

The Division of Welfare and Supportive Services would like to present its concerns for the record regarding the proposed change to NAC 425.115(3) for joint physical custody to change the language to one-half of the difference versus the full difference in child support values.

- There is an overall concern that the higher earning parent will pay a less obligation percentage of his/her income than the lower earning parent. This is demonstrated in the materials presented by Clark County in the December 10, 2021, meeting.
- Shared custody cases will pay less obligation than sole custody cases. However, the cost to raise a child remains the same.
- This recommendation could potentially have a significant cost to public as more low-income earners may be forced to go on public assistance. Parents have a duty to adequately provide for their children. As a public agency, DWSS has a significant concern that this proposal could potentially shift that burden to the public.
- North Dakota recently proposed a similar recommendation in their quadrennial review in 2020 and concluded there were too many factors to consider. Here are the meeting minutes regarding the discussions starting on page 12 of this page:

- <https://www.childsupport.dhs.nd.gov/sites/www/files/documents/pdfs/Guidelines%20Quadrennial%20Review%20-%20Advisory%20Committee%20Meeting%20Minutes%202018-06-06.pdf>

- There is further discussion on this issue at a later meeting starting on page 22 of this page:
 - <https://www.childsupport.dhs.nd.gov/sites/www/files/documents/pdfs/Guidelines%20Quadrennial%20Review%20-%20Advisory%20Committee%20Meeting%20Minutes%202018-06-20.pdf>

- Here are a few recent examples of cases presented in court by the Child Support Program that demonstrate the significant impact on the lower earning parent:

- Recent Case Example 1:

▪ Obligor gross monthly income	6,588.40
▪ Obligor obligation	1,007.00
▪ Obligee gross monthly income	1,690.00
▪ Obligee obligation	270.00
▪ Ordered obligation	481.00 (reduction take for support of another child)

In this case, if the obligation was taken at 50% reduction, the obligor making more than \$6500 per month would only pay **\$240** in child support. The disparity in income is almost \$5,000 per month.

- Recent Case Example 2:

▪ Obligor gross monthly income	4,354.16
▪ Obligor obligation	1,132.08
▪ Obligee gross monthly income	2,608.33
▪ Obligee obligation	678.17
▪ Ordered obligation	396.96 (reduction for HI)

In this case, if the obligation was taken at 50% reduction, the obligor making \$1,746 per month would pay **\$198.48** in child support which is around 5% of the income whereas the obligee is responsible for 26% of income towards the cost of raising the children.

**The current NOMADS system does not track Wright v. Osburn data. DWSS is continuing to gather data to attempt a better understanding of the fiscal impact of this recommendation.*