mandatory occupational licensing fees, if not paid by the employer or deducted on the parent's tax return.

The Court made changes to the Extraordinary Visitation Credit—adjusting the credit to 15% for 128-147 overnights, 20% for 148-166 overnights, and 25% for 167 or more overnights and disallowing the Extraordinary Visitation Credit to reduce support below the minimum support amount.

Lastly, the Court clarified when it is appropriate to impute income to an unemployed or underemployed parent and that a court may vary from the guidelines based on the parties' child care expenses.

### **8. The 2016 guidelines review**

Following the advisory committee's 2016 review and recommendations, the Court amended the guidelines in 2017 as follows:

- Changed the method to determine the allowable child(ren)'s portion of the health insurance premium to be added to the basic support obligation and prorated between the parents under rule 9.14(5)(b), which prevents overstating the cost of health insurance attributable to the child(ren) in the pending action and better reflects the multiple types of health insurance plans available to consumers.
- Adjusted rule 9.12(3) to allow for the amount of cash medical support to be the lesser of the actual cost of the Healthy and Well Kids in Iowa (hawk-i) premium or the amount calculated under rule 9.12(4). This prevents a custodial parent from receiving cash medical support in excess of the hawk-i premium when the child(ren) receive health insurance under that program.
- Clarified how to treat spousal support when it is ordered in the same action as child support. The Court amended rule 9.5 to add a gross monthly income definition and clarify that the spousal support amount should be determined first before child support is calculated.

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- Added a new and separate rule allowing courts to vary from the guidelines due to child care expenses.
  - Set a new definition of child care expenses.
  - Included a requirement to specify the amount of the variance in a support order and indicated that the variance was not available in joint physical care cases or cases where the noncustodial parent's adjusted net monthly income is in the low-income Area A of the Schedule of Basic Support Obligations.
- Added a requirement to include step-down provisions for child support in cases involving multiple children.

### **9. A 2018 special review of federal tax law changes**

A working group of several Committee members reconvened in 2018 to recommend additional amendments to the guidelines rules due to changes in federal tax law under the Tax Cuts and Jobs Act of 2017 (TCJA). The TCJA changed the tax treatment of spousal support for orders entered after January 1, 2019. Based on the working group's recommendations, the Court amended rule 9.5(1)(a) to align with the tax treatment of spousal support set out in the TCJA and added rule 9.6(6) to clarify the calculation of gross taxable income when an action involves spousal support.

### **C. Public Outreach—2020 Review of Guidelines**

The Committee began its most recent review examining input from several sources, including public comments submitted to CSRU. CSRU collected comments from members of the public on the CSRU customer website from April 22 through June 18, 2020. CSRU staff compiled the comments for the Committee that were relevant to the guidelines rules or process. The Committee solicited comments from judges, attorneys, and The Iowa State Bar Association Family & Juvenile Law Section. The Committee decided at its first meeting on June 26, 2020, to request that CSRU reopen its comment portal and that the Iowa Judicial Branch post a notice on its website requesting public input and linking to the CSRU comment portal. The Committee determined that with the comments gathered to that point, the additional time for further public comment would be more than sufficient to provide "meaningful opportunity for public input" required under federal regulations.

In response to this input, the Committee gave special attention to available economic data and its impact to the Schedule of Basic Support Obligations, the minimum monthly support obligation, treatment of temporary

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spousal support in guidelines calculations, the deduction for prior medical support, imputation of income, the variance for child care expenses, sharing of uncovered medical expenses, consideration of student loans in calculation of net income, and a simplified form for guidelines income and deduction information.

### **D. Fact-Finding**

After considering public comments, the Committee started its fact-finding process.

#### **1. Deviations**

A guidelines review requirement is for the state to analyze information about the number of deviations from the Iowa guidelines. The Iowa Court Information System does not currently track deviation data. CSRU provides the Committee with deviation data based on orders CSRU enforces. As of March 2020, of the 250,063 Iowa cases on the Federal Case Registry, CSRU was enforcing 160,328 cases (64%), and 89,735 cases (36%) were enforced in other ways, not through CSRU.

From June 2016 to May 2020, data from CSRU showed for all orders that CSRU enforced, the rate of deviation from the guidelines was 3.6%. Dr. Venohr reported this percentage compares closely to those states compiling data the same way.

The 3.6% deviation rate was derived from 60,040 orders entered privately or through CSRU during the period from June 2016 through May 2020. Deviations from the guidelines were allowed in only 2,147 of those orders. The highest number of deviations was allowed in cases where parties stipulated to a deviation.

#### **2. Child-raising costs and other economic measures**

Iowa's Schedule of Basic Support Obligations has long been based on measurements of child-rearing expenditures developed by Professor David Betson, University of Notre Dame, using the Betson-Rothbarth methodology. This methodology measures child-rearing expenditures as the difference in expenditures between two equally well-off groups of families: (1) married couples with children, and (2) married couples of child-rearing age without children.<sup>2</sup> It

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<sup>2</sup> "Economic Review of the Iowa Child Support Guidelines: Presentation to Child Support Guidelines Committee," Jane Venohr, Center for Policy Research (Aug. 5, 2016) (Appendix I).

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is important to note that the Betson-Rothbarth economic data includes child care expenses in the child-rearing costs. However, child care costs are then removed from that data when creating Iowa's Schedule of Basic Support Obligations to equalize obligations for parents who do incur child care expenses and those who do not.

During the Committee's 2016 review, there were no new studies since 2012 on the cost of raising children. In 2012, the Committee had already declined to adopt the BR4 study updated to 2012 price levels, instead relying on BR3 updated to 2012 price, poverty, and minimum wage levels. In 2016, however, the Committee did discuss the cost of raising a child and other financial data, including the small increase in inflation between 2012 and 2016. Although the Consumer Price Index had increased by 4.7% since 2012, and the 2016 federal poverty level had increased from \$931 to \$990 per month, the Committee concluded that the small increases in both were not sufficient to meaningfully impact support amounts. The Committee further determined that updating the 2012 schedule to 2016 levels would be an expensive and time-consuming endeavor with a minimal impact (approximately 1%) on support amounts. The Committee also noted that BR5 would likely be available for the 2020 guidelines review. Thus, the current guidelines remain based on BR3 measurements updated to 2012 levels.

Dr. Betson has now updated the Betson-Rothbarth methodology a fifth time. BR5 is an update to BR3, which is the basis for Iowa's current schedule. For both studies (as well as BR4), Betson relied on the Consumer Expenditure Survey (CE Survey), a national survey the U.S. Bureau of Labor Statistics (BLS) conducts for household expenditure data. While BR3 relied on family expenditure data collected during the 1998-2004 CE Surveys, BR5 relies on family expenditure data collected during the 2013-2019 CE Surveys.<sup>3</sup> Notably, the more recent CE Survey relies on family expenditure data that follows the Great Recession of 2007-2009, which may result in obligation amounts that better match increasing incomes compared to relying on pre-recession data.

With further assistance from Dr. Venohr, the Committee considered three other recent child-rearing expenditure studies:

- **Rodgers-Rothbarth Measurements.** Professor Rodgers also relied on the Rothbarth methodology separating the child's share of expenditures from total expenditures and utilized measurements

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<sup>3</sup> "Review of the Iowa Child Support Guidelines: Updated Schedule," Jane Venohr, Center for Policy Research, p. 7 (Jan. 21, 2021) (Appendix G). See pages 41-44 for Dr. Venohr's detailed discussion of the Consumer Expenditure Survey.

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relying on CE Survey data from 2000-2015. This study produced an anomalous finding that the share of expenditures for two children is not much more than for one child.<sup>4</sup>

- Comanor Measurements. Professor Comanor developed an itemized approach for measuring child-rearing expenditures. No state has yet to adopt this methodology as a basis for child support guidelines.<sup>5</sup>
- United States Department of Agriculture (USDA) Measurements. The USDA also utilizes an itemized approach, but different from Comanor, and relies on CE Survey data from 2012-2015.

### **3. Comparison with other states**

Dr. Venohr provided the Committee with comparisons of Iowa's guidelines to other states. The Committee reviewed the models those states are using and the economic bases of their schedules.

For income models,

- Forty-one states use the Pure Income Shares Model.
- Eight states use Percentage of the Obligor Income.
- The remaining states and territories use alternative models to the Pure Income Shares Model and Percentage of Obligor Income.

For economic bases of schedules,

- One state uses the USDA measurements.
- Thirty-seven states, the District of Columbia, and Guam use the Betson-Rothbarth (BR) methodology.

### **4. New requirements under the Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs Final Rule**

During the 2016 guidelines review, the federal Administration for Children and Families published the Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs Final Rule, 81 Fed. Reg. 93,492 (Dec. 20, 2016) (Final Rule). The Final Rule amended many regulations across the

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<sup>4</sup> *Id.* at 8-9.

<sup>5</sup> *Id.*

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entire child support program, including 45 C.F.R. 302.56, which governs guidelines for setting child support orders and requirements for states' quadrennial review of those guidelines. To comply with the amendments to 45 C.F.R. 302.56, states must revise their guidelines as appropriate to meet the requirements of the rule within one year after the completion of the state's first quadrennial review of its child support guidelines that commences more than one year after publication of the Final Rule. For Iowa, that compliance deadline is one year after the completion of the 2020 guidelines review.

- I. Under 45 C.F.R. 302.56, the guidelines rules must:
  - a. Consider all earnings and income of the noncustodial parent.
  - b. Consider the basic subsistence needs of the noncustodial parent who has limited ability to pay by incorporating a low-income adjustment, such as a self-support reserve or other method chosen by the state.
  - c. Include, if imputation of income is authorized, language that considers the specific circumstances of the noncustodial parent including assets, job skills, residence, employment and earnings history, education, literacy, age, health, criminal record, local job market, availability of employers, earnings in the community, and other relevant factors.
  - d. Include provision of child's health care needs through private or public means or cash medical support.
  - e. Include language that incarceration is not considered voluntary unemployment for establishing or modifying support orders.
  - f. Use specific descriptive and numeric criteria to compute the amount of support.
  - g. Require that the guideline amount is a rebuttable presumption in the establishment and modification of a child support order.
  - h. Require a written or specific finding on the record to justify that the application of the guidelines amount would be unjust or inappropriate.
  - i. Require that when the guidelines are rebutted, the finding must include a statement of the amount required under the guidelines and justification as to why the ordered amount varies from it.

The Committee compared the federal regulations to Iowa guideline rules and determined the Iowa rules already meet the requirements of items I.a., b.,

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d., f., g., h., and i. The Committee's recommendations to bring the guideline rules into compliance with items I.c and e., above, can be found in section E.6., below.

II. Additionally, under 45 C.F.R. 302.56 a state's quadrennial guidelines review process must:

- a. Include procedures for quadrennial reviews and making guidelines available to the public.
- b. Publish on the internet in a place accessible to the public the guidelines, reports of the reviewing body, membership of the reviewing body, the effective date of the guidelines, and the date of next review.
- c. Consider state labor market data and the impact of guidelines policies on families with incomes below 200 percent of the Federal Poverty level.
- d. Analyze case data regarding deviations.
- e. Provide meaningful opportunity for public input, including input from low-income parties, and obtain the views and advice of the IV-D agency.

The Committee determined that Iowa's quadrennial guidelines review process already meets these requirements. In addition, a primary focus of Dr. Venohr's report supplementing this Report is on meeting the federal requirements. Dr. Venohr concludes that "[i]n all, Iowa's review and the recommended guidelines changes meet all federal and state requirements. Moreover, they will better serve Iowa families and children by providing appropriate, consistent, and predictable child support order amounts."<sup>6</sup>

## **E. Recommendations**

### **1. Update Schedule of Basic Support Obligations**

The Committee has determined that Iowa's Schedule of Basic Support Obligations should be updated and based on BR5, the latest Betson-Rothbarth study and methodology. The existing and previous Iowa schedules are and have been based on the BR methodology and assumptions, and BR5 uses the most

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<sup>6</sup> *Id.* at 32.

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current economic data, which includes more accurate calculations of taxes. The current Iowa schedule is based on July 2012 price levels; the proposed updated schedule is based on September 2020 prices, reflecting a 13.6% increase. The more recent CE studies, which BR5 relies upon, include “outlays” in addition to “expenditures,” adding installment payments on purchases, mortgages, and other loans to more closely track a family’s monthly spending and budgeting.<sup>7</sup> The underlying data for BR5 result from more recent Consumer Expenditure data, including an improvement to income measurement, using total outlays instead of expenditures, and better tax calculations. As Dr. Venohr noted, “no other study was clearly better in methodology or appropriateness for Iowa.”<sup>8</sup>

The Committee also discussed whether to apply Iowa price parity to the schedule of obligations. Dr. Venohr presented price parity data for four major Iowa cities—Des Moines, Dubuque, Davenport, and Sioux City—for goods, rent, and other services. She explained that price parity is mainly driven by rent prices, but not all child support customers are renters. So while Iowa and the four major Iowa cities examined are below 90% of national prices for rent, they are all over 90% of national prices for goods and other services. Dr. Venohr’s recommendation was to not apply price parity if prices are over 90% of national prices. The committee agreed with this recommendation to not apply Iowa price parity to the schedule of support obligations at this time.

Finally, the Committee addressed treatment of high incomes in the Iowa guidelines. The BR5 measurements are limited for combined incomes at \$22,000 per month. Above this level, there is not sufficient research to accurately predict what percentage of income is devoted to the expenses of raising a child. This issue has existed in previous Iowa guidelines and was addressed with an extrapolation formula.<sup>9</sup> Dr. Venohr explained that using BR5 for very high combined incomes results in increases of up to 26% in the basic support obligations. The Committee considered two options to address high income: (1) Using Betson-Rothbarth (BR4) measurements updated to 2020 incomes; and (2) Limiting the increase at 9.5% for one, two, and three children, and 9.7% for four and five children. The Committee chose the second option because those amounts approximate the increases in the amounts from the USDA measurements referenced above, and this approach does not involve the complicated tax factors used in the USDA measurements. Also, limiting the increases to these percentages results in increases less than the 10% variance

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<sup>7</sup> *Id.* at 17-18, 41.

<sup>8</sup> *Id.* at 20.

<sup>9</sup> *See id.* at 38 for explanation of extrapolation formula.

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standard for a substantial change in circumstances in private modification actions and approaches the maximum recommended percentage increases in the Schedule of Basic Support amounts at low-income levels.

**Recommendation**

The Committee recommends amending and updating Iowa's Schedule of Basic Support Obligations to incorporate the newest Betson-Rothbarth study, BR5, with adjustments for very high incomes.

See Appendix A – *Rule 9.26 Child Support Guidelines Schedule*.

**2. Continue using current low-income adjustment**

The low-income adjustment areas fulfill federal requirements for considering subsistence needs of noncustodial parents and reflect that full child support collections decline when the support amount exceeds 20% of the noncustodial parent's gross income for one child and 28% or more of the noncustodial parent's gross income for two or more children.<sup>10</sup> Further, updating the low-income adjustment is necessary to account for increases in minimum orders (see Recommendation #3) and to phase in gradual support amounts based on the new underlying economic data and costs of raising children.

The low-income adjustments of the current schedule are shaded Area A and Area B. The low-income adjustment is gradually blended into the BR measurements to avoid abrupt changes in support amounts from the adjusted areas to areas of the schedule based entirely on BR measurements.

Using BR5 impacts the Schedule of Basic Support Obligations at a combined adjusted net income level of \$1,111 per month, which is "equivalent to after-tax earnings from full-time minimum wage earnings."<sup>11</sup> The underlying principle of schedule amounts at this level is that each parent has a duty to support the child at the same percentage of income as higher income parents. The update to BR5 affects the low-income shaded areas on the schedule.

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<sup>10</sup> *Id.* at 25 (citing U.S. Department of Health and Human Services).

<sup>11</sup> *Id.* at 41.

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**Recommendation**

The Committee recommends that Iowa continue using the current low-income adjustment method for its Schedule of Basic Support Obligations.

*See Appendix A – Rule 9.26 Child Support Guidelines Schedule.*

**3. Increase minimum support obligation (currently \$30 per month and \$50 per month for two or more children) to \$50 per month for one child, \$75 per month for two children, and \$100 per month for three or more children**

In its 2017 Report, the Committee recommended no change to the minimum support obligations of \$30 per month for one child and \$50 per month for two or more children due to the relatively modest increase in inflation. Minimum support obligations are driven by policy considerations and ability to pay as opposed to the needs of the children, and the Committee was not at that time incorporating updated economic data. The Committee in 2017, however, specifically noted that the minimum support amounts should be revisited during its next quadrennial review.

The Committee concludes that the minimum child support obligations should be increased. Minimum support amounts, which some consider “token,” must be sufficiently substantial to make a difference in the child’s life. The revised schedule incorporates updated economic data. Since the 2012 guidelines, when the last increase was adopted, there has been a gradual rise in inflation. The Committee also considered public comments received. Finally, higher minimum support amounts also smooth the schedule transition with the low-income adjustment.

**Recommendation**

The Committee recommends increasing the minimum support obligation amounts to \$50 per month for one child, \$75 per month for two children, and \$100 per month for three or more children. The recommendation includes amending rule 9.9 accordingly.

**Rule 9.9 Extraordinary visitation credit.**

....

For the purposes of this credit, “days” means overnights spent caring for the child(ren). Failure to exercise court-ordered visitation may be a basis for modification. The extraordinary visitation credit ~~shall~~may not reduce support below ~~\$30.00~~\$50.00 for one child, ~~or below \$50.00~~\$75.00 for two ~~or more~~ children, ~~or \$100.00 for three or more children.~~

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See Appendix A – *Rule 9.26 Child Support Guidelines Schedule*.

#### **4. Clarify treatment of temporary spousal support in calculating gross income**

After the 2016 review, the Court adopted the Committee's recommendation to amend Iowa Court Rules 9.5(1) and 9.6(6) to clarify treatment of spousal support in child support calculations. Rule 9.5(1), however, does not clearly address how to treat temporary spousal support. The Committee agreed the goal should be for the rule to apply to all types of spousal support, except reimbursement spousal support. The Committee also discussed the need to split the two paragraphs in subrule 9.6(6) into two rules because the paragraphs technically address different ideas.

##### **Recommendation**

To clarify treatment of temporary spousal support, the Committee recommends amending Iowa Court Rules 9.5(1) and 9.6(6) as set forth below.

**9.5(1) Gross monthly income.** In the guidelines, the term “gross monthly income” means reasonably expected income from all sources.

a. Gross monthly income includes ~~traditional or rehabilitative~~ spousal support payments to be received by a party in the pending matter and prior obligation ~~traditional or rehabilitative~~ spousal support payments actually received by a party pursuant to court order. For spousal support payments taxable to the payee and deductible by the payor, the payments shall be added to or subtracted from gross monthly income prior to the computation of federal and state income taxes. For spousal support payments not taxable to the payee or deductible by the payor, the payments will be added or subtracted after the computation of federal and state income taxes in arriving at net monthly income.

(1) If ~~traditional or rehabilitative~~ spousal support is to be paid in the pending matter, whether temporary or permanent, it will be determined first and added to the payee's income and deducted from the payor's income before child support is calculated.

(2) ~~The~~ A payor of prior obligation spousal support will receive a reduction from income for ~~traditional or rehabilitative~~ spousal support actually paid pursuant to court order.

(3) Reimbursement spousal support, whether being paid in a prior matter or to be paid in the pending matter, may ~~shall~~ not be added to ~~the~~ a payee's income or deducted from ~~the~~ a payor's income.

b. Gross monthly income does not include public assistance payments, the earned income tax credit, or child support payments a party receives.

c. Gross income from self-employment is self-employment gross income less reasonable business expenses.

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d. To determine gross income, the court ~~may shall~~ not impute income under rule 9.11 except:

- (1) Pursuant to agreement of the parties, or
- (2) Upon request of a party, and a written determination is made by the court under rule 9.11.

....

**9.6(6)** If a parent's gross income under rule 9.5(1) is adjusted because of spousal support received or paid by the parent, applicable federal and state tax law determines whether those spousal support amounts are used to increase or decrease the parent's taxable income for computing taxes under this rule. ~~If the amount of federal and/or state income tax actually paid by the parent differs substantially from the amount(s) determined by the guideline method of computing taxes, the court may consider whether the difference is sufficient reason to adjust the child support under the criteria in rule 9.11. This rule does not preclude alternate methods of computation by the Child Support Recovery Unit as authorized by Iowa Code section 252B.7A.~~

**9.6(7)** If the amount of federal or state income tax, or both, actually paid by a parent differs substantially from the amount(s) determined by the guideline method of computing taxes, the court may consider whether the difference is sufficient reason to adjust the child support under the criteria in rule 9.11. This rule does not preclude alternate methods of computation by the Child Support Recovery Unit as authorized by Iowa Code section 252B.7A.

## **5. Amend Iowa Court Rules 9.5(2)(f) and (h) for deduction for prior medical support for other children**

As a result of the Committee's recommendation after the 2016 guidelines review, the Court amended rule 9.14(5)(b), to prorate health insurance premium costs among the individuals covered by the plan to prevent overstating the cost of health insurance attributable to the children in the pending action. However, corresponding changes were not made to rule 9.5(2)(f) to carry over that proration for health insurance premium costs for other children claimed as a deduction to net income.

Under rule 9.5(2)(f), a party could still claim the entire premium amount paid on other cases where health insurance has been ordered. This creates the unintended possibility that a party could receive duplicate deductions for health insurance premium costs paid under 9.14(5)(b) and 9.5(2)(f). For example, if a party's health insurance plan covers 5 people and 2/5 of the premium is attributable to the children in the pending action, in theory the deduction for court-ordered health insurance premium costs for other children on the plan should be capped at 3/5 of the premium cost. Additionally, on that

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prior case, the cost of insurance for those other children would have been prorated between the parents on the other case in accordance with the parents' net incomes. For ease of calculation, and to prevent the need to locate previous orders and determine the parents' appropriate income shares percentages at the time of that previous order, the Committee recommends that the amount applicable to the children of that previous order should be divided in half.

**Recommendation**

The Committee recommends amending Iowa Court Rule 9.5(2)(f) to align the calculation method for health insurance premium costs for other children not in the pending matter with the calculation method in rule 9.14(5)(b). This recommendation would amend rule 9.5(2)(f) to apply only to health insurance premium costs, therefore the Committee also recommends amending rule 9.5(2)(h) to include any deduction for cash medical support with the deduction for prior obligation child support. Rules 9.5(2)(f) and (h) would be amended as follows:

**9.5(2) Net monthly income.** In the guidelines the term “net monthly income” means gross monthly income less deductions for the following:

....

~~f. Actual medical support paid pursuant to court order or administrative order in another order for other children, not the pending matter.~~ Health insurance premium costs for other children not in the pending matter when coverage is provided pursuant to court or administrative order or for children who are qualified additional dependents under rule 9.7. For purposes of this deduction, the premium cost for other children is one-half of the amount calculated for those other children utilizing the method specified in rule 9.14(5)(b).

....

~~h. Cash medical support and~~ Prior obligation of child support actually paid pursuant to court or administrative order for other children, not in the pending matter.

**6. Update Iowa Court Rule 9.11(4) on imputation of income**

The Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs Final Rule (Final Rule) amended 45 C.F.R. 302.56(c)(1)(iii) to include new language focused on the noncustodial parent's earnings, income, and other evidence of ability to pay, as well as a detailed list of items to be considered when imputing income. Additionally, the Final Rule amended 45 C.F.R. 302.56(c)(3) to require a state's guidelines rules to specify

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that incarceration may not be treated as voluntary unemployment when establishing or modifying support.

Iowa Court Rule 9.11(4), Iowa's rule regarding imputation of income in setting a child support obligation, is not currently in compliance with the new federal language. Amending rule 9.11(4) to mirror the federal language would enumerate more factors a court may consider when imputing income to a party, but would not change the nature of how the rule currently operates.

The Committee also considered whether rule 9.11(4) appropriately addresses imputation of income when a parent remarries and is voluntarily unemployed or underemployed due to the parent's reliance on the spouse's income to support the household. The Committee determined that imputation of income issues are very fact specific and that rule 9.11(4) already permits consideration of all factors of consequence.

**Recommendation**

Bring Iowa Court Rule 9.11(4) on imputation of income into compliance with 45 C.F.R. 302.56(c)(1)(iii) and 302.56(c)(3), with the following rule amendments:

**9.11(4)** The court may impute income in appropriate cases subject to the requirements of rule 9.5. If the court finds that a parent is voluntarily unemployed or underemployed without just cause, child support may be calculated based on a determination of earning capacity.

*a.* Incarceration is not voluntary unemployment for purposes of establishing or modifying child support.

*b.* A determination of earning capacity must take into consideration the specific circumstances of the parent to the extent known, and may include such factors as ~~may be made by determining~~ employment potential and probable earnings level based on work and training history, occupational qualifications, prevailing job opportunities, availability of employers willing to hire the parent, and earning levels in the community, ~~and other relevant factors.~~

*c.* The court may also consider the parent's assets, residence, educational attainment, literacy, age, health, criminal record and other employment barriers, record of seeking work, and other relevant factors.

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d. The court ~~may shall~~ not use earning capacity instead of ~~rather than~~ actual earnings or otherwise impute income unless a written determination is made that, if actual earnings were used, substantial injustice would occur or adjustments would be necessary to provide for the needs of the child(ren) or to do justice between the parties.

## **7. Variance for child care expenses**

Child care is often one of the largest expenses working parents face. As such, it is important to note that the child support amounts in the Schedule of Basic Support Obligations do *not* account for child care expenses. While Iowa's current schedule is based on economic data on the cost of raising a child that includes child care expenses, those costs are specifically removed from the data when creating the Schedule of Basic Support Obligations. Child care expenses are excluded because not all households have child care expenses, and including child care expenses in all obligations would inappropriately inflate the basic support obligation in a significant number of cases.

Iowa permits a custodial parent to deduct child care expenses from income in determining the income. However, as noted in past reports, deduction of child care expenses from income has a negligible impact on the child support amount. Iowa is one of only a handful of states to use this methodology to account for child care expenses. Pursuant to rule 9.11A, a variance may also be considered. Most states, by contrast, address child care in their guidelines as either an add-on to the basic support obligation or a separate obligation apportioning child care expenses between the parents.

In 2017, the Iowa Supreme Court, upon the Committee's recommendation, added a new standalone rule, Iowa Court Rule 9.11A, regarding variances for child care expenses. The rule was intended to clarify that the economic data behind the Schedule of Basic Support Obligations does not incorporate child care costs, to remedy an apparent inconsistency in case law about whether the basic support obligation in the guidelines already fully reflects child care costs, and to more strongly underscore a court's ability to vary from the guidelines based on a party's specific child care situation.

Since the adoption of rule 9.11A in 2017, however, the Committee has found little evidence that the rule has been utilized or properly interpreted by Iowa judges, attorneys, and case parties. According to the CSRU 2020 Guideline Deviation Comparisons report,<sup>12</sup> of the 2,147 cases where an Iowa

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<sup>12</sup> "Guideline Deviation Comparisons, Judicial Districts, Child Support Recovery Unit," Iowa Bureau of Collections, (June 2020) (Appendix H).

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court granted a deviation, only 31 cases had deviations for child care and only 5 cases had child care deviations that followed the requirements of rule 9.11A.

The Committee identified the need to further emphasize that child care expenses are not included in the economic data on which the Schedule of Basic Obligations is based, to provide a possible method for computing the variance amount, and to establish a cap on the amount of variance.

The Committee agreed the child care variance rule should provide clear steps for parties, attorneys, and judges. In general, those steps should be to:

- Determine the child care expenses applicable to the child under the rule 9.11A(1) definition.
- Determine whether or not a variance should be granted in any amount.
- Determine the specific amount of the variance, within the cap set by the rule.

**Recommendation**

The Committee recommends amending Iowa Court Rule 9.11A to further emphasize that child care expenses are not included in the economic data on which the Schedule of Basic Support Obligations is based and to provide a more specific method for ordering a child care variance. The Committee also recommends making conforming changes to rules 9.4 and 9.5(2)(j).

**Rule 9.4 Guidelines — rebuttable presumption.** In ordering child support, the court should determine the amount of support specified by the guidelines. There shall be a rebuttable presumption that the amount of child support which would result from the application of the guidelines prescribed by the supreme court is the correct amount of child support to be awarded. That amount may be adjusted upward or downward, however, if the court finds such adjustment necessary to provide for the needs of the children or to do justice between the parties under the special circumstances of the case. In determining the necessity of an adjustment, the custodial parent's child care expenses under rule 9.11A are to be considered. The appropriate amount of child support is zero if the noncustodial parent's only income is from Supplemental Security Income (SSI) paid pursuant to 42 U.S.C. 1381a.

....

**9.5(2)(j)** Actual child care expenses, as defined in rule 9.11A. However, ~~This deduction is not allowed regardless of whether~~ when a variance is granted under rule 9.11A.

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....

**Rule 9.11A Variance for child care expenses.** Because the cost of child care is not included in the economic data used to establish the support amounts in the Schedule of Basic Support Obligations, the custodial parent's child care expenses may constitute grounds for the court to vary requesting an upward variance from the amount of child support that would result from application of the guidelines. If a party requests a variance under this rule, the court must first determine the amount of the custodial parent's child care expenses and then determine the amount of the variance, if any. In determining whether variance is warranted under this rule and rule 9.11, the court should consider the fact that child care expenses are not specifically included in the economic data used to establish the support amounts in the Schedule of Basic Support Obligations. When considering a variance, child care expenses are to be considered independently of any amount computed by use of the guidelines or any other grounds for variance. A variance for child care expenses should be liberally granted and must be supported by written findings in accordance with rule 9.11.

....

**9.11A(3)** In determining the amount of the variance, the court may consider each parent's proportional share of income. The amount of the child care expense variance allowed should not exceed the noncustodial parent's proportional share of income. If variance is warranted, the support order must specify the amount of the basic support obligation calculated before the child care expense variance, the amount of the child care expense variance allowed, and the combined amount of the basic support obligation and the child care expense variance, and when the child care expense variance will end. Absent compelling circumstances, the child care expense variance should not extend beyond the time when there are no longer any children under the age of 13 who are subject to the support order. When a child care expense variance ends pursuant to the terms of the support order, support will automatically adjust to the amount of the basic support obligation without a child care expense variance.

**9.11A(4)** When considering a variance, child care expenses are to be considered independent of any amount computed by use of the guidelines or any other grounds for variance. This rule does not apply to:

— a. court-ordered joint (equally shared) physical care arrangements, as those child care expenses are to be allocated under rule 9.14(3); or

— b. cases where the noncustodial parent's adjusted net monthly income is in the low-income Area A of the schedule in rule 9.26.

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9.11A(5) When a variance is ordered pursuant to rule 9.11A, no deduction for child care expenses under rule 9.5(2)(j) will be allowed in calculating either party's net monthly income to determine the amount of the basic support obligation.

9.11A(6) A change in the amount of child care expenses incurred by the custodial parent is a factor to be considered in determining whether a substantial change in circumstances exists to modify a support order that includes a variance under rule 9.11A.

9.11A(7) Rule 9.11A does not apply to:

a. Court-ordered joint (equally shared) physical care arrangements, as those child care expenses are to be allocated under rule 9.14(3).

b. Cases where the noncustodial parent's adjusted net monthly income is in the low-income Area A of the schedule in rule 9.26.

## **8. Clarify the timeframe applicable to uncovered medical expenses**

Guided by public comments and input from Committee members, the Committee discussed the need for clarifying language regarding uncovered medical expenses under Iowa Court Rule 9.12(5). The current rule does not explicitly define the time period for which the custodial parent is responsible for the first \$250 per child (up to a maximum of \$800 for all children) of uncovered medical expenses or when additional uncovered medical expenses should be shared by the parties. The rule uses the term “per year,” but does not explain when that year starts and ends—whether it follows the calendar year, the anniversary of the filing date of the court order, or some other “year.” This can lead to confusion and disagreements between the parties about the proper definition of a “year” and when the sharing of uncovered medical expenses is triggered.

### **Recommendation**

The Committee recommends the following amendments to Iowa Court Rule 9.12(5) to clarify that the timeframe applicable to uncovered medical expenses is the calendar year.

**9.12(5)** “Uncovered medical expenses” means all medical expenses for the child(ren) not paid by insurance. In cases of joint physical care, the parents will ~~shall~~ share all uncovered medical expenses in proportion to the parents’ ~~their~~ respective net incomes. In all other cases, including split or divided physical care, the custodial parent will ~~shall~~ pay the first \$250 per calendar year per child of uncovered medical expenses up to a maximum

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of \$800 per calendar year for all children. The parents will pay in proportion to their respective net incomes uncovered medical expenses in excess of \$250 per child or a maximum of \$800 per calendar year for all children. ~~Uncovered medical expenses in excess of \$250 per child or a maximum of \$800 per year for all children shall be paid by the parents in proportion to their respective net incomes.~~ “Medical expenses” include, but are not limited to, costs for reasonably necessary medical, orthodontia, dental treatment, physical therapy, eye care, (including eye glasses or contact lenses), mental health treatment, substance abuse treatment, prescription drugs, and any other uncovered medical expense. Uncovered medical expenses are not to be deducted in arriving at net income.

**9. No change to guidelines for suspension of child support during extended periods of visitation with noncustodial parent**

The Committee received public comments requesting review of the treatment of child support during extended periods of visitation, such as during summer vacation or extended holidays. The Committee noted that this issue has been raised during previous quadrennial reviews, and the Committee has previously determined that the custodial parent generally incurs the same expenses and costs related to the children during periods of extended visitation. Iowa case law also holds that because the expenses of maintaining a home for the parent and child continue when the child is absent, child support should not be suspended during these times. *State ex rel. Lara v. Lara*, 495 N.W.2d 719, 721 (Iowa 1993). In addition, Iowa’s guidelines include extraordinary visitation credits for reducing child support when appropriate, and enforcement and calculation of suspensions in support would be very complicated.

**Recommendation**

The Committee recommends that no changes be made to the Iowa Child Support Guidelines to address extended visitation periods.

**10. No change to treatment of student loans in calculation of net income**

The Committee received public comments requesting review of consideration of student loan payments when calculating a party’s net income in a guidelines calculation. The current guidelines rules do not allow for a deduction for student loan payments.

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The Committee has considered this topic in past reviews and previous discussions have focused on the statutory priority of child support payments over student loan payments. Additionally, current case law disallows a deduction for student loan debt. *See In re Marriage of Nelson*, 570 N.W.2d 103, 109 (Iowa 1997) (“It was obviously reasonable—and perhaps to the children’s eventual benefit—for [father] to complete his legal education. [Mother] subscribed to the plan by agreeing to reduced support while he finished his studies, though she did not agree to reduced support during all the years it takes to retire the student loans. For a ten-year period this would amount to more than half of the usual child support period. Notwithstanding [father’s] financial bind, the guidelines clearly and expressly render the reduction of debt a priority status inferior to the needs of his children. The guidelines presuppose that debts can be refinanced, but that childhood cannot be postponed.”).

**Recommendation**

The Committee recommends not making changes to the guidelines rules regarding treatment of student loans in guidelines calculations.

**11. No change to steps used in calculating support amounts in split physical care cases**

The Committee received a comment concerned about calculating support in split physical care cases. The comment noted that when parties have two children, with the father having primary care of one child and the mother having primary care of the other, the higher income parent will pay a greater amount of support than if the parents had joint physical care of both children. Because both parents in a split physical care case must maintain a home to care for the child in their care, just as the parents must do in a joint physical care case, the question was raised why the two calculations are different.

The different calculation for joint physical care is based on economic data that indicates it is less expensive on a per-child basis to have joint physical care of two children because of the economies of scale. The 2008 Guidelines Review Committee Report provided as follows:

[Dr. Venohr] especially recommended that Iowa use the 1.5 multiplier because the pure income shares schedule reflects how much it costs to raise a child in an intact family; that is, one household. It costs more to raise a child in two households than one. The schedule amount multiplied by 1.5 accounts for raising the child in two households.

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(c) Joint physical care: .5 multiplier to account for equal time sharing. It is anticipated that, when joint physical care is ordered, the children will ordinarily spend roughly equal time in each parent's household. The .5 multiplier weighs each parent's share of the support by his or her percent of time with the child (or 50%) and this reflects the amount to be retained by the parent for the time when the child is in that particular parent's care.

The Committee concludes that the current steps used in calculating support in split physical care cases is adequate and does not need to be amended.

**Recommendation**

The Committee recommends not making changes to the guidelines rules regarding child support calculations in split physical custody cases.

**12. Adopt rule 9.27—Form 3: Child Support Guidelines Financial Information Statement, a simplified form for guidelines income information**

The Committee is keenly aware of the complexity of the child support guidelines and the difficulty, particularly for unrepresented persons, of accurately calculating the proper amount of child support according to the guidelines. Indeed, the evolution of the guidelines during the last 30-40 years is remarkable. With each review and adjustment made to the rules, the guidelines become more fair to parents and address more critical economic and family oriented issues. At the same time, greater fairness often comes with additional complexity.

The Committee has identified a need for a simplified form for unrepresented parents to provide basic information on income, deductions, and health insurance costs for specific use in making child support calculations. Lack of income information for a party complicates the current child support action. It also makes it difficult to determine the information on which a child support obligation was based and whether a case meets the statutory criteria for modification in the future.

The Committee recognized that any proposed form to address these issues and provide assistance to judges in the courtroom would require flexibility of use, rather than mandated use, due to different hearing procedures in judicial

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districts and CSRU's already-established practice of serving parties with a financial statement form. The Committee believes such a form could have myriad uses: as a certification of income information under oath that is filed with the court; as a data collection tool to be used in mediations or to guide questioning of parties during hearings; or for practitioners to send to clients for case preparation. This form would not supersede any financial statement or affidavit required by law or court rule in a dissolution action or other proceeding.

**Recommendation**

The Committee recommends adding a form titled *Child Support Guidelines Financial Information Statement* as Form 3 in rule 9.27, and amending rules 9.10 and 9.27 as set forth below, and that the Court's required family law forms in chapter 17 of the Iowa Court Rules be amended to include additional income information as provided in new Form 3.

**Rule 9.10 Child support guidelines worksheet.** All parties must ~~shall~~ file a child support guidelines worksheet prior to a support hearing or establishment of a support order. The parties must ~~shall~~ use Form 1 accompanying that accompanies these rules, unless both parties agree to use Form 2. The Child Support Recovery Unit (CSRU) must ~~shall~~ use Form 2. The parties may supplement any other required financial statements by filing Form 3.

....

**Rule 9.27 Child Support Guidelines Worksheets and Financial Information Statement.**

See Appendix F – *Rule 9.27 Child Support Guidelines Information Statement – Form 3*.

**13. Update Medical Support Table in Iowa Court Rule 9.12(4)**

The Medical Support Table references and mirrors Areas A, B, and C in the Schedule of Basic Support Obligations. Updating the Schedule of Basic Support Obligations necessitates commensurate adjustments to the Medical Support Table in rule 9.12(4).

In 2009, the Court adopted the Pure Income Shares Model as the basis of the Iowa Child Support Guidelines. The Schedule of Basic Support Obligations established an Area A as the low-income adjustment area where policy decisions determined support amounts instead of relying on Betson-Rothbarth (BR) amounts; Area B, where support amounts are transitioned to BR amounts; and Area C, where support amounts are wholly based on BR amounts.

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The Medical Support Table was incorporated into the guidelines based on the same structure as the Schedule of Basic Support Obligations. The Committee finds that relatively modest adjustments will bring the Medical Support Table up to date with the revised Schedule of Basic Support Obligations and increases in minimum support amounts.

**Recommendation**

The Committee recommends three adjustments to the Medical Support Table in rule 9.12(4):

- Change the Preliminary Net Income Area A on the Medical Support Table from 0-1150 to 0-1100.
- Adjust the table to match the shaded Areas of the updated Schedule of Basic Support Obligations, specifically: 1101-1600 for one child; 1601-2000 for two children; 2001-2350 for three children; and no change for four and five or more children.
- Add a new first row to Area B on the Medical Support Table for 1101-1150 and add percentages for the appropriate number of children.

See Appendix B for recommended revisions to the Medical Support Table in rule 9.12(4).

**14. Update Adjusted Net Monthly Income Computation grid in Iowa Court Rule 9.14(1)****Recommendation**

The Committee recommends amending the Adjusted Net Monthly Income Computation grid in rule 9.14(1), specifically in rows G and H, to correspond to recommended changes to rule 9.5.

See Appendix C – *Rule 9.14(1) Adjusted Net Monthly Income Computation* grid.

**15. Amend child support guidelines worksheets****Recommendation**

The Committee recommends amending the Child Support Guidelines Worksheets in rule 9.27 to correspond to recommended changes to rule 9.5.

See Attachment D – *Rule 9.27 Child Support Guidelines Worksheet – Form 1*.

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*See Attachment E – Rule 9.27 Child Support Guidelines Worksheet – Form 2.*

**F. Next Child Support Guidelines Review****1. Next quadrennial review**

The Committee recommends that the Court convene the Committee in summer 2024 for its next four-year review of the guidelines. The Committee would finalize recommendations for the Court's consideration in spring 2025. This timing would allow for a 2025 Iowa Supreme Court Administrative Term review of Committee recommendations with a possible January 1, 2026 effective date for any adopted recommendations.

**2. Topics for Consideration During Next Review**

During each quadrennial review, the Committee invariably identifies and discusses various issues or topics that the Committee determines are best left for future consideration. The Committee notes the following matters to consider during the next review:

- **Accounting for child care costs in guidelines calculations.** Dr. Venohr provided the Committee with data comparing different ways states account for child care expenses in guidelines calculations. According to Dr. Venohr, Iowa remains an outlier in its treatment of child care expenses as a deduction from income and reason for a variance. Dr. Venohr noted that about 40 states prorate child care expenses and treat them as an add-on to the basic obligation, similar to the handling of health insurance costs. Dr. Venohr recommended capping child care expenses so as not to require the payment of an unfair amount of a parent's available income. Variances are generally reserved for unusual or atypical circumstances. Child care expenses are not unusual or atypical. If child care expenses are not adequately addressed with the recommended variance rule, the treatment of child care costs in the guidelines may be reconsidered.
- **Iowa's extraordinary visitation rule.** The Committee also requested that Dr. Venohr provide information on how Iowa's extraordinary visitation rules compare to other states. Dr. Venohr reported that the data behind the cost to raise a child does not present an assumption either way. Dr. Venohr suggested that as long as Iowa's rule works for Iowa families, there is no reason to change it. The Committee

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discussed the number of court-ordered overnights required for extraordinary visitation credit and the credit percentages and determined that the rule should remain unchanged at this time. However, the number of visitation days to qualify for an extraordinary visitation credit and amount of credit may be re-evaluated during the next review.

- **Medical Support Table, Rule 9.12(4).** The Committee also suggests earmarking for the next quadrennial review a comprehensive analysis and review of the Medical Support Table, which could include percentage fractions in the table or percentages below 5% in Area C.
- **Blended care calculations.** Blended care situations arise when the parties have two or more children and the court orders different types of physical care arrangements for the children. For example, in a case with two children, the court may award one parent primary physical care of one child but award the parents joint physical care of the other child. The guidelines do not currently set forth a blended care calculation method. Due to the multifaceted nature of blended care calculations and the need for more data and economic analysis, the Committee determined to refer this topic to the next Guidelines Review Committee.

### G. Conclusion

The Committee intends to submit this final report to the Iowa Supreme Court to allow a period of public comment on the recommendations in time for the Committee to address comments as needed, and for the Court to then take up the report and recommendations during its 2021 Administrative Term. The Committee anticipates that any recommendations the Court adopts could be made effective January 1, 2022.

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### **Appendix**

Appendix A – *Rule 9.26 Child Support Guidelines Schedule*

Appendix B – *Rule 9.12(4) Medical Support Table*

Appendix C – *Rule 9.14(1) Adjusted Net Monthly Income Grid*

Appendix D – *Rule 9.27 Child Support Guidelines Worksheet – Form 1*

Appendix E – *Rule 9.27 Child Support Guidelines Worksheet – Form 2*

Appendix F – *Rule 9.27 Child Support Guidelines Worksheet – Form 3*

Appendix G – “Review of the Iowa Child Support Guidelines: Updated  
Schedule,” Jane Venohr, Center for Policy Research, p. 7 (Jan. 21, 2021)

Appendix H – CSRU 2020 Guideline Deviation Comparisons report

Appendix I – “Economic Review of the Iowa Child Support Guidelines:  
Presentation to Child Support Guidelines Committee,” Jane Venohr, Center  
for Policy Research (Aug. 5, 2016)

**Rule 9.26 Child Support Guidelines Schedule.****Schedule of Basic Support Obligations**

<b>Iowa</b> <b>Schedule of Basic Support Obligations</b>					
<p><b>1. Area A:</b> Except as provided in 2, only the noncustodial parent's income is used in Area A of the shaded area (\$0 to \$1100) in accordance with the low-income adjustment.</p> <p><b>Area B:</b> Two calculations are required in Area B of the low-income shaded area (between \$1101 and \$1600 for one child, between \$1101 and \$2000 for two children, between \$1101 and \$2350 for three children, between \$1101 and \$2400 for four children, and between \$1101 and \$2650 for five or more children).</p> <p>Calculation 1 is the same as the Area A calculation.</p> <p>Calculation 2 uses the parents' combined incomes.</p> <p>The guidelines amount is the lower of the two calculations.</p> <p><b>Area C: Nonshaded area.</b> The parents' combined incomes are used in the remaining (nonshaded) area of the schedule.</p> <p><b>2.</b> In joint (equally shared) physical care cases, regardless of whether a parent is low income, use the parents' combined incomes in the shaded and nonshaded areas of the schedule.</p> <p><b>3.</b> For combined net monthly incomes above \$25,000, the amount of the basic support obligation is deemed to be within the sound discretion of the court or the agency setting support by administrative order but may not be less than the basic support obligation for combined net monthly incomes equal to \$25,000.</p>					
Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
Area A—Low-Income Adjustment					
0 - 100	50	75	100	100	100
101 - 200	56	82	107	109	110
201 - 300	61	90	115	118	121
301 - 400	67	97	122	127	131
401 - 500	72	105	129	136	142
501 - 600	78	112	137	145	152
601 - 700	84	120	144	154	163
701 - 800	89	127	152	163	173
801 - 850	95	134	159	172	184
851 - 900	100	142	166	181	194
901 - 950	106	149	174	190	205
951 - 1000	111	157	181	199	215
1001 - 1050	117	164	188	208	226
1051 - 1100	123	171	196	217	236
Area B—Low-Income Adjustment					
1101 - 1150	128	179	203	226	247
1151 - 1200	153	209	235	258	284
1201 - 1250	178	239	268	290	321

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
1251 - 1300	203	269	300	323	359
1301 - 1350	228	299	333	355	396
1351 - 1400	253	329	365	388	434
1401 - 1450	278	359	398	420	471
1451 - 1500	303	389	430	453	509
1501 - 1550	328	419	463	485	546
1551 - 1600	353	449	495	518	584
1601 - 1650	375	479	528	550	621
1651 - 1700	386	509	560	583	659
1701 - 1750	398	539	593	615	696
1751 - 1800	409	569	625	648	734
1801 - 1850	421	599	658	680	771
1851 - 1900	432	629	690	713	809
1901 - 1950	444	659	723	745	846
1951 - 2000	455	689	755	778	869
2001 - 2050	467	711	788	810	891
2051 - 2100	478	728	820	843	913
2101 - 2150	490	746	853	875	935
2151 - 2200	501	763	885	908	957
2201 - 2250	513	781	918	940	979
2251 - 2300	524	798	950	973	1001
2301 - 2350	536	816	983	1000	1023
2351 - 2400	547	833	1008	1021	1045
2401 - 2450	559	851	1029	1043	1067
2451 - 2500	570	869	1050	1064	1089
2501 - 2550	582	886	1071	1086	1111
2551 - 2600	593	904	1092	1107	1133
2601 - 2650	605	921	1114	1129	1155
Area C—Nonshaded Area					
2651 - 2700	616	939	1135	1150	1177
2701 - 2750	628	956	1156	1172	1199
2751 - 2800	640	973	1175	1193	1221
2801 - 2850	651	988	1193	1215	1243
2851 - 2900	663	1003	1210	1236	1265
2901 - 2950	674	1018	1227	1258	1287
2951 - 3000	686	1033	1245	1279	1309
3001 - 3050	697	1049	1262	1301	1331
3051 - 3100	709	1064	1280	1322	1353
3101 - 3150	720	1079	1297	1344	1375
3151 - 3200	732	1094	1315	1365	1397
3201 - 3250	742	1111	1335	1387	1419

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
3251 - 3300	752	1128	1355	1408	1441
3301 - 3350	763	1145	1375	1430	1463
3351 - 3400	773	1162	1395	1451	1485
3401 - 3450	784	1179	1415	1473	1507
3451 - 3500	794	1196	1435	1494	1529
3501 - 3550	805	1213	1455	1516	1551
3551 - 3600	815	1230	1475	1537	1573
3601 - 3650	824	1245	1493	1559	1595
3651 - 3700	833	1257	1508	1580	1617
3701 - 3750	841	1270	1523	1602	1639
3751 - 3800	850	1283	1538	1623	1661
3801 - 3850	858	1295	1553	1645	1683
3851 - 3900	867	1308	1568	1666	1705
3901 - 3950	875	1321	1583	1688	1727
3951 - 4000	884	1333	1598	1709	1749
4001 - 4050	892	1345	1612	1730	1771
4051 - 4100	897	1353	1620	1748	1793
4101 - 4150	902	1360	1629	1766	1815
4151 - 4200	907	1368	1637	1784	1837
4201 - 4250	912	1375	1646	1802	1859
4251 - 4300	918	1383	1654	1820	1881
4301 - 4350	923	1390	1663	1838	1903
4351 - 4400	928	1398	1671	1856	1925
4401 - 4450	933	1405	1680	1873	1947
4451 - 4500	938	1411	1685	1882	1967
4501 - 4550	943	1417	1690	1887	1986
4551 - 4600	948	1422	1694	1892	2005
4601 - 4650	952	1428	1699	1897	2023
4651 - 4700	957	1433	1703	1902	2042
4701 - 4750	962	1438	1707	1907	2061
4751 - 4800	966	1444	1712	1912	2080
4801 - 4850	971	1449	1716	1917	2098
4851 - 4900	976	1456	1723	1924	2117
4901 - 4950	983	1467	1738	1941	2135
4951 - 5000	989	1478	1752	1957	2153
5001 - 5050	996	1489	1767	1974	2171
5051 - 5100	1003	1500	1781	1990	2189
5101 - 5150	1009	1511	1796	2006	2207
5151 - 5200	1016	1522	1811	2023	2225
5201 - 5250	1022	1533	1825	2039	2243
5251 - 5300	1029	1544	1840	2055	2261
5301 - 5350	1033	1550	1846	2062	2269

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
5351 - 5400	1037	1555	1850	2067	2273
5401 - 5450	1041	1560	1854	2071	2278
5451 - 5500	1045	1564	1858	2075	2282
5501 - 5550	1049	1569	1861	2079	2287
5551 - 5600	1053	1573	1865	2083	2291
5601 - 5650	1057	1578	1869	2087	2296
5651 - 5700	1061	1583	1872	2091	2301
5701 - 5750	1066	1588	1877	2097	2307
5751 - 5800	1071	1595	1885	2105	2316
5801 - 5850	1077	1603	1892	2113	2325
5851 - 5900	1083	1610	1899	2122	2334
5901 - 5950	1088	1617	1907	2130	2343
5951 - 6000	1094	1624	1914	2138	2352
6001 - 6050	1099	1632	1922	2146	2361
6051 - 6100	1105	1639	1929	2155	2370
6101 - 6150	1110	1646	1936	2163	2379
6151 - 6200	1118	1657	1948	2176	2394
6201 - 6250	1126	1669	1961	2191	2410
6251 - 6300	1135	1680	1974	2205	2426
6301 - 6350	1143	1692	1987	2219	2441
6351 - 6400	1151	1704	2000	2234	2457
6401 - 6450	1160	1715	2013	2248	2473
6451 - 6500	1168	1727	2026	2262	2489
6501 - 6550	1176	1738	2038	2277	2505
6551 - 6600	1184	1750	2051	2291	2520
6601 - 6650	1193	1762	2064	2306	2536
6651 - 6700	1201	1773	2077	2320	2552
6701 - 6750	1209	1785	2090	2334	2568
6751 - 6800	1217	1796	2103	2349	2583
6801 - 6850	1223	1806	2116	2363	2599
6851 - 6900	1229	1816	2128	2378	2615
6901 - 6950	1235	1826	2141	2392	2631
6951 - 7000	1241	1836	2154	2406	2647
7001 - 7050	1247	1846	2167	2421	2663
7051 - 7100	1253	1856	2180	2435	2679
7101 - 7150	1259	1866	2193	2450	2695
7151 - 7200	1265	1876	2206	2464	2711
7201 - 7250	1271	1886	2219	2479	2727
7251 - 7300	1277	1896	2232	2493	2742
7301 - 7350	1283	1906	2245	2508	2758
7351 - 7400	1289	1916	2258	2522	2774
7401 - 7450	1295	1924	2268	2534	2787

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
7451 - 7500	1300	1930	2275	2542	2796
7501 - 7550	1304	1937	2283	2550	2805
7551 - 7600	1309	1944	2290	2558	2813
7601 - 7650	1314	1950	2297	2566	2822
7651 - 7700	1318	1957	2304	2574	2831
7701 - 7750	1323	1963	2311	2582	2840
7751 - 7800	1328	1970	2318	2590	2849
7801 - 7850	1333	1976	2326	2598	2858
7851 - 7900	1337	1983	2333	2606	2866
7901 - 7950	1342	1989	2340	2614	2875
7951 - 8000	1347	1996	2347	2622	2884
8001 - 8050	1351	2003	2354	2630	2893
8051 - 8100	1357	2010	2362	2639	2903
8101 - 8150	1363	2018	2371	2648	2913
8151 - 8200	1369	2026	2379	2657	2923
8201 - 8250	1375	2034	2387	2667	2933
8251 - 8300	1381	2043	2396	2676	2943
8301 - 8350	1388	2051	2404	2685	2954
8351 - 8400	1394	2059	2412	2694	2964
8401 - 8450	1400	2067	2421	2704	2974
8451 - 8500	1406	2075	2429	2713	2984
8501 - 8550	1412	2083	2437	2722	2994
8551 - 8600	1418	2091	2445	2732	3005
8601 - 8650	1424	2099	2454	2741	3015
8651 - 8700	1430	2107	2462	2750	3025
8701 - 8750	1436	2115	2470	2759	3035
8751 - 8800	1442	2123	2479	2769	3045
8801 - 8850	1448	2131	2487	2778	3056
8851 - 8900	1454	2139	2495	2787	3066
8901 - 8950	1458	2144	2500	2793	3072
8951 - 9000	1462	2149	2505	2798	3078
9001 - 9050	1466	2154	2510	2803	3084
9051 - 9100	1470	2159	2514	2808	3089
9101 - 9150	1474	2164	2519	2814	3095
9151 - 9200	1478	2169	2524	2819	3101
9201 - 9250	1482	2174	2528	2824	3106
9251 - 9300	1485	2178	2533	2829	3112
9301 - 9350	1489	2183	2537	2834	3118
9351 - 9400	1493	2188	2542	2839	3123
9401 - 9450	1497	2193	2547	2845	3129
9451 - 9500	1501	2198	2551	2850	3135
9501 - 9550	1505	2203	2556	2855	3141

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
9551 - 9600	1509	2208	2561	2860	3146
9601 - 9650	1512	2212	2565	2865	3152
9651 - 9700	1516	2217	2570	2871	3158
9701 - 9750	1520	2222	2575	2876	3163
9751 - 9800	1527	2232	2586	2889	3178
9801 - 9850	1534	2243	2599	2903	3193
9851 - 9900	1541	2254	2611	2917	3209
9901 - 9950	1549	2264	2624	2931	3224
9951 - 10000	1556	2275	2636	2945	3239
10001 - 10050	1563	2285	2649	2959	3254
10051 - 10100	1570	2296	2661	2973	3270
10101 - 10150	1577	2306	2674	2986	3285
10151 - 10200	1584	2314	2685	2999	3299
10201 - 10250	1591	2318	2689	3004	3304
10251 - 10300	1598	2323	2694	3010	3311
10301 - 10350	1606	2329	2702	3018	3319
10351 - 10400	1613	2335	2709	3025	3328
10401 - 10450	1620	2342	2716	3033	3337
10451 - 10500	1627	2348	2723	3041	3345
10501 - 10550	1634	2355	2730	3049	3354
10551 - 10600	1641	2361	2737	3057	3363
10601 - 10650	1648	2367	2744	3065	3371
10651 - 10700	1655	2374	2751	3073	3380
10701 - 10750	1663	2380	2758	3081	3389
10751 - 10800	1670	2386	2765	3089	3397
10801 - 10850	1677	2393	2772	3097	3406
10851 - 10900	1684	2399	2779	3104	3415
10901 - 10950	1691	2405	2786	3112	3424
10951 - 11000	1698	2412	2793	3120	3432
11001 - 11050	1703	2418	2800	3128	3441
11051 - 11100	1708	2424	2807	3136	3450
11101 - 11150	1713	2431	2815	3144	3458
11151 - 11200	1718	2437	2822	3152	3467
11201 - 11250	1722	2444	2829	3160	3476
11251 - 11300	1727	2450	2836	3168	3484
11301 - 11350	1732	2456	2843	3175	3493
11351 - 11400	1736	2463	2850	3183	3502
11401 - 11450	1741	2469	2857	3191	3510
11451 - 11500	1746	2475	2864	3199	3519
11501 - 11550	1751	2483	2872	3208	3529
11551 - 11600	1756	2490	2881	3218	3540
11601 - 11650	1761	2497	2890	3228	3550

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
11651 - 11700	1766	2505	2898	3237	3561
11701 - 11750	1772	2512	2907	3247	3571
11751 - 11800	1777	2520	2915	3256	3582
11801 - 11850	1782	2527	2924	3266	3592
11851 - 11900	1787	2534	2932	3275	3603
11901 - 11950	1792	2542	2941	3285	3613
11951 - 12000	1798	2549	2949	3295	3624
12001 - 12050	1803	2557	2958	3304	3635
12051 - 12100	1808	2564	2967	3314	3645
12101 - 12150	1813	2571	2975	3323	3656
12151 - 12200	1818	2579	2984	3333	3666
12201 - 12250	1824	2586	2992	3342	3677
12251 - 12300	1829	2593	3001	3352	3687
12301 - 12350	1834	2601	3009	3362	3698
12351 - 12400	1839	2608	3018	3371	3708
12401 - 12450	1844	2616	3027	3381	3719
12451 - 12500	1850	2623	3035	3390	3729
12501 - 12550	1855	2630	3044	3400	3740
12551 - 12600	1860	2638	3052	3409	3750
12601 - 12650	1865	2645	3061	3419	3761
12651 - 12700	1870	2653	3069	3428	3771
12701 - 12750	1876	2660	3078	3438	3782
12751 - 12800	1881	2667	3086	3448	3792
12801 - 12850	1886	2675	3095	3457	3803
12851 - 12900	1891	2682	3104	3467	3813
12901 - 12950	1896	2690	3112	3476	3824
12951 - 13000	1902	2697	3121	3486	3834
13001 - 13050	1907	2704	3129	3495	3845
13051 - 13100	1912	2712	3138	3505	3855
13101 - 13150	1917	2719	3146	3515	3866
13151 - 13200	1922	2727	3155	3524	3877
13201 - 13250	1928	2734	3164	3534	3887
13251 - 13300	1933	2741	3172	3543	3898
13301 - 13350	1938	2749	3181	3553	3908
13351 - 13400	1943	2756	3189	3562	3919
13401 - 13450	1948	2764	3198	3572	3929
13451 - 13500	1953	2769	3204	3579	3937
13501 - 13550	1956	2775	3210	3586	3945
13551 - 13600	1960	2780	3216	3593	3952
13601 - 13650	1964	2785	3222	3599	3959
13651 - 13700	1968	2791	3228	3606	3967
13701 - 13750	1972	2796	3235	3613	3974

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
13751 - 13800	1976	2802	3241	3620	3982
13801 - 13850	1980	2807	3247	3626	3989
13851 - 13900	1984	2812	3253	3633	3997
13901 - 13950	1988	2818	3259	3640	4004
13951 - 14000	1991	2823	3265	3647	4011
14001 - 14050	1995	2828	3271	3653	4019
14051 - 14100	1999	2834	3277	3660	4026
14101 - 14150	2003	2839	3283	3667	4034
14151 - 14200	2007	2844	3289	3674	4041
14201 - 14250	2011	2850	3295	3681	4049
14251 - 14300	2015	2855	3301	3687	4056
14301 - 14350	2019	2861	3307	3694	4063
14351 - 14400	2023	2866	3313	3701	4071
14401 - 14450	2026	2871	3319	3708	4078
14451 - 14500	2030	2877	3325	3714	4086
14501 - 14550	2034	2882	3331	3721	4093
14551 - 14600	2038	2887	3337	3728	4101
14601 - 14650	2042	2893	3343	3735	4108
14651 - 14700	2046	2898	3349	3741	4115
14701 - 14750	2050	2904	3355	3748	4123
14751 - 14800	2054	2909	3362	3755	4130
14801 - 14850	2058	2914	3368	3762	4138
14851 - 14900	2061	2920	3374	3768	4145
14901 - 14950	2065	2925	3380	3775	4153
14951 - 15000	2069	2930	3386	3782	4160
15001 - 15050	2073	2936	3392	3789	4167
15051 - 15100	2077	2941	3398	3795	4175
15101 - 15150	2081	2947	3404	3802	4182
15151 - 15200	2085	2952	3410	3809	4190
15201 - 15250	2089	2957	3416	3816	4197
15251 - 15300	2093	2963	3422	3822	4205
15301 - 15350	2096	2968	3428	3829	4212
15351 - 15400	2100	2973	3434	3836	4219
15401 - 15450	2104	2979	3440	3843	4227
15451 - 15500	2108	2984	3446	3849	4234
15501 - 15550	2112	2989	3452	3856	4242
15551 - 15600	2116	2995	3458	3863	4249
15601 - 15650	2120	3000	3464	3870	4257
15651 - 15700	2124	3006	3470	3876	4264
15701 - 15750	2128	3011	3476	3883	4271
15751 - 15800	2131	3016	3482	3890	4279
15801 - 15850	2135	3022	3488	3897	4286

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
15851 - 15900	2139	3027	3495	3903	4294
15901 - 15950	2143	3032	3501	3910	4301
15951 - 16000	2147	3038	3507	3917	4309
16001 - 16050	2151	3043	3513	3924	4316
16051 - 16100	2155	3049	3519	3930	4323
16101 - 16150	2159	3054	3525	3937	4331
16151 - 16200	2163	3059	3531	3944	4338
16201 - 16250	2166	3065	3537	3951	4346
16251 - 16300	2170	3070	3543	3957	4353
16301 - 16350	2174	3075	3549	3964	4361
16351 - 16400	2178	3081	3555	3971	4368
16401 - 16450	2182	3086	3561	3978	4375
16451 - 16500	2186	3091	3567	3984	4383
16501 - 16550	2190	3097	3573	3991	4390
16551 - 16600	2194	3102	3579	3998	4398
16601 - 16650	2198	3108	3585	4005	4405
16651 - 16700	2201	3113	3591	4011	4413
16701 - 16750	2205	3118	3597	4018	4420
16751 - 16800	2209	3124	3603	4025	4427
16801 - 16850	2213	3129	3609	4032	4435
16851 - 16900	2217	3134	3615	4038	4442
16901 - 16950	2221	3140	3622	4045	4450
16951 - 17000	2225	3145	3628	4052	4457
17001 - 17050	2229	3151	3634	4059	4465
17051 - 17100	2233	3156	3640	4065	4472
17101 - 17150	2236	3161	3646	4072	4479
17151 - 17200	2240	3167	3652	4079	4487
17201 - 17250	2244	3172	3658	4086	4494
17251 - 17300	2248	3177	3664	4093	4502
17301 - 17350	2252	3183	3670	4099	4509
17351 - 17400	2256	3188	3676	4106	4517
17401 - 17450	2260	3194	3682	4113	4524
17451 - 17500	2264	3199	3688	4120	4531
17501 - 17550	2268	3204	3694	4126	4539
17551 - 17600	2271	3210	3700	4133	4546
17601 - 17650	2275	3215	3706	4140	4554
17651 - 17700	2279	3220	3712	4147	4561
17701 - 17750	2283	3226	3718	4153	4569
17751 - 17800	2287	3231	3724	4160	4576
17801 - 17850	2291	3236	3730	4167	4583
17851 - 17900	2295	3242	3736	4174	4591
17901 - 17950	2299	3247	3742	4180	4598

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
17951 - 18000	2303	3253	3748	4187	4606
18001 - 18050	2306	3258	3755	4194	4613
18051 - 18100	2310	3263	3761	4201	4621
18101 - 18150	2314	3269	3767	4207	4628
18151 - 18200	2318	3274	3773	4214	4635
18201 - 18250	2322	3279	3779	4221	4643
18251 - 18300	2326	3285	3785	4228	4650
18301 - 18350	2330	3290	3791	4234	4658
18351 - 18400	2334	3296	3797	4241	4665
18401 - 18450	2338	3301	3803	4248	4673
18451 - 18500	2341	3306	3809	4255	4680
18501 - 18550	2345	3312	3815	4261	4687
18551 - 18600	2349	3317	3821	4268	4695
18601 - 18650	2353	3322	3827	4275	4702
18651 - 18700	2357	3328	3833	4282	4710
18701 - 18750	2361	3333	3839	4288	4717
18751 - 18800	2365	3339	3845	4295	4725
18801 - 18850	2369	3344	3851	4302	4732
18851 - 18900	2373	3349	3857	4309	4740
18901 - 18950	2376	3355	3863	4315	4747
18951 - 19000	2380	3360	3869	4322	4754
19001 - 19050	2384	3365	3875	4329	4762
19051 - 19100	2388	3371	3882	4336	4769
19101 - 19150	2392	3376	3888	4342	4777
19151 - 19200	2396	3381	3894	4349	4784
19201 - 19250	2400	3387	3900	4356	4792
19251 - 19300	2404	3392	3906	4363	4799
19301 - 19350	2408	3398	3912	4369	4806
19351 - 19400	2411	3403	3918	4376	4814
19401 - 19450	2415	3408	3924	4383	4821
19451 - 19500	2419	3414	3930	4390	4829
19501 - 19550	2423	3419	3936	4396	4836
19551 - 19600	2427	3424	3942	4403	4844
19601 - 19650	2431	3430	3948	4410	4851
19651 - 19700	2435	3435	3954	4417	4858
19701 - 19750	2439	3441	3960	4423	4866
19751 - 19800	2443	3446	3966	4430	4873
19801 - 19850	2446	3451	3972	4437	4881
19851 - 19900	2450	3457	3978	4444	4888
19901 - 19950	2454	3462	3984	4450	4896
19951 - 20000	2458	3467	3990	4457	4903
20001 - 20050	2462	3473	3996	4464	4910

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
20051 - 20100	2466	3478	4002	4471	4918
20101 - 20150	2470	3483	4009	4477	4925
20151 - 20200	2474	3489	4015	4484	4933
20201 - 20250	2478	3494	4021	4491	4940
20251 - 20300	2481	3500	4027	4498	4948
20301 - 20350	2485	3505	4033	4505	4955
20351 - 20400	2489	3510	4039	4511	4962
20401 - 20450	2493	3516	4045	4518	4970
20451 - 20500	2497	3521	4051	4525	4977
20501 - 20550	2501	3526	4057	4532	4985
20551 - 20600	2505	3532	4063	4538	4992
20601 - 20650	2509	3537	4069	4545	5000
20651 - 20700	2513	3543	4075	4552	5007
20701 - 20750	2516	3548	4081	4559	5014
20751 - 20800	2520	3553	4087	4565	5022
20801 - 20850	2524	3559	4093	4572	5029
20851 - 20900	2528	3564	4099	4579	5037
20901 - 20950	2532	3569	4105	4586	5044
20951 - 21000	2536	3575	4111	4592	5052
21001 - 21050	2540	3580	4117	4599	5059
21051 - 21100	2544	3586	4123	4606	5066
21101 - 21150	2548	3591	4129	4613	5074
21151 - 21200	2551	3596	4135	4619	5081
21201 - 21250	2555	3602	4142	4626	5089
21251 - 21300	2559	3607	4148	4633	5096
21301 - 21350	2563	3612	4154	4640	5104
21351 - 21400	2567	3618	4160	4646	5111
21401 - 21450	2571	3623	4166	4653	5118
21451 - 21500	2575	3628	4172	4660	5126
21501 - 21550	2579	3634	4178	4667	5133
21551 - 21600	2583	3639	4184	4673	5141
21601 - 21650	2586	3645	4190	4680	5148
21651 - 21700	2590	3650	4196	4687	5156
21701 - 21750	2594	3655	4202	4694	5163
21751 - 21800	2598	3661	4208	4700	5170
21801 - 21850	2602	3666	4214	4707	5178
21851 - 21900	2606	3671	4219	4712	5183
21901 - 21950	2610	3676	4224	4717	5188
21951 - 22000	2614	3681	4228	4722	5193
22001 - 22050	2617	3685	4233	4726	5197
22051 - 22100	2621	3690	4238	4731	5202
22101 - 22150	2625	3695	4242	4736	5207

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
22151 - 22200	2629	3700	4247	4741	5212
22201 - 22250	2633	3705	4252	4745	5216
22251 - 22300	2637	3709	4257	4750	5221
22301 - 22350	2641	3714	4261	4755	5226
22351 - 22400	2644	3719	4266	4759	5231
22401 - 22450	2648	3724	4271	4764	5235
22451 - 22500	2652	3729	4275	4769	5240
22501 - 22550	2656	3733	4280	4774	5245
22551 - 22600	2660	3738	4285	4778	5250
22601 - 22650	2664	3743	4289	4783	5254
22651 - 22700	2668	3748	4294	4788	5259
22701 - 22750	2671	3753	4299	4792	5264
22751 - 22800	2675	3757	4303	4797	5269
22801 - 22850	2679	3762	4308	4802	5273
22851 - 22900	2683	3767	4313	4807	5278
22901 - 22950	2687	3772	4317	4811	5283
22951 - 23000	2691	3777	4322	4816	5288
23001 - 23050	2695	3781	4327	4821	5292
23051 - 23100	2698	3786	4332	4825	5297
23101 - 23150	2702	3791	4336	4830	5302
23151 - 23200	2706	3796	4341	4835	5307
23201 - 23250	2710	3801	4346	4840	5311
23251 - 23300	2714	3805	4350	4844	5316
23301 - 23350	2718	3810	4355	4849	5321
23351 - 23400	2722	3815	4360	4854	5326
23401 - 23450	2725	3820	4364	4859	5330
23451 - 23500	2729	3825	4369	4863	5335
23501 - 23550	2733	3829	4374	4868	5340
23551 - 23600	2737	3834	4378	4873	5345
23601 - 23650	2741	3839	4383	4877	5349
23651 - 23700	2745	3844	4388	4882	5354
23701 - 23750	2749	3849	4392	4887	5359
23751 - 23800	2752	3853	4397	4892	5364
23801 - 23850	2756	3858	4402	4896	5369
23851 - 23900	2760	3863	4407	4901	5373
23901 - 23950	2764	3868	4411	4906	5378
23951 - 24000	2768	3873	4416	4910	5383
24001 - 24050	2772	3877	4421	4915	5388
24051 - 24100	2776	3882	4425	4920	5392
24101 - 24150	2779	3887	4430	4925	5397
24151 - 24200	2783	3892	4435	4929	5402
24201 - 24250	2787	3897	4439	4934	5407

Combined or Individual Adjusted Net Income (see 1 and 2 above)	One Child	Two Children	Three Children	Four Children	Five or More Children
24251 - 24300	2791	3901	4444	4939	5411
24301 - 24350	2795	3906	4449	4943	5416
24351 - 24400	2799	3911	4453	4948	5421
24401 - 24450	2803	3916	4458	4953	5426
24451 - 24500	2806	3921	4463	4958	5430
24501 - 24550	2810	3925	4467	4962	5435
24551 - 24600	2814	3930	4472	4967	5440
24601 - 24650	2818	3935	4477	4972	5445
24651 - 24700	2822	3940	4482	4976	5449
24701 - 24750	2826	3945	4486	4981	5454
24751 - 24800	2830	3949	4491	4986	5459
24801 - 24850	2833	3954	4496	4991	5464
24851 - 24900	2837	3959	4500	4995	5468
24901 - 24950	2841	3964	4505	5000	5473
24951 - 25000	2845	3969	4510	5005	5478

**Rule 9.12(4) Medical Support Table**

<b>Medical Support Table</b>					
Preliminary Net Income	One Child	Two Children	Three Children	Four Children	Five or more Children
0-1100	<b>Area A: Minimum Order</b> Noncustodial parent provides health insurance when it becomes available at no cost to add the child(ren). Health insurance is not an add-on cost in this area. Do not order cash medical support.				
1101-1600 1 child 1601-2000 2 children 2001-2350 3 children 2351-2400 4 children 2401-2650 5+ children	<b>Area B: Shaded area of the schedule</b> Provide health insurance if available at reasonable cost. Find the box for the parent's preliminary net income and number of children. Multiply the percentage in the box (1% -5%) by the parent's gross income to find reasonable cost. Health insurance is an add-on cost in this area. If neither parent has health insurance available at a reasonable cost, if appropriate according to Iowa Code section 252E.1A, the court will order cash medical support under Rule 9.12(3).				
1101-1150	2%	2%	1%	1%	1%
1151-1200	2%	2%	1%	1%	1%
1251-1300	2%	2%	2%	1%	1%
1301-1350	3%	2%	2%	2%	1%
1351-1400	3%	2%	2%	2%	2%
1401-1450	4%	2%	2%	2%	2%
1451-1500	4%	3%	2%	2%	2%
1501-1550	4%	3%	2%	2%	2%
1551-1600	5%	3%	3%	2%	2%
1601-1650	5%	3%	3%	2%	2%
1651-1700	5%	3%	3%	3%	2%
1701-1750	5%	3%	3%	3%	2%
1751-1800	5%	4%	3%	3%	3%
1801-1850	5%	4%	3%	3%	3%
1851-1900	5%	4%	3%	3%	3%
1901-1950	5%	4%	4%	3%	3%
1951-2000	5%	4%	4%	3%	3%
2001-2050	5%	5%	4%	3%	3%
2051-2100	5%	5%	4%	4%	3%
2101-2150	5%	5%	4%	4%	3%
2151-2200	5%	5%	4%	4%	4%
2201-2250	5%	5%	4%	4%	4%
2251-2300	5%	5%	5%	4%	4%
2301-2350	5%	5%	5%	4%	4%
2351-2400	5%	5%	5%	4%	4%
2401-2450	5%	5%	5%	5%	4%
2451-2500	5%	5%	5%	5%	4%
2501-2550	5%	5%	5%	5%	4%
2551-2600	5%	5%	5%	5%	5%
2601-2650	5%	5%	5%	5%	5%
2651-25,000	5%	5%	5%	5%	5%
<b>Area C: Nonshaded area of the schedule</b> Provide health insurance if available at reasonable cost. Find the box for the parent's preliminary net income and number of children. Multiply the percentage in the box (5%) by the parent's gross income to find reasonable cost. Health insurance is an add-on cost in this area. If neither parent has health insurance available at a reasonable cost, if appropriate according to Iowa Code section 252E.1A, the court will order cash medical support under Rule 9.12(3).					

**Rule 9.14(1) Adjusted Net Monthly Income Computation Grid**

<b>Adjusted Net Monthly Income Computation</b>			
		<b>Custodial Parent*</b>	<b>Noncustodial Parent*</b>
		_____	_____
		<b>(name)</b>	<b>(name)</b>
A.	Gross monthly income (Does not include public assistance payments, <del>or</del> the Earned Income Tax Credit, or child support payments.) Gross income shall be adjusted to reflect receipt by the payee and payments by the payor of spousal support payments pursuant to rule 9.5(1).	\$	\$
B.	Federal income tax (Calculated pursuant to rule 9.6.)	\$	\$
C.	State income tax (Calculated pursuant to rule 9.6.)	\$	\$
D.	Social Security and Medicare tax/mandatory pension deductions (For employees not contributing to Social Security, mandatory pension deductions shall not exceed the current Social Security and Medicare tax rate for employees.)	\$	\$
E.	Mandatory occupational license fees	\$	\$
F.	Union dues	\$	\$
G.	<del>Actual medical support paid pursuant to court order or administrative order in another order for other children, not the pending matter.</del> <u>Health insurance premium costs for other children, not in the pending matter. (See rule 9.5(2)(f).)</u>	\$	\$
H.	<del>Prior</del> <u>Cash medical support and prior obligation of child support actually paid pursuant to court or administrative order for other children, not in the pending matter.</u>	\$	\$
I.	Qualified additional dependent deductions (See rules 9.7 and 9.8.)	\$	\$
J.	Actual child care expenses, as defined in rule 9.11A, for the custodial parent* <u>(No deduction allowed if variance granted under rule 9.11A.)</u>	\$	\$
K.	Preliminary net income for each parent (Line A minus lines B through J for each parent.) (Preliminary net income is used to determine medical support under rule 9.12.)	\$	\$
L.	If ordered in this pending matter, cash medical support as determined in rule 9.12.	\$	\$
M.	Adjusted net monthly income (Line K minus line L.) (Adjusted net monthly income is used to calculate the guideline amount of child support. Enter each parent's amount from line M on either line A of the Basic Method of Child Support Computation or line A of the Joint [Equally Shared] Physical Care Method of Child Support Computation as appropriate.)	\$	\$

\*(In cases of joint physical care, use names only and designate both parents as custodial parents.)

**Form 1**  
**Child Support Guidelines Worksheet**

Docket No: \_\_\_\_\_

**I. Net Monthly Income of Petitioner** (Name) \_\_\_\_\_

Select one: ☐ Custodial Parent ☐ Noncustodial Parent ☐ Joint Physical Care

Petitioner claims \_\_\_\_\_ child/children as tax dependents (list number claimed).

**A. Sources and Amounts of Annual Income:**

_____	\$	
_____	\$	
_____	\$	
plus/minus spousal support payments per rule 9.5(1)	\$	
	Total:	\$ _____

**B. Federal Tax Deduction:**

Gross annual taxable income (\$ _____ untaxed)	\$	
less ½ self employment (FICA) tax	< _____ >	
less federal adjustments to income	< _____ >	
less personal exemptions: self + _____ (list number of dependents claimed)	< _____ >	
less standard deduction		
single <input type="checkbox"/> head of household <input type="checkbox"/> married filing separate <input type="checkbox"/>	< _____ >	
Net taxable income – federal	\$	
Federal tax liability (from tax table)	< _____ >	
Federal tax credit for dependent children	+ _____	
Final federal tax liability		< _____ >

**C. State Tax Deduction:**

Gross annual taxable income	\$	
less ½ self employment (FICA) tax	< _____ >	
less state adjustments to income	< _____ >	
less federal tax liability (adjusted for dependent tax credit)	< _____ >	
less standard deduction		
single <input type="checkbox"/> head of household <input type="checkbox"/> married filing separate <input type="checkbox"/>	< _____ >	
Net taxable income – state	\$	
State tax liability (from tax table) \$ _____		
less personal and dependent credits < _____ >		
plus school district surtax ( _____ %)		
Final state tax liability		< _____ >

**D. Social Security and Medicare Tax / Mandatory Pension Deduction:**

Annual earned income	\$	
Applicable rate (7.65% or 15.3%, as adjusted)	x _____ %	
Annual Social Security and Medicare tax liability or mandatory pension		
(For employees not contributing to Social Security, mandatory pension deduction not to exceed the current Social Security and Medicare rate for employees.)		< _____ >

**E. Other Deductions (Annual):**

1. Mandatory occupational license fees		< _____ >
2. Union dues		< _____ >
3. <del>Actual medical support paid pursuant to court order or administrative order in another order for other children, not the pending matter</del> Health insurance premium costs for other children not in the pending matter (See rule 9.5(2)(f).)		< _____ >
4. <del>Prior Cash medical support and prior obligation of child support actually paid pursuant to court or administrative order for other children not in the pending matter.</del>		< _____ >
5. Deduction for _____ additional qualified dependents		< _____ >
6. If a custodial parent, Petitioner's child care expenses ( <del>present action</del> )	\$	
(No deduction allowed if variance granted under rule 9.11A.)		
less federal child care tax credit	< _____ >	
less state child care tax credit	< _____ >	
less third party reimbursements	< _____ >	
Actual child care expenses, as defined in rule 9.11A.		< _____ >

**Preliminary Net Annual Income**

\$ \_\_\_\_\_

**Preliminary Average Monthly Income of Petitioner**

\$ \_\_\_\_\_

7. Monthly cash medical support ordered in this pending action

&lt; \_\_\_\_\_ &gt;

**Adjusted Net Monthly Income of Petitioner** (Preliminary Average Monthly Income minus Monthly Cash Medical Support ordered in this action.)

\$ \_\_\_\_\_

**II. Net Monthly Income of Respondent (Name)** \_\_\_\_\_Select one: ☐ Custodial Parent ☐ Noncustodial Parent ☐ Joint Physical Care

Respondent claims \_\_\_\_\_ child/children as tax dependents (list number claimed).

**A. Sources and Amounts of Annual Income:**

\_\_\_\_\_

\$ \_\_\_\_\_

\_\_\_\_\_

\$ \_\_\_\_\_

plus/minus spousal support payments per rule 9.5(1)

\$ \_\_\_\_\_

Total: &lt; \_\_\_\_\_ &gt;

**B. Federal Tax Deduction:**

Gross annual taxable income (\_\_\_\_\_ untaxed)

\$ \_\_\_\_\_

less ½ self employment (FICA) tax

&lt; \_\_\_\_\_ &gt;

less federal adjustments to income

&lt; \_\_\_\_\_ &gt;

less personal exemptions: self + \_\_\_\_\_ (list number of dependents claimed)

&lt; \_\_\_\_\_ &gt;

less standard deduction

single ☐ head of household ☐ married filing separate ☐

&lt; \_\_\_\_\_ &gt;

Net taxable income – federal

\$ \_\_\_\_\_

Federal tax liability (from tax table)

&lt; \_\_\_\_\_ &gt;

Federal tax credit for dependent children

+ \_\_\_\_\_

Final federal tax liability

&lt; \_\_\_\_\_ &gt;

**C. State Tax Deduction:**

Gross annual taxable income

\$ \_\_\_\_\_

less ½ self employment (FICA) tax

&lt; \_\_\_\_\_ &gt;

less state adjustments to income

&lt; \_\_\_\_\_ &gt;

less federal tax liability (adjusted for dependent tax credit)

&lt; \_\_\_\_\_ &gt;

less standard deduction

single ☐ head of household ☐ married filing separate ☐

&lt; \_\_\_\_\_ &gt;

Net taxable income – state

\$ \_\_\_\_\_

State tax liability (from tax table) \$ \_\_\_\_\_

less personal and dependent credits &lt; \_\_\_\_\_ &gt;

plus school district surtax ( \_\_\_\_\_ %)

Final state tax liability

&lt; \_\_\_\_\_ &gt;

**D. Social Security and Medicare Tax / Mandatory Pension Deduction:**

Annual earned income

\$ \_\_\_\_\_

Applicable rate (7.65% or 15.3%, as adjusted)

x \_\_\_\_\_ %

Annual Social Security and Medicare tax liability or mandatory pension

(For employees not contributing to Social Security, mandatory pension deduction not to exceed the current Social Security and Medicare rate for employees.)

&lt; \_\_\_\_\_ &gt;

**E. Other Deductions (Annual):**

1. Mandatory occupational license fees

&lt; \_\_\_\_\_ &gt;

2. Union dues

&lt; \_\_\_\_\_ &gt;

3. ~~Actual medical support paid pursuant to court order or administrative order in another order for other children, not the pending matter~~ Health insurance premium costs for other children not in the pending matter (See rule 9.5(2)(f).)

&lt; \_\_\_\_\_ &gt;

4. ~~Prior~~ Cash medical support and prior obligation of child support actually paid pursuant to court or administrative order for other children not in the pending matter.

&lt; \_\_\_\_\_ &gt;

5. Deduction for \_\_\_\_\_ additional qualified dependents

&lt; \_\_\_\_\_ &gt;

6. If a custodial parent, Respondent's child care expenses (~~present action~~)

\$ \_\_\_\_\_

(No deduction allowed if variance granted under rule 9.11A.)

less federal child care tax credit

&lt; \_\_\_\_\_ &gt;

less state child care tax credit	< _____ >
Actual child care expenses, as defined in rule 9.11A	< _____ >
<b>Preliminary Net Annual Income</b>	\$ _____
<b>Preliminary Average Monthly Income of Respondent</b>	\$ _____
7. Monthly cash medical support ordered in this pending action	< _____ >
<b>Adjusted Net Monthly Income of Respondent</b> (Preliminary average monthly income minus monthly cash medical support ordered in this action.)	\$ _____

**III. Calculation of the Guideline Amount of Support** (If applicable.)

	<b>Custodial Parent (CP)</b> [ ] Petitioner [ ] Respondent	<b>Noncustodial Parent (NCP)</b> [ ] Petitioner [ ] Respondent	<b>Combined</b>
A. Adjusted net monthly income	\$ _____	+ \$ _____	= \$ _____
B. Proportional share of income (Also used for uncovered medical expenses.)	_____ %	+ _____ %	= 100%
C. Number of children for whom support is sought			_____
D. Basic support obligation using only ncp's adjusted net monthly income (If low-income adjustment does not apply, enter N/A.)		\$ _____	
E. Basic support obligation using combined adjusted net monthly income (If low-income adjustment applies, enter N/A; see rule 9.3(2) and grid in rule 9.14(2).)			\$ _____
F. Each parent's share of the basic support obligation using combined incomes (If low-income adjustment applies, enter N/A.)	\$ _____	\$ _____	
G. NCP's basic support obligation before health insurance (NCP's amount from line F or low-income adjustment amount Line D.)		\$ _____	
H. Allowable child(ren)'s portion of health insurance premium (Calculated pursuant to rule 9.14(5).)	\$ _____	\$ _____	
I. Health insurance add-on or deduction from NCP's obligation		+ /- \$ _____	
J. Guideline amount of child support for NCP (NCP's line G plus or minus NCP's line I.)		\$ _____	
Guideline amount of cash medical support (if ordered)		\$ _____	

**III. a. Extraordinary Visitation Credit**

(Complete only if noncustodial parent's court-ordered visitation exceeds 127 overnights per year.)

K. NCP's basic support obligation before health insurance (Amount from NCP's line G.)	\$ _____
L. Number of court-ordered visitation overnights with the noncustodial parent	_____
M. Extraordinary visitation credit percentage	_____ %
N. Extraordinary visitation credit (Line K multiplied by Line M.)	\$ _____
O. Guideline amount of child support after credit for extraordinary visitation (Line J minus line N; not less than <del>\$30</del> <u>\$50</u> for one child, <del>or \$50</del> <u>\$75</u> for two <u>children</u> , or <u>\$100</u> for three or more children.)	\$ _____

**III. b. Child Care Expense Variance under rule 9.11A**

(As agreed by the parties and approved or determined by the court.)

P. NCP's guideline amount of child support  
(Amount from line J above [or line O, if applicable].) \$ \_\_\_\_\_

Q. Amount of variance for child care expenses \$ \_\_\_\_\_

R. Adjusted amount of child support  
(Line P plus line Q.) \$ \_\_\_\_\_

**IV. Calculation of the Joint (Equally Shared) Physical Care Guideline Amount of Child Support** (If applicable.)

	<b>Petitioner CP 1</b>		<b>Respondent CP 2</b>		<b>Combined</b>
A. Adjusted net monthly income	\$ _____	+	\$ _____	=	\$ _____
B. Proportional share of income (Also used for uncovered medical expenses.)	_____ %		_____ %	=	100%
C. Number of children for whom support is sought					_____
D. Basic support obligation before health insurance (Use line A combined amount to find amount from Schedule of Basic Support Obligations. The low-income adjustment in the shaded area of the schedule does not apply to joint [equally shared] physical care support computations.)					\$ _____
E. Each parent's basic primary care amount before health insurance (Line B multiplied by line D for each parent.)	\$ _____		\$ _____		
F. Each parent's share of joint physical care support (Line E multiplied by 1.5 for each parent to account for extra costs for two residences.)	\$ _____		\$ _____		
G. Each parent's joint physical care support obligation before health insurance (Line F multiplied by .5 for each parent to account for 50% of time spent with each parent.)	\$ _____		\$ _____		
H. Allowable child(ren)'s portion of health insurance premium* (Calculated pursuant to rule 9.14(5).) *If either parent's net income on line A falls within low-income shaded Area A of the Schedule of Basic Support Obligations, enter N/A. The health insurance adjustment does not apply.	\$ _____		\$ _____		
I. Health insurance add-on to each parent's obligation ( <i>see</i> 9.14(3).)	\$ _____		\$ _____		
J. Guideline amount of child support (Each parent's line G plus each parent's line I.)	\$ _____		\$ _____		
K. Net amount of child support for joint physical care after offset (Subtract smaller amount on line J from larger amount on line J. Parent with larger amount on line J pays the other parent the difference, as a method of payment. If either parent receives assistance through the Family Investment Program [FIP], the other parent's obligation reverts to the amount on line J.)	\$ _____		\$ _____		

**V. Special Findings**

A. Income imputed to Petitioner  
Income imputed to Respondent

B. Estimated income of Petitioner  
Estimated income of Respondent

C. Deviations made from Child Support Guidelines

D. Requested amount of child support \$ \_\_\_\_\_ per month

E. Split or divided physical care summary and offset

Guideline amount of child support Petitioner	Guideline amount of child support Respondent	Net amount of child support after offset
\$ _____	\$ _____	\$ _____

**VI. Changes in Child Support Obligation as Number of Children Entitled to Support Changes**

(For cases with multiple children based on present income and applicable guidelines calculation method.)

**VI. a. Basic Obligation** (If applicable.)

Number of children	NCP's basic support obligation (NCP's line G)*	Health insurance add- on or deduction (NCP's line I)*	Extraordinary visitation credit (If applicable) (line N)*	Guideline amount of child support (line J or O)*
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____

\*(All line references are to Division III, Calculation of the Guideline Amount of Child Support section of the worksheet.)

**VI. b. Joint (Equally Shared) Physical Care Obligation** (If applicable.)

Number of children	Guideline amount of child support Petitioner (CP 1 Line J)*	Guideline amount of child support Respondent (CP 2 Line J)*	Net amount of child support for joint physical care after offset (Line K)*
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____

\*(All line references are to Division IV, Calculation of the Joint (Equally Shared) Physical Care Guideline Amount of Child Support section of the worksheet.)

**State of Iowa**

**ss:**

**County of** \_\_\_\_\_

I certify under the penalty of perjury and pursuant to the laws of the state of Iowa that the preceding is true and correct.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed name)

The undersigned attorney for (Petitioner/Respondent) hereby certifies that this Child Support Guidelines Worksheet was prepared by me or at my direction in good faith reliance upon information available to me at this time.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Attorney signature)

**Rule 9.27 - Child Support Guidelines Worksheet – Form 2**

**Form 2**  
**Child Support Guidelines Worksheet**

Date: \_\_\_\_\_

Case No.: \_\_\_\_\_

Dependents: \_\_\_\_\_

Docket No.: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

( ) Noncustodial Parent [NCP] ( ) Custodial Parent [CP]

( ) Noncustodial Parent [NCP] ( ) Custodial Parent [CP]

Method(s) used to determine income:

Method(s) used to determine income:

( ) Parent's financial  
statement/verified income( ) Parent's financial  
statement/verified income

( ) Other sources

( ) Other sources

( ) CSRU median income

( ) CSRU median income

**I. Adjusted Net Monthly Income Computation**

	<b>Custodial Parent*</b>	<b>Noncustodial Parent*</b>
	(name) _____	(name) _____
A. Gross monthly income	\$ _____	\$ _____
B. Federal income tax	\$ _____	\$ _____
C. State income tax	\$ _____	\$ _____
D. Social Security and Medicare tax / mandatory pension deduction	\$ _____	\$ _____
E. Mandatory occupational license fees deduction	\$ _____	\$ _____
F. Union dues	\$ _____	\$ _____
G. <del>Actual Medical Support Paid Pursuant to Court Order or Administrative Order in Another Order for Other Children, not the Pending Matter</del> Health insurance premium costs for other children not in the pending matter (See rule 9.5(2)(f).)	\$ _____	\$ _____
H. <del>Prior Cash medical support and prior obligation of child support actually paid pursuant to court or administrative order for other children not in the pending matter</del>	\$ _____	\$ _____
I. Qualified additional dependent deductions	\$ _____	\$ _____
J. Actual child care expenses, as defined in rule 9.11A, for the custodial parent* (No deduction allowed if variance granted under rule 9.11A.)	\$ _____	\$ _____
K. Preliminary net income for each parent (Line A minus lines B through J for each parent.)	\$ _____	\$ _____
L. Cash medical support, if ordered in this pending matter	\$ _____	\$ _____

M. Adjusted net monthly income (Line K minus line L.) (Amount used to calculate the guideline amount of child support.)	\$	\$	
	_____	_____	

\*(In cases of joint physical care, use names only and designate both parents as custodial parents.)

## II. Calculation of the Guideline Amount of Support (If applicable.)

	Custodial Parent (CP)		Noncustodial Parent (NCP)		Combined
	_____ (name)		_____ (name)		
A. Adjusted net monthly income	\$ _____	+	\$ _____	=	\$ _____
B. Proportional share of income (Also used for uncovered medical expenses.)	_____ %	+	_____ %	=	100%
C. Number of children for whom support is sought					_____
D. Basic support obligation using only NCP's adjusted net monthly income (If low-income adjustment does not apply, enter N/A.)			\$ _____		
E. Basic support obligation using combined adjusted net monthly income (If low-income adjustment applies enter N/A; <i>see</i> rule 9.3(2) and grid in rule 9.14(2).)					\$ _____
F. Each parent's share of the basic support obligation using combined incomes (If low- income adjustment applies enter N/A.)	\$ _____		\$ _____		
G. NCP's basic support obligation before health insurance (NCP's amount from line F or low-income adjustment amount from line D.)			\$ _____		
H. Allowable child(ren)'s portion of health insurance premium (Calculated pursuant to rule 9.14(5).)	\$ _____		\$ _____		
I. Health insurance add-on or deduction from NCP's obligation		+/-	\$ _____		
J. Guideline amount of child support for NCP (NCP's line G plus or minus NCP's line I.)			\$ _____		

### II. a. Extraordinary Visitation Credit

Complete only if noncustodial parent's court-ordered visitation exceeds 127 overnights per year.

K. NCP's basic support obligation before health insurance (Amount from NCP's line G.)	\$	
	_____	
L. Number of court-ordered visitation overnights with the noncustodial parent		_____
M. Extraordinary visitation credit percentage		_____ %
N. Extraordinary visitation credit (Line K multiplied by line M.)	\$	
	_____	
O. Guideline amount of child support (after credit for extraordinary visitation)		_____

(Line J minus line N; not less than ~~\$30~~\$50 for one child, or ~~\$50~~\$75 for two children, or \$100 for ~~two~~ three or more children.)

\$ \_\_\_\_\_  
\$ \_\_\_\_\_

## II. b. Child Care Expense Variance under rule 9.11A

As agreed by the parties and approved or determined by the court.

P. NCP's guideline amount of child support  
(Amount from line J above [or line O, if applicable].)

\$ \_\_\_\_\_

Q. Amount of variance for child care expenses

\$ \_\_\_\_\_

R. Adjusted amount of child support  
(Line P plus line Q.)

\$ \_\_\_\_\_

## III. Calculation of the Joint (Equally Shared) Physical Care Guideline

Amount of Child Support (If applicable.)

	CP 1	CP 2	Combined
	(name)	(name)	
A. Adjusted net monthly income	\$ _____	+ \$ _____	= \$ _____
B. Proportional share of income (Also used for uncovered medical expenses.)	_____ %	_____ %	= 100%
C. Number of children for whom support is sought			_____
D. Basic support obligation before health insurance (Use line A combined amount to find amount from Schedule of Basic Support Obligations. The low-income adjustment in the shaded area of the schedule does not apply to joint [equally shared] physical care support computations.)			\$ _____
E. Each parent's basic primary care amount before health insurance (Line B multiplied by line D for each parent.)	\$ _____	\$ _____	
F. Each parent's share of joint physical care support (Line E multiplied by 1.5 for each parent to account for extra costs for two residences.)	\$ _____	\$ _____	
G. Each parent's joint physical care support obligation before health insurance (Line F multiplied by .5 for each parent to account for 50% of time spent with each parent.)	\$ _____	\$ _____	
H. Allowable child(ren)'s portion of health insurance premium* (Calculated pursuant to rule 9.14(5).) (If either parent's net income on line A falls within low-income shaded Area A of the Schedule of Basic Support Obligations, enter N/A. The health insurance adjustment does not apply.)	\$ _____	\$ _____	
I. Health insurance add-on to each parent's obligation (See 9.14(3).)	\$ _____	\$ _____	
J. Guideline amount of child support (Each parent's line G plus each parent's line I.)	\$ _____	\$ _____	

- K. Net amount of child support for joint physical care after offset (Subtract smaller amount on line J from larger amount on line J. Parent with larger amount on line J pays the other parent the difference, as a method of payment. If either parent receives assistance through the Family Investment Program [FIP], the other parent's obligation reverts to the amount on line J.)

\$ \_\_\_\_\_ \$ \_\_\_\_\_

**IV. Deviations** (See attachment.)

**V. a. Recommended Amount of Support** \$ \_\_\_\_\_ per \_\_\_\_\_

**V. b. Recommended Amount of Accrued Support** \$ \_\_\_\_\_ (See attachment.)

**VI. Changes in Child Support Obligation as Number of Children Entitled to Support Changes**  
(For cases with multiple children based on present income and applicable guidelines calculation method.)

**VI. a. Basic Obligation** (If applicable.)

Number of children	NCP's basic support obligation (NCP's line G)*	Health insurance add-on or deduction (NCP's line I)*	Extraordinary visitation credit (If applicable.) (Line N)*	Guideline amount of child support (Line J or O)*
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____

\*(All Line references are to Division II, Calculation of the Guideline Amount of Support section of the worksheet.)

**VI. b. Joint (Equally Shared) Physical Care Obligation** (If applicable.)

Number of children	Guideline amount of child support (name) (CP 1 line J)*	Guideline amount of child support (name) (CP 2 line J)*	Net amount of child support for joint physical care after offset (line K)*
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____

\*(All line references are to Division III, Calculation of the Joint (Equally Shared) Physical Care Guideline Amount of Child Support section of the worksheet.)

**VII. Qualified Additional Dependent Deduction** (*See* guidelines for the definition of this term.)

			Paternity Establishment Method			
Child's name	Whose child	Date of birth	Court/ admin. order	In court stmt. & consent	Paternity affidavit	Child born during marriage

**State of Iowa****ss:****County of** \_\_\_\_\_

I certify under the penalty of perjury and pursuant to the laws of the state of Iowa that the preceding is true and correct.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Signature)\_\_\_\_\_  
(Printed name)

The undersigned attorney for \_\_\_\_\_ hereby certifies that this Child Support Guidelines Worksheet was prepared by me or at my direction in good faith reliance upon information available to me at this time.

Date: \_\_\_\_\_

\_\_\_\_\_  
(Attorney signature)

If the Child Support Recovery Unit prepared this form, CSRU is not required to obtain signatures.

This Child Support Guidelines Worksheet was prepared by:

\_\_\_\_\_  
(CSRU Printed name)

Date: \_\_\_\_\_

**Rule 9.27 – Form 3: Child Support Guidelines Financial Information Statement****Form 3: Child Support Guidelines Financial Information Statement**

Case Identifying Information		
Full Name (First, Middle, Last):		
Court Docket Number:	County,	No.
Children on this Case (attach additional page if needed)	<i>Initials</i>	<i>Birth Year</i>
Child 1		
Child 2		
Marital Status:	Single	Married

Income		
Are you presently employed?	Yes	No
Are you self-employed?	Yes	No
Are you full- or part-time?	Full-Time	Part-Time
Are you salaried or hourly?	Salaried	Hourly
What is your pay rate?	\$ per Hour / Week / Month / Year	
How many hours do you work?	Hours per Week / Month / Year	
Do you earn overtime?	Yes	No
What is your overtime pay rate?	\$ per Hour	
How much overtime do you work?	Hours per Week / Month / Year	
Do you receive regular bonuses or commissions?	Yes	No
In what amounts and how often?	\$ per Week / Month / Year	
Do you have any second or part-time jobs?	Yes	No
What is your pay rate?	\$ per Hour / Week / Month / Year	
How many hours do you work?	Hours per Week / Month / Year	
Do you receive spousal support?	Yes	No
In what amounts and how often?	\$ per Week / Month / Year	
Under what county and state court order?	County,	No.
Do you regularly receive any other monetary amounts?	Yes	No
From what sources?		
In what amounts and how often?	\$ per Week / Month / Year	

Deductions		
Do you pay spousal support?	Yes	No
In what amounts and how often?	\$ per Week / Month / Year	
Under what county and state court order?	County,	No.
Do you make mandatory pension contributions?	Yes	No
In what amounts and how often?	\$ per Week / Bi-Week / Month / Year	
Do you pay mandatory occupational license fees?	Yes	No
In what amounts and how often?	\$ per Week / Bi-Week / Month / Year	

Do you pay union dues?	Yes	No.
In what amounts and how often?	\$ per Week / Bi-Week / Month / Year	
Do you pay <i>ongoing</i> medical support for other minor children?	Yes	No.
Which children? (initials and birth year only)		
In what amounts and how often?	\$ per Week / Month / Year	
Under what county and state court order?	County, No.	
How much have you actually paid in last year?	\$	
Do you pay <i>ongoing</i> child support for other minor children?	Yes	No.
Which children? (initials and birth year only)		
In what amounts and how often?	\$ per Week / Month / Year	
Under what county and state court order?	County, No.	
When was the order originally entered?		
How much have you actually paid in last year?	\$	
Do you pay child care expenses for this case's children?	Yes	No
In what amounts and how often?	\$ per Week / Month / Year	

Other Children		
Do you have other minor children (not stepchildren)?	Yes	No
<i>Child's Initials</i> (attach additional page if needed)	<i>Child's Birth Year</i>	<i>Are You Legally Responsible? *</i>
Child 1:		
Child 2:		
* To be legally responsible means that you either (a) gave birth to the child, (b) adopted the child, (c) were married to the birth mother when the child was conceived or born, (d) executed a paternity affidavit, or (e) were found and ordered responsible in an administrative or judicial order.		

Health Insurance / Health Care Coverage Plans		
Do you have a health care coverage plan available?	Yes	No
What is the cost for just you? ( <i>single plan</i> )	\$ per Week / Bi-Week / Month	
What is the cost to cover additional people? ( <i>family plan</i> )	\$ per Week / Bi-Week / Month	
Do you have other people covered by the plan?	Yes	No
<i>Including you</i> , how many people are covered?		
Do you have the children enrolled in HAWK-I?	Yes	No
What is your total monthly HAWK-I premium?	\$	
Do you have the children enrolled in Medicaid?	Yes	No
Do you receive FIP or Medicaid?	Yes	No
Do you reside with a child receiving FIP, Medicaid, or HAWK-I?	Yes	No

Pursuant to §622.1 Iowa Code, I certify under penalty of perjury that the above information is true and correct to the best of my information and belief.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

# Review of the Iowa Child Support Guidelines: Updated Schedule

*Submitted to:*

**Iowa Child Support Guidelines Review Committee  
Iowa Judicial Branch, Iowa Supreme Court**

*Submitted by:*

Jane Venohr, Ph.D.



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(Jan. 21, 2021)

Points of view expressed in this document are those of the author and do not necessarily represent the official position of the Guidelines Review Committee or Court. The author is responsible for any errors and omissions.

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## Section 1: Purpose and Background

The primary purpose of this report is to document the proposed update to the Iowa child support guidelines schedule. In Iowa, child support orders are calculated using the child support guidelines provided under Chapter 9 of the Iowa Court Rules. Iowa statute (Iowa Code 598.21B) directs the supreme court to maintain the state's child support guidelines and criteria, and to review the guidelines and criteria at least once every four years. The Iowa guidelines are used by all judges and decision-makers for establishing and modifying child support orders. Federal regulation (Title 45 of the Code of Federal Regulations, C.F.R. § 302.56) also requires states to review their guidelines at least once every four years.

This report essentially documents that Iowa has met the federal requirement (45 C.F.R. 302.56(h)) to consider economic data on the cost of raising children. It also uses that data to develop an updated schedule and documents the data, steps, and assumptions underlying the updated schedule. The updated schedule also includes an update to the low-income parts of the schedule (called Area A and Area B of the schedule in the existing Iowa child support guidelines). The application of Area A and Area B to low-income parents is how Iowa fulfills the federal requirement (45 C.F.R. 302.56(c)(ii)) to consider the subsistence needs of the obligated parent. The full federal requirements are shown at the end of this section.

This report supplements another report documenting the 2020 Iowa child support guidelines review. That report documents all of the recommended guidelines changes and Iowa's fulfillment of federal review requirements.

### Current Iowa Schedule

#### Exhibit 1: Excerpt of Current Child Support Schedule

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
3801 - 3850	890	1283	1504	1635	1683
3851 - 3900	896	1291	1514	1653	1705
3901 - 3950	901	1299	1524	1671	1727
3951 - 4000	907	1308	1534	1689	1749
4001 - 4050	913	1316	1545	1708	1771
4051 - 4100	918	1325	1555	1726	1793
4101 - 4150	924	1333	1565	1744	1815
4151 - 4200	930	1342	1575	1759	1837
4201 - 4250	936	1350	1584	1770	1859
4251 - 4300	942	1359	1594	1780	1881
4301 - 4400	948	1367	1604	1791	1903

The core of the Iowa guidelines calculation is a lookup schedule of monthly basic obligations for a range of incomes and number of children. (Exhibit 1 shows an excerpt of the current schedule.) With some exceptions at very low incomes (Area A and Area B of the schedule), the basic obligations in the schedule reflect economic data on costs of raising children. They relate to the combined income of the parents— that is, the amount of income the parents would have if they lived together and combined financial resources.

The support award is determined by prorating the obligated parent's share of the basic obligation. For example, if each parent's net income is \$2,000 per month, the combined net income would be \$4,000

per month. Using the schedule in Exhibit 1, the basic obligation for a combined adjusted net income of \$4,000 per month and two children is \$1,308 per month. The obligated parent's prorated amount in this example would be \$654 per month (*i.e.*, 50% of \$1,308). This is the basis of the support award amount, although there may be additional adjustments for other considerations such as cash medical support or an extraordinary visitation credit if the noncustodial parent's court-ordered visitation exceeds 127 overnights per year.

For lower incomes (*i.e.*, Part A and Part B), the Betson-Rothbarth adjustments were reduced to consider the obligated parent's subsistence needs. Although Iowa, unlike most states, does not provide an explicit self-support reserve in its guidelines, the amounts are reduced to reflect the research findings that informed the federal requirement to consider the subsistence needs of the obligated parent; namely, that research finds that orders are unpaid when the order amount is 20 percent or more of the obligated parent's gross income.<sup>1</sup>

The existing Iowa guidelines schedule is based on economic data available in 2012; specifically, it considers economic measurements of child-rearing expenditures developed by Professor David Betson, University of Notre Dame, using the Rothbarth methodology to separate the child's share of expenditures from total household expenditures from family expenditure data collected from the 1998 through 2004 Consumer Expenditure Survey. The measurements were updated to 2012 price levels and adjusted to exclude child care expenses, the child's health insurance premium, and the child's extraordinary medical expenses. It was not updated when the guidelines were last reviewed, which was in 2016, because there was little change in price levels, and a new Betson-Rothbarth study was anticipated.

### Organization of Report

Section 2 examines economic data on the cost of raising children and develops an updated schedule using more current economic data.

Section 3 analyzes the impact of the guidelines and the proposed, updated schedule.

Section 4 provides conclusions.

Appendix A provides technical documentation of the data and steps used to develop the updated schedule.

Appendix B provides the proposed updated schedule.

---

<sup>1</sup> See U.S. Department of Health and Human Services. (Nov. 17, 2014). "Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs." *Federal Register*, vol. 79, no. 221. p. 68555. Retrieved from <https://www.gpo.gov/fdsys/pkg/FR-2014-11-17/pdf/2014-26822.pdf>; and Takayasu, Mark. (2011). *How Do Child Support Order Amounts Affect Payments and Compliance*. Prepared by Orange County Department of Child Support Services Research and Reporting Unit. Available at [http://www.css.ocgov.com/about/research\\_studies](http://www.css.ocgov.com/about/research_studies).

**Exhibit 2: Excerpts of Federal Requirements Pertaining to Child Support**

45 C.F.R.

**§303.56 Guidelines for setting child support orders**

- (a) Within 1 year after completion of the State's next quadrennial review of its child support guidelines, that commences more than 1 year after publication of the final rule, in accordance with § 302.56(e), as a condition of approval of its State plan, the State must establish one set of child support guidelines by law or by judicial or administrative action for setting and modifying child support order amounts within the State that meet the requirements in this section.
- (b) The State must have procedures for making the guidelines available to all persons in the State.
- (c) The child support guidelines established under paragraph (a) of this section must at a minimum:
  - (1) Provide that the child support order is based on the noncustodial parent's earnings, income, and other evidence of ability to pay that:
    - (i) Takes into consideration all earnings and income of the noncustodial parent (and at the State's discretion, the custodial parent);
    - (ii) Takes into consideration the basic subsistence needs of the noncustodial parent (and at the State's discretion, the custodial parent and children) who has a limited ability to pay by incorporating a low-income adjustment, such as a self-support reserve or some other method determined by the State; and
    - (iii) If imputation of income is authorized, takes into consideration the specific circumstances of the noncustodial parent (and at the State's discretion, the custodial parent) to the extent known, including such factors as the noncustodial parent's assets, residence, employment and earnings history, job skills, educational attainment, literacy, age, health, criminal record and other employment barriers, and record of seeking work, as well as the local job market, the availability of employers willing to hire the noncustodial parent, prevailing earnings level in the local community, and other relevant background factors in the case.
  - (2) Address how the parents will provide for the child's health care needs through private or public health care coverage and/or through cash medical support;
  - (3) Provide that incarceration may not be treated as voluntary unemployment in establishing or modifying support orders; and
  - (4) Be based on specific descriptive and numeric criteria and result in a computation of the child support obligation.
- (d) The State must include a copy of the child support guidelines in its State plan.
- (e) The State must review, and revise, if appropriate, the child support guidelines established under paragraph (a) of this section at least once every four years to ensure that their application results in the determination of appropriate child support order amounts. The State shall publish on the internet and make accessible to the public all reports of the guidelines reviewing body, the membership of the reviewing body, the effective date of the guidelines, and the date of the next quadrennial review.
- (f) The State must provide that there will be a rebuttable presumption, in any judicial or administrative proceeding for the establishment and modification of a child support order, that the amount of the order which would result from the application of the child support guidelines established under paragraph (a) of this section is the correct amount of child support to be ordered.
- (g) A written finding or specific finding on the record of a judicial or administrative proceeding for the establishment or modification of a child support order that the application of the child support guidelines established under paragraph (a) of this section would be unjust or inappropriate in a particular case will be sufficient to rebut the presumption in that case, as determined under criteria established by the State. Such criteria must take into consideration the best interests of the child. Findings that rebut the child support guidelines shall state the amount of support that would have been required under the guidelines and include a justification of why the order varies from the guidelines.
- (h) As part of the review of a State's child support guidelines required under paragraph (e) of this section, a State must:
  - (1) Consider economic data on the cost of raising children, labor market data (such as unemployment rates, employment rates, hours worked, and earnings) by occupation and skill-level for the State and local job markets, the impact of guidelines policies and amounts on custodial and noncustodial parents who have family incomes below 200 percent of the Federal poverty level, and factors that influence employment rates among noncustodial parents and compliance with child support orders;
  - (2) Analyze case data, gathered through sampling or other methods, on the application of and deviations from the child support guidelines, as well as the rates of default and imputed child support orders and orders determined using the low-income adjustment required under paragraph (c)(1)(ii) of this section. The analysis must also include a comparison of payments on child support orders by case characteristics, including whether the order was entered by default, based on imputed income, or determined using the low-income adjustment required under paragraph (c)(1)(ii). The analysis of the data must be used in the State's review of the child support guidelines to ensure that deviations from the guidelines are limited and guideline amounts are appropriate based on criteria established by the State under paragraph (g); and

## 45 C.F.R.

(3) Provide a meaningful opportunity for public input, including input from low-income custodial and noncustodial parents and their representatives. The State must also obtain the views and advice of the State child support agency funded under title IV–D of the Act.

***Other Provisions of the New Federal Rule that Indirectly affect Low-Income Provisions of State Guidelines***

**§303.4 Establishment of support obligations.**

(b) Use appropriate State statutes, procedures, and legal processes in establishing and modifying support obligations in accordance with §302.56 of this chapter, which must include, at a minimum: (1) Taking reasonable steps to develop a sufficient factual basis for the support obligation, through such means as investigations, case conferencing, interviews with both parties, appear and disclose procedures, parent questionnaires, testimony, and electronic data sources; (2) Gathering information regarding the earnings and income of the noncustodial parent and, when earnings and income information is unavailable or insufficient in a case gathering available information about the specific circumstances of the noncustodial parent, including such factors as those listed under §302.56(c)(1)(iii) of this chapter; (3) Basing the support obligation or recommended support obligation amount on the earnings and income of the noncustodial parent whenever available. If evidence of earnings and income is unavailable or insufficient to use as the measure of the noncustodial parent's ability to pay, then the support obligation or recommended support obligation amount should be based on available information about the specific circumstances of the noncustodial parent, including such factors as those listed in §302.56(c)(1)(iii) of this chapter. (4) Documenting the factual basis for the support obligation or the recommended support obligation in the case record.

**§303.8 Review and adjustment of child support orders.**

\*\*\*\*\* (b)

\*\*\* (2) The State may elect in its State plan to initiate review of an order, after learning that a noncustodial parent will be incarcerated for more than 180 calendar days, without the need for a specific request and, upon notice to both parents, review, and if appropriate, adjust the order, in accordance with paragraph (b)(1)(i) of this section. \*\*\*\*\* (7) The State must provide notice— (i) Not less than once every 3 years to both parents subject to an order informing the parents of their right to request the State to review and, if appropriate, adjust the order consistent with this section. The notice must specify the place and manner in which the request should be made. The initial notice may be included in the order. (ii) If the State has not elected paragraph (b)(2) of this section, within 15 business days of when the IV–D agency learns that a noncustodial parent will be incarcerated for more than 180 calendar days, to both parents informing them of the right to request the State to review and, if appropriate, adjust the order, consistent with this section. The notice must specify, at a minimum, the place and manner in which the request should be made. Neither the notice nor a review is required under this paragraph if the State has a comparable law or rule that modifies a child support obligation upon incarceration by operation of State law. (c) \*\*\* Such reasonable quantitative standard must not exclude incarceration as a basis for determining whether an inconsistency between the existing child support order amount and the amount of support determined as a result of a review is adequate grounds for petitioning for adjustment of the order.

## Section 2: Cost of Raising Children and Updating the Schedule

Child support schedules are part policy and part economic data. Most state guidelines rely on studies of child-rearing expenditures as the underlying basis of their child support schedule or formula. Besides an economic study, there are economic data and technical assumptions used to convert economic data on the cost of raising children to a child support schedule (e.g., updating the study to current price levels, excluding the cost of the child's health insurance from the schedule because the actual amount is considered on a case-by-case basis in the guidelines calculation, and incorporating a low-income adjustment). This section first reviews the economic studies on child-rearing expenditures and then summarizes other economic data and technical assumptions used to develop an updated schedule. Appendix A provides a more detailed, technical description of the data and steps used to develop an updated schedule. Appendix B contains the proposed, updated schedule.

### Economic Studies of Child-Rearing Expenditures

#### Studies underlying State Child Support Guidelines

There are ten different studies that form the basis of state child support guidelines. All of the studies consider what families actually spend on children rather than the minimum or basic needs of children. This is because the premise of most state guidelines is that children should share in the lifestyle afforded by their parents; that is, if the obligated parent's income affords the obligated parent a higher standard of living, the support order should also be more for that higher-income parent.

The ten studies vary by age and methodology used to separate the child's share of expenditures from total expenditures. The studies most often used by states as the basis of their guidelines are those conducted by Professor David Betson, University of Notre Dame, using the Rothbarth methodology to separate the child's share of expenditures from total household expenditures. There are five Betson-Rothbarth (BR) studies of different ages.<sup>2</sup> Most (37) states and the District of Columbia and Guam rely on a BR study as the basis of their guidelines schedule or formula. The existing Iowa child support schedule is based on the third BR study (BR3) using expenditures data collected in 1998–2004 that were updated to 2012 price levels.<sup>3</sup> The most recent BR study,<sup>4</sup> which is the fifth BR study (BR5) and funded by Arizona, was conducted this year and forms the basis of the updated schedule in Appendix B.

<sup>2</sup> The five Betson studies using the Rothbarth methodology were published in 1990, 1998, 2006, 2010, and 2020. The first study is Betson, David M. (1990). *Alternative Estimates of the Cost of Children from the 1980–86 Consumer Expenditure Survey*. Report to U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. University of Wisconsin Institute for Research on Poverty, Madison, WI).

<sup>3</sup> Betson, David M. (2006). "Appendix I: New Estimates of Child-Rearing Costs." *In* State of Oregon Child Support Guidelines Review: Updated Obligation Scales and Other Considerations. Report to State of Oregon, Prepared by Policy Studies Inc., Denver, CO.

<sup>4</sup> Betson, David M. (2020) "Appendix A: Parental Expenditures on Children: Rothbarth Estimates" *In* Venohr, Jane. (Dec. 9, 2020). *Review of the Arizona Child Support Guidelines: Updating the Child Support Schedule*. Report to the Arizona Supreme Court Administrative Office of the Courts. Retrieved from <https://www.azcourts.gov/Portals/74/FCIC-CSGR/MeetingPacket12152FCIC-CSGRS.pdf?ver=2020-12-13-123841-283>.

Several of the other studies underlying state guidelines are older or tailored for that state's income, so they are not suitable options for an updated Iowa schedule. For example, the second and third most frequently used studies for state child support guidelines date back to the 1980s.<sup>5</sup> Still another example is the Rothbarth study for New Jersey that was adjusted for New Jersey's above-average income.<sup>6</sup> Due to this income adjustment, it is not appropriate for other states.

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### Most Current Studies of Child-Rearing Expenditures and Methodologies

Most studies of child-rearing expenditures, including the BR measurements, draw on expenditures data collected from families participating in the Consumers Expenditures Survey (CE) that is administered by the Bureau of Labor Statistics (BLS). Economists use the CE because it is the most comprehensive and detailed survey conducted on household expenditures and consists of a large sample. The CE surveys households on hundreds of items. However, most studies of child-rearing expenditures do not itemize individual expenditure items (*e.g.*, housing expenditures for the child, transportation expenditures for the child, and food expenditures for the child). Rather, most methodologies measure the child's share of *total* household expenditures. Still, the detailed questions and itemization of the CE contribute to the accuracy of the CE's measure of total expenditures.

The CE surveys about 7,000 households per quarter on expenditures, income, and household characteristics (*e.g.*, family size). Households remain in the survey for four consecutive quarters, with households rotating in and out each quarter. Most economists, including Betson, use three or four quarters of expenditures data for a surveyed family. This means that family expenditures are averaged for about a year rather than over a quarter, which may not be as reflective of typical family expenditures. (In his fifth study, Betson does explore using quarterly data rather than analyzing annual data.)

The most recent BR study (BR5) is essentially an update to the BR study underlying the current Iowa schedule. BR5 relies on expenditures data collected from families participating in the 2013–2019 CE survey, while BR3 relies on expenditures data collected from families participating in the 1998–2004 CE survey. Besides differences in survey years and changes in expenditure patterns over time, there were some improvements to the CE survey that may contribute to differences in the findings between the two studies. These differences are discussed in greater detail later in this section.

Besides the BR5, there are three other recent studies of child-rearing expenditures that the committee reviewed. All are based on older CE data than the CE data used for the BR5 measurements. In 2017 by Professor William Rodgers, Rutgers University, conducted a study for California, but it was not adopted

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<sup>5</sup> Most states that have not made major changes to their guidelines schedule or formula for over two decades relate to one of two studies: van der Gaag, Jacques. (1981). "On Measuring the Cost of Children." *Discussion Paper* 663–81. University of Wisconsin Institute for Research on Poverty, Madison, WI; or Espenshade, Thomas J. (1984). *Investing in Children: New Estimates of Parental Expenditures*. Urban Institute Press: Washington, D.C.

<sup>6</sup> New Jersey Child Support Institute (Mar. 2013). *Quadrennial Review: Final Report*, Institute for Families, Rutgers, the State University of New Jersey, New Brunswick, NJ. Retrieved from [http://www.judiciary.state.nj.us/reports2013/F0\\_NJ+QuadrennialReview-Final\\_3.22.13\\_complete.pdf](http://www.judiciary.state.nj.us/reports2013/F0_NJ+QuadrennialReview-Final_3.22.13_complete.pdf).

by California or any other state as the basis of its guidelines.<sup>7</sup> In 2015, Professor William Comanor, University of California at Santa Barbara, and his colleagues published a study.<sup>8</sup> It was not funded by any state and does not form the basis of any state guidelines. The third study is by the U.S. Department of Agriculture (USDA),<sup>9</sup> which until its last publication in 2017, was updated every year or two. Minnesota relies on a USDA study that is almost 20 years old. Since then, the USDA has refined its methodology. Kansas and Maryland partially use USDA measurements. Maryland uses the USDA study for combined adjusted gross incomes above about \$10,000 per month. Kansas uses the USDA multipliers to adjust its schedule for more children.

**Rodgers-Rothbarth Measurements.** Professor Rodgers also used the Rothbarth methodology to separate the child's share of expenditures from total expenditures. The Rodgers-Rothbarth measurements rely on the 2000–2015 CE. Although Rodgers interpreted Rothbarth differently than Betson, Rodgers' attempt to replicate Betson's fourth study produced results within about two percentage points of Betson's. Exhibit 3 illustrates these differences. It also shows that both the BR studies and the Rodgers study measure child-rearing expenditures as a percentage of total expenditures devoted to child-rearing. Exhibit 3 also illustrates an anomalous finding of Rodgers: that is, the percentage expended for two children is not much more than the percentage expended for one child. For example, using 2000-2015 CE data, Rodgers found the average percentage of total expenditures devoted to child-rearing is 19.2 percent for one child and 24.1 percent for two children. In contrast, other studies typically find that the expenditures for two children are about 40 to 60 percent more than they are for one child.

**Comanor Measurements.** Professor Comanor developed his own methodology for measuring child-rearing expenditures. It is an itemized approach. Comanor measurements rely on the 2004–2009 CE. In 2018, Comanor's summation of the items that he measured totaled \$3,421 per year for one child and \$4,291 per year for two children in low-income households.<sup>10</sup> For middle incomes (*i.e.*, married couples with an average income of \$76,207 per year), Comanor reported total child-rearing costs of \$4,749 per year for one child and \$6,633 per year for two children. The amounts for low-income households are below poverty, and the amounts for middle incomes are just above poverty. The 2020 federal poverty guidelines are \$12,760 per year for one person and an additional \$4,480 per year for each additional person, such as a child.<sup>11</sup>

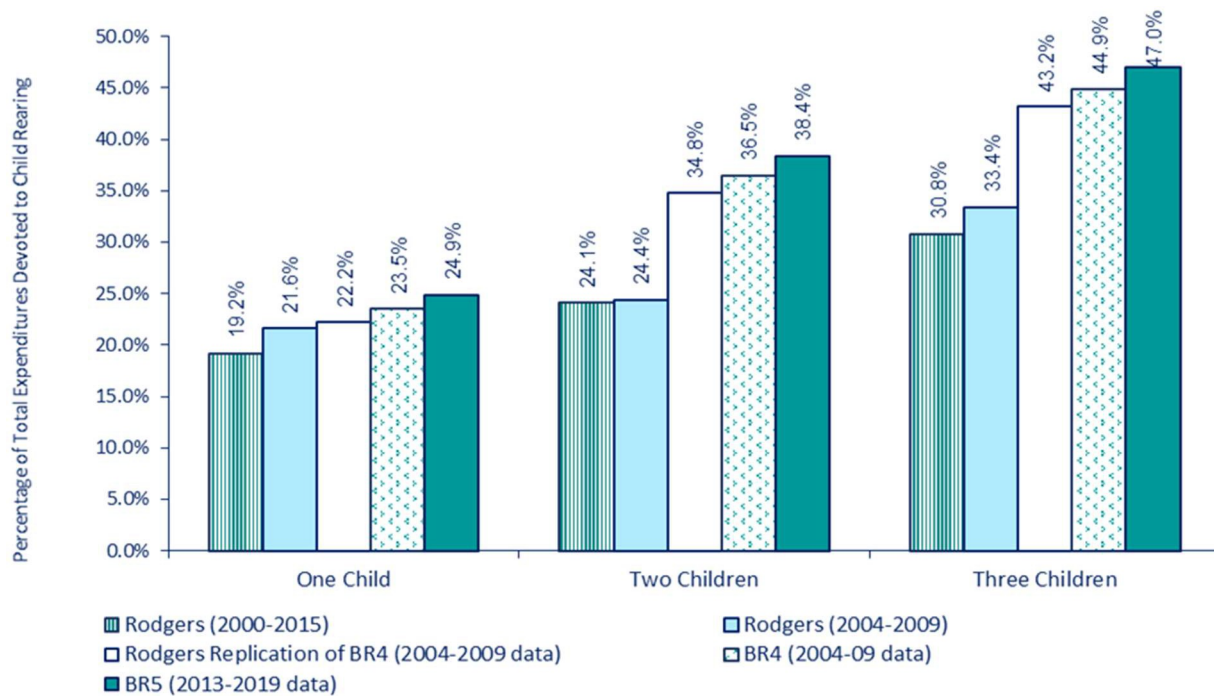
<sup>7</sup> Rodgers, William M. (2017) "Comparative Economic Analysis of Current Economic Research on Child-Rearing Expenditures." In Judicial Council of California, Review of Statewide Uniform Child Support Guideline 2017. San Francisco, CA. Retrieved from <http://www.courts.ca.gov/documents/lr-2018-JC-review-of-statewide-CS-guideline-2017-Fam-4054a.pdf>.

<sup>8</sup> Comanor, William, Sarro, Mark, and Rogers, Mark. (2015). "The Monetary Cost of Raising Children." In (ed.) Economic and Legal Issues in Competition, Intellectual Property, Bankruptcy, and the Cost of Raising Children (Research in Law and Economics), Vol. 27). Emerald Group Publishing Limited, pp. 209–51.

<sup>9</sup> Lino, Mark. (2017). *Expenditures on Children by Families: 2015 Annual Report*. U.S. Department of Agriculture, Center for Nutrition and Policy Promotion. Miscellaneous Publication No. 1528-2015, Washington, D.C. Retrieved from <http://www.cnpp.usda.gov/publications/crc/crc2012.pdf>.

<sup>10</sup> Comanor, William. (Nov. 8, 2018). *Presentation to Nebraska Child Support Advisory Commission*. Lincoln, NE.

<sup>11</sup> U.S. Department of Health and Human Services. (2020). *2020 Poverty Guidelines for the 48 Contiguous States and the District of Columbia*. Retrieved from <https://aspe.hhs.gov/2020-poverty-guidelines>.

**Exhibit 3: Comparison of BR Studies to Rodgers Study**

**USDA Measurements.** The USDA's approach is also an itemized approach but differs from the Comanor approach. USDA measurements rely on the 2011–2015 CE, as well as other data including the U.S. Department of Health and Human Services National Medical Expenditure Survey (MEPS)<sup>12</sup> and the cost of USDA food plans,<sup>13</sup> which are also used to determine SNAP (Supplemental Nutrition Assistance Program) benefits and military per diem rates.<sup>14</sup> The USDA found that average child-rearing expenses were \$9,060 to \$22,730 per year for the youngest child in a two-child family in the Midwest. in 2015. The amount varies by the age of the child and household income. For rural areas, the amount varied from \$7,650 to \$17,000 per year.

#### *Economic Methodologies*

When Congress first passed legislation (*i.e.*, the Family Support Act of 1988) requiring presumptive state child support guidelines, they also mandated the U.S. Department of Health and Human Services to develop a report analyzing expenditures on children and explain how the analysis could be used to help states develop child support guidelines. This was fulfilled by two reports, both released in 1990. One was

<sup>12</sup> More information about the MEPS is available from the U.S. Department of Health and Human Services Agency for Healthcare Research and Quality site: <https://www.meps.ahrq.gov/mepsweb/>.

<sup>13</sup> More information about the UDA Food Plans and their costs can be found at the U.S. Department of Agriculture Food and Nutrition Service website: <https://www.fns.usda.gov/cnpp/usda-food-plans-cost-food-reports-monthly-reports>.

<sup>14</sup> William T. Terrell and Jodi Messer Pelkowski. (2010). XII. *Determining the 2010 Child Support Schedules*. Retrieved from <http://www.kscourts.org/Rules-procedures-forms/Child-Support-Guidelines/PDF/Child%20Support%20Determination%20Economist%20FINAL%20REPORT.pdf>.

by Professor David Betson, University of Notre Dame, which included the first BR measurements.<sup>15</sup> Using five different economic methodologies to measure child-rearing expenditures, Betson concluded that the Rothbarth methodology was the most robust<sup>16</sup> and hence recommended that it be used for state guidelines. The second study resulting from the Congressional mandate was by Lewin/ICF.<sup>17</sup> It assessed the use of measurements of child-rearing expenditures, including the Betson measurements, for use by state child support guidelines.

One of the other methodologies explored by Betson was the Engel methodology. The Engel and Rothbarth methodologies are named after the economists who developed them. Both are considered marginal cost approaches; that is, they consider how much more is spent by a couple with children than a childless couple of child-rearing age. The methodologies compare expenditures of two sets of equally well off families: one with children and one without children. The difference in expenditures between the two sets is deemed to be child-rearing expenditures. The Engel and Rothbarth methodologies use different indicators of equally well-off families. The Engel methodology uses expenditures on food, while the Rothbarth methodology relies on expenditures for adult goods to determine equally well-off families.<sup>18</sup> Through calculus, economists have proven that the Engel methodology's reliance on food shares overstates actual child-rearing expenditures because children are relatively food intensive.<sup>19</sup> In contrast, the calculus behind using expenditures on adult goods in the Rothbarth methodology finds that the Rothbarth estimator understates actual child-rearing expenditures because parents essentially substitute away from adult goods when they have children.<sup>20</sup>

At the time of Betson's 1990 study, most states, including Iowa, had already adopted guidelines to meet the 1987 federal requirement to have advisory child support guidelines. (The requirement was extended to require state guidelines be applied presumptively with the ability to rebut the presumption based on state-established criteria in 1989.) Most states were using older measurements of child-rearing expenditures,<sup>21</sup> but many (including Iowa) began using the Betson-Rothbarth 1990 (BR1) study in the mid-to-late 1990s. Subsequently, various states and the University of Wisconsin Institute of Research commissioned updates to the BR study over time.

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<sup>15</sup> Betson, David M. (1990). *Alternative Estimates of the Cost of Children from the 1980–86 Consumer Expenditure Survey*. Report to U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. University of Wisconsin Institute for Research on Poverty, Madison, Wisconsin.

<sup>16</sup> In statistics, the term “robust” is used to mean that the statistics yield good performance that are largely unaffected by outliers or sensitive to small changes to the assumptions.

<sup>17</sup> Lewin/ICF. (1990). *Estimates of Expenditures on Children and Child Support Guidelines*. Report to U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. Fairfax, Virginia.

<sup>18</sup> Specifically, Betson uses adult clothes, whereas others applying the Rothbarth estimator use adult clothing, alcohol, and tobacco regardless whether expenditures are made on these items. Betson (1990) conducted sensitivity analysis and found little difference in using the alternative definitions of adult goods.

<sup>19</sup> A layperson's description of how the Engel estimator overstates actual child-rearing expenditures is also provided in Lewin/ICF (1990) on p. 2-28.

<sup>20</sup> A layperson's description of how the Rothbarth estimator overstates actual child-rearing expenditures is also provided in Lewin/ICF (1990) on p. 2-29.

<sup>21</sup> Many states used Espenshade, Thomas J. (1984). *Investing in Children: New Estimates of Parental Expenditures*. Urban Institute Press: Washington, D.C.

*Using the Lowest and Highest of Credible Measurements to Assess Guidelines Amounts*

Recognizing economists do not agree on which methodology best measures actual child-rearing expenditures, Lewin/ICF was the first to assess the appropriateness of state guidelines by generally examining whether a state's guidelines amount was between the lowest and the highest of credible measurements of child-rearing expenditures. Amounts that were above the lowest credible measurement of child-rearing expenditures were deemed as adequate support for children. This also responded to a major concern in the 1980s that state child support guidelines provided inadequate amounts for children: that is, they were too low relative to the poverty amount.<sup>22</sup>

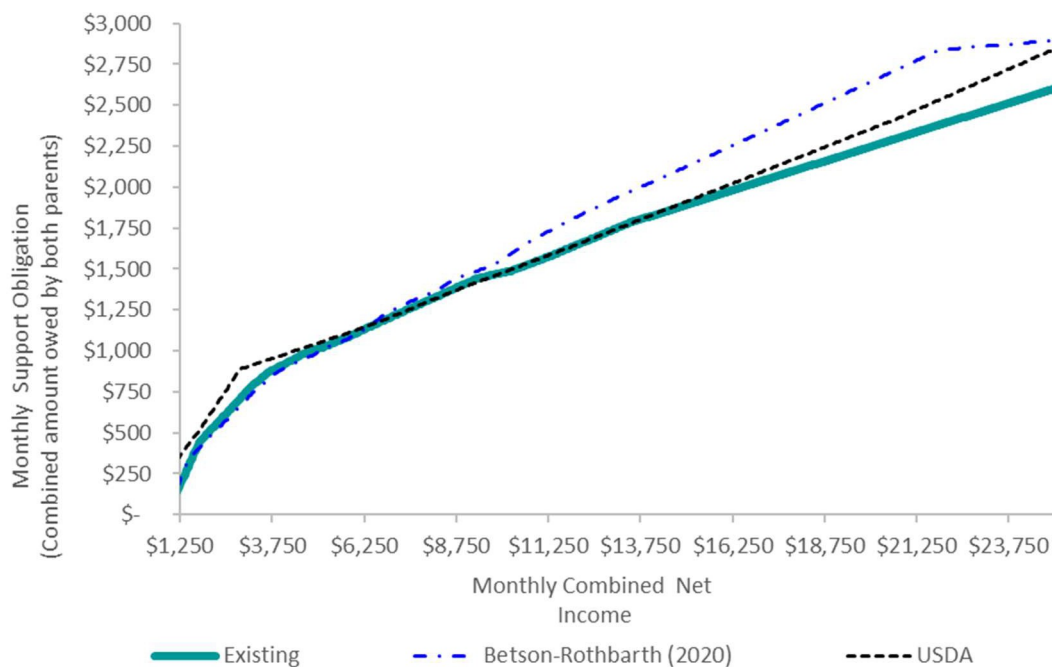
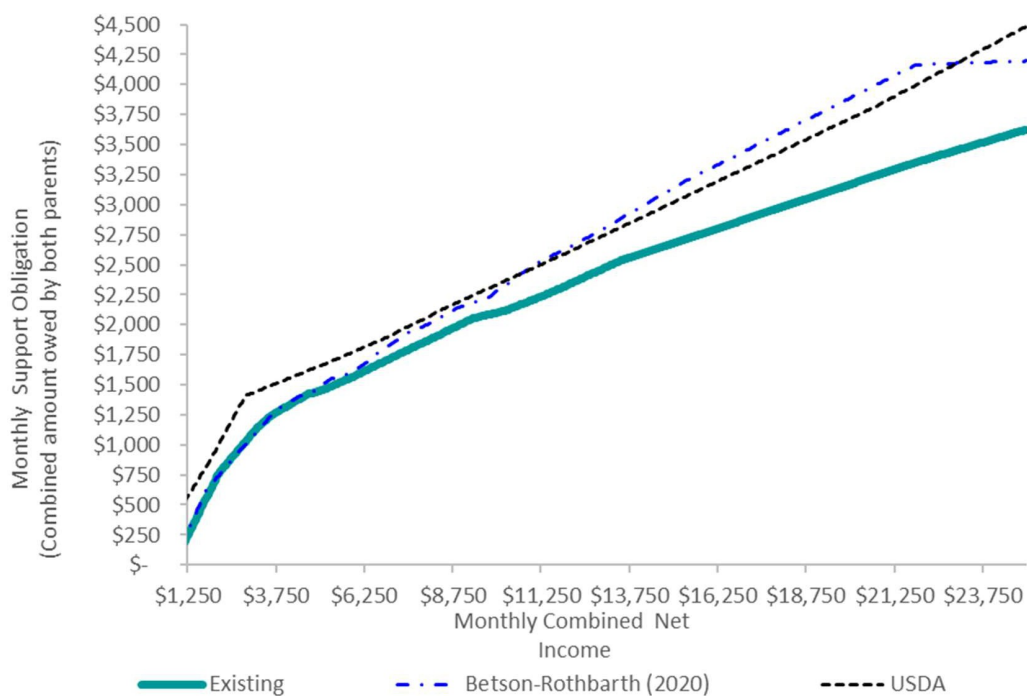
This methodology has been used for several decades now and by several states, including Iowa, for most of their guidelines reviews. For Lewin/ICF's initial assessment, they used the Rothbarth and Engel measurements developed by Betson in his 1990 study as the lowest and highest, respectively. Not only were the empirical results from these studies the lowest and highest, but the economic model of the Rothbarth estimator finds that it understates actual child-rearing expenditures and the economic model of the Engel estimator finds that it overstates actual child-rearing expenditures. Since there are no current Engel measurements of child-rearing expenditures, states have been using the USDA measurements as the highest of the credible measurements. Historically, the USDA is also a high estimate. Further, before the USDA changed how it measured the child's housing expenses, most conventional economists believed the USDA overstated the child's housing expenses because the child's share was determined using the per capita housing expense. In contrast, most conventional economists believe that a child costs less than an adult.

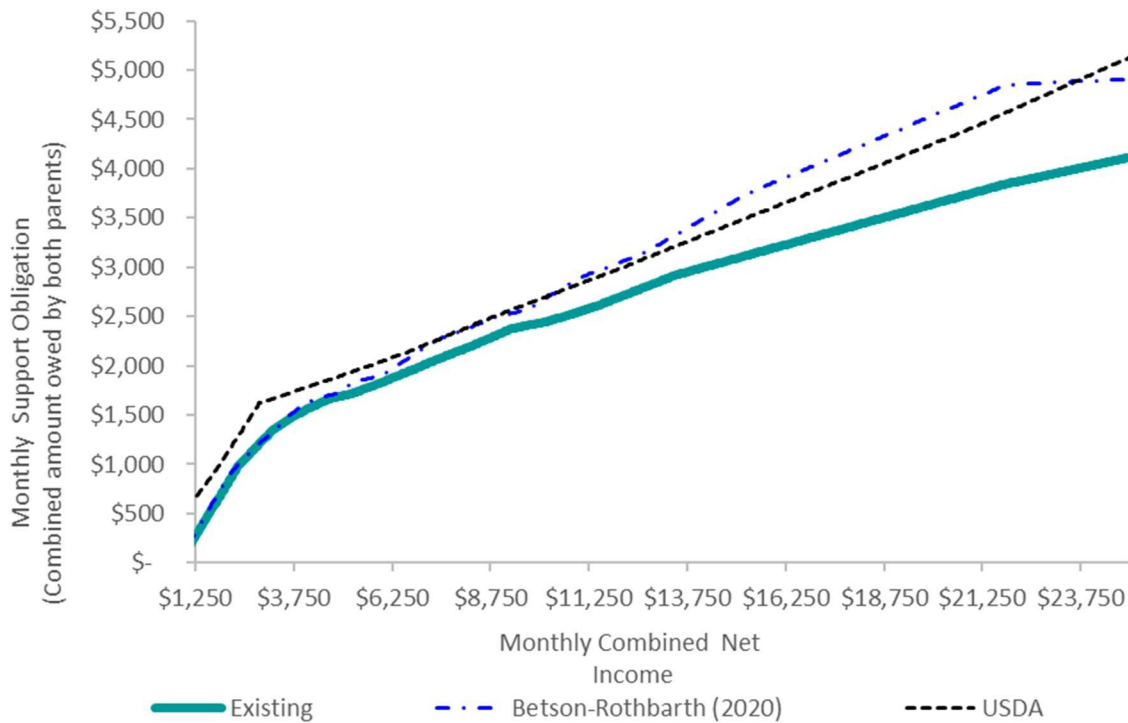
Exhibit 4, 5, and 6 compare the existing schedule and BR5 and USDA amounts for one, two, and three children, respectively. The patterns for four and more children are similar to those for three children. The USDA amounts, which relate to gross income, were converted to a net-income basis using prevailing federal and state income tax rates. BR5 is called Betson-Rothbarth (2020) in the graphs.

Several observations can be made from the comparisons. In general, adopting a BR5-based schedule will result in small changes at very low incomes and increases beginning at middle incomes that become larger as the combined income of the parents increases. For one child, the existing schedule and BR5 and USDA measurements track closely for combined monthly incomes of about \$7,000 net to about \$10,000 net, then steadily diverge. The USDA measurements are generally above the existing schedule amounts and the BR5 amounts at low incomes to combined monthly incomes of about \$7,000 to \$11,000 net depending on the number of children. There are exceptions, however, at combined net incomes of about \$22,000 per month. This is the highest income considered under the BR5 measurements. Above that income, the data are insufficient to know the percentage change (*e.g.*, whether a family with a combined net income of \$25,000 per month devotes the same percentage of income to child-rearing expenditures as a family with a combined net of income of \$30,000 per month. A similar issue exists with the USDA, which only considers combined incomes up to about \$17,000 gross per month.

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<sup>22</sup> National Center for State Courts (1987). *Development of Guidelines for Child Support Orders, Final Report*. Report to U.S. Department of Health and Human Services, Office of Child Support Enforcement, Williamsburg, VA. p. I-6.

**Exhibit 4: Comparisons of Existing Schedule to Betson-Rothbarth and USDA Measurements: One Child****Exhibit 5: Comparisons of Existing Schedule to Betson-Rothbarth and USDA Measurements: Two Children**

**Exhibit 6: Comparisons of Existing Schedule to Betson-Rothbarth and USDA Measurements: Three Children**

#### *Changes in Betson-Rothbarth Studies over Time*

Of most interest to Iowa is the most current Betson-Rothbarth (BR) study because the existing Iowa schedule is based on an earlier BR study. Changes to the BR measurements of child-rearing expenditures over time may reflect actual changes in how much families spend on their children, sampling differences in the different study years, changes in the underlying expenditures data used to develop the measurements, or a combination of these factors. In addition, changes in other factors considered in the conversion of the BR measurements to a schedule are of concern. This subsection explores the extent that there are changes over time and the causes of those changes. Understanding the root of the changes is important to Iowa because Iowa's child support guidelines are currently based on the third BR study (BR3), and Iowa is contemplating updating the schedule using the most recent BR study (BR5).

Each of the BR studies used the more current expenditures data from the Consumer Expenditure Survey (CE) available at the time the study was conducted. The sampling of the CE is not designed to produce state-specific measurements of expenditures. To expand the CE so that it could produce state-specific measurements would require a much larger sample and other resources and would take several years. Instead, Betson (as well as other researchers) develops national measurements of child-rearing expenditures by pooling multiple data years to obtain an adequate sample size. As elaborated on in Appendix A, Betson compiles other statistics from the same subset of CE families that he uses to measure child-rearing expenditures. These other statistics are used to develop a child support schedule. Specifically, this includes the average ratio of expenditures to income, average child care expenditures, and average healthcare expenses for several income ranges. Some states with incomes or price parities that differ substantially from the national average make an adjustment to the national data. The

committee discussed adjusting for Iowa's price parity. As a whole, the Iowa price parity suggests Iowa's general prices are lower than the U.S. average.<sup>23</sup> However, much of that is driven by Iowa's rent prices in less densely populated areas of Iowa. In contrast, there are small differences between the U.S. average and the Iowa price parities for the two other components of the price parity (*i.e.*, economic goods and services other than rent). The other concern with the differences in rental price parity between the U.S. average and Iowa is that housing prices in Iowa urban areas are higher and increasing, and although rent is imputed to homeowners when calculating price parity, the cost of homeownership differs from rent.

In all, committed to producing data that are of consistently high statistical quality, relevance, and timeliness, the BLS closely monitors and continuously assesses the quality of the CE and makes improvements when appropriate. Some of these improvements have occurred between BR studies; hence, they can affect differences between BR study years.

#### *Changes by Number of Children and Income*

The two major factors considered in a child support schedule are the number of children and the combined incomes of the parties. Child support schedules provide higher amounts when there are more children because the economic evidence on child-rearing expenditures finds more is spent when there are more children. Nonetheless, the economic evidence suggests some economies of scale: expenditures for two children are not twice that of expenditures for one child; rather, they are less than double.

Income follows a similar pattern; that is, economic evidence finds that higher incomes spend more on children; however, those with twice as much income do not spend twice as much on their children. Rather, they spend less than that. Still, the schedule amounts increase with more income. Underlying the premise of most state guidelines is that if a child has a parent living outside the home whose income affords that parent a higher standard of living, that child should share that parent's standard of living. Obviously, the situation is more complicated in shared physical custody cases. For the purposes of developing a schedule, however, the guidelines start with the basis that the child is being raised in one household, then layer an adjustment for timesharing on top of that. (This is also the situation with the Iowa guidelines that provides an adjustment for timesharing arrangements.)

Exhibit 7 compares the percentage of total family expenditures devoted to child-rearing for the five BR studies over time. Exhibit 7 shows the percentages for one, two, and three children. The sample size of families with four or more children is too small to produce measurements for larger families. Instead, as discussed in Appendix A, the schedule amounts for four and more children are calculated by applying equivalence scales to the measurements for three children.

At this point, the percentages include child care expenses and the cost of the child's healthcare coverage. These items are subtracted later when developing the schedule. They are subtracted because

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<sup>23</sup> For example, the 2019 Iowa price parity is 89.0, which means Iowa prices are generally 11% less than the national average. U.S. Bureau of Economic Analysis. (Dec. 2020.) *2019 Regional Price Parities by State (US = 100)*. The Iowa price parity for economic goods is 94.9, which means it is 4.1% less than the national average. Retrieved from [Regional Price Parities by State and Metro Area | U.S. Bureau of Economic Analysis \(BEA\)](#).

the actual amount expended for child care expenses, health insurance premiums for the child, and the child's unreimbursed medical expenses, if any, are considered on a case-by-case basis.

**Exhibit 7: Comparison of Betson-Rothbarth (BR) Studies over Time**

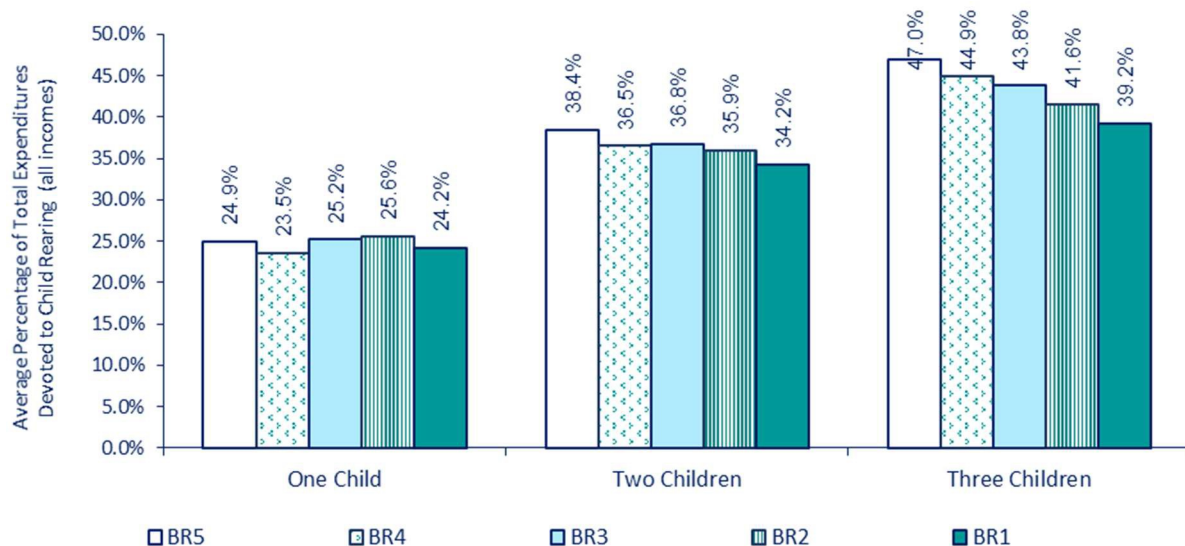
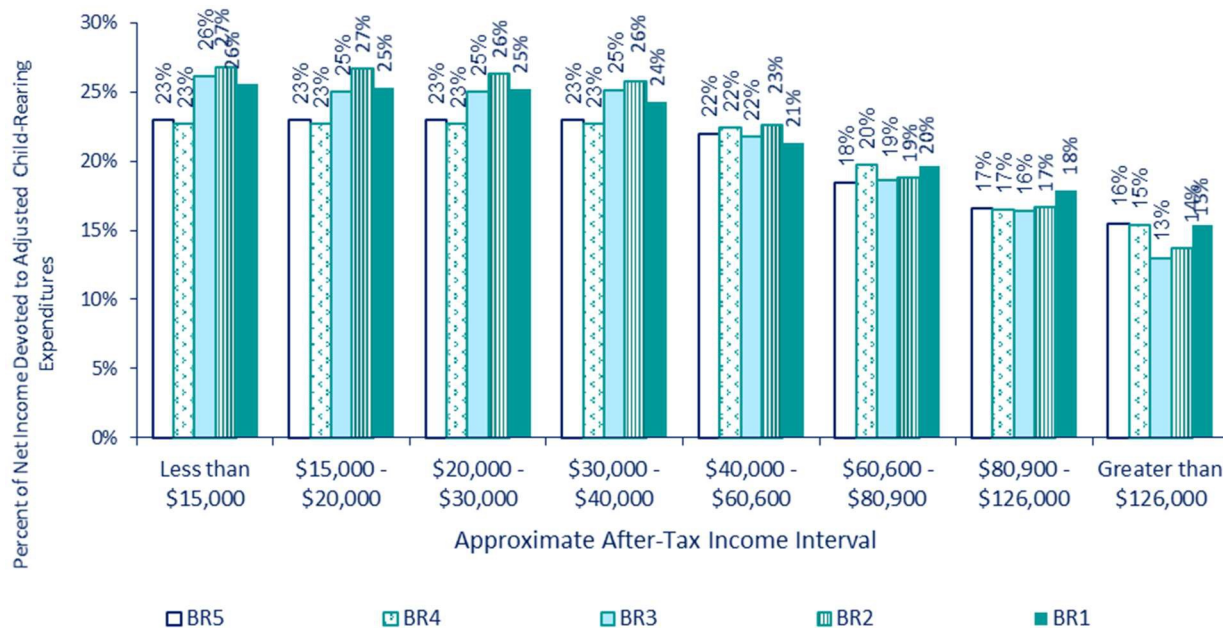


Exhibit 7 shows a small variation in the percentage of total expenditures devoted to one child over time. The percentage difference between the lowest and the highest estimate for one child is less than two percentage points. Betson notes this is less than the standard deviation in the estimates due to sampling variation. For two and three children, Exhibit 7 shows the percentage of total expenditures devoted to child-rearing expenditures increasing slightly over time. However, Betson suggests that expenditures for two and three children should be examined in the context of marginal expenditures: that is, starting with expenditures for the first child, how much more was spent for the second child? If the same amount is spent, the marginal increase in expenditures is 100 percent. If the amount is smaller than 100 percent, there is some economies of scale to having more children. The BR studies find that the marginal increase in expenditures from one to two children is about 40 to 55 percent depending on the age of the study and that the marginal increase in expenditures from two to three children is about 15 to 23 percent depending on the age of the study. Generally, the older studies have smaller marginal increases, while more recent studies have larger marginal increases. This suggests that the economies of scale of having more children is decreasing slightly. In turn, this suggests slightly larger increases to updated schedule amounts for more children.

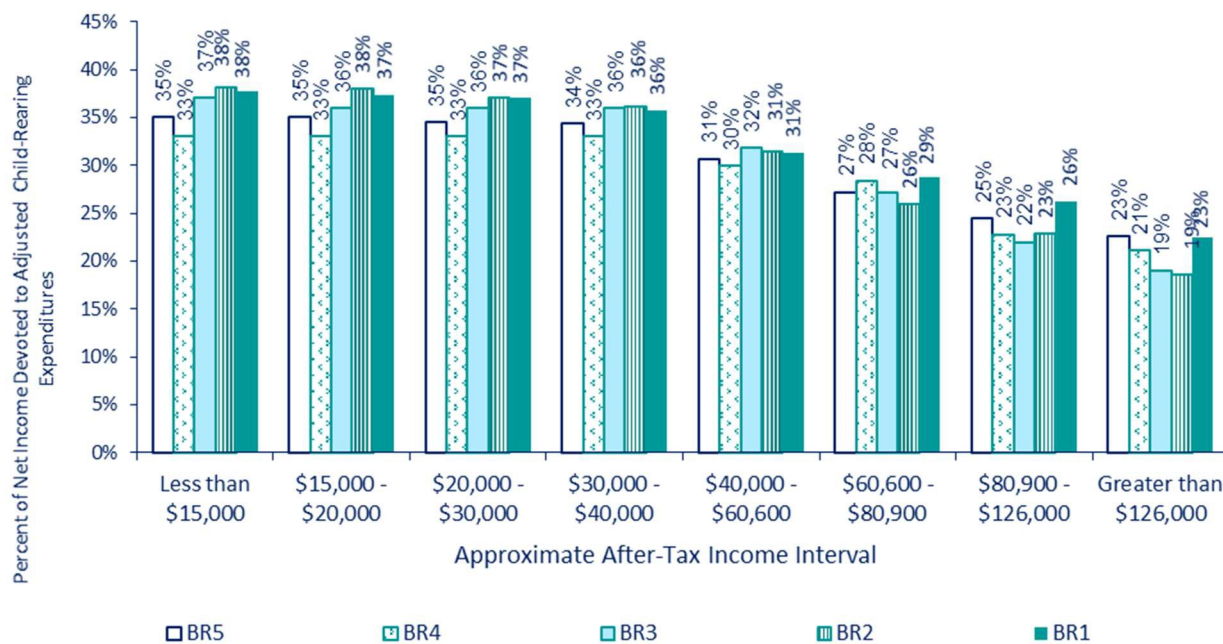
Exhibits 8, 9, and 10 compare the BR measurements over time by approximate income ranges. (The income ranges are approximate because inflation does not make each unique income range comparable over time.) There are also several adjustments made to make the comparison. They do not consider child care expenses, health insurance premiums for the child, and the child's unreimbursed medical expenses. They have been converted from total expenditures to after-tax (net) income. If a family spends all of their after-tax income, their expenditures will equal their after-tax income, and no conversion would be necessary. Among other things, higher-income families, however, tend to save,

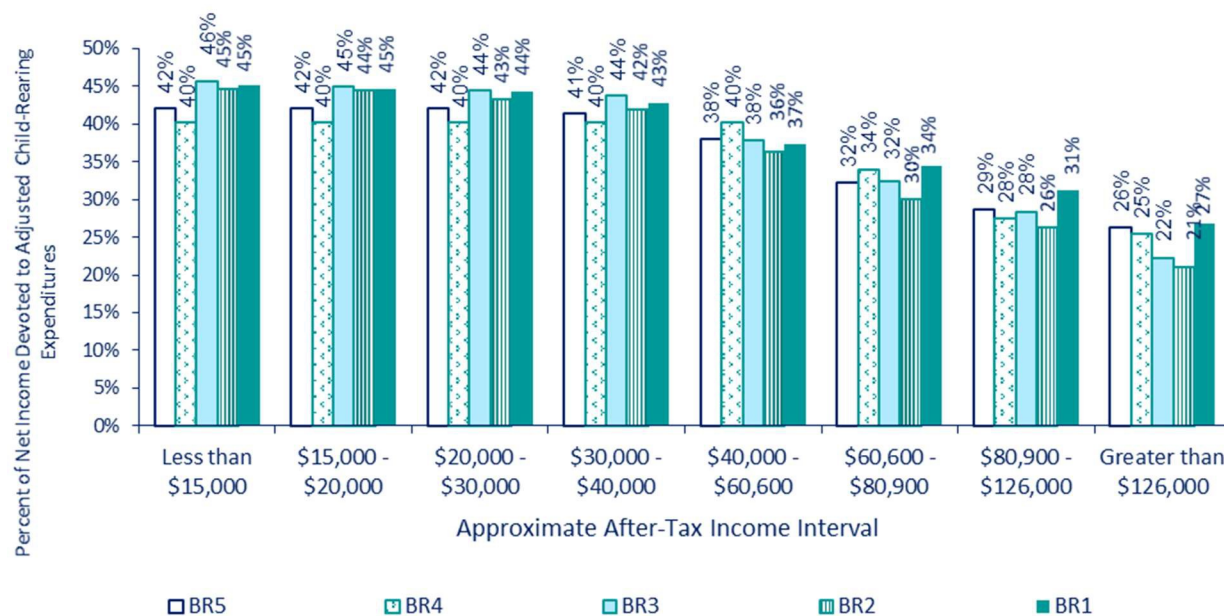
make donations, and buy gifts for people outside the home. Due to these adjustments, the percentages shown in the exhibits are not comparable to those in Exhibit 7.

**Exhibit 8: Comparisons of BR Measurements for One Child by After-Tax Income**



**Exhibit 9: Comparisons of BR Measurements for Two Children by After-Tax Income**



**Exhibit 10: Comparisons of BR Measurements for Three Children by After-Tax Income**

In general, Exhibits 8, 9, and 10 show that there are small differences over time; however, it is unknown whether the difference is caused by sampling error or another factor, whether the difference is distorted by expressing them in 2020 price levels, or a combination of these. The two most observable changes are a decrease at lower incomes (*e.g.*, see the first cluster for after-tax incomes of \$15,000 per year or less) and an increase at higher incomes (*e.g.*, see the last cluster for after-tax incomes of \$126,000 per year or more). There are a couple of changes to the underlying CE data that may contribute to these changes.

*Changes Beginning with the BR4 Measurements and Continued with the BR5 Measurements*

The BR4 and BR5 measurements reflect two improvements to CE data.

- Noticing that low-income families spend more than their after-tax income on average, the U.S. Bureau of Labor Statistics (the organization conducting the CE) improved how it measures income. The improvements appeared to reclassify some lower households as having more income in the BR4 and BR5 samples than would have been classified previously as low income in earlier BR samples. Indirectly, this may explain some of the decreased amounts at low incomes from the BR3 study to the BR4 and BR5 studies.
- The BR4 and BR5 studies use “outlays” instead of “expenditures” like the earlier BR studies did. Expenditures track closely with how gross domestic product (GDP) is measured. Namely, GDP considers houses to be investments (physical capital), so the BLS did not consider mortgage principal payments to be an expenditure item. (It did and continues to include mortgage interest, any HOA fees, rent, utilities, and other housing expenses and rents among those who rent.) Outlays consider all monthly expenses (*e.g.*, mortgage principal payments and interest, and payments on second

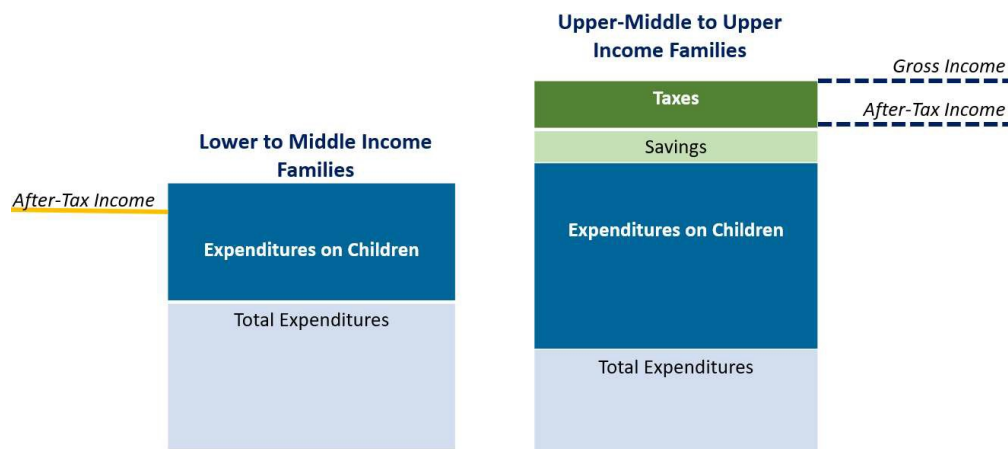
mortgages and home equity loans). Outlays also include installment payments (*e.g.*, for major appliances and automobiles). Expenditures include the total price of an item at the time of purchase (yet Betson did an adjustment for automobile purchases in the BR1, BR2, and BR3 studies). In short, outlays track closer to how families spend and budget on a monthly basis. These monthly budgets consider the total mortgage payment and installment payments. The impact of the switch from expenditures to outlays appears to be increased expenditures on children at higher incomes from the BR3 studies to the BR4 and BR5 studies. This is likely because higher-income families are more likely to purchase items via installments, have higher installment payments, and have more mortgage principal that they are paying down.

#### *Changes Beginning with the BR5*

The major change with the BR5 study was an improvement in how taxes were measured. In prior surveys, households would self-report taxes. The BLS learned that families underestimated taxes paid, particularly at high incomes; hence, their after-tax income (spendable income) was smaller than measured. Beginning in 2013, the BLS began using their internal tax calculator (similar to TurboTax) to calculate each household's taxes. This effectively reduced the after-tax income available for expenditures. The increased average ratio of expenditures to after-tax income over time also had an impact. The ratio is used in the conversion of the measurement of child-rearing expenditures to a child support schedule. (This can be illustrated through Exhibit 11 by assuming a drop in the after-tax income line for the cluster of families to the right that have higher incomes.) This increases the amounts from BR4 to BR5 for high-income families because they pay a larger amount of taxes. Their after-tax income is less; hence, the ratio of expenditures to after-tax income is larger.

In addition, a small improvement to the child's share of healthcare expenses was made for BR5. It better reflects the child's share of the family's total out-of-pocket expenses. This results in nominal increases at very low incomes and nominal decreases at very high incomes.

**Exhibit 11: Relationship of Child-Rearing Expenditures to Gross Income**



### Developing an Updated Child Support Schedule

As mentioned earlier, child support schedules are part policy and part economic data. Besides economic data on the cost of raising children, there are economic data and technical assumptions pertaining to price levels, expenditures to net income ratios, and other things. At its October 2019 meeting, the DRPRC reviewed the major data sources and assumptions underlying the existing schedule, whether there was more current data that could be used to develop an updated schedule, and whether there were any alternative assumptions that would better serve families.

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#### Major Data Sources and Assumptions underlying Existing Schedule

There are several data sources and assumptions underlying the existing schedule.

1. The Iowa child support schedule relies on the income shares guidelines model.
2. The existing schedule relies on the third Betson-Rothbarth study of child-rearing expenditures (BR3).
3. The BR3 measurements were updated to July 2012 price levels to develop the existing schedule.
4. Child-rearing expenses that are considered on a case-by-case basis were excluded from the BR3 measurements in the conversion to the existing child support schedule. The excluded expenses were child care expenses, the child's health insurance premium, and the child's extraordinary, unreimbursed medical expenses.
5. The BR measurements are converted from a total-expenditures base to a net-income base by using the average expenditures to net-income ratios calculated from the same families in the Consumer Expenditures (CE) data that Betson used to measure child-rearing expenditures.
6. The BR3 measurements, which cover combined incomes up to about \$22,000 net per month, were extrapolated from the amounts at lower income to extend the schedule to combined incomes of \$25,000 net per month.
7. A low-income adjustment to consider the subsistence needs of the obligated parent is layered on top of the data and assumptions above.

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#### Discussion of Individual Factors for Consideration of Updating the Schedule

When considering whether and how to update the schedule, the committee reviewed each of the listed data sources and assumptions above individually. In general, the committee did not believe that there were any overwhelming reasons or evidence to suggest major assumption changes, but supported updating the schedule for more current data when available. This included updating the schedule for new BR measurements and more current price levels.

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#### *Factor 1: Guidelines Model*

The guidelines model is a policy decision. The most common principle used for state guidelines models is what University of Wisconsin researchers call the "continuity of expenditures model"—that is, the child support award should allow the children to benefit from the same level of expenditures had the children

and both parents lived together.<sup>24</sup> In the income shares guidelines model—which is used by 41 states, including Iowa—the obligated parent’s prorated share of that amount forms the basis of the guidelines-determined amount. In most of the seven states that use the percentage-of-obligor income guidelines model, it is often presumed that the custodial parent contributes an equal dollar amount or percentage of income to child-rearing expenditures.

Besides the income shares guidelines model and the percentage-of-obligor income guidelines model, three states (*i.e.*, Delaware, Hawaii, and Montana) use the Melson formula, which is essentially a hybrid of the income shares approach and the percentage-of-obligor income guidelines. Each of these states prorates a basic level of support to meet the primary needs of the child; then, if the obligated parent has any income remaining after meeting his or her share of the child’s primary support, his or her own basic needs, and payroll taxes, an additional percentage of his or her income is added to his or her share of the child’s primary support.

Research finds that other factors (*e.g.*, the economic basis, whether the schedule has been updated for changes in price levels, and adjustments for low-income parents) affect state differences in guidelines more than the guidelines model.<sup>25</sup> Nonetheless, two states (Illinois and Arkansas) have switched to the income shares guidelines in recent years. The Illinois committee reviewing the guidelines recommended switching to income shares in 2010, and it became effective in 2017. Arkansas began using income shares in 2020 and took less time to make the change. Other states that have switched to income shares in the last two decades (*i.e.*, District of Columbia, Georgia, Massachusetts, Minnesota, and Tennessee) have generally taken several years. Part of the reason is the time necessary to draft changes, obtain public input, and move through the legislative process. Additionally, time is needed to draft new agency rules and develop and test automated guidelines calculators. All states that have changed guidelines models in the last two decades have switched to income shares.

Besides the guidelines models in use, there are several other guidelines models not in use. In general, there is no overwhelming reason for Iowa to consider switching guidelines models.

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#### *Factor 2: Economic Study*

As described earlier, there are several measurements of child-rearing expenditures that form the basis of state guidelines. The newest Betson-Rothbarth (BR5) clearly emerged as the most appropriate study to use for updating the Iowa schedule. Its underlying data is more current than that of any other study. It also essentially uses the same methodology and assumptions as the existing schedule, which is an earlier Betson-Rothbarth study. The few modifications are improvements to the underlying Consumer Expenditure (CE) data (*i.e.*, an improvement to how income is measured, a switch from using total expenditures to total outlays, and an improvement to how taxes are calculated). In all, no other study was clearly better in methodology or appropriateness for Iowa.

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<sup>24</sup> Ingrid Rothe and Lawrence Berger. (Apr. 2007). “Estimating the Costs of Children: Theoretical Considerations Related to Transitions to Adulthood and the Valuation of Parental Time for Developing Child Support Guidelines.” IRP Working Paper, University of Wisconsin: Institute for Research on Poverty, Madison, WI.

<sup>25</sup> Venohr, J. (Apr. 2017). Differences in State Child Support Guidelines Amounts: Guidelines Models, Economic Basis, and Other Issues. *Journal of the American Academy of Matrimonial Lawyers*.

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*Factor 3: Adjust to Current Price Levels*

The existing schedule is based on price levels in July 2012. The proposed schedule considers September 2020 prices, which was the most recent month available when the committee finalized its recommendation. Prices have increased by 13.6 percent between the two time periods.

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*Factor 4: Exclude Child care Expenses and Out-of-Pocket Healthcare Costs*

The measurements of child-rearing expenditures cover *all* child-rearing expenditures, including child care expenses and the out-of-pocket healthcare expenses for the child. This includes out-of-pocket insurance premium on behalf of the child and out-of-pocket extraordinary, unreimbursed medical expenses such as deductibles. These expenses are widely variable among cases (*e.g.*, child care expenses for an infant are high, and there is no need for child care for a teenager). Instead of putting them in the schedule, the actual amount of the expense is addressed on a case-by-case basis in the worksheet. To avoid double-accounting in the schedule, these expenses are subtracted from the measurements when developing the existing and updated schedules. Appendix A provides the technical details on how this is done.

*Inclusion of \$250 per Child per Year for Out-of-Pocket Medical Expenses*

However, there is an exception to excluding the child's medical expenses. An amount to cover ordinary out-of-pocket healthcare expenses (*e.g.*, aspirin and copay for well visit) was retained in both the existing and updated schedule. The current schedule assumes up to \$250 per child per year for ordinary out-of-pocket healthcare expenses based on data. That assumption is retained for the proposed, updated schedule because the average is still near \$250 per child per year. The concern, however, is the amount varies significantly among those with Medicaid and those with private insurance, particularly with high deductibles. The 2015 Medical Expenditure Panel Survey (MEPS) finds that the average out-of-pocket medical expense per child was \$248 per year but varied depending on whether the child was enrolled in public insurance such as Medicaid or had private insurance. Based on MEPS data, out-of-pocket medical expenses averaged \$63 per child per year for children who had public insurance and \$388 per child per year for those with private insurance.<sup>26</sup> The 2017 MEPS data has not drilled down to the public insurance and private insurance level, but they do report an average for all children, \$271 per child, which is close to the \$250 level.

Some states are responding to the disparity in out-of-pocket expenses between those with public insurance and those with private insurance in two ways. One way is to include *no* ordinary out-of-pocket medical expenses (*e.g.*, Connecticut and Virginia) in the schedule. This would reduce the schedule amounts. This means parents must share receipts for *all* out-of-pocket medical expenses, not just those exceeding \$250 per child per year. The major pro of this approach is that it is more accurate. The major cons are it requires more information sharing and coordination between the parties and the burden falls on the parent incurring the expense: both in sharing and coordinating the information and paying for

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<sup>26</sup> U.S. Department of Health & Human Services Agency for Healthcare Research and Quality. (n.d.). *Medical Expenditure Panel Survey*. Retrieved from [https://www.meps.ahrq.gov/mepsweb/data\\_stats/meps\\_query.jsp](https://www.meps.ahrq.gov/mepsweb/data_stats/meps_query.jsp).

the expense if the other party fails to pay his or her share or initiating an enforcement action for that expense. In addition to excluding ordinary out-of-pocket medical expenses in the schedule, Michigan and Ohio take the method one step further. Not only do they exclude all healthcare expenses from the schedule, but they provide a standardized amount of out-of-pocket medical expenses that is added in the worksheet as a line item, similar to the add-on for child care expenses. That amount can vary depending on whether the insurance is private insurance or Medicaid enrollment.

Exhibit 12 illustrates how this works in Ohio, which uses annual income rather than monthly income. The major pros to this approach are that it can better address the out-of-pocket healthcare expenses and does not require a change in the schedule to update the standardized amount for out-of-pocket medical expenses. The cons are that it makes the calculation more cumbersome and requires knowledge of whether the children are enrolled in Medicaid (which may change frequently).

Although the committee has concerns about the treatment of healthcare expenses, there was no alternative that emerged as clearly better and more appropriate than the current approach for addressing the child's healthcare expenses.

**Exhibit 12: Illustration of Ohio's Alternative Approach to Out-of-Pocket Medical Expenses**

Worksheet Calculation				Cash Medical Obligation	
	Parent A	Parent B	Combined	Number of Children	Annual Cash Medical Amount
1. Annual Income	\$40,000.00	\$40,000.00	\$80,000.00	1	\$388.70
2. Share of Income	50%	50%		2	\$777.40
3. Schedule Amount (Annual)			\$20,000.00	3	\$1,166.10
4. Annual Cash Medical			\$388.70	4	\$1,554.80
5. Total Obligation			\$20,388.70	5	\$1,943.50
6. Each Parent's Share (Line 2 x Line 5)	\$10,194.35	\$10,194.35		6	\$2,332.20

*Factor 5: Conversion of Expenditures to Net Income*

The need for this conversion is illustrated by Exhibit 11 on page 18. As stated earlier, Betson reports the measurements of child-rearing expenditures as a percentage of total expenditures. Thus, they must be converted from a percentage of total expenditures to a net-income basis because the schedule relates to net income. The conversion for the existing schedule was done by taking the expenditures-to-income ratio for the same subset of CE families used to develop the measurements. These ratios are shown in Appendix A, as well as an example of how the conversion is made. This is how most states using the BR measurements make the conversion. The only notable exception is the District of Columbia that assumes that all after-tax income is spent; hence makes no adjustment. (This results in larger schedule amounts that become progressively larger as income increases.) The committee saw no compelling reason to change the conversion method from the existing schedule for the proposed schedule.

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*Factor 6: Determining Amounts at Higher Incomes*

The BR5 measurements are available for combined incomes up to about \$22,000 net per month. Above this level, there is insufficient information to know how the percentage of income devoted to child-rearing expenditures changes. For example, it is unknown whether those with combined incomes of \$25,000 net per month devote the same percentage of income to child-rearing expenditures as those with \$35,000 net per month.

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*Factor 7: Incorporate a Low-Income Adjustment*

As shown below, new federal regulation (45 C.F.R. §302.56(c)(2)(ii)) requires the consideration of the basic subsistence of the noncustodial parents.

**45 C.F.R. §303.56 Guidelines for setting child support orders**

- (a) Within 1 year after completion of the State's next quadrennial review of its child support guidelines, that commences more than 1 year after publication of the final rule, in accordance with § 302.56(e), as a condition of approval of its State plan, the State must establish one set of child support guidelines by law or by judicial or administrative action for setting and modifying child support order amounts within the State that meet the requirements in this section.
- (b) The State must have procedures for making the guidelines available to all persons in the State.
- (c) The child support guidelines established under paragraph (a) of this section must at a minimum:
  - (1) Provide that the child support order is based on the noncustodial parent's earnings, income, and other evidence of ability to pay that:
    - (i) Takes into consideration all earnings and income of the noncustodial parent (and at the State's discretion, the custodial parent);
    - (ii) **Takes into consideration the basic subsistence needs of the noncustodial parent (and at the State's discretion, the custodial parent and children) who has a limited ability to pay by incorporating a low-income adjustment, such as a self- support reserve or some other method determined by the State; and...**

The existing Iowa low-income adjustment fulfills the federal requirement, but does not include a self-support reserve. Instead, it uses a research finding considered by the federal Office of Child Support Enforcement when proposing the rule change. Specifically, the research finding is that that orders are unpaid when the one-child order amount is 20 percent or more of the obligated parent's gross income and a higher percentage for two or more children.<sup>27</sup>

The existing Iowa low-income adjustment is based on several principles.

- *Parts A and B of the Existing Schedule Are Below Average Child-Rearing Expenditures.* The schedule amounts in Parts A and B are below the average amount of child-rearing expenditures for the combined incomes and number of children considered in Parts A and B.

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<sup>27</sup> See U.S. Department of Health and Human Services. (Nov. 17, 2014). "Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs." *Federal Register*, vol. 79, no. 221. p. 68555. Retrieved from <https://www.gpo.gov/fdsys/pkg/FR-2014-11-17/pdf/2014-26822.pdf>; and Takayasu, Mark. (2011). *How Do Child Support Order Amounts Affect Payments and Compliance*. Prepared by Orange County Department of Child Support Services Research and Reporting Unit. Available at [http://www.css.ocgov.com/about/research\\_studies](http://www.css.ocgov.com/about/research_studies).

- *Provides a Minimum Order.* The existing schedule incorporates a minimum order of \$30 per month for one child and \$50 per month for two or more children. Part A of the existing schedule, which is excerpted in Exhibit 13, illustrates the minimum order of \$30 and \$50 per month through the amounts of the first line of the schedule.

**Exhibit 13: Excerpt of Part A of Existing Schedule**

Combined* Adjusted Net Income		One Child	Two Children	Three Children	Four Children	Five or More Children
Area A –Low Income Adjustment						
0	-	100	30	50	50	50
101	-	200	30	50	50	50
201	-	300	31	50	55	60
301	-	400	42	58	66	80
401	-	500	52	72	82	100
501	-	600	62	87	99	120
601	-	700	73	101	115	140
701	-	800	83	116	132	160
801	-	850	88	123	140	170
851	-	900	94	130	148	180
901	-	950	99	138	156	190
951	-	1000	104	145	164	200
1001	-	1050	109	152	173	210
1051	-	1100	114	159	181	220
1101	-	1150	120	167	189	230

- *Shaded-Area Calculation in Part B.* If an obligated parent's net income and number of children falls into the shaded area of Part B (see Exhibit 14), the child support order shall be based on the lower of two calculations: the regular guidelines calculation; and a second calculation that assumes the custodial parent has no income. This extra step preserves the low-income adjustment when the custodial parent has income.
- *Dividing Income Between Parts A and B is Net Equivalent to Full-Time Minimum Wage Earnings.* The net-income equivalent to full-time minimum wage earnings marks the dividing point between Part A and Part B. The current federal minimum wage (\$7.25 per hour) applies to Iowa; that is, Iowa is among the minority of states without a state minimum wage that exceeds the federal minimum wage. The federal minimum wage of \$7.25 per hour is unchanged since the existing schedule was developed in 2012 to 2020 when the proposed updated schedule was developed. When the low-income adjustment was developed, the after-tax equivalent to \$1,257 gross per month (\$7.25 per hour at 40 hours per week) was about \$1,151 net per month. It is now about \$1,111 per month.

**Exhibit 14: Excerpt of Part B of Existing Schedule**

Area B – Low-Income Adjustment						
1151	-	1200	145	197	222	242
1201	-	1250	170	227	254	275
1251	-	1300	195	257	287	307
1301	-	1350	220	287	319	340
1351	-	1400	245	317	352	372
1401	-	1450	270	347	384	405
1451	-	1500	295	377	417	437
1501	-	1550	320	407	449	470
1551	-	1600	345	437	482	502
1601	-	1650	370	467	514	535
1651	-	1700	395	497	547	567
1701	-	1750	420	527	579	600
1751	-	1800	444	557	612	632
1801	-	1850	456*	587	644	665
1851	-	1900	468	617	677	697
1901	-	1950	480	647	709	730
1951	-	2000	492	677	742	762
2001	-	2050	504	707	774	795
2051	-	2100	516	737	807	827
2101	-	2150	528	765	839	860
2151	-	2200	539	782*	872	892
2201	-	2250	551	799	904	925
2251	-	2300	563	816	937	957
2301	-	2350	575	833	969	990
2351	-	2400	587	850	1001*	1021
2401	-	2450	599	867	1021	1043*
2451	-	2500	611	885	1041	1064
2501	-	2550	623	902	1062	1086
2551	-	2600	635	920	1083	1107
2601	-	2650	647	937	1104	1129
Area C – Nonshaded Area*						
2651	-	2700	660	955	1125	1150
2701	-	2750	672	973	1146	1172
2751	-	2800	684	990	1166	1193

- *Minimum-Wage Earners Pay the Same Percentage of Income as Highest Income.* At the midpoint of the income range containing the net-income equivalent to full-time minimum wage earnings (\$1,151 to \$1,200 per month), the principle of equity is used. Obligated parents at this income shall pay the same percentage of their net income for child support as those at the highest income of the schedule (*i.e.*, at \$25,000 net combined income). These percentages are also applied to incomes below minimum wage, with a small exception to gradually increase the basic obligation as income increases. These percentages are also clearly below the 20-percent-of-gross income threshold cited by the federal Office of Child Support Enforcement as research supporting the rule that state guidelines must consider the subsistence needs of the obligated parent. Specifically, research finds less than full payment and arrears accrue when child support orders are 20 percent or more of an obligated parent's income for one child and 28 percent or more of an obligated parent's gross income for two or more children.<sup>28</sup>
- *Part B Amounts Are Phased Out and into BR Measurements.* In Part B (which is above the net-equivalent to full-time minimum wage earnings, so about \$1,150 per month), the BR measurements of child-rearing expenditures are phased in when the amount is lower than the minimum-wage amount by adding the following amount to the basic obligation at minimum wage (*e.g.*, \$120 for one child and \$167 for two children at incomes of \$1,150 per month) for each additional \$50 per month in net income: \$25 for one child; \$30 for two children; \$32.50 for three and four children; and \$37.50 for five or more children.
- *Caps on 4 and 5 or More Children Due to Income Withholding Limits.* The percentages for four and five or more children are capped at 43 and 44 percent, respectively. The Consumer Credit Protection Act provides that about 50 percent of disposable income can be withheld for child support. The actual percentage varies depending on whether there are other dependents and arrears. Capping at 43 and 44 percent allows the obligated parent to have increased disposable income as his or her income increases rather than assigning all of the increased income to child support.

*Proposed Changes to Low-Income Adjustment*

Low-income adjustments are generally policy decisions with federal requirements, the federal poverty guidelines and research findings on payments in the foreground. In addition, care is taken to gradually phase-out the low-income adjustment and phase-in the BR measurements so there is not a precipitous increase or decrease between the areas of the schedules adjusted for low-income and the areas of the schedule based purely on BR measurements.

The committee generally favored the format and underpinnings of the existing low-income adjustment: that is, Part A and Part B of the schedule. Besides that, there are two considerations that drive proposed changes to the low-income adjustment:

- Increasing the minimum order amounts; and

<sup>28</sup> U.S. Department of Health and Human Services. (Nov. 17, 2014). "Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs." Federal Register, vol. 79, no. 221, pp. 68554–68555. Retrieved from <https://www.gpo.gov/fdsys/pkg/FR-2014-11-17/pdf/2014-26822.pdf>.

- Using BR5 measurements for the body of the updated schedule.

*Increasing the Minimum Order.* The minimum order is a policy decision. The committee received comments about increasing them from their \$30 and \$50 levels. One concern was that they should increase more with more children. Another concern was that minimum order amounts, although still token amounts, are intended to be substantial enough to make a difference in a child's life as well as make it worthwhile for the custodial parent's time and effort incurred by the custodial parent to attend a hearing or make other time-investments during the order establishment process. The committee settled on \$50 per month for one child, \$75 per month per month for two children, and \$100 per month for three or more children. Even though full compliance is more achievable with lower minimum orders, the higher minimum order also makes the transition from the low-income adjustment to the BR5 amounts more smoothly for a higher number of children just because the BR5 amounts (and all measurements of child-rearing expenditures) find that higher amounts are spent for more children.

The rest of the proposed changes to Part A and Part B are to consider BR5 and gradually phase out the low-income adjustment and phase-in the BR5 amounts. Appendix A provides more detail.

### Section 3: Impact of Udated Schedule and Low-Income Adjustment

This section provides two sets of case scenarios to examine the impact of updating the schedule. The first set considers the impact of updating the low-income adjustment, and the second set considers the impact of updating the schedule at a wider range of incomes.

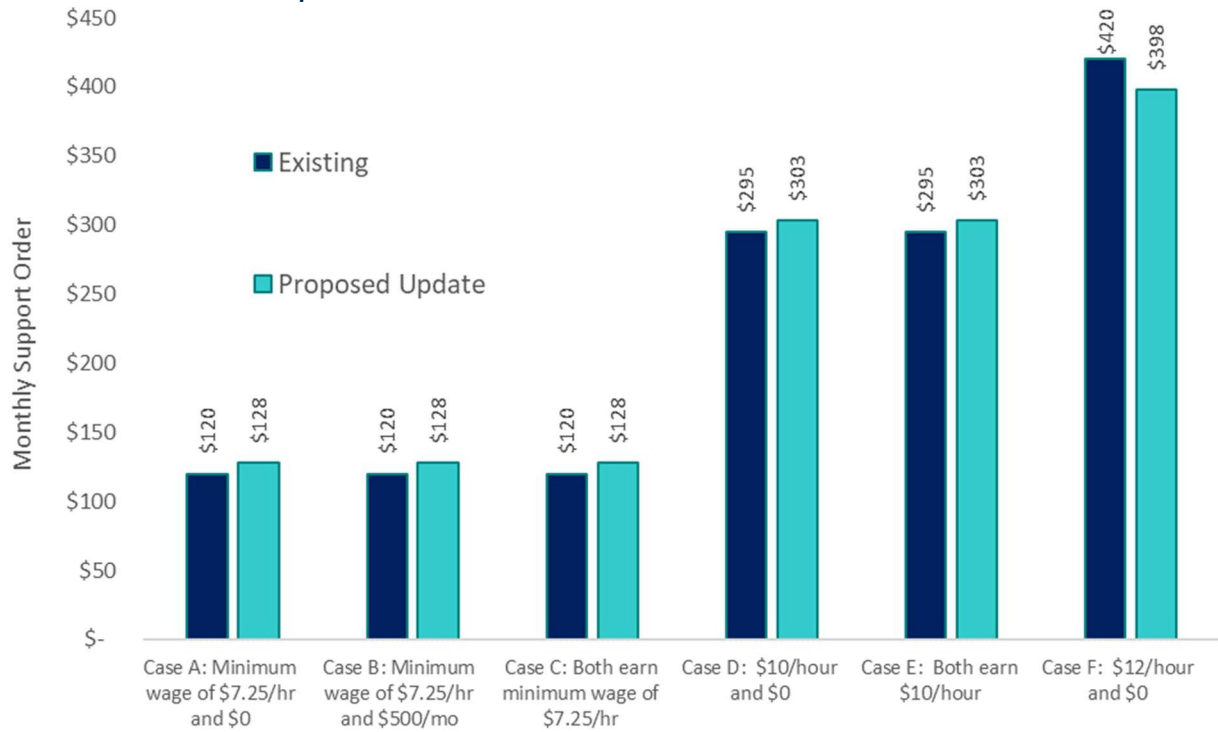
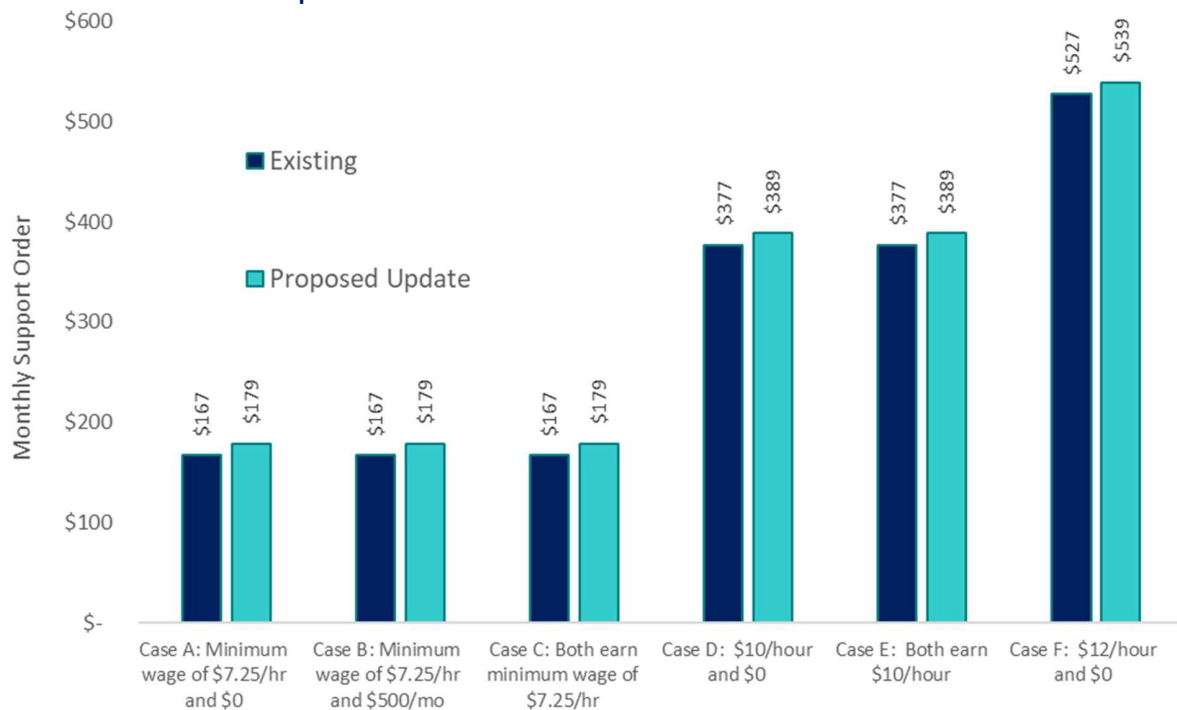
#### Case Scenarios: Low Income

Exhibit 15 shows the case scenarios used to illustrate the impact of updating the low-income parts of the schedule that contain Iowa's low-income adjustment. The scenarios consider the current federal minimum wage of \$7.25 per hour and scenarios where the wage is \$10.00 per hour or \$12.00 per hour, which are both proposed increases to federal minimum wage. Net income is approximated using prevailing federal and state income withholding formulas. For simplicity, it is assumed that the obligated parent and the parent due support (obligee) face the same tax rates, and there are no other considerations in the calculation. The first three case scenarios fall in Area A of the existing schedule, and the last three fall in Area B.

**Exhibit 15: Low-Income Case Scenarios**

Case	Obligor's Monthly Gross Income	Obligee's Monthly Gross Income	Obligor's Approximate Net Income	Obligee's Approximate Net Income	Schedule Area
Case A: Current federal minimum wage of \$7.25/hour and obligee with no income	\$1,257	\$0	\$1,111	\$1,111	Area A
Case B: Current federal minimum wage of \$7.25/hour and obligee with little income	\$1,257	\$500	\$1,111	\$500	Area A
Case C: Both earn current federal minimum wage	\$1,257	\$1,257	\$1,111	\$1,111	Area A
Case D: \$10 per hour and obligee has no income	\$1,733	\$0	\$1,480	\$0	Area B
Case E: Both earn \$10 per hour	\$1,733	\$1,733	\$1,480	\$1,480	Area B
Case F: \$12 per hour and obligee has no income	\$2,080	\$0	\$1,743	\$0	Area B

Exhibit 16 and 17 consider the amounts for one and two children. According to the Iowa Child Support Recovery Unit (CSRU), 72 percent of orders are for one child and 21 percent are for two children. Exhibits 16 and 17 underscore that updating the low-income adjustment using the same assumptions as the existing low-income adjustment but with larger minimum orders generally will increase order amounts in Part A. The increases are generally small. The notable exception is Case F for one child. It produces a small decrease (from \$420 per month to \$398 per month) due to the smaller amounts under BR5 at low incomes. The difference is so small it is not a significant change that would warrant an order modification.

**Exhibit 16: Low-Income Comparisons: One Child****Exhibit 17: Low-Income Comparisons: Two Children**

### Case Scenarios: Wide Range of Incomes

Exhibit 18 shows case scenarios for a wider range of incomes. The first five case scenarios consider the median earnings of Iowa workers by highest educational attainment and gender according to the U.S. Census 2018 American Community Survey.<sup>29</sup> It is assumed that the median earnings of the receiving party are those of a female worker in Iowa and the median earnings of the obligated parent are those of a male worker in Iowa.<sup>30</sup> There are no adjustments for special factors such as adjustments to income for qualified additional dependents, the cost of the child's health insurance premium, or substantial shared physical custody.

**Exhibit 18: Summary of Case Scenarios Used to Compare Impact of Updated Schedule**

Case Scenario	Approximate Net Monthly Income of Obligated Parent	Approximate Net Monthly Income of Receiving Party
1. Parent's earnings are equivalent to median earnings of Iowa workers whose highest educational attainment is less than a high school degree	\$2,350	\$1,300
2. Parent's earnings are equivalent to median earnings of Iowa workers whose highest educational attainment is a high school degree or GED	\$2,800	\$1,600
3. Parent's earnings are equivalent to median earnings of Iowa workers whose highest educational attainment is some college or an associate degree	\$3,150	\$1,950
4. Parent's earnings are equivalent to median earnings of Iowa workers whose highest educational attainment is a college degree	\$4,100	\$2,850
5. Parent's earnings are equivalent to median earnings of Iowa workers whose highest educational attainment is graduate degree	\$5,000	\$3,600
6. High-income (combined income of \$16,000 net per month)	\$10,000	\$5,000
7. High-income (combined income of \$20,000 net per month)	\$10,000	\$10,000

Exhibits 19, 20, and 21 compare the schedule amounts for one, two, and three children. The exhibits also compare the amounts of several bordering states: Illinois, Nebraska, South Dakota, and Wisconsin. Illinois, Nebraska, and South Dakota rely on the income shares guidelines model and net income, which Iowa also does. Wisconsin relies on a percentage of gross income guidelines model. The Wisconsin percentage are converted to a net-income basis using current federal and Iowa income tax rates. Minnesota and Missouri, which also border Iowa, also use the income shares guidelines model. They are not included because they rely on gross income. The assumptions used for the conversion from

<sup>29</sup> U.S. Census data is retrieved from <https://www.census.gov/data/tables.html>.

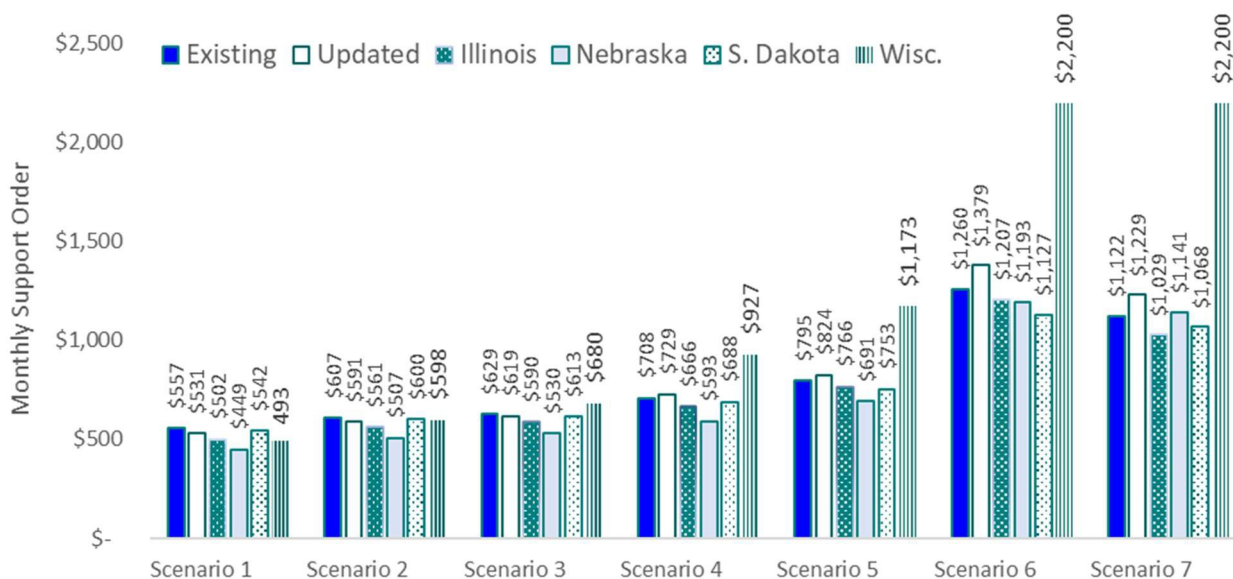
<sup>30</sup> According to national data, over 80 percent of custodial parents are females.

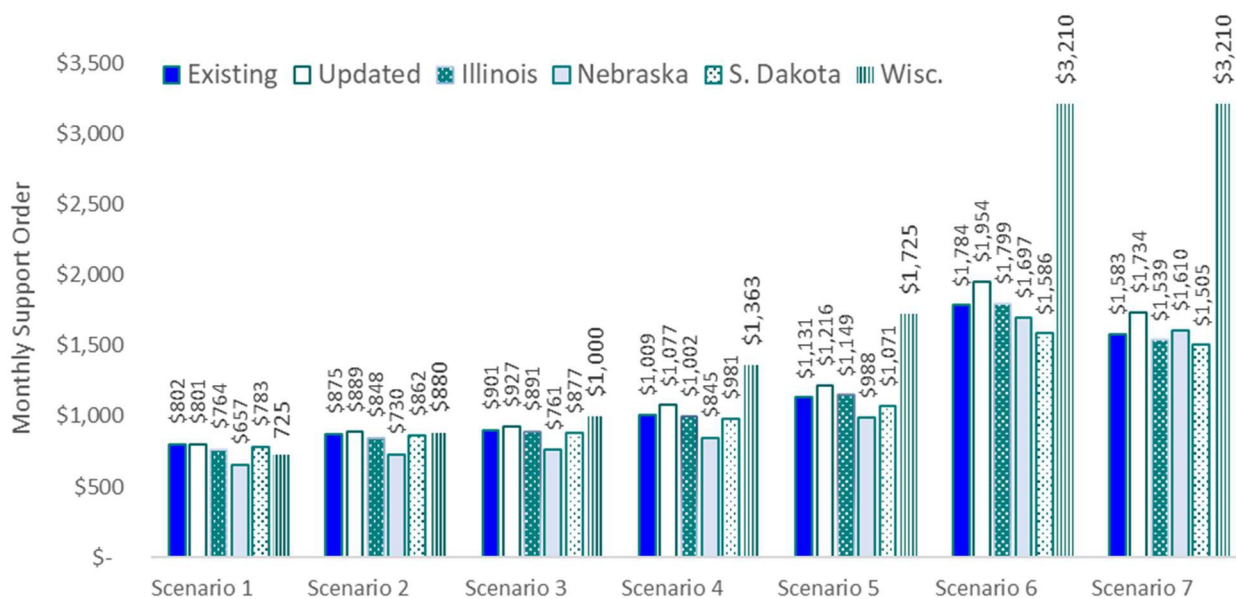
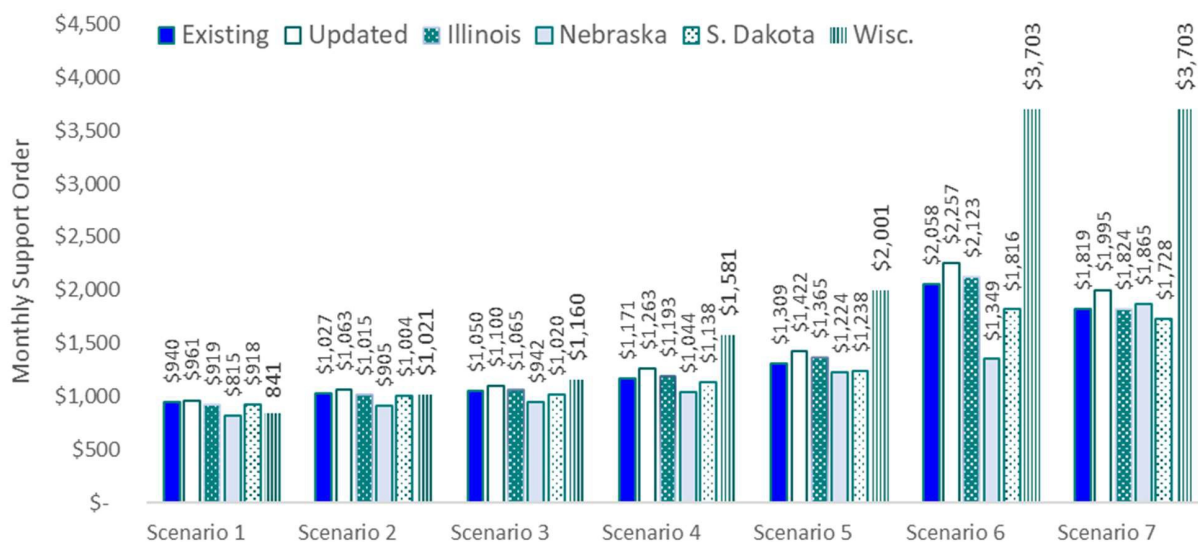
gross income to net income of both parties, particularly due to child-related tax benefits such as the child tax credit, may skew the amounts.

Generally, the comparisons show small differences between the order amounts produced by the existing Iowa schedule and those produced from the updated Iowa schedules at lower incomes and larger differences at higher incomes. For one and two children, there are even some nominal decreases due to the improved measurement of income and the findings from the BR5 measurements at lower income, as shown when examining Scenario 1 for one and two children and Scenarios 2 and 3 for one child.

With the exception of Wisconsin, both the existing and updated Iowa schedule produce amounts close to other states for most scenarios. Wisconsin produces larger amounts than any other state at very high incomes because of its percentage-of-obligor income guidelines model and application of older measurements of child-rearing expenditures to very high incomes. In general, the Iowa updated schedule produces more than the Illinois, Nebraska, and South Dakota schedules at higher incomes because these states base their schedules on older studies and have not updated for changes in price levels recently.

**Exhibit 19: Comparisons of Case Scenarios for One Child**



**Exhibit 20: Comparisons of Case Scenarios for Two Children****Exhibit 21: Comparisons of Case Scenarios for Three Children**

## Section 4: Conclusions

Iowa is reviewing its child support guidelines. This report focuses on meeting the federal requirement (45 C.F.R. §302.56(h)) to consider the economic data on the cost of raising children. It supplements another report being produced by Iowa that documents the entire review and the recommendations developed from the review. The new economic data is also used to develop an updated schedule in this report. The report documents the steps and assumptions used to develop the updated schedule.

The low-income areas of the schedule (Part A and Part B) are also updated. The low-income adjustment fulfills the federal requirement (45 C.F.R. §302.56(c)(1)(ii)) to consider the subsistence needs of the noncustodial parent). It relies on the same research findings used to support the federal requirement to consider the subsistence needs; that is, full payments generally do not occur when the order is 20 percent or more of the obligated parent's gross income for one child.

The low-income adjustment is updated for increases to the minimum order and to gradually phase-in the schedule amounts based on new economic data on the cost of raising children. Minimum order amounts are policy decisions. The current amounts of \$30 per month for one child and \$50 per month for two or more children are lower than most states. Another issue is that the minimum-order for three or more children (\$50 per month) is the same as the minimum order amount for two children (\$50 per month) while three and more children cost more than two children. Another concern was that minimum order amounts, although still token amounts, are intended to be substantial enough to make a difference in a child's life as well as make it worthwhile for the custodial parent's time and effort incurred by the custodial parent to attend a hearing or make other time-investments during the order establishment process. The committee settled on \$50 per month for one child, \$75 per month for two children, and \$100 per month for three or more children. At the other extreme, full compliance is more reachable the lower the minimum order. Yet, higher minimum orders for three or more children ease the phase-in of the schedule amounts based on the measurements of child-rearing expenditures, which find that larger families devote a substantial percentage of income to child-rearing expenditures.

In all, Iowa's review and the recommended guidelines changes meet all federal and state requirements. Moreover, they will better serve Iowa families and children by providing appropriate, consistent, and predictable child support order amounts.

## Appendix A: Technical Documentation of the Updated Schedule

There are several technical considerations and steps taken to update the schedule. The economic data and assumptions underlying the updated schedule are summarized below.

- There are no significant changes in the underlying principles and guidelines model.
- The basis for the schedule is the fifth set of Betson-Rothbarth (BR) measurements, which are described in Section 2.
- The schedule is updated to 2020 price levels.
- The schedule does not include child care expenses, the cost of the child's health insurance premium, and the extraordinary, unreimbursed medical expenses of the child. The guidelines calculation considers the actual amounts expended for these items on a case-by-case basis. Specifically, each parent is responsible for his or her prorated share of these expenses.
- The BR measurements of child-rearing expenditures are expressed as a percentage of total family expenditures and are converted to net income for guidelines purposes.
- The amounts for incomes above \$22,000 per month are based on an extrapolation of the data from incomes below \$22,000 per month.
- The schedule is based on the average of all expenditures on children from ages 0 through 17 years. There is no adjustment for the child's age.
- The schedule incorporates a low-income adjustment that considers the subsistence needs of the obligated parent.

This Appendix provides more detail to the underlying data and assumptions described in the overview of the schedule update in Section 2. It also provides more detail about the underlying data. Exhibit A-1 shows the data that Professor Betson provided CPR to convert the BR5 measurements to a child support schedule that was mentioned in Section 2.

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### *Overview of Income Ranges*

In all, Betson provided CPR with information for 25 income ranges that were generally income intervals of \$5,000 to \$20,000 per year. CPR collapsed a few of them to average out some anomalies (*e.g.*, a spike in the percentage of total expenditures devoted to child-rearing expenditures once child care and extraordinary medical expenses were excluded). The collapsing resulted in the 20 income ranges shown in Exhibit A-1.

Exhibit A-1: Parental Expenditures on Children and Other Expenditures by Income Range Used in the BR5 Schedule								
Annual After-Tax Income Range (2020 dollars)	Number of Observations	Total Expenditures as a % of After-Tax Income	Expenditures on Children as a % of Total Consumption Expenditures (Rothbarth 2013–2019 data)			Child care \$ as a % of Consumption (per child)	Total Excess Medical \$ as a % of Consumption	
			1 Child	2 Children	3 Children		(per capita)	(total)
\$ 0 – \$19,999	283	>200%	22.433%	34.670%	42.514%	0.473%	0.870%	3.005%
\$20,000 – \$29,999	306	134.235%	23.739%	36.642%	44.893%	0.437%	0.894%	3.208%
\$30,000 – \$34,999	306	107.769%	24.057%	37.118%	45.462%	0.407%	1.047%	3.722%
\$35,000 – \$39,999	409	103.780%	24.222%	37.364%	45.755%	0.647%	1.390%	4.878%
\$40,000 – \$44,999	428	100.064%	24.362%	37.571%	46.002%	0.721%	1.468%	5.301%
\$45,000 – \$49,999	416	97.195%	24.452%	37.705%	46.161%	0.747%	1.539%	5.485%
\$50,000 – \$54,999	399	92.716%	24.509%	37.789%	46.261%	0.855%	1.609%	5.887%
\$55,000 – \$59,999	367	90.548%	24.580%	37.894%	46.386%	1.210%	2.166%	7.389%
\$60,000 – \$64,999	335	86.130%	24.615%	37.945%	46.447%	0.776%	2.071%	7.474%
\$65,000 – \$69,999	374	84.016%	24.668%	38.025%	46.541%	1.255%	2.114%	7.525%
\$70,000 – \$74,999	333	82.671%	24.725%	38.108%	46.640%	1.586%	2.121%	7.375%
\$74,999 – \$84,999	615	82.690%	24.820%	38.249%	46.807%	1.743%	2.343%	7.894%
\$85,000 – \$89,999	318	78.663%	24.863%	38.311%	46.880%	1.392%	2.155%	8.331%
\$90,000 – \$99,999	565	76.240%	24.912%	38.384%	46.966%	1.658%	2.000%	7.888%
\$100,000 – \$109,999	493	75.488%	24.996%	38.508%	47.113%	2.159%	1.946%	7.121%
\$110,000 – \$119,999	374	73.058%	25.054%	38.593%	47.213%	2.523%	1.942%	7.583%
\$120,000 – \$139,999	468	71.731%	25.142%	38.722%	47.365%	2.477%	1.893%	6.494%
\$140,000 – \$159,999	240	70.658%	25.266%	38.904%	47.579%	3.073%	1.855%	7.516%
\$160,000 – \$199,999	512	62.753%	25.322%	38.986%	47.676%	1.790%	1.806%	7.037%
\$200,000 or more	498	58.427%	25.571%	39.350%	48.103%	2.459%	1.554%	6.501%

#### Steps to Convert to Schedule

The steps used to convert the information from Exhibit A-1 to the updated schedule in Appendix B are the same steps used to develop the existing schedule.

The steps are presented in the order that they occur, not in the order that the factors were discussed in Section 2.

The steps consist of:

Step 1: Exclude child care expenses.

Step 2: Exclude child's healthcare expenses except up to the first \$250 per year per child that is used to cover ordinary, out-of-pocket medical expenses for the child.

Step 3: Adjust for ratio of expenditures to after-tax income.

Step 4: Update for current price levels.

Step 5: Extend measurements to combined incomes above \$22,000 per month.

Step 6: Develop marginal percentages.

Step 7: Extend measurements to four and more children and cap amounts for four and five children.

Step 8: Impose cap at very high incomes.

Step 9: Layer on the low-income adjustment.

**Step 1: Exclude Child Care Expenses**

Child care expenses are excluded because the actual amount of work-related child care expenses is considered in the guidelines calculation on a case-by-case basis. The actual amount is considered because of the large variation in child care expenses: the child care expense is none for some children (*e.g.*, older children) and substantial for others (*e.g.*, infants in center-based care). Not to exclude them from the schedule and to include the actual amount in the guidelines calculation (typically as a line item in the worksheet) would be double-accounting.

Starting with the expenditures on children, which is shown in the fourth column of Exhibit A-1, average child care expenses are subtracted from the percentage of total income devoted to child-rearing. For example, at combined incomes of \$60,000 to \$64,999 per year, 37.945 percent of total expenditures is devoted to child-rearing expenditures for two children. Child care comprises 0.776 percent of total expenditures per child. The percentage may appear small compared to the cost of child care, but it reflects the average across all children regardless of whether they incur child care expenses. Child care expenses may not incur because the children are older, a relative provides child care at no expense, or another situation.

The percentage of total expenditures devoted to child care is multiplied by the number of children (*e.g.*, 0.776 multiplied by children is 1.552%). Continuing with the example of a combined income of \$60,000 to \$64,999 net per month, 1.552 percent is subtracted from 37.945 percent. The remainder, 36.393, (37.945 minus 1.552 equals 36.393) is the adjusted percentage devoted to child-rearing expenditures for two children that excludes child care expenses.

One limitation is that the CE does not discern between work-related child care expenses and child care expenses the parents incurred due to entertainment (*e.g.*, they incurred child care expenses when they went out to dinner.) This means that work-related child care expenses may be slightly overstated. In turn, this would understate the schedule amounts. Similarly, if there are economies to scale for child care, multiplying the number of children by the percentage per child would overstate actual child care expenses. When subtracted from the schedule, this would reduce the schedule too much. However, due to the small percentage devoted to child care expenses, any understatement is likely to be small.

**Step 2: Exclude Medical Expenses**

A similar adjustment is made for the child's medical expenses, with the exception that an additional step is taken. Exhibit A-1 shows the excess medical percentage, which is defined as the cost of health insurance and out-of-pocket medical expenses exceeding \$250 per person per year. It is shown two ways: the per-capita amount and the average amount for the entire household. Either way considers expenditures on the two adults in the household. It is adjusted to a per-child amount since medical expenses of children are less. The underlying data do not track whether the insurance premium or medical expense was made for an adult's or child's healthcare needs or both.

Based on the 2017 National Medical Expenditure survey, the annual out-of-pocket medical expense per child is \$270, while it is \$615 for an adult between the ages of 18 and 64.<sup>31</sup> In other words, an adult's out-of-medical expenses is 2.28 times more than a child's. This information is used to recalibrate the per-person excessive medical amount shown in Exhibit A-1 to a per-child amount. For example, at combined incomes of \$60,000 to \$64,999 per year, the total excess medical expense is 7.474 percent. The adjusted child amount is 7.474 divided by the weighted amounts for family members (6.1684 based on 2.28 times two adults plus the average number of children for this income range, 1.6084). The quotient, 1.212 percent, is the per-child amount for excess medical. It is less than the per-capita amount of 2.071 percent.

Continuing from the example in Step 1, where 36.393 is the percentage that excludes child care for two children at a combined income of \$60,000 to \$64,999 per year, 1.212 multiplied by two children is subtracted to exclude the children's excessive medical expenses. This leaves 33.969 as the percentage of total expenditures devoted to raising two children, excluding their child care expenses and excess medical expenses.

#### **Step 3: Convert to After-Tax Income**

The next step is to convert the percentage from above to an after-tax income by multiplying it by expenditures to after-tax income ratios. Continuing using the example of combined income of \$60,000 to \$64,999 per year, the ratio is 86.130. When multiplied by 33.969, this yields 29.257 percent of after-tax income being the percentage of after-tax income devoted to raising two children, excluding their child care and excess medical expenses.

#### **Step 4: Adjust to Current Price Levels**

The amounts in Exhibit A-1 are based on May 2020 price levels. They are converted to September 2020 price levels using changes to the Consumer Price Index (CPI-U), which is the most commonly used price index.<sup>32</sup> The adjustment is applied to the midpoint of each after-tax income range.

#### **Step 5: Develop Marginal Percentages**

The information from the previous steps is used to compute a tax table-like schedule of proportions for one, two, and three children. The percentages from above (e.g., 29.257% for two children for the combined income of \$60,000 to \$64,999 per year) are assigned to the midpoint of that income range adjusted for inflation. Marginal percentages are created by interpolating between income ranges. For the highest income range, the midpoint was supplied by Betson as \$258,887 per year in May 2020 dollars. When converted to September 2020 dollars and a monthly amount, it is \$21,901 per month.

Another adjustment was made at low incomes. The percentages for incomes below \$30,000 net per year were actually less than the amounts for the net income range \$30,000 to \$34,999 per year. This is an artificial result caused by the cap on expenditures in Step 3, which is also shown in Exhibit 11. Decreasing percentages result in a smooth decrease when the parent receiving support has more

<sup>31</sup> Agency for Healthcare Research and Quality. (Jun. 2020). *Mean expenditure per person by source of payment and age groups, United States, 2017. Medical Expenditure Panel Survey*. Generated interactively: June 12, 2020, from [https://www.meps.ahrq.gov/mepstrends/hc\\_use/](https://www.meps.ahrq.gov/mepstrends/hc_use/).

<sup>32</sup> The increase from May 2020 to September 2020 is 1.015% based on 260.280 divided by 256.394 and subtracting 100%. Source: U.S. Bureau of Labor Statistics. (n.d.) *Consumer Price Index Historical Tables for U.S. City Average*. Retrieved from [CPI H ome : U.S. Bureau of Labor Statistics \(bls.gov\)](https://www.bls.gov/ome).

income. This is the general result of the steps so far. The exception is at low incomes because of the cap. Without the cap, it will also produce decreasing percentages. For the purposes of the child support schedule, the percentage from the \$30,000 to \$34,999 is applied to all incomes less than \$30,000 per year. For one child, the percentages are actually from the \$35,000 to \$39,999 income range. To be clear, this is still less than what families of this income range actually spend on children.

Exhibit A-2: Schedule of Proportions for One, Two, and Three Children							
Annual After-Tax Income Range (May 2020 dollars)	Monthly Midpoint of Income Range (Sept. 2020 Dollars)	One Child		Two Children		Three Children	
		Midpoint	Marginal Percentage	Midpoint	Marginal Percentage	Midpoint	Marginal Percentage
< \$30,000	\$0	23.041%	23.041%	35.086%	35.086%	42.414%	42.414%
\$30,000 – \$34,999	\$2,749	23.041%	23.041%	35.086%	30.397%	42.414%	34.813%
\$35,000 – \$39,999	\$3,172	23.041%	20.834%	34.461%	34.031%	41.401%	40.211%
\$40,000 – \$44,999	\$3,595	22.782%	16.965%	34.410%	25.320%	41.261%	30.000%
\$45,000 – \$49,999	\$4,018	22.169%	10.445%	33.453%	14.985%	40.075%	17.008%
\$50,000 – \$54,999	\$4,441	21.053%	9.406%	31.694%	10.817%	37.879%	8.818%
\$55,000 – \$59,999	\$4,864	20.040%	13.143%	29.879%	22.110%	35.351%	29.299%
\$60,000 – \$64,999	\$5,287	19.488%	7.992%	29.257%	9.168%	34.867%	7.438%
\$65,000 – \$69,999	\$5,710	18.637%	11.118%	27.769%	14.584%	32.835%	14.789%
\$70,000 – \$74,999	\$6,133	18.118%	16.525%	26.860%	23.208%	31.591%	25.699%
\$74,999 – \$84,999	\$6,768	17.969%	12.081%	26.518%	19.891%	31.038%	25.883%
\$85,000 – \$89,999	\$7,402	17.464%	9.419%	25.950%	13.114%	30.597%	14.370%
\$90,000 – \$99,999	\$8,037	16.829%	12.140%	24.936%	16.107%	29.315%	16.595%
\$100,000 – \$109,999	\$8,883	16.382%	7.712%	24.095%	9.708%	28.104%	9.272%
\$110,000 – \$119,999	\$9,729	15.628%	14.265%	22.844%	21.151%	26.466%	24.896%
\$120,000 – \$139,999	\$10,998	15.471%	11.375%	22.649%	15.036%	26.285%	15.418%
\$140,000 – \$159,999	\$12,689	14.925%	9.996%	21.634%	17.177%	24.836%	23.161%
\$160,000 – \$199,999	\$15,227	14.103%	10.376%	20.891%	14.835%	24.557%	16.780%
\$200,000 or more	\$21,901	12.968%		19.046%		22.187%	

When applying the percentages in Exhibit A-2, they are applied to the midpoint of the income range of the schedule. For example, Appendix A shows that the schedule amount for two children for a combined income of \$5,951 to \$6,000 net per month is \$1,624 per month. This is calculated by using the midpoint of \$5,951 and \$6,000, which is \$5,975 per month. Using the information from Exhibit A-2, 27.769 percent would be applied to the first \$5,710 in income, which yields \$1,586 (\$5,710 multiplied by 27.769%) and 14.584 percent would apply to the difference between \$5,975 and \$5,710, which is \$265 and when multiplied by 14.584 equals \$39 per month. The sum of \$1,586 and \$39 equals \$1,625,<sup>33</sup> which, when adjusted for rounding, is the amount that appears in the updated schedule for combined net incomes in the range of \$5,951 to \$6,000 per month.

<sup>33</sup> The actual amount in the schedule is \$1,624 because of round-off. The calculation uses an infinite number of decimal points while Exhibit A-2 only shows whole dollar amounts and percentages to the third decimal place.

*Step 6: Extend to Combined Net Incomes beyond \$22,000 per Month.*

The BR5 measurements are available for combined incomes up to about \$22,000 net per month. Above this level, there is insufficient information to know how the percentage of income devoted to child-rearing expenditures changes. For example, it is unknown whether those with combined incomes of \$25,000 net per month devote the same percentage of income to child-rearing expenditures as those with \$35,000 net per month.

A similar issue existed in the development of the existing schedule and earlier versions of the Iowa schedule. In the past, an extrapolation formula, based on logged income to the third degree, was developed from the BR percentages at lower incomes to estimate the percentage midpoint at higher incomes. The logged values and cubing allow for a non-linear estimating equation for the percentage of expenditures as income increases: specifically, an equation in which the percentages decrease at an increasing rate. Separate equations were estimated for one and two children. Using the results from the regression equations, the percentage midpoint at a combined net income of \$30,000 per month is calculated for one and two children: they yielded 10.037 percent for one child, 14.163 percent for two children, and 15.700 percent for three children. Marginal percentages were developed between the last income interval shown in Exhibit A-2 (monthly net income of \$21,901) and \$30,000 net. The marginal percentages are 2.113 percent for one child; 0.961 percent for two children; and 1.842 percent for three children. A marginal percentage of 2.113 percent implies that expenditures on one child increase by \$2.11 for every \$100 increase in combined net income. A low marginal percentage implies a plateauing of child-rearing expenditures; that is, there are only minute increases in expenditures when the combined net income increases.

*Step 7: Extend to More Children and Cap Amounts for Four and Five Children*

Most of the measurements only cover one, two, and three children. The number of families in the CE with four or more children is insufficient to produce reliable estimates. For many child support guidelines, the National Research Council's (NRC) equivalence scale, as shown below, is used to extend the three-child estimate to four and more children.<sup>34</sup>

$$= (\text{Number of adults} + 0.7 \times \text{number of children})^{0.7}$$

Application of the equivalence scale implies that expenditures on four children are 11.7 percent more than the expenditures for three children, and expenditures on five children are 10.0 percent more than the expenditures for four children.

Application of the equivalence scales to obtain percentages for four and five children produced amounts that exceeded 50 percent at low incomes. For example, as shown in Exhibit A-1, the midpoint percentage for three children for combined net incomes less than \$30,000 per year is 42.414 percent. Application of the equivalence scale for four children would produce 47.376 percent (42.414 multiplied by 117%), and application of the equivalence scale for five children would produce 52.114 (47.376

<sup>34</sup> Citro, Constance F. and Robert T. Michael, Editors. (1995). *Measuring Poverty: A New Approach*. National Academy Press. Washington, D.C.

multiplied by 110%). The Consumer Credit Protection Act provides that about 50 percent of disposable income can be withheld for child support with some variation due to additional dependents and if arrears are owed. Cognizant of this, the existing schedule caps the amounts for four and five or more children, respectively, at 43 and 44 percent. The intent is that the guidelines-determined amount does not exceed income withholding limits, while leaving a little room to account for the differences between net income, which is the income measure used for the guidelines calculation, and disposable income, which is the income measure used for the income withholding. That cap is retained for the updated schedule. The cap applies to combined net incomes below \$4,018 per month for four children and below \$4,450 per month for five and more children.

#### *Step 8: Impose Cap at Very High Incomes*

As discussed in Section 2, there is concern at very high incomes because the BR5 measurement, which is a new study, suggests large increases, and there is not another recent study of very high incomes that can be used as a benchmark. (A similar issue does not exist at lower incomes because there are other studies that can be used as a benchmark, such as the USDA study.) The BR5 amounts at very high incomes even exceed the USDA amounts when the USDA measurements are extended to higher income. Due to methodological differences, the Rothbarth estimator should produce amounts lower than the USDA estimator. Due to data limitations, it is not clear whether the difference results from a margin of error that is inherent to all estimated measures or the age of the USDA data; that is, a more current USDA study may produce larger amounts than both the BR5 study and the 2015 USDA study, which is the most recent USDA study available. Due to these uncertainties, the committee favored capping the increases at 9.5 percent for one, two, and three children, and 9.7 percent for four and five or more children. These percentages approximate the maximum increases at lower incomes. They are also the approximate increase at the income where the USDA amount becomes lower than the BR5 amount.

The caps are applied to the following net income ranges: about \$11,001 to \$25,000 per month for one child, and about \$10,151 to \$25,000 per month for two and more children.

#### *Step 9: Layer in Low-Income Adjustment*

As discussed in Section 2, the existing low-income adjustment is based on several principles that produce amounts lower than the BR measurements for Parts A and B of the schedule. Those same principles are used for the update with a few exceptions. One exception is an increase to the minimum order amounts from \$30 per month for one child to \$50 per month for two or more children to \$50 per month for one child, \$75 per month for two children, and \$100 per month for three and more children. As discussed in Section 2, the minimum-order amounts are a policy decision.

Due to the increase in the minimum orders, the phase-in from the minimum order amount to Area B, which is the next demarcation, changes. The phase-in is determined by the minimum order amounts and the schedule amount at the after-tax income of full-time, minimum-wage earnings. The current minimum wage is \$7.25 per hour, which yields \$1,257 per month. Based on current federal and state income withholding limits, the after-tax income from \$1,257 gross per month is about \$1,111 per month. This is in the income range of \$1,101 to \$1,150 per month. At this income range, the principle of equity is applied. The percentage of income assigned to the highest income range is applied to the midpoint of the \$1,101 to \$1,150 per month, where the midpoint is \$1,125 per month. At the highest

income range (after all of the adjustments for BR5 and the cap), the percentages are 11.391 percent for one child, 15.900 percent for two children, 18.056 percent for three children, 20.039 percent for four children, and 21.933 percent for five or more children. All of these percentages are less than percentage thresholds (*i.e.*, the 20-percent threshold for one child and 28-percent threshold for two and more children) in the research cited by the federal Office of Child Support Enforcement as evidence for implementing the rule to consider the subsistence needs of the obligated parent.<sup>35</sup> Application of these percentages at \$1,125.50, which is the midpoint of the income range of \$1,101 to \$1,150, yields the following monthly basic obligations: \$128 for one child, \$179 for two children, \$203 for three children, \$226 for four children, and \$247 for five or more children.

For Area A, the amounts between the above basic monthly basic obligations and the minimum order amounts are phased-in by adding the following amounts to the minimum order for each \$50 increase in net income: about \$5.59 for one child; about \$7.42 for two children; about \$7.37 for three children; about \$8.97 for four children and about \$10.49 for five and more children. (The actual dollar amounts differ slightly due to round off.) These amounts were interpolated to create an equal dollar increase for each \$50 in additional net income in Area A of the schedule.

For Area B, the low-income adjustments are phased-out by taking the lower of the amount calculated from Exhibit A-2 (and the adjustments in the previous steps for four and more children) and the basic obligation at the \$1,101 to \$1,150 income range plus the following amounts for every \$50 increase in net incomes: \$25.00 for one child; \$30.00 for two children; \$32.50 for three and four children; and \$37.50 for five or more children. This is the same approach and dollar amounts used to develop Part B of the existing schedule. All of the dollar amounts are less than \$50 per month to provide an economic incentive to earn more. If they were set at \$50 per month, all increased income would be assigned to child support through the guidelines calculation.

*Making Graduated Changes to Parts A and B.* Increasing the minimum order amounts means the principle of equity cannot be applied to all incomes below the net-equivalent of full-time, minimum-wage earnings. Instead, it is only applied at net-equivalent of full-time, minimum-wage earnings, which is about \$1,111 per month based on 2020 federal and state income and FICA payroll tax rates. For incomes below \$1,110, the basic obligations are interpolated to create equal increases between the income interval \$0-\$100 per month to \$1,101-\$1,150 per month. In other words, increasing the minimum order means that the schedule amounts as a percentage of income are more at very low incomes than the percentage required at an income of \$25,000 net per month. The interpolation also causes slightly different amounts for three and more children due to the increase in the minimum order amount to \$100 per month.

<sup>35</sup> See U.S. Department of Health and Human Services. (Nov. 17, 2014). "Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs." *Federal Register*, vol. 79, no. 221. p. 68555. Retrieved from <https://www.gpo.gov/fdsys/pkg/FR-2014-11-17/pdf/2014-26822.pdf>; and Takayasu, Mark. (2011). *How Do Child Support Order Amounts Affect Payments and Compliance*. Prepared by Orange County Department of Child Support Services Research and Reporting Unit. Available at [http://www.css.ocgov.com/about/research\\_studies](http://www.css.ocgov.com/about/research_studies).

*Impact of Using BR5 on Low-Income Adjustment.* Using BR5 impacts the schedule amounts beginning at \$1,111 per month, the net income equivalent to after-tax earnings from full-time minimum wage earnings. As explained in the principles underlying the existing low-income adjustment, this income is a pivotal income to the adjustment. The schedule amounts at this income are based on an equity principle: that is, parents with this income shall be required to devote the same percentage of their income as those with very high income (*i.e.*, the percentage yielded at the highest income considered in the schedule, which is \$25,000 net per month). Using BR5, as well as the cap, changes these amounts at \$25,000 net per month. These changes due to a cap, however, are small. Using BR5 also affects where the shaded area ends because BR5 amounts are different than BR3 amounts.

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#### *Consumer Expenditure Data*

Most studies of child-rearing expenditures, including the BR measurements, draw on expenditures data collected from families participating in the Consumers Expenditures Survey (CE) that is administered by the Bureau of Labor Statistics (BLS). Economists use the CE because it is the most comprehensive and detailed survey conducted on household expenditures and consists of a large sample. The CE surveys about 7,000 households per quarter on expenditures, income, and household characteristics (*e.g.*, family size). Households remain in the survey for four consecutive quarters, with households rotating in and out each quarter. Most economists, including Betson, use three or four quarters of expenditures data for a surveyed family. This means that family expenditures are averaged for about a year rather than over a quarter, which may not be as reflective of typical family expenditures. (In Appendix A, Betson does explore using quarterly wage data rather than analyzing CE data.)

In all, the BR5 study relies on expenditures/outlays data from almost 14,000 households, in which over half had a minor child present in the household. The subset of CE households considered for the BR5 measurements used to develop the existing updated schedule consisted of married couples of child-rearing age with no other adults living in the household (*e.g.*, grandparents), households with no change in family size or composition during the survey period, and households with at least three completed interviews. Other family types were considered, which also changed the sample size, but the percentage of child-rearing expenditures in these alternative assumptions did not significantly change the percentage of expenditures devoted to child-rearing expenditures. The other family types included in these expanded samples were households with adult children living with them and domestic partners with children.

The CE asks households about expenditures on over 100 detailed items. Exhibit A-3 shows the major categories of expenditures captured by the CE. It includes the purchase price and sales tax on all goods purchased within the survey period. In recent years, the CE has added another measure of “expenditures” called “outlays.” The key difference is that outlays essentially include installment plans on purchases, mortgage principal payments, and payments on home equity loans, while expenditures do not. To illustrate the difference, consider a family who purchases a home theater system during the survey period, puts nothing down, and pays for the home theater system through 36 months of installment payments. The expenditures measure would capture the total purchase price of the home

theater system. The outlays measure would only capture the installment payments made in the survey period.

<b>Exhibit A-3: Partial List of Expenditure Items Considered in the Consumer Expenditure Survey</b>	
<b>Housing</b>	Rent paid for dwellings, rent received as pay, parking fees, maintenance, and other expenses for rented dwellings; interest and principal payments on mortgages, interest and principal payments on home equity loans and lines of credit, property taxes and insurance, refinancing and prepayment charges, ground rent, expenses for property management and security, homeowners' insurance, fire insurance and extended coverage, expenses for repairs and maintenance contracted out, and expenses of materials for owner-performed repairs and maintenance for dwellings used or maintained by the consumer unit. Also includes utilities, cleaning supplies, household textiles, furniture, major and small appliances, and other miscellaneous household equipment (tools, plants, decorative items).
<b>Food</b>	Food at home purchased at a grocery or other food stores, as well as meals, including tips, purchased away from home (e.g., full-service and fast-food restaurant, vending machines).
<b>Transportation</b>	Vehicle finance charges, gasoline and motor oil, maintenance and repairs, vehicle insurance, public transportation, leases, parking fees, and other transportation expenditures.
<b>Entertainment</b>	Admission to sporting events, movies, concerts, health clubs, recreational lessons, television/radio/sound equipment, pets, toys, hobbies, and other entertainment equipment and services.
<b>Apparel</b>	Apparel, footwear, uniforms, diapers, alterations and repairs, dry cleaning, sent-out laundry, watches, and jewelry.
<b>Other</b>	Personal care products, reading materials, education fees, banking fees, interest paid on lines of credit, and other expenses.

The BLS designed the CE to produce a nationally representative sample and samples representative of the four regions (Midwest, Northeast, South, and West). The sample sizes for each state, however, are not large enough to estimate child-rearing costs for families within a state. We know of no state that has seriously contemplated conducting a survey similar to the CE at a state level. The costs and time requirements would be prohibitive.

Outlays include mortgage principal payments, payments on second mortgages, and home equity payments, which is what the 2020 Betson-Rothbarth (BR) measurement considers. As explained in Section 3, this is a change from BR measurements underlying the existing schedule. The CE traditional measure of expenditures does not consider these outlays. The merit of using expenditures, which does not include mortgage principal payments, is that any equity in the home should be considered part of the property settlement and not part of the child support payments. The limitations are that not all families have substantial equity in their homes and some families have second mortgages or home equity loans that further reduce home equity. The merit of using outlays is that it is more in line with family budgeting on a monthly basis in that it considers the entire mortgage payment, including the amounts paid toward both interest and principal, and the amount paid toward a second mortgage or home equity loan if there is such a payment. Both measures include payment of the mortgage interest, rent among households dwelling in apartments, utilities, property taxes, and other housing expenses as indicated in the above table. Housing-related items, which are identified in Exhibit A-3, comprise the largest share of total family expenditures. Housing expenses compose about 40 percent of total family expenditures.

Transportation expenses account for about one-sixth of total family expenditures. In the category of “transportation,” the CE includes net vehicle outlays; vehicle finance charges; gasoline and motor oil; maintenance and repairs; vehicle insurance; public transportation expenses; and vehicle rentals, leases, licenses, and other charges. The net vehicle outlay is the purchase price of a vehicle less the trade-in value. Net vehicle outlays account for just over one-third of all transportation expenses. Net vehicle outlays are an important consideration when measuring child-rearing expenditures because the family’s use of the vehicle is often longer than the survey period. In Betson’s first three studies, he excluded them because in his earlier estimates that consider expenditures because the vehicle can be sold again later, after the survey period. In contrast, Betson’s 2020 estimates that consider outlays capture vehicle payments made over the survey period. The USDA, which relies on expenditures, includes all transportation expenses, including net vehicle outlays. There are some advantages and disadvantages to each approach. Excluding it makes sense when the vehicle may be part of the property settlement in a divorce. An alternative to that would be to include a value that reflects the depreciation of the vehicle over time, but that information is not available. Including the entire net vehicle outlay when expenditures are used as the basis of the estimate likely overstates depreciation. When the basis of the estimates is outlays, it includes only vehicle installment payments rather than net vehicle outlays. This effectively avoids the issues of vehicle equity and depreciation.

Betson excludes some expenditure items captured by the CE because they are obviously not child-rearing expenses. Specifically, he excludes contributions by family members to Social Security and private pension plans, and cash contributions made to members outside the surveyed household. The USDA also excludes these expenses from its estimates of child-rearing expenditures.

Gross and net incomes are reported by families participating in the CE. The difference between gross and net income is taxes. In fact, the CE uses the terms “income before taxes” and “income after taxes” instead of gross and net income. Income before taxes is the total money earnings and selected money receipts. It includes wages and salary, self-employment income, Social Security benefits, pension income, rental income, unemployment compensation, workers’ compensation, veterans’ benefits, public assistance, and other sources of income. Income and taxes are based on self-reports and not checked against actual records.

The BLS has concerns that income may be underreported in the CE. Although underreporting of income is a problem inherent to surveys, the BLS is particularly concerned because expenditures exceed income among low-income households participating in the CE. The BLS does not know whether the cause is underreporting of income or that low-income households are actually spending more than their incomes because of an unemployment spell, the primary earner is a student, or the household is otherwise withdrawing from its savings. In an effort to improve income information, the BLS added and revised income questions in 2001. The new questions impute income based on a relationship to its expenditures when households do not report income. The 2010 and 2020 Betson-Rothbarth measurements rely on these new questions. Previous Betson measurements do not.

The BLS also had concerns with taxes being underreported. Beginning in 2013, the BLS began calculating taxes for families using a TurboTax-like tax calculator. This also affected differences between the BR5 measurements and earlier measurements.

The BLS also does not include changes in net assets or liabilities as income or expenditures. In all, the BLS makes it clear that reconciling differences between income and expenditures and precisely measuring income are not parts of the core mission of the CE. Rather, the core mission is to measure and track expenditures. The BLS recognizes that at some low-income levels, the CE shows that total expenditures exceed after-tax incomes, and at very high incomes, the CE shows total expenditures are considerably less than after-tax incomes. However, the changes to the income measure, the use of outlays rather than expenditures, and use of the tax calculator have lessened some of these issues.

## Appendix B: Proposed, Updated Schedule

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
Area A - Low Income Adjustment					
0 - 100	50	75	100	100	100
101 - 200	56	82	107	109	110
201 - 300	61	90	115	118	121
301 - 400	67	97	122	127	131
401 - 500	72	105	129	136	142
501 - 600	78	112	137	145	152
601 - 700	84	120	144	154	163
701 - 800	89	127	152	163	173
801 - 850	95	134	159	172	184
851 - 900	100	142	166	181	194
901 - 950	106	149	174	190	205
951 - 1000	111	157	181	199	215
1001 - 1050	117	164	188	208	226
1051 - 1100	123	171	196	217	236
Area B - Low-Income Adjustment					
1101 - 1150	128	179	203	226	247
1151 - 1200	153	209	235	258	284
1201 - 1250	178	239	268	290	321
1251 - 1300	203	269	300	323	359
1301 - 1350	228	299	333	355	396
1351 - 1400	253	329	365	388	434
1401 - 1450	278	359	398	420	471
1451 - 1500	303	389	430	453	509
1501 - 1550	328	419	463	485	546
1551 - 1600	353	449	495	518	584
1601 - 1650	375	479	528	550	621
1651 - 1700	386	509	560	583	659
1701 - 1750	398	539	593	615	696
1751 - 1800	409	569	625	648	734
1801 - 1850	421	599	658	680	771
1851 - 1900	432	629	690	713	809
1901 - 1950	444	659	723	745	846
1951 - 2000	455	689	755	778	869
2001 - 2050	467	711	788	810	891
2051 - 2100	478	728	820	843	913
2101 - 2150	490	746	853	875	935
2151 - 2200	501	763	885	908	957
2201 - 2250	513	781	918	940	979
2251 - 2300	524	798	950	973	1001
2301 - 2350	536	816	983	1000	1023
2351 - 2400	547	833	1008	1021	1045
2401 - 2450	559	851	1029	1043	1067

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
2451 - 2500	570	869	1050	1064	1089
2501 - 2550	582	886	1071	1086	1111
2551 - 2600	593	904	1092	1107	1133
2601 - 2650	605	921	1114	1129	1155
Area C - Non-Shaded Area					
2651 - 2700	616	939	1135	1150	1177
2701 - 2750	628	956	1156	1172	1199
2751 - 2800	640	973	1175	1193	1221
2801 - 2850	651	988	1193	1215	1243
2851 - 2900	663	1003	1210	1236	1265
2901 - 2950	674	1018	1227	1258	1287
2951 - 3000	686	1033	1245	1279	1309
3001 - 3050	697	1049	1262	1301	1331
3051 - 3100	709	1064	1280	1322	1353
3101 - 3150	720	1079	1297	1344	1375
3151 - 3200	732	1094	1315	1365	1397
3201 - 3250	742	1111	1335	1387	1419
3251 - 3300	752	1128	1355	1408	1441
3301 - 3350	763	1145	1375	1430	1463
3351 - 3400	773	1162	1395	1451	1485
3401 - 3450	784	1179	1415	1473	1507
3451 - 3500	794	1196	1435	1494	1529
3501 - 3550	805	1213	1455	1516	1551
3551 - 3600	815	1230	1475	1537	1573
3601 - 3650	824	1245	1493	1559	1595
3651 - 3700	833	1257	1508	1580	1617
3701 - 3750	841	1270	1523	1602	1639
3751 - 3800	850	1283	1538	1623	1661
3801 - 3850	858	1295	1553	1645	1683
3851 - 3900	867	1308	1568	1666	1705
3901 - 3950	875	1321	1583	1688	1727
3951 - 4000	884	1333	1598	1709	1749
4001 - 4050	892	1345	1612	1730	1771
4051 - 4100	897	1353	1620	1748	1793
4101 - 4150	902	1360	1629	1766	1815
4151 - 4200	907	1368	1637	1784	1837
4201 - 4250	912	1375	1646	1802	1859
4251 - 4300	918	1383	1654	1820	1881
4301 - 4350	923	1390	1663	1838	1903
4351 - 4400	928	1398	1671	1856	1925
4401 - 4450	933	1405	1680	1873	1947
4451 - 4500	938	1411	1685	1882	1967
4501 - 4550	943	1417	1690	1887	1986
4551 - 4600	948	1422	1694	1892	2005
4601 - 4650	952	1428	1699	1897	2023
4651 - 4700	957	1433	1703	1902	2042

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
4701 - 4750	962	1438	1707	1907	2061
4751 - 4800	966	1444	1712	1912	2080
4801 - 4850	971	1449	1716	1917	2098
4851 - 4900	976	1456	1723	1924	2117
4901 - 4950	983	1467	1738	1941	2135
4951 - 5000	989	1478	1752	1957	2153
5001 - 5050	996	1489	1767	1974	2171
5051 - 5100	1003	1500	1781	1990	2189
5101 - 5150	1009	1511	1796	2006	2207
5151 - 5200	1016	1522	1811	2023	2225
5201 - 5250	1022	1533	1825	2039	2243
5251 - 5300	1029	1544	1840	2055	2261
5301 - 5350	1033	1550	1846	2062	2269
5351 - 5400	1037	1555	1850	2067	2273
5401 - 5450	1041	1560	1854	2071	2278
5451 - 5500	1045	1564	1858	2075	2282
5501 - 5550	1049	1569	1861	2079	2287
5551 - 5600	1053	1573	1865	2083	2291
5601 - 5650	1057	1578	1869	2087	2296
5651 - 5700	1061	1583	1872	2091	2301
5701 - 5750	1066	1588	1877	2097	2307
5751 - 5800	1071	1595	1885	2105	2316
5801 - 5850	1077	1603	1892	2113	2325
5851 - 5900	1083	1610	1899	2122	2334
5901 - 5950	1088	1617	1907	2130	2343
5951 - 6000	1094	1624	1914	2138	2352
6001 - 6050	1099	1632	1922	2146	2361
6051 - 6100	1105	1639	1929	2155	2370
6101 - 6150	1110	1646	1936	2163	2379
6151 - 6200	1118	1657	1948	2176	2394
6201 - 6250	1126	1669	1961	2191	2410
6251 - 6300	1135	1680	1974	2205	2426
6301 - 6350	1143	1692	1987	2219	2441
6351 - 6400	1151	1704	2000	2234	2457
6401 - 6450	1160	1715	2013	2248	2473
6451 - 6500	1168	1727	2026	2262	2489
6501 - 6550	1176	1738	2038	2277	2505
6551 - 6600	1184	1750	2051	2291	2520
6601 - 6650	1193	1762	2064	2306	2536
6651 - 6700	1201	1773	2077	2320	2552
6701 - 6750	1209	1785	2090	2334	2568
6751 - 6800	1217	1796	2103	2349	2583
6801 - 6850	1223	1806	2116	2363	2599
6851 - 6900	1229	1816	2128	2378	2615
6901 - 6950	1235	1826	2141	2392	2631
6951 - 7000	1241	1836	2154	2406	2647

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
7001 - 7050	1247	1846	2167	2421	2663
7051 - 7100	1253	1856	2180	2435	2679
7101 - 7150	1259	1866	2193	2450	2695
7151 - 7200	1265	1876	2206	2464	2711
7201 - 7250	1271	1886	2219	2479	2727
7251 - 7300	1277	1896	2232	2493	2742
7301 - 7350	1283	1906	2245	2508	2758
7351 - 7400	1289	1916	2258	2522	2774
7401 - 7450	1295	1924	2268	2534	2787
7451 - 7500	1300	1930	2275	2542	2796
7501 - 7550	1304	1937	2283	2550	2805
7551 - 7600	1309	1944	2290	2558	2813
7601 - 7650	1314	1950	2297	2566	2822
7651 - 7700	1318	1957	2304	2574	2831
7701 - 7750	1323	1963	2311	2582	2840
7751 - 7800	1328	1970	2318	2590	2849
7801 - 7850	1333	1976	2326	2598	2858
7851 - 7900	1337	1983	2333	2606	2866
7901 - 7950	1342	1989	2340	2614	2875
7951 - 8000	1347	1996	2347	2622	2884
8001 - 8050	1351	2003	2354	2630	2893
8051 - 8100	1357	2010	2362	2639	2903
8101 - 8150	1363	2018	2371	2648	2913
8151 - 8200	1369	2026	2379	2657	2923
8201 - 8250	1375	2034	2387	2667	2933
8251 - 8300	1381	2043	2396	2676	2943
8301 - 8350	1388	2051	2404	2685	2954
8351 - 8400	1394	2059	2412	2694	2964
8401 - 8450	1400	2067	2421	2704	2974
8451 - 8500	1406	2075	2429	2713	2984
8501 - 8550	1412	2083	2437	2722	2994
8551 - 8600	1418	2091	2445	2732	3005
8601 - 8650	1424	2099	2454	2741	3015
8651 - 8700	1430	2107	2462	2750	3025
8701 - 8750	1436	2115	2470	2759	3035
8751 - 8800	1442	2123	2479	2769	3045
8801 - 8850	1448	2131	2487	2778	3056
8851 - 8900	1454	2139	2495	2787	3066
8901 - 8950	1458	2144	2500	2793	3072
8951 - 9000	1462	2149	2505	2798	3078
9001 - 9050	1466	2154	2510	2803	3084
9051 - 9100	1470	2159	2514	2808	3089
9101 - 9150	1474	2164	2519	2814	3095
9151 - 9200	1478	2169	2524	2819	3101
9201 - 9250	1482	2174	2528	2824	3106
9251 - 9300	1485	2178	2533	2829	3112

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
9301 - 9350	1489	2183	2537	2834	3118
9351 - 9400	1493	2188	2542	2839	3123
9401 - 9450	1497	2193	2547	2845	3129
9451 - 9500	1501	2198	2551	2850	3135
9501 - 9550	1505	2203	2556	2855	3141
9551 - 9600	1509	2208	2561	2860	3146
9601 - 9650	1512	2212	2565	2865	3152
9651 - 9700	1516	2217	2570	2871	3158
9701 - 9750	1520	2222	2575	2876	3163
9751 - 9800	1527	2232	2586	2889	3178
9801 - 9850	1534	2243	2599	2903	3193
9851 - 9900	1541	2254	2611	2917	3209
9901 - 9950	1549	2264	2624	2931	3224
9951 - 10000	1556	2275	2636	2945	3239
10001 - 10050	1563	2285	2649	2959	3254
10051 - 10100	1570	2296	2661	2973	3270
10101 - 10150	1577	2306	2674	2986	3285
10151 - 10200	1584	2314	2685	2999	3299
10201 - 10250	1591	2318	2689	3004	3304
10251 - 10300	1598	2323	2694	3010	3311
10301 - 10350	1606	2329	2702	3018	3319
10351 - 10400	1613	2335	2709	3025	3328
10401 - 10450	1620	2342	2716	3033	3337
10451 - 10500	1627	2348	2723	3041	3345
10501 - 10550	1634	2355	2730	3049	3354
10551 - 10600	1641	2361	2737	3057	3363
10601 - 10650	1648	2367	2744	3065	3371
10651 - 10700	1655	2374	2751	3073	3380
10701 - 10750	1663	2380	2758	3081	3389
10751 - 10800	1670	2386	2765	3089	3397
10801 - 10850	1677	2393	2772	3097	3406
10851 - 10900	1684	2399	2779	3104	3415
10901 - 10950	1691	2405	2786	3112	3424
10951 - 11000	1698	2412	2793	3120	3432
11001 - 11050	1703	2418	2800	3128	3441
11051 - 11100	1708	2424	2807	3136	3450
11101 - 11150	1713	2431	2815	3144	3458
11151 - 11200	1718	2437	2822	3152	3467
11201 - 11250	1722	2444	2829	3160	3476
11251 - 11300	1727	2450	2836	3168	3484
11301 - 11350	1732	2456	2843	3175	3493
11351 - 11400	1736	2463	2850	3183	3502
11401 - 11450	1741	2469	2857	3191	3510
11451 - 11500	1746	2475	2864	3199	3519
11501 - 11550	1751	2483	2872	3208	3529
11551 - 11600	1756	2490	2881	3218	3540

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
11601 - 11650	1761	2497	2890	3228	3550
11651 - 11700	1766	2505	2898	3237	3561
11701 - 11750	1772	2512	2907	3247	3571
11751 - 11800	1777	2520	2915	3256	3582
11801 - 11850	1782	2527	2924	3266	3592
11851 - 11900	1787	2534	2932	3275	3603
11901 - 11950	1792	2542	2941	3285	3613
11951 - 12000	1798	2549	2949	3295	3624
12001 - 12050	1803	2557	2958	3304	3635
12051 - 12100	1808	2564	2967	3314	3645
12101 - 12150	1813	2571	2975	3323	3656
12151 - 12200	1818	2579	2984	3333	3666
12201 - 12250	1824	2586	2992	3342	3677
12251 - 12300	1829	2593	3001	3352	3687
12301 - 12350	1834	2601	3009	3362	3698
12351 - 12400	1839	2608	3018	3371	3708
12401 - 12450	1844	2616	3027	3381	3719
12451 - 12500	1850	2623	3035	3390	3729
12501 - 12550	1855	2630	3044	3400	3740
12551 - 12600	1860	2638	3052	3409	3750
12601 - 12650	1865	2645	3061	3419	3761
12651 - 12700	1870	2653	3069	3428	3771
12701 - 12750	1876	2660	3078	3438	3782
12751 - 12800	1881	2667	3086	3448	3792
12801 - 12850	1886	2675	3095	3457	3803
12851 - 12900	1891	2682	3104	3467	3813
12901 - 12950	1896	2690	3112	3476	3824
12951 - 13000	1902	2697	3121	3486	3834
13001 - 13050	1907	2704	3129	3495	3845
13051 - 13100	1912	2712	3138	3505	3855
13101 - 13150	1917	2719	3146	3515	3866
13151 - 13200	1922	2727	3155	3524	3877
13201 - 13250	1928	2734	3164	3534	3887
13251 - 13300	1933	2741	3172	3543	3898
13301 - 13350	1938	2749	3181	3553	3908
13351 - 13400	1943	2756	3189	3562	3919
13401 - 13450	1948	2764	3198	3572	3929
13451 - 13500	1953	2769	3204	3579	3937
13501 - 13550	1956	2775	3210	3586	3945
13551 - 13600	1960	2780	3216	3593	3952
13601 - 13650	1964	2785	3222	3599	3959
13651 - 13700	1968	2791	3228	3606	3967
13701 - 13750	1972	2796	3235	3613	3974
13751 - 13800	1976	2802	3241	3620	3982
13801 - 13850	1980	2807	3247	3626	3989
13851 - 13900	1984	2812	3253	3633	3997

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
13901 - 13950	1988	2818	3259	3640	4004
13951 - 14000	1991	2823	3265	3647	4011
14001 - 14050	1995	2828	3271	3653	4019
14051 - 14100	1999	2834	3277	3660	4026
14101 - 14150	2003	2839	3283	3667	4034
14151 - 14200	2007	2844	3289	3674	4041
14201 - 14250	2011	2850	3295	3681	4049
14251 - 14300	2015	2855	3301	3687	4056
14301 - 14350	2019	2861	3307	3694	4063
14351 - 14400	2023	2866	3313	3701	4071
14401 - 14450	2026	2871	3319	3708	4078
14451 - 14500	2030	2877	3325	3714	4086
14501 - 14550	2034	2882	3331	3721	4093
14551 - 14600	2038	2887	3337	3728	4101
14601 - 14650	2042	2893	3343	3735	4108
14651 - 14700	2046	2898	3349	3741	4115
14701 - 14750	2050	2904	3355	3748	4123
14751 - 14800	2054	2909	3362	3755	4130
14801 - 14850	2058	2914	3368	3762	4138
14851 - 14900	2061	2920	3374	3768	4145
14901 - 14950	2065	2925	3380	3775	4153
14951 - 15000	2069	2930	3386	3782	4160
15001 - 15050	2073	2936	3392	3789	4167
15051 - 15100	2077	2941	3398	3795	4175
15101 - 15150	2081	2947	3404	3802	4182
15151 - 15200	2085	2952	3410	3809	4190
15201 - 15250	2089	2957	3416	3816	4197
15251 - 15300	2093	2963	3422	3822	4205
15301 - 15350	2096	2968	3428	3829	4212
15351 - 15400	2100	2973	3434	3836	4219
15401 - 15450	2104	2979	3440	3843	4227
15451 - 15500	2108	2984	3446	3849	4234
15501 - 15550	2112	2989	3452	3856	4242
15551 - 15600	2116	2995	3458	3863	4249
15601 - 15650	2120	3000	3464	3870	4257
15651 - 15700	2124	3006	3470	3876	4264
15701 - 15750	2128	3011	3476	3883	4271
15751 - 15800	2131	3016	3482	3890	4279
15801 - 15850	2135	3022	3488	3897	4286
15851 - 15900	2139	3027	3495	3903	4294
15901 - 15950	2143	3032	3501	3910	4301
15951 - 16000	2147	3038	3507	3917	4309
16001 - 16050	2151	3043	3513	3924	4316
16051 - 16100	2155	3049	3519	3930	4323
16101 - 16150	2159	3054	3525	3937	4331
16151 - 16200	2163	3059	3531	3944	4338

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
16201 - 16250	2166	3065	3537	3951	4346
16251 - 16300	2170	3070	3543	3957	4353
16301 - 16350	2174	3075	3549	3964	4361
16351 - 16400	2178	3081	3555	3971	4368
16401 - 16450	2182	3086	3561	3978	4375
16451 - 16500	2186	3091	3567	3984	4383
16501 - 16550	2190	3097	3573	3991	4390
16551 - 16600	2194	3102	3579	3998	4398
16601 - 16650	2198	3108	3585	4005	4405
16651 - 16700	2201	3113	3591	4011	4413
16701 - 16750	2205	3118	3597	4018	4420
16751 - 16800	2209	3124	3603	4025	4427
16801 - 16850	2213	3129	3609	4032	4435
16851 - 16900	2217	3134	3615	4038	4442
16901 - 16950	2221	3140	3622	4045	4450
16951 - 17000	2225	3145	3628	4052	4457
17001 - 17050	2229	3151	3634	4059	4465
17051 - 17100	2233	3156	3640	4065	4472
17101 - 17150	2236	3161	3646	4072	4479
17151 - 17200	2240	3167	3652	4079	4487
17201 - 17250	2244	3172	3658	4086	4494
17251 - 17300	2248	3177	3664	4093	4502
17301 - 17350	2252	3183	3670	4099	4509
17351 - 17400	2256	3188	3676	4106	4517
17401 - 17450	2260	3194	3682	4113	4524
17451 - 17500	2264	3199	3688	4120	4531
17501 - 17550	2268	3204	3694	4126	4539
17551 - 17600	2271	3210	3700	4133	4546
17601 - 17650	2275	3215	3706	4140	4554
17651 - 17700	2279	3220	3712	4147	4561
17701 - 17750	2283	3226	3718	4153	4569
17751 - 17800	2287	3231	3724	4160	4576
17801 - 17850	2291	3236	3730	4167	4583
17851 - 17900	2295	3242	3736	4174	4591
17901 - 17950	2299	3247	3742	4180	4598
17951 - 18000	2303	3253	3748	4187	4606
18001 - 18050	2306	3258	3755	4194	4613
18051 - 18100	2310	3263	3761	4201	4621
18101 - 18150	2314	3269	3767	4207	4628
18151 - 18200	2318	3274	3773	4214	4635
18201 - 18250	2322	3279	3779	4221	4643
18251 - 18300	2326	3285	3785	4228	4650
18301 - 18350	2330	3290	3791	4234	4658
18351 - 18400	2334	3296	3797	4241	4665
18401 - 18450	2338	3301	3803	4248	4673
18451 - 18500	2341	3306	3809	4255	4680

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
18501 - 18550	2345	3312	3815	4261	4687
18551 - 18600	2349	3317	3821	4268	4695
18601 - 18650	2353	3322	3827	4275	4702
18651 - 18700	2357	3328	3833	4282	4710
18701 - 18750	2361	3333	3839	4288	4717
18751 - 18800	2365	3339	3845	4295	4725
18801 - 18850	2369	3344	3851	4302	4732
18851 - 18900	2373	3349	3857	4309	4740
18901 - 18950	2376	3355	3863	4315	4747
18951 - 19000	2380	3360	3869	4322	4754
19001 - 19050	2384	3365	3875	4329	4762
19051 - 19100	2388	3371	3882	4336	4769
19101 - 19150	2392	3376	3888	4342	4777
19151 - 19200	2396	3381	3894	4349	4784
19201 - 19250	2400	3387	3900	4356	4792
19251 - 19300	2404	3392	3906	4363	4799
19301 - 19350	2408	3398	3912	4369	4806
19351 - 19400	2411	3403	3918	4376	4814
19401 - 19450	2415	3408	3924	4383	4821
19451 - 19500	2419	3414	3930	4390	4829
19501 - 19550	2423	3419	3936	4396	4836
19551 - 19600	2427	3424	3942	4403	4844
19601 - 19650	2431	3430	3948	4410	4851
19651 - 19700	2435	3435	3954	4417	4858
19701 - 19750	2439	3441	3960	4423	4866
19751 - 19800	2443	3446	3966	4430	4873
19801 - 19850	2446	3451	3972	4437	4881
19851 - 19900	2450	3457	3978	4444	4888
19901 - 19950	2454	3462	3984	4450	4896
19951 - 20000	2458	3467	3990	4457	4903
20001 - 20050	2462	3473	3996	4464	4910
20051 - 20100	2466	3478	4002	4471	4918
20101 - 20150	2470	3483	4009	4477	4925
20151 - 20200	2474	3489	4015	4484	4933
20201 - 20250	2478	3494	4021	4491	4940
20251 - 20300	2481	3500	4027	4498	4948
20301 - 20350	2485	3505	4033	4505	4955
20351 - 20400	2489	3510	4039	4511	4962
20401 - 20450	2493	3516	4045	4518	4970
20451 - 20500	2497	3521	4051	4525	4977
20501 - 20550	2501	3526	4057	4532	4985
20551 - 20600	2505	3532	4063	4538	4992
20601 - 20650	2509	3537	4069	4545	5000
20651 - 20700	2513	3543	4075	4552	5007
20701 - 20750	2516	3548	4081	4559	5014
20751 - 20800	2520	3553	4087	4565	5022

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
20801 - 20850	2524	3559	4093	4572	5029
20851 - 20900	2528	3564	4099	4579	5037
20901 - 20950	2532	3569	4105	4586	5044
20951 - 21000	2536	3575	4111	4592	5052
21001 - 21050	2540	3580	4117	4599	5059
21051 - 21100	2544	3586	4123	4606	5066
21101 - 21150	2548	3591	4129	4613	5074
21151 - 21200	2551	3596	4135	4619	5081
21201 - 21250	2555	3602	4142	4626	5089
21251 - 21300	2559	3607	4148	4633	5096
21301 - 21350	2563	3612	4154	4640	5104
21351 - 21400	2567	3618	4160	4646	5111
21401 - 21450	2571	3623	4166	4653	5118
21451 - 21500	2575	3628	4172	4660	5126
21501 - 21550	2579	3634	4178	4667	5133
21551 - 21600	2583	3639	4184	4673	5141
21601 - 21650	2586	3645	4190	4680	5148
21651 - 21700	2590	3650	4196	4687	5156
21701 - 21750	2594	3655	4202	4694	5163
21751 - 21800	2598	3661	4208	4700	5170
21801 - 21850	2602	3666	4214	4707	5178
21851 - 21900	2606	3671	4219	4712	5183
21901 - 21950	2610	3676	4224	4717	5188
21951 - 22000	2614	3681	4228	4722	5193
22001 - 22050	2617	3685	4233	4726	5197
22051 - 22100	2621	3690	4238	4731	5202
22101 - 22150	2625	3695	4242	4736	5207
22151 - 22200	2629	3700	4247	4741	5212
22201 - 22250	2633	3705	4252	4745	5216
22251 - 22300	2637	3709	4257	4750	5221
22301 - 22350	2641	3714	4261	4755	5226
22351 - 22400	2644	3719	4266	4759	5231
22401 - 22450	2648	3724	4271	4764	5235
22451 - 22500	2652	3729	4275	4769	5240
22501 - 22550	2656	3733	4280	4774	5245
22551 - 22600	2660	3738	4285	4778	5250
22601 - 22650	2664	3743	4289	4783	5254
22651 - 22700	2668	3748	4294	4788	5259
22701 - 22750	2671	3753	4299	4792	5264
22751 - 22800	2675	3757	4303	4797	5269
22801 - 22850	2679	3762	4308	4802	5273
22851 - 22900	2683	3767	4313	4807	5278
22901 - 22950	2687	3772	4317	4811	5283
22951 - 23000	2691	3777	4322	4816	5288
23001 - 23050	2695	3781	4327	4821	5292
23051 - 23100	2698	3786	4332	4825	5297

Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five or More Children
23101 - 23150	2702	3791	4336	4830	5302
23151 - 23200	2706	3796	4341	4835	5307
23201 - 23250	2710	3801	4346	4840	5311
23251 - 23300	2714	3805	4350	4844	5316
23301 - 23350	2718	3810	4355	4849	5321
23351 - 23400	2722	3815	4360	4854	5326
23401 - 23450	2725	3820	4364	4859	5330
23451 - 23500	2729	3825	4369	4863	5335
23501 - 23550	2733	3829	4374	4868	5340
23551 - 23600	2737	3834	4378	4873	5345
23601 - 23650	2741	3839	4383	4877	5349
23651 - 23700	2745	3844	4388	4882	5354
23701 - 23750	2749	3849	4392	4887	5359
23751 - 23800	2752	3853	4397	4892	5364
23801 - 23850	2756	3858	4402	4896	5369
23851 - 23900	2760	3863	4407	4901	5373
23901 - 23950	2764	3868	4411	4906	5378
23951 - 24000	2768	3873	4416	4910	5383
24001 - 24050	2772	3877	4421	4915	5388
24051 - 24100	2776	3882	4425	4920	5392
24101 - 24150	2779	3887	4430	4925	5397
24151 - 24200	2783	3892	4435	4929	5402
24201 - 24250	2787	3897	4439	4934	5407
24251 - 24300	2791	3901	4444	4939	5411
24301 - 24350	2795	3906	4449	4943	5416
24351 - 24400	2799	3911	4453	4948	5421
24401 - 24450	2803	3916	4458	4953	5426
24451 - 24500	2806	3921	4463	4958	5430
24501 - 24550	2810	3925	4467	4962	5435
24551 - 24600	2814	3930	4472	4967	5440
24601 - 24650	2818	3935	4477	4972	5445
24651 - 24700	2822	3940	4482	4976	5449
24701 - 24750	2826	3945	4486	4981	5454
24751 - 24800	2830	3949	4491	4986	5459
24801 - 24850	2833	3954	4496	4991	5464
24851 - 24900	2837	3959	4500	4995	5468
24901 - 24950	2841	3964	4505	5000	5473
24951 - 25000	2845	3969	4510	5005	5478

# **GUIDELINE DEVIATION COMPARISONS**

## **JUDICIAL DISTRICTS**

### **CHILD SUPPORT RECOVERY UNIT**



*Prepared by the Bureau of Collections*

**June 2020**

Judicial District  
Guideline Deviation Comparison

For child support obligations effective 6/1/2016 through and including 5/31/2020

**JUDICIAL  
DISTRICT**

**PERCENT OF ORDERS DEVIATED – BY COURT ORDER TYPE FOR JUDICIAL DISTRICTS**

	Admin. Mod.	Admin. Orders	Admin. Paternity	Dissolution of Marriage	Judicial-Admin. Mod.	Judicial-Admin. Paternity
1 <sup>st</sup>	0/5 = 0	31/2,491 = 1.2	35/1,767 = 2.0	96/1,545 = 6.2	0/5 = 0	4/88 = 4.5
2 <sup>nd</sup>	0/13 = 0	42/2,934 = 1.4	35/1,590 = 2.2	135/2,783 = 4.9	0/0 = 0	0/73 = 0.0
3 <sup>rd</sup>	2/38 = 5.3	79/2,348 = 3.4	54/1,230 = 4.4	161/1,871 = 8.6	0/2 = 0	6/148 = 4.1
4 <sup>th</sup>	0/3 = 0	22/1,524 = 1.4	16/725 = 2.2	73/1,044 = 7.0	0/0 = 0	0/17 = 0.0
5 <sup>th</sup>	1/11 = 9.1	71/4,790 = 1.5	30/2,942 = 1.0	252/5,521 = 4.6	0/4 = 0	0/13 = 0.0
6 <sup>th</sup>	0/4 = 0	63/2,752 = 2.3	45/1,580 = 2.8	191/1,892 = 10.1	0/0 = 0	4/28 = 14.3
7 <sup>th</sup>	0/20 = 0	35/3,028 = 1.2	24/1,878 = 1.3	76/1,682 = 4.5	0/2 = 0	1/34 = 2.9
8 <sup>th</sup>	0/17 = 0	35/2,581 = 1.4	29/1,325 = 2.2	101/1,646 = 6.1	0/1 = 0	2/33 = 6.1
<b>State Wide Average</b>	<b>3/111=2.7</b>	<b>378/22,448=1.7</b>	<b>268/13,037=2.1</b>	<b>1,085/17,984=6.0</b>	<b>0/14=0</b>	<b>17/434=3.9</b>
2016 results	1/107 = .9	305/26,274 = 1.2	237/17,135 = 1.4	838/19,483 = 4.3	1/20 = 5.0	12/291 = 4.1

	Judicial – Admin. Orders	Registered Out of State Orders	URES A Non- Paternity	URES A Paternity	Total % of orders deviated for all order types
1 <sup>st</sup>	20/298 = 6.7	0/1 = 0	19/355 = 5.4	2/281 = .7	207/6,836 = 3.0
2 <sup>nd</sup>	30/148 = 20.3	0/0 = 0	28/452 = 6.2	4/240 = 1.7	274/8,233 = 3.3
3 <sup>rd</sup>	47/160 = 29.4	0/1 = 0	25/365 = 6.8	10/209 = 4.8	384/6,372 = 6.0
4 <sup>th</sup>	14/105 = 13.3	0/1 = 0	16/209 = 7.7	16/237 = 6.8	157/3,865 = 4.1
5 <sup>th</sup>	6/67 = 9.0	0/1 = 0	2/81 = 2.5	6/395 = 1.5	368/13,825 = 2.7
6 <sup>th</sup>	32/217 = 14.7	0/2 = 0	10/83 = 12.0	13/224 = 5.8	358/6,782 = 5.3
7 <sup>th</sup>	15/158 = 9.5	0/1 = 0	14/377 = 3.7	8/533 = 1.5	173/7,713 = 2.2
8 <sup>th</sup>	21/147 = 14.3	0/0 = 0	27/365 = 7.4	11/299 = 3.7	226/6,414 = 3.5
<b>State Wide Average</b>	<b>185/1,300=14.2</b>	<b>0/7=0</b>	<b>141/2,287=6.2</b>	<b>70/2,418=2.9</b>	<b>2,147/60,040=3.6</b>
2016 results	134/1,591 = 8.4	0/23 = 0	116/2,719 = 4.3	54/2,706 = 2	1,698/70,349 = 2.4

**PERCENT OF ORDERS DEVIATED BY COURT ORDER TYPE FOR CSRU OFFICES**

<b>CSRU OFFICE</b>	<b>Admin. Mod.</b>	<b>Admin. Orders</b>	<b>Admin. Paternity</b>	<b>Dissolution of Marriage</b>	<b>Judicial-Admin. Mod.</b>	<b>Judicial-Admin. Paternity</b>
Decorah	0/3 = 0	12/602 = 2.0	13/261 = 5.0	45/635 = 7.1	0/0 = 0	1/22 = 4.5
Mason City	0/11 = 0	10/1,233 = .8	2/576 = .3	34/808 = 4.2	0/0 = 0	0/38 = 0
Spencer	1/16 = 0	12/699 = 1.7	13/344 = 3.8	60/693 = 8.7	0/0 = 0	6/45 = 13.3
Sioux City	1/22 = 4.5	68/1,595 = 4.3	41/881 = 4.7	97/1,176 = 8.2	0/2 = 0	0/104 = 0
Ft. Dodge	0/2 = 0	21/847 = 2.5	22/487 = 4.5	46/656 = 7.0	0/0 = 0	0/5 = 0
Marshalltown	0/1 = 0	7/840 = .8	5/365 = 1.4	44/880 = 5.0	0/1 = 0	0/45 = 0
Waterloo	0/0 = 0	18/1,469 = 1.2	28/1,189 = 2.4	43/802 = 5.4	0/3 = 0	3/57 = 5.3
Dubuque	0/2 = 0	10/842 = 1.2	4/466 = .9	27/459 = 5.9	0/1 = 0	0/8 = 0
Davenport	0/11 = 0	22/1,884 = 1.2	19/1,273 = 1.5	43/946 = 4.5	0/2 = 0	0/23 = 0
Cedar Rapids	0/2 = 0	45/1,978 = 2.3	27/1,122 = 2.4	127/1,228 = 10.3	0/0 = 0	3/15 = 20.0
Des Moines	1/9 = 11.1	67/4,409 = 1.5	27/2,847 = .9	228/5,227 = 4.4	0/3 = 0	0/11 = 0
Carroll	0/0 = 0	0/0 = 0	0/0 = 0	0/0 = 0	0/0 = 0	0/0 = 0
Council Bluffs	0/2 = 0	26/1,649 = 1.6	17/823 = 2.1	89/1,269 = 7.0	0/0 = 0	0/15 = 0
Creston	0/2 = 0	4/479 = .8	3/168 = 1.8	28/588 = 4.8	0/1 = 0	0/1 = 0
Ottumwa	0/3 = 0	21/1,485 = 1.4	24/630 = 3.8	64/1,012 = 6.3	0/1 = 0	1/17 = 5.9
Burlington	0/17 = 0	15/1,430 = 1.0	10/944 = 1.1	60/872 = 6.9	0/0 = 0	2/19 = 10.5
Clinton	0/8 = 0	20/1,007 = 2.0	13/661 = 5.0	50/733 = 6.8	0/0 = 0	1/9 = 11.1
<b>State Wide Average</b>	<b>3/111 = 2.7</b>	<b>378/22,448 = 1.7</b>	<b>268/13,037 = 2.1</b>	<b>1,085/17,984 = 6.0</b>	<b>0/14 = 0</b>	<b>17/434 = 3.9</b>
2016 results	1/107 = .9	305/26,274 = 1.2	237/17,135 = 1.4	838/19,483 = 4.3	1/20 = 5	12/291 = 4.1

**PERCENT OF ORDERS DEVIATED BY COURT ORDER TYPE FOR CSRU OFFICES**

<b>CSRU OFFICE</b>	Judicial - Admin. Orders	Registered Out of State Orders	URESA Non-Paternity	URESA Paternity	Total % of orders deviated for all order types
Decorah	7/55 = 12.7	0/0 = 0	0/18 = 0	1/33 = 3.0	79/1,629 = 4.8
Mason City	0/3 = 0	0/0 = 0	9/225 = 4.0	1/72 = 1.4	56/2,966 = 1.9
Spencer	31/68 = 45.6	0/0 = 0	10/156 = 6.4	4/69 = 5.8	137/2,090 = 6.6
Sioux City	16/94 = 17.0	0/1 = 0	15/211 = 7.1	6/144 = 4.2	244/4,230 = 5.8
Ft. Dodge	19/53 = 35.8	0/0 = 0	14/157 = 8.9	4/100 = 4.0	126/2,307 = 5.5
Marshalltown	6/94 = 6.4	0/0 = 0	0/26 = 0	0/24 = 0	62/2,276 = 2.7
Waterloo	14/196 = 7.1	0/0 = 0	17/239 = 7.1	1/200 = 0.5	124/4,155 = 3.0
Dubuque	7/87 = 8.0	0/1 = 0	5/155 = 3.2	2/81 = 2.5	55/2,102 = 2.6
Davenport	9/111 = 8.1	0/1 = 0	4/214 = 1.9	5/383 = 1.3	102/4,848 = 2.1
Cedar Rapids	21/140 = 15	0/1 = 0	8/47 = 17.0	8/142 = 5.6	239/4,675 = 5.1
Des Moines	1/51=2.0	0/1 = 0	2/45 = 4.4	3/345 = 0.9	329/12,948 = 2.5
Carroll	0/0 = 0	0/0 = 0	0/0 = 0	0/0 = 0	0/0 = 0
Council Bluffs	24/121 = 19.8	0/0 = 0	18/241 = 19.8	17/257 = 6.6	191/4,377 = 4.4
Creston	0/5 = 0	0/1 = 0	0/18 = 0	1/49 = 2.0	36/1,312 = 2.7
Ottumwa	18/115 =15.7	0/0 = 0	7/169 = 4.1	5/196 = 2.6	140/3,628 = 3.9
Burlington	5/38 = 13.2	0/0 = 0	25/284 = 8.8	7/181 = 3.9	124/3,785 = 3.3
Clinton	7/69 = 10.1	0/1 =0	7/82 = 8.5	5/142 = 3.5	103/2,712 = 3.8
<b>State Wide Average</b>	<b>185/1,300 = 14.2</b>	<b>0/7 = 0</b>	<b>141/2,287 = 6.2</b>	<b>70/2418 = 2.9</b>	<b>2,147/60,040 = 3.6</b>
2016 results	134/1,591 = 8.4	0/23 = 0	116/2,719 = 4.3	54/2,706 = 2	1,698/70,349 = 2.4

Deviation Requested By	Deviation Reason Code	Total Number of Deviations per Reason
Iowa Court	1	72
	2	12
	3	17
	4	4
	5	0
	6	11
	7	1
	8	0
	9	10
	10	0
	11	106
	12	14
	13	3
	14	1
	15	8
	16	0
	17	381
	18	10
	19	8
	20	0
	21	4
	22	10
	23	1
	24	0
	25	0
	26	24
	27	0
	28	50
	29	24
	53	0
	55	0
	56	0
	70	15
	71	0
	99	449
CSRU	1	5
	2	2
	3	1
	4	0
	5	0
	6	0

	7	0
	8	0
	9	1
	10	0
	11	4
	12	0
	13	0
	14	1
	15	1
	16	0
	17	32
	18	0
	19	1
	20	1
	21	32
	22	0
	23	0
	24	0
	25	0
	26	0
	27	0
	28	0
	29	0
	53	1
	55	0
	56	0
	70	15
	71	4
	99	25
Out of State court	1	0
	2	0
	3	0
	4	0
	5	0
	6	0
	7	0
	8	0
	9	0
	10	0
	11	1
	12	0
	13	0
	14	0
	15	0

	16	0
	17	4
	18	0
	19	0
	20	0
	21	0
	22	0
	23	0
	24	0
	25	0
	26	0
	27	0
	28	0
	29	0
	53	0
	55	0
	56	0
	70	0
	71	0
	99	1
Out of State IV-D Agency	1	0
	2	0
	3	0
	4	0
	5	0
	6	0
	7	0
	8	0
	9	0
	10	0
	11	0
	12	0
	13	0
	14	0
	15	0
	16	0
	17	1
	18	0
	19	0
	20	0
	21	0
	22	0
	23	0
	24	0

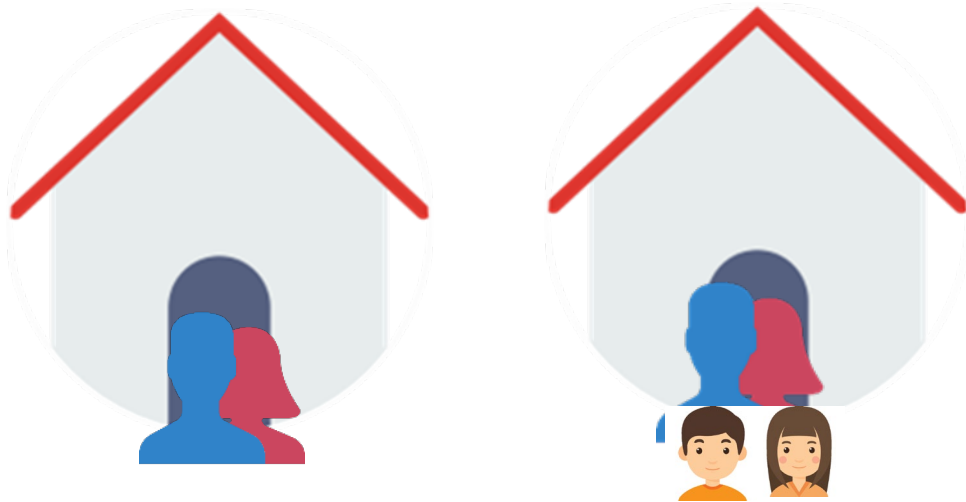
	25	0
	26	0
	27	0
	28	0
	29	0
	53	0
	55	0
	56	0
	70	0
	71	0
	99	1
Parties agree	1	12
	2	1
	3	7
	4	2
	5	2
	6	0
	7	0
	8	1
	9	3
	10	0
	11	48
	12	6
	13	1
	14	0
	15	4
	16	0
	17	545
	18	1
	19	4
	20	0
	21	0
	22	4
	23	3
	24	0
	25	0
	26	2
	27	0
	28	6
	29	6
	53	0
	55	0
	56	0
	70	4

	71	0
	99	132
Other	1	0
	2	0
	3	0
	4	0
	5	0
	6	0
	7	0
	8	0
	9	0
	10	0
	11	0
	12	0
	13	1
	14	0
	15	0
	16	0
	17	1
	18	0
	19	2
	20	0
	21	0
	22	0
	23	0
	24	0
	25	0
	26	0
	27	0
	28	1
	29	1
	53	0
	55	1
	56	0
	70	2
	71	0
	99	7

**REASON:** This entry records the reason for the deviation from the guidelines.

1	Payor is unemployed or under-employed.
2	Payee is unemployed or under-employed.
3	Payor has excessive health care costs.
4	Payee has excessive health care costs.
5	Payor has multiple families in addition to QADD.
6	Payee has multiple families in addition to QADD.
7	Payor is making house payment.
8	Payee is making house payment.
9	Payor is paying off large debt.
10	Payee is paying off large debt.
11	Other expenses are considered for the payor.
12	Other expenses are considered for the payee.
13	Payor is enrolled in school.
14	Payee is enrolled in school.
15	Payor is or was in a prison or halfway house.
16	Payee is or was in a prison or halfway house.
17	Stipulated by both parties.
18	Payor receives Social Security disability.
19	Payee receives Social Security disability.
20	Payor receives public assistance.
21	Payee receives public assistance.
22	Payor health insurance premium is excessive.
23	Payee health insurance premium is excessive.
24	Protracted litigation.
25	Out-of-state order uses higher or lower amounts.
26	Hardship to obligor (unspecified).
27	Payor is a minor and amount is set by law.
28	Unknown, worker unable to identify why court deviated.
29	Child Care Expenses
50	Foster care, no longer used
51	Foster care, no longer used
52	Foster care, no longer used
53	Foster care – Limited to MR Cap
54	Foster care, no longer used
55	Foster care, standard 30% deviation.
56	Foster care, obligor has additional dependents.
70	Based on FIP expended (no reconciliation).
71	Based on FIP expended (reconciliation).
99	Other.

# Marginal Cost Method v. Monetary Method



Both compare expenditures using 2004-2009 CES between

- a) households without children to
- b) households with children

Betson-Rothbarth 4 <sup>th</sup> study (BR4)	Comanor, Sarro, and Rogers
Difference in expenditures for equally well-off households	Expenditures for specific expenditures categories
About 8,000 married couples of child-rearing age	About 19,000 households: 62% married & 38% headed by single person With children: 48% of married & 17% of single-person households
$\frac{TS_K - TS_0}{TS_K} = 1 - \left( \frac{2}{2 + K} \right)^{1 - \frac{\tau}{\lambda}}$ <p>where</p> $\ln(A[K, TS, X]) = \mu(X) + \tau \ln(2 + K) + \lambda \ln\left(\frac{TS}{2 + K}\right)$	$E_i = a + bY_i + c_1K_1 + c_2K_2 + c_3K_3 + dCA_i + \sum e_{ij}X_{ij}$