

## New Child Support Guidelines for 2019

Pursuant to [GS 50-13.4\(c1\)](#), the North Carolina Conference of Chief District Court Judges recently reviewed [the North Carolina Child Support Guidelines](#). The Chief Judges considered comments and information from judges, attorneys, the North Carolina Administrative Office of the Courts in the form of a report from the national Center for Policy Research, the North Carolina Department of Health and Human Services, the North Carolina Bar Association, and the public during a public hearing held on June 7, 2018. Following this review, the Chief Judges updated the Schedule of Basic Support Obligations to reflect current tax rates, the most recent Consumer Price Index and the current federal poverty level. In addition, the Chief Judges made a few revisions to the substantive provisions of the Guidelines discussed below.

The [new guidelines](#) apply to child support actions heard on or after January 1, 2019.

### Response to Revised Federal Regulations

The federal Child Support Enforcement Agency revised and expanded federal regulations governing child support guidelines in December 2016. See U.S. Department of Health and Human Services. (Dec. 20, 2016). "Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs." *Federal Register*, Vol. 81, No. 244, p. 93562. For further discussion of the expanded requirements, see [blog "New Regulations Regarding Contempt in IV-D Child Support Cases" \(June 30, 2017\)](#).

The following substantive changes to the guidelines respond to these new federal regulations (page numbers refer to pages of the North Carolina 2019 Child Support Guidelines):

- **Introduction (p.1):**

The new federal regulations require that states inform the public about when the next review of the Guidelines will occur and provide the public information about how to offer comments or make suggestions regarding the Guidelines. The 2019 North Carolina Guidelines contain this information.

- **Applicability and Deviation (p. 1)**

The new regulations emphasize the importance of entering child support orders that accurately reflect a parent's actual ability to pay. Accordingly, state guidelines must require that the court consider all evidence of a parent's actual ability to pay when setting a support obligation. The 2019

Guidelines contain this requirement.

- **Potential or Imputed Income (p. 3)**

The new federal regulations require that guidelines specify that incarceration is not voluntary unemployment in establishing or modifying a support order. This means that incarceration alone cannot be a reason to impute income. The 2019 Guidelines reflect this rule.

In addition, the new federal regulations require that a court impute an amount of income that reflects the parent's actual present earning capacity. According, the 2019 Guidelines state that the amount of income imputed must reflect:

“the parent’s *assets, residence*, employment potential and probable earnings level, based on the parent’s recent work history, occupational qualifications and prevailing job opportunities and earning levels in the community *and other relevant background factors relating to the parent’s actual earning potential.*” (new language shown by italics)

The Guidelines also now provide that when a parent has no recent work history, the amount of minimum wage imputed should not be less than minimum wage for a 35-hour week rather than a 40- hour week.

- **Modification (p. 6)**

The new federal regulations require that Guidelines specify that incarceration is not voluntary unemployment in establishing or modifying a support order. This means that incarceration alone cannot be a reason to impute income to a parent or to deny a parent’s request to reduce his or her support obligation. The 2019 Guidelines reflect this new rule.

## **Cases Involving High Combined Income (p. 2)**

The 2019 Guidelines extend the upper limit of application from \$25,000 per month to \$30,000 per month.

## **Veterans Administration and Social Security Benefits (p. 3)**

The Guidelines provide that Veterans Administration benefits and social security benefits paid for the benefit of a child as the result of a disability or retirement of a parent are included in the income of the parent on whose earning record the benefits are paid and are deducted from that parent’s

child support obligation. To reflect the fact that sometimes these benefits actually are paid directly to the parent responsible for paying child support, the 2019 Guidelines clarify that the amount of the benefit is subtracted from the child support obligation of the parent on whose earnings the benefits are paid only if the benefits actually are paid to the other parent.

**Uninsured medical expenses (p. 5)**

The basic guideline support obligation includes \$250 to cover a child's unreimbursed medical and dental expenses. Because it is common for unreimbursed costs to exceed \$250 per child per year, the Guidelines allow the court to allocate responsibility for expenses in excess of \$250 per year per child to either or both parents as the court deems appropriate. The amendment to the language in this provision clarifies that the court can order the allocation of any amount above \$250 paid by either parent.