
TENNESSEE CHILD SUPPORT GUIDELINES REVIEW

JUNE 2020 FINDINGS AND RECOMMENDATIONS

AND

SEPTEMBER 2021 ADDENDUM



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SECTION 1: PURPOSE AND BACKGROUND

This is the report from the review of the Tennessee child support guidelines that began in 2017 and resulted in recommendations put forth in 2019 for approval.

Tennessee child support guidelines are promulgated in the Rules of the Tennessee Department of Human Services (CSSD Chapter 1240-02-04). State rules and federal regulation require that the guidelines be reviewed at least once every four years.¹ Since the last review, federal requirements for state guidelines and the review process have been expanded. This report contains the recommended changes to the Tennessee guidelines to fulfill the expanded federal requirements and documents Tennessee's fulfillment of the federal review requirements.

Federal regulations require that a state's guidelines be applied by all judicial or administrative tribunals who have power to determine child support awards in the state as a rebuttable presumption.² Child support contributes to the financial well-being of many of Tennessee's children. In 2017, the U.S. Census American Community Survey reported that there were 1,508,252 children living in Tennessee and about 551,023 of those children did not live with a parent who was married.³ This amounts to over 36 percent of Tennessee's children living with only one parent, in foster care, or in other situations without both parents. Most of these children are eligible for child support. An unknown number of Tennessee's children living in married-couple households but with stepparents are also eligible for child support. The Tennessee Department of Human Services (TDHS) Child Support Program (CSP) collects and distributes almost \$600 million in child support annually for many of these children.⁴ An unknown amount of additional support is paid for children in non-CSP (non-IV-D) cases.

Although state data are not available, a 2010 national study found that without child support, the child poverty rate would be 4.4 percentage points more.⁵ Other national research finds that 24 percent of non-residential parents live in poverty.⁶ In other words, child support is an

¹ Rules of the Tennessee Department of Human Services CSSD Chapter 1240-2-4 (7) and Title 45, Public Welfare, CFR §302.56.

² Title 45, Public Welfare, CFR §302.56

³ U.S. Census. (2019.) *2017 American Community Survey*. Retrieved from <https://factfinder.census.gov>.

⁴ Federal Office of Child Support Enforcement, *Report to Congress: Preliminary 2017*, Washington, D.C. Downloaded from <https://www.acf.hhs.gov/css/resource/fy-2017-preliminary-data-report>.

⁵ Sorensen, Elaine. (2010). *Child Support Plays an Increasingly Important Role for Poor Custodial Families*. Urban Institute. Retrieved from <https://www.urban.org/sites/default/files/publication/29421/412272-Child-Support-Plays-an-Increasingly-Important-Role-for-Poor-Custodial-Families.PDF>.

⁶ Sorensen, Elaine. (February 2014). *Employment and Family Structure Changes: Implications for Child Support*. Presentation to the National Child Support Enforcement Association, Washington, D.C. February 7, 2014.

important source of income, but many parents obligated to pay support have limited ability to pay. Balancing the subsistence needs of the parents is a policy challenge when setting guidelines amounts at low incomes. The expanded federal regulations essentially recognize that low-income obligated parents may have a limited ability to pay.

OVERVIEW OF TENNESSEE'S EXISTING GUIDELINES

Tennessee first enacted its guidelines in the late 1980s. Initially, the guidelines formula considered only the income of the obligated parent and used a flat percentage of net income to calculate the support award. In 2005, Tennessee switched to the Income Shares model, which was originally adopted as the basis of 31 state guidelines and is now used by 40 states.⁷ The Income Shares model considers the income of each parent; is based on data on how much families actually spend on children; and, accommodates a wide range of special circumstances (e.g., work-related child care expenses, additional dependents, and shared-parenting time). The underlying premises of the Income Shares model is that children should receive the same amount of expenditures as they would have if the parents lived together and shared financial resources. Each parent is responsible for his or her prorated share of that expense. To be clear, the premise relating to child-rearing expenditures among parents living together essentially means that children of never-married parents and children of divorced or separated parents should be treated the same.

Tennessee's Income Shares schedule was developed in 2003 from the most current economic data available. This consisted of measurements of child-rearing expenditures developed by Professor David Betson using the "Rothbarth" methodology. An economic methodology is needed to identify what share of total family expenditures is devoted to children; that is, it separates expenditures for children from expenditures for the parents living in the same household. (More information about methodologies is provided later in this report.) Most states base their schedules on the Betson-Rothbarth measurements of child-rearing expenditures. The Betson-Rothbarth measurements have been updated four times since development. Each study uses more recent survey data of family expenditures. The existing Tennessee schedule is based on the second Betson-Rothbarth study that measured child-rearing expenditures from data collected in 1996-1999 that was updated to 2003 price levels and with consideration to 2003 federal and state income tax rates and FICA. As part of the

⁷ More information about the Income Share model and other guidelines models can be found at: Jane C. Venohr (April 2017). "Differences in State Child Support Guidelines Amounts: Guidelines Models, Economic Basis, and Other Issues." *Journal of the American Academy of Matrimonial Lawyers*; and, 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, Virginia.

review and to fulfill a federal requirement, more current economic data on the cost of raising children is considered in this report.

FEDERAL REQUIREMENTS FOR STATE CHILD SUPPORT GUIDELINES

In December 2016, the federal requirements for state child support guidelines and guidelines reviews expanded through the “Flexibility, Efficiency and Modernization in Child Support Enforcement Programs Rule.”⁸ It is often referred to as the Modernization Rule (MR). Exhibit 1 summarizes the current federal requirements including the new ones.

EXHIBIT 1: SUMMARY OF FEDERAL REQUIREMENTS OF STATE GUIDELINES

PRIOR FEDERAL REQUIREMENTS THAT ARE STILL IN EFFECT

The major federal requirements that have been in place since 1989, and are still in place, are:

- Have one set of guidelines to be used by judges (and all persons within a state with the authority) to issue a child support order;⁹
- Consider all earnings and income of the noncustodial parent in the calculation of support;¹⁰
- Provide for the child’s healthcare coverage;¹¹ and
- Review guidelines at least once every four years; and, in that review, consider the findings from an analysis of case file data on guidelines applications and deviation, and economic evidence on the cost of raising children.¹²

EXPANDED FEDERAL REQUIREMENTS

- A state’s guidelines must take into consideration the basic subsistence needs of the noncustodial parent who has a limited ability to pay;¹³
- If imputation of income is authorized under the state’s guidelines, it must also take into consideration the specific circumstances of the noncustodial parent to the extent known, such as the 14 specific factors identified in the federal rule;¹⁴
- A state’s guidelines may not treat incarceration as voluntary unemployment when establishing or modifying support orders;¹⁵
- As part of a state’s guidelines review, a state must:
 - Consider labor market data by occupation and skill-level, the impact of guidelines amounts on parties with incomes below 200 percent of the federal poverty guidelines, factors that influence employment rates among noncustodial parents and compliance with child support orders,¹⁶ and
 - analyze rates of default and imputed child support orders and orders determined using the adjustment for the noncustodial parent’s subsistence needs;
- Provide opportunity for public input, including input from low-income parents and their representatives and the state/local IV-D agency;¹⁷ and

⁸ 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. <https://www.gpo.gov/fdsys/pkg/FR-2016-12-20/pdf/2016-29598.pdf>.

⁹ 45 CFR §302.56(a).

¹⁰ 45 CFR §302.56(c)(1)(i).

¹¹ 45 CFR §302.56(c)(2).

¹² 45 CFR §302.56(h).

¹³ 45 CFR §302.56(c)(1)(ii).

¹⁴ 45 CFR §302.56(c)(1)(iii).

¹⁵ 45 CFR 302.56(c)(3).

¹⁶ 45 CFR §302.56(h)(1) & (h)(2).

¹⁷ 45 CFR §302.56(h)(3).

- Make all reports public and accessible on the internet, make membership of the reviewing body known, and publish the effective date of the guidelines and the date of the next review.¹⁸

The rules are promulgated through the executive branch of the federal government. They reflect several federal laws. The 1984 Child Support Amendments to the Social Security Act required each state to have child support guidelines, and those guidelines are to be used by all judicial or administrative tribunals who have authority to determine child support orders in a state by 1987.¹⁹ The Family Support Act of 1988 required that the application of a state's guidelines be a rebuttable presumption; and, that states review their guidelines at least once every four years.²⁰

Many of the federal rule changes are aimed at improving child support policies for low-income parents. The rule changes are grounded in research that finds compliance is lower and unpayable arrears accrue when income is imputed.²¹ The specific concern is when income is imputed beyond what an obligated parent, particularly an obligated parent with income below or near poverty, actually has in income or the capacity to earn. Addressing order amounts at the front-end can avoid the need for enforcement actions and is more responsive to the Supreme Court decision in *Turner v. Rogers*, 564 U.S. 1, 131 S Ct. 2507 (2011), which concerned a civil contempt action for non-compliance of a child support order, that was also an impetus for the rule changes.²² In addition, the federal rule changes recognize the importance of healthy parent-child relationships in the development of children and how unpaid child support in some situations can adversely affect that healthy relationship.

ORGANIZATION OF REPORT

The remainder of this reports consists of three sections. Section 2 summarizes the review process including the formation of the Task Force and how public input (as required by the MR) was obtained. It also summarizes the recommendations. Section 3. summarizes how Tennessee has fulfilled federal requirements for a state's guidelines review and the new requirements for state guidelines. The last section, Section 4. provides a conclusion.

¹⁸ 45 CFR §302.56(e).

¹⁹ See the 1984 Amendments of the Social Security Act (Public Law 98-378).

²⁰ See 1988 Family Support Act (Public Law 100-485).

²¹ 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/ Retrieved from: <https://www.govinfo.gov/content/pkg/FR-2014-11-17/pdf/2014-26822.pdf>.

²² 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>.

Appendix A contains the survey instrument and results from the survey used to obtain public input. Appendix B contains a complete version of the recommendations in strike-out form.

SECTION 2: REVIEW PROCESS, TASK FORCE AND PUBLIC INPUT

Although the Tennessee child support guidelines are set in administrative rules, the process for changing them is complicated. It consists of two stages:

- *Stage 1:* The review process and the development of the recommendations, specifically those recommendations that conform to the federal requirements; and,
- *Stage 2:* The process of promulgating the recommendations developed in Stage 1 into a rule.

This section of this report focuses on Stage 1: that is, the review process and the development of the recommendations. Stage 1 is where the Modernization Rule (MR) requirements would apply. In all, the intent is to document that Tennessee has fulfilled the federal requirements pertaining to the review process (*i.e.*, publishing the names of those who served in the review process, and documenting that there were opportunities for input by low-income parents and their representatives and the “IV-D” agency— named after Title IV-D of the Social Security Act that authorizes the government child support program).

Stage 2 is the process of promulgating the recommendations into rule and conforming it to state statutory requirements.²³

STAGE 1: TECHNICAL REVIEW OF THE GUIDELINES AND DEVELOPMENT OF RECOMMENDATIONS

There are three major components to Stage 1.

- The formation of a task force to review the guidelines;
- Offering several different opportunities and avenues for public input; and
- Reaching out to guidelines users to inform them of preliminary recommendations; seeking their feedback, and, in turn, modifying the recommendations.

Guidelines Review Task Force

Tennessee statute directs the Tennessee Department of Human Services (TDHS) to conduct a periodic guidelines review.²⁴ Historically, TDHS typically has conducted the review using core TDHS oversight administrators and Child Support Program (CSP) administrators. Cognizant that

²³ Tenn. Code Ann. § 36-5-101(l)(i)(c)(v).

²⁴Tenn. Code Ann. § 36-5-101(l)(i)(c)(v){

Tennessee, at a minimum, would have to make changes to conform to the MR requirements, TDHS sought to broaden input by establishing a Guideline Review Task Force that represented diverse interests. TDHS administrators looked at the guidelines review bodies of other states to develop the composition of the Task Force. Exhibit 2 lists the Task Force members.

EXHIBIT 2: GUIDELINE REVIEW TASK FORCE	
Rebekah A. Parkhurst Tennessee Department of Human Services Deputy General Counsel	Gena Lewis Tennessee Department of Human Services Former General Counsel
Cory Breece, Managing Attorney 30 th Judicial District MAXIMUS	Brenda Lindsay-McDaniel, Child Support Magistrate Knox County
Chares Bryson, Assistant Commissioner Family Assistance and Child Support Tennessee Department of Human Services	Lawanda McNeal, Child Support Administrator 26 th Judicial District District Attorney General Conference
Cherrell Campbell Street Tennessee Department of Human Services Programs & Services Deputy Commissioner	Rosemary Phillips, Clerk & Master Robertson County
Robert Duck Tennessee Department of Human Services Child Support Director of Operations, Policy & Services	DarKenya Waller, attorney Executive Director Legal Aid Society
Lana Wix Tennessee Department of Human Services Child Support Field Operations, West	Cynthia Wiseman, attorney 31 st Judicial District District Attorney General Conference
Daphne Davidson Tennessee Department of Human Services Child Support Senior Associate Counsel	Patricia Wood Tennessee Department of Human Services Child Support Director of Operations, Field Services & Contracts
William Duffey Tennessee Department of Human Services Child Support Director-120 Day Employee	Brad Frakes, Private attorney

The Task Force was staffed by Emily Gregg, Child Support Policy Director, Tennessee Department of Human Services. Economic analysis and technical assistance were provided to the Task Force by Dr. Jane Venohr, an economist and research associate with Center for Policy Research.

The first meeting was held on November 7, 2017. The Task Force heard from Dr. Jane Venohr on the economic data on the cost of raising children and how it compared to the existing Tennessee child support schedule. The Task Force also reviewed the new federal requirements for state guidelines. At its next meeting on November 21, 2017, the Task Force developed a list of possible guidelines issues. In turn, the Task Force formed three sub-committees to address the specific guidelines issues. The issues and their corresponding sub-committees are listed below:

- *The Calculation of Income Subcommittee* was charged with reviewing the low-income adjustment/self-support reserve (as federally required) and other income and child-rearing expense issues identified at the initial meeting.
- *The Incarceration & Parenting-Time Subcommittee* was charged with reviewing the federal requirements surrounding incarceration²⁵ and issues with the parenting-time expense.
- *The Procedural Efficiencies in Determination of the Child Support Obligation Subcommittee* was charged with reviewing other issues that were not in the purview of the other two subcommittees. This included any changes to the medical child support provisions due to the MR and procedures relating to the establishment of orders in foster care cases.

The subcommittees met individually for several months. They sorted which issues were indeed guidelines issues; and, if it was a guidelines issue, researched alternative provisions mostly through reviewing how other states addressed the issue in their guidelines. Each subcommittee reported their findings to the entire Task Force on February 6, 2018. The Task Force also met on March 23, 2018 to refine its recommendation for the low-income adjustment.

Input from the General Public

The Child Support Program (CSP) of the Tennessee Department of Human Services (TDHS) recognizes the importance of public input as well as input from guidelines users. To this end, CSP offered opportunities for input through several avenues.

- General public survey. That was made available from October 15, 2018 to November 11, 2018 on the tn.gov website. Appendix A contains a copy of the survey.

²⁵ Not only did this include 45 CFR 302.56(c)(3), but also 45 CFR 303.8(b)(2) which requires state child support programs to essentially provide processes for order modification upon finding an obligated parent has been incarcerated for more than 180 days.

- Public informal forums *were held in Knoxville on September 27, 2018, Nashville on October 1, 2018 and Memphis on November 7, 2018*. Combined, there were over 100 attendees to the forums. Attendees ranged from parents to attorneys to magistrates. The format of most forums consisted of opportunities for attendees to make verbal comments up to three minutes each. Their comments concerned guidelines issues as well as other child support issues and family policy issues.
- Public formal hearings *were held in Knoxville, Nashville, Chattanooga and Memphis, concerning proposed amendments to the Child Support Guidelines on August 6, 2019 and August 7, 2019*. Hearings in each location occurred in the morning and in the evening. Combined, there were 31 members of the public who submitted comments on the record. Written comments on the proposed changes to the guidelines were received from 150 members of the public. All comments were carefully considered and some changes were made as a result of the comments.

Input from Guidelines Users

To gain additional input, CSP staff also presented preliminary recommendations to several guidelines users:

- Child Support Magistrates on October 25, 2018; and
- The Child Support Administrators' Meeting on December 4, 2018.

Their input helped refine some of the recommendations.

GUIDELINES RECOMMENDATIONS

The final recommendations are summarized in Exhibit 3. The full text version is provided in Appendix B.

EXHIBIT 3: SUMMARY OF RECOMMENDATIONS

1. Develop a self-support reserve (SSR) adjustment to fulfill the MR requirement (45 CFR § 302.56(c)(1)(ii)) to consider the subsistence needs of the parent; and, make the SSR transparent and develop a rebuttable, minimum order for incomes below the SSR.
2. Expand the provision of income imputation to fulfill the MR requirement (45 CFR § 302.56(c)(2)(iii)) to consider the specific circumstances of the individual when imputing income.
3. Provide that incarceration of a parent shall not be treated as voluntary underemployment or unemployment for the purpose of establishing or modifying a child support order, as required by the MR (45 CFR § 302.56(c)(3)).
4. Clarify the definition of health insurance, provide a definition of reasonable cost of insurance, specifically address circumstances of health insurance provided by a stepparent, and eliminate the provision that prohibits TennCare and Medicaid from satisfying the requirement to address the healthcare needs of the child.
5. Expand the definition of income to include gifts of real estate and inheritance and actual income earned while incarcerated.
6. Clarify the treatment of lump sum awards for Social Security Disability Insurance.

7. Make minor edits to terms and language, such as spelling out abbreviations, to add clarity to the guidelines and facilitate ease of use.
8. Ensure the Department of Children’s Services (DCS) may set the initial child support order without using the worksheet.
9. Update various, incidental dollar amounts that appear in the guidelines to current levels (*e.g.*, median earnings).

STAGE 2: PROMULGATION OF PROPOSED RECOMMENDATIONS

In the second stage, Child Support Program (CSP) staff provided the recommendations to the Supreme Court of Tennessee and the Civil Justice Committee of the House of Representatives and the Health and Welfare Committee of the Senate, as required by state statute (see Exhibit 4 for an excerpt of the statute.)

EXHIBIT 4: Tenn. Code Ann. § 36-5-101(l)(i)(v)

- (2) Beginning October 13, 1989, the child support guidelines promulgated by the department, pursuant to the rulemaking provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, shall be the guidelines that courts shall apply as a rebuttable presumption in child support cases.
- (3) Child support guidelines shall be reviewed by the department of human services every three (3) years from the date of promulgation. The department shall make recommendations to the supreme court of any revisions needed in order to maintain compliance with the Family Support Act of 1988, and to ensure that application of the guidelines results in determinations of appropriate child support awards. A copy of the recommendations shall also be sent to the civil justice committee of the house of representatives and the health and welfare committee of the senate.

NEXT GUIDELINES REVIEW

In accordance with state statute,²⁶ Tennessee plans its next guidelines review three years after promulgation of the guidelines review. It is anticipated that this will be in 2023.

²⁶ Tenn. Code Ann. § 36-5-101(l)(i)(c)(v).

SECTION 3: COMPLIANCE WITH FEDERAL REQUIREMENTS

This section summarizes how Tennessee complied with federal requirements. It is broken down into two subsections: federal requirements for the process of reviewing the guidelines; and, federal requirements of state guidelines.

COMPLYING WITH FEDERAL REQUIREMENTS FOR STATE GUIDELINES REVIEWS

Analysis of Case File Data

Case file data was analyzed for multiple reasons: to fulfill the federal requirement to analyze case file data on the application of the guidelines and deviations from the guidelines; to fulfill other federal requirements to analyze payment data and other factors; and, to provide useful information that could be considered by the Task Force when developing their recommendations.

The Child Support Program (CSP) supplied case file data to Center for Policy Research (CPR) for analysis. CSP extracted the data from its automated system, Tennessee Child Support Enforcement System (TCSES). It included all orders established or modified in 2015 that were not interstate cases. In other words, it included all cases in which the Tennessee guidelines would have been applied. This amounted to 33,509 non-duplicated cases. Information about order amounts, payment amounts, and guidelines deviations were provided for all cases. Payment data from 2016 was also collected for these cases. For 18,428 of these cases, information about the guidelines' calculation was available (*e.g.*, the incomes of each parent and the amount of childcare expenses, if any, considered in the guidelines calculation). The guidelines information was extracted from the guidelines' calculator built into TCSES. Not everyone uses the TCSES calculator. Its use is not mandatory. Guidelines users may rely on an alternative calculator or calculate the order manually. Information about the guidelines' calculation was not readily available for the cases that used an alternative method of calculation.

The case file data added context to many of the issues considered in the guidelines review. It also served as evidence-based research when developing recommendations. The findings from the case file data are weaved into the discussions of each issue. It is in these discussions, that data limitations are also identified.

Review of Economic Data on the Cost of Raising Children

One of the first considerations of the Task Force was the review of economic data on the cost of raising children, which is a federal requirement. This consideration is important because, as discussed earlier, at the core of the Tennessee guidelines calculation is a schedule of child support obligations that is based on economic measurements of child-rearing expenditures that dates back to 2003. Therefore, the first consideration of the Task Force was whether the schedule should be updated.

In making this decision, the Task Force considered more current economic data on the cost of raising children, how the Tennessee schedule compares to those of other states, and the analysis of the case file data.

Studies Measuring the Cost of Raising Children

Tennessee like most states bases its child support guidelines on the premise that child support should be more than the child's basic needs. In other words, if the obligated parent can afford a higher standard of living, then the child should share in that higher standard of living. To this end, Tennessee and the vast majority of states base their guidelines' formula or schedule on economic data that reflects how much families actually spend on their children given their income and family size. These studies are known as studies of "child-rearing expenditures" rather than child-rearing costs. Studies of child-rearing costs may encompass studies of child-rearing expenditures or studies on the cost of the child's basic needs.

There are several new studies of child-rearing expenditures since the existing schedule was developed in 2003. One was conducted by the same economist (Professor David Betson of University of Notre Dame) using the same economic methodology (*i.e.*, the Rothbarth methodology) but more current expenditure data.²⁷ Others were conducted by different economists but also use more current expenditure data. Professor Mark Rodgers of Rutgers University also conducted a study using the Rothbarth methodology.²⁸ Two other current studies that rely on economic methodologies other than the Rothbarth methodology are often considered by states when reviewing their guidelines. (As mentioned earlier, an economic methodology is necessary to separate the child's share of expenditures from all expenditures in

²⁷ Betson, David M. (2010). "Appendix A: Parental Expenditures on Children." In Judicial Council of California, Review of Statewide Uniform Child Support Guideline. San Francisco, California. Retrieved from <http://www.courts.ca.gov/partners/documents/2011SRL6aGuidelineReview.pdf>.

²⁸ 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>

a household.) The other two studies are: the U.S. Department of Agriculture (USDA) study;²⁹ and a study led by Professor William Comanor, University of California at Santa Barbara.³⁰

Betson-Rothbarth Measurements

The first Betson-Rothbarth study was conducted in 1990.³¹ Over the years, Betson has updated his Rothbarth measurements three times.³² The majority of states (27 states), the District of Columbia, and Guam rely on one of Betson's studies of child-rearing expenditures using the Rothbarth methodology to separate the child's share of expenditures from total household expenditures. Named after the British WWII economist who developed it, the Rothbarth methodology is a marginal cost approach that compares expenditures of two sets of equally well-off households: one set consists of two-parent families with children, and the second consists of couples of child-rearing age without children. The difference in expenditures between the two sets is presumed to be spent on child rearing. The Rothbarth methodology relies on the percentage of total expenditures devoted to adult goods (*i.e.*, adult clothing in Betson's application) to determine equally well-off families. For theoretical reasons, economists believe that the Rothbarth methodology understates actual child-rearing expenditures because it overstates the substitution effect from expenditures solely made for the parents to expenditures made specifically for the child (*e.g.*, parents may spend less on adult clothing once they have children). In Betson's original study of child-rearing expenditures that included the evaluation of five different methodologies, Betson concluded that the

²⁹ 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>.

³⁰ Comanor, William. (February 22, 2017.) *Presentation to the Minnesota Child Support Task Force*, Minnesota Department of Human Services, St. Paul, MN; and, Comanor, William S., Sarro, Mark, and Rogers, R. Mark. (2015). "The Monetary Cost of Raising Children." *Economic and Legal Issues in Competition*, in James Langenfeld (ed.) *Economic and Legal Issues in Competition, Intellectual Property, Bankruptcy, and the Cost of Raising Children (Research in Law and Economics, Volume 27)* Emerald Group Publishing Limited.

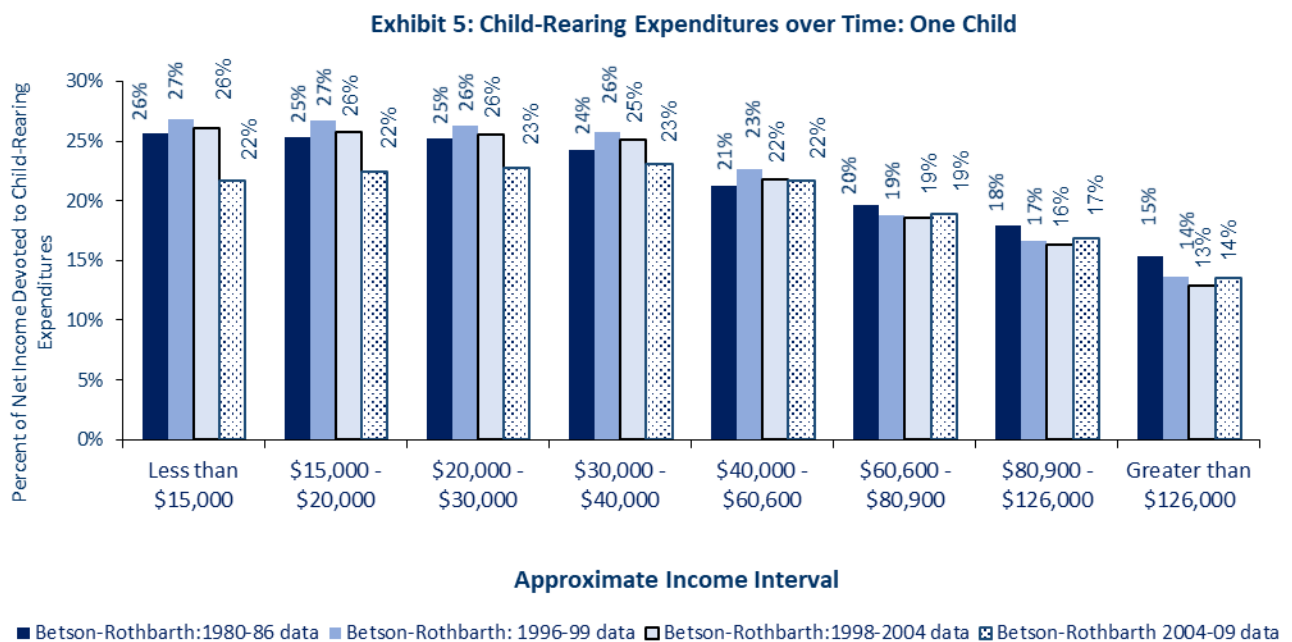
³¹ Betson, David M. (1990). *Alternative Estimates of the Cost of Children from the 1980–86 Consumer Expenditure Survey*. Report to U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation. University of Wisconsin Institute for Research on Poverty, Madison, Wisconsin.

³² David M. Betson (2001). "Chapter 5: Parental Expenditures on Children," in Judicial Council of California, *Review of Statewide Uniform Child Support Guidelines*, San Francisco, California (2001). <http://www.courtinfo.ca.gov/programs/cfcc/1058files2001/CH5.PDF>; David M. Betson (2006). "Appendix I: New Estimates of Child-Rearing Costs" in PSI, *State of Oregon Child Support Guidelines Review: Updated Obligation Scales and Other Considerations*, Report to State of Oregon, Policy Studies Inc., Denver, Colorado. Available at http://www.dcs.state.or.us/oregon_admin_rules/psi_guidelines_review_2007.pdf.

Betson, David M. (2010). "Appendix A: Parental Expenditures on Children." In Judicial Council of California, *Review of Statewide Uniform Child Support Guideline*. San Francisco, California. Retrieved from <http://www.courts.ca.gov/partners/documents/2011SRL6aGuidelineReview.pdf>.

Rothbarth methodology was the most robust; hence, recommended states use Rothbarth measurements as the basis of their guidelines.³³

Exhibit 5 illustrates the differences in Betson-Rothbarth (BR) estimates over time for one child. The percentages exclude childcare, the child’s health insurance, and the child’s extraordinary medical expenses. They are excluded because these expenses are not included in the schedule, rather the actual amount for each of these expenses is considered on an individual case basis in the calculation of support. The first three sets of BR measurements (BR1, BR2, and BR3) rely on the same assumptions and methodologies, but different data years. The most recent BR measurements (BR4) also updated for more current expenditures data; and, included two changes in data assumptions. Earlier BR measurements consider “expenditures,” while BR4 considers “expenditures-outlays.” Expenditures include the purchase price (and sales tax) on any item purchased within the survey year regardless whether the item was purchased through installments. In contrast, outlays only capture what was actually paid toward that item during the survey period. So, if there were only four out of 20 installment payments made during the survey period, only those four payments are captured.



³³ 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.

Unlike expenditures, outlays also capture mortgage principal payments, payments on second mortgages, and payments on home equity loans. Both expenditures and outlays capture interest on the first mortgage among homeowners and rent, utilities, and other housing expenses among renters. The merit of expenditures for use in state guidelines is that it excludes mortgage principal payments. This is consistent with property settlements that have historically addressed equity in the home as part of the divorce settlement. The merit of outlays for use in state guidelines is it is a better reflection of actual family budgeting on a monthly basis.

The second difference is that Betson relied on a newly available measure of income developed by the Bureau of Labor Statistics, the organization that conducts the Consumer Expenditure Survey (CES), which is the basis of most measurements of child-rearing expenditures. The underreporting of income is a problem inherent to most surveys, including the CES. The new measure attempts to correct underreporting, particularly at low incomes. The problem was identified from findings from earlier CES that revealed that many low-income families spend considerably more than what they report as income. The new measurement essentially bumps-up income for some families—hence, reducing the percentage of their income spent on child rearing.

Rodgers/Rothbarth Measurements

This study was conducted for California's last guidelines review. The study was just released in early 2018 and does not form the basis of any state's child support guidelines schedule or formula. The study relies on expenditure data from families surveyed from 2000 to 2015. A wide range of years was used to average out economic fluctuations, such as the Great Recession that occurred from 2007 to 2009. The same professor developed the measurements of child-rearing expenditures underlying New Jersey's child support schedule, but those were adjusted for New Jersey having a higher income than the national average.

U.S. Department of Agriculture (USDA) Measurements

The USDA previously updated its measurements at least biannually. Minnesota is the only state to rely on a USDA study as the basis of its child support schedule. The USDA first measures expenditures for seven different categories (*i.e.*, housing, food, transportation, clothing, health care, child-care and education, and miscellaneous) then sums them to arrive at a total measurement of child-rearing expenditures. The most recent USDA study is for 2015. Using expenditure data from 2011 through 2015, the USDA found that average child-rearing expenses were \$9,320 to \$23,090 per year for the youngest child in a two-child family in the South in 2015. The amount varies by age of the child and household income.

Comanor, et al.

Minnesota has extensively vetted the study by William Comanor and his colleagues.³⁴ Arguably, the Comanor study measures the child's basic needs. It is arguable because the authors believe their methodology reflects child-rearing expenditures across all income ranges; however, it finds implausibly low levels (*i.e.*, food costs below what the federal government measures as the minimum amount to sustain) and amounts near federal poverty levels. Most states believe that the child support guidelines should provide for more than poverty or the child's basic needs if the obligated parent can afford a higher standard of living. For these reasons, states often dismiss the Comanor study.

Comparisons to Bordering States and New Data

To assess the appropriateness of updating the entire Tennessee schedule, the Task Force compared an updated Tennessee schedule to the existing schedule as well as 10 Southern states. The comparisons were provided to the Task Force at their first meeting. Since then, an updated schedule was developed to 2019 levels: that is, to consider the impact of updating the Tennessee schedule to 2019 price levels and 2019 federal income tax rates and FICA. The change in federal income tax rate was of concern due to federal tax reform that became effective January 1, 2018.

Exhibit 6 provides background information about each of the ten states considered in the comparisons. As shown in Exhibit 6, most of the states in the comparisons also rely on the Income Shares model. It also shows that most of the states have not updated their guidelines formula for several years.³⁵ With the exception of Virginia, the comparison states have median incomes below the median income of the U.S. as a whole (\$64,379). With a median income of \$56,475, Tennessee ranks the sixth highest in median family income among the ten states, but still below national median income. Similarly, with the exception of Virginia, all of the states (including Tennessee) have price parities below the national average (100.0). The price parity indicates whether a state's prices are below or above the national average. Values below 100.0 indicate that the state's price level is below the national average and values above 100.0 indicate that the state's price levels is

³⁴ See Venohr, Jane. (March 31, 2017 revised). *Review of the Minnesota Basic Child Support Table: Economic Data on the Cost of Raising Children and Other Considerations*. Retrieved from https://mn.gov/dhs/assets/2017-03-31-Revised-Dr-Venohr-Report-to-MN-Child-Support-Task-Force_tcm1053-286690.pdf. Comanor, William. (April 7, 2017). *Dr. Venohr's Minnesota Report: A Brief Response*. Retrieved from: mn.gov/dhs/assets/2017-04-07-Comanor-response-to-Venohr_tcm1053-293396.pdf.

³⁵ Since 2017, both Missouri and North Carolina have updated their guidelines schedules.

above the national average. In addition, Exhibit 6 shows that only a few of the comparison states have set a state minimum wage that exceeds the federal minimum wage.

Exhibit 6: Comparison of State Guidelines and State Economic Indicators						
State	Guidelines Model	Approximate year of last update to schedule or percentages	Median Family Income with children less than 18 years old ⁷ (2016)	Price Parity (2015) ⁸	Minimum Wage (2017)	Other
TN	Income shares	2005	\$56,475	89.9	\$7.25	
AL	Income shares	2008	\$56,758	85.8	\$7.25	Schedule is adjusted for Alabama's lower cost of living
AR	% of obligated parent income	2008	\$51,941	87.4	\$8.50	Arkansas is proposing to switch to income shares
GA	Income shares	2006	\$62,135	92.6	\$7.25	GA bases its schedule on the average of 2 studies of child-rearing expenditures: it results in the amounts for GA being higher
KY	Income Shares	1990	\$56,335	88.6	\$7.25	Recent attempts to update KY's schedule have failed
MS	% of obligated parent income	Unknown	\$47,699	86.2	\$7.25	Ranks lowest in price parity
MO	Income shares	2008	\$63,862	89.3	\$7.70	
NC	Income shares	2014	\$59,565	91.2	\$7.25	
VA	Income shares	2014	\$82,293	102.5	\$7.25	First major update to schedule in almost 25 years
WV	Income Shares	2000	\$53,786	88.9	\$8.75	
U.S. average	N.A.	N.A.	\$64,379	100.0	\$7.25 (federal)	
Tennessee's Rank Among the 10 States (1 is highest)			6th ^h	4th		

In summary, the information in Exhibit 6 suggests that many of the states have below average income and price levels; and, have not updated their schedules recently. This may cause these states to have guidelines below the national average and what an updated Tennessee schedule would yield.

Case scenarios were used to compare the existing Tennessee schedule to an updated schedule and those of neighboring states.³⁶ Exhibits 7 and 8 compare the guidelines amounts for one and two children, respectively. Based on an analysis of the case file data collected for the review:

- 75 percent of new orders are for one child,
- 18 percent of new orders are for two children, and
- 7 percent of new orders are for three children.

The case examples of Exhibits 7 and 8 consider median incomes by five different levels of educational attainment of Tennessee workers. The data are from the 2016 U.S. Census American Community Survey. The median earnings for the five levels of educational attainment are:

- \$15,246 for females and \$24,202 for males with less than a high school degree;
- \$21,800 for females and \$31,906 for males with a high school degree or GED;
- \$27,531 for females and \$40,671 for males with some college or associate's degree;
- \$39,584 for females and \$56,720 for males with a bachelor's degree; and
- \$48,814 for females and \$74,182 for males with a graduate or professional degree.

The case scenarios assume the median earnings among males is the income of the obligated parent in the case scenarios and the median earnings among females is the income of the parent receiving support. Statistically, the majority of obligated parents are male. The calculations only consider the schedule amounts. There are no adjustments for additional dependents, child-care expenses, the cost of the child's health insurance, shared-parenting time, or other factors.

In general, Exhibit 7 shows that the existing schedule and updated 2017 schedule yield similar amounts for the case scenarios involving one child. None of the differences are at least 15 percent different from the existing schedule amount, which is Tennessee's variance threshold for a modification. The differences for one child range from a

³⁶ Side-by-side comparisons of the existing schedule and updated schedule were also produced.

decrease of \$29 per month for Case A to a \$40 increase for the Case D. The decreases at lower incomes result from an improvement to how income is measured in the most recent Betson-Rothbarth measurements. The smaller increase for Case E results from a change in the effective tax rates from 2003 to 2017 that results in less-after tax income available at that gross income. This includes an increase in the income threshold for applying the social security tax as well as an increase in the federal income tax rate for the highest income bracket. Exhibit 7 also shows that Tennessee's current schedule yields order amounts for one child within range of neighboring states. It is usually the third or fourth highest among the ten states for one child.

Exhibit 7: Comparisons of Child Support Orders for One Child					
State	Case A	Case B	Case C	Case D	Case E
Highest educational attainment of parents	Less than high school graduate	High school graduate or equivalent	Some college or associate's degree	Bachelor's degree	Graduate or professional degree
Monthly gross income of obligated parent	\$2,017	\$2,659	\$3,389	\$4,727	\$6,182
Monthly gross income of parent due support	\$1,271	\$1,817	\$2,294	\$3,299	\$4,068
Tennessee	\$392	\$470	\$522	\$583	\$709
Alabama	\$382	\$447	\$494	\$581	\$669
Arkansas	\$391	\$439	\$494	\$602	\$682
Georgia	\$412	\$523	\$591	\$691	\$790
Kentucky	\$304	\$384	\$456	\$563	\$627
Mississippi	\$242	\$301	\$391	\$528	\$665
Missouri	\$399	\$510	\$582	\$674	\$749
North Carolina	\$351	\$460	\$539	\$639	\$707
Virginia	\$334	\$432	\$493	\$587	\$659
West Virginia	\$320	\$374	\$437	\$559	\$658
Updated (Based on 2017 price levels and tax rates)	\$363	\$460	\$529	\$623	\$719
Median of States	\$367	\$443	\$494	\$595	\$676
Tennessee's Rank Among the 10 States (1 is highest)	3 rd	3 rd	4 th	6 th	4 th
Updated (Based on 2019 price levels and tax rates)	\$372	\$471	\$543	\$641	\$743

Exhibit 8: Comparisons of Child Support Orders for Two Children					
State	Case A	Case B	Case C	Case D	Case E
Highest educational attainment of parents	Less than high school graduate	High school graduate or equivalent	Some college or associate's degree	Bachelor's degree	Graduate or professional degree
Monthly gross income of obligated parent	\$2,017	\$2,659	\$3,389	\$4,727	\$6,182
Monthly gross income of parent due support	\$1,271	\$1,817	\$2,294	\$3,299	\$4,068
Tennessee	\$545	\$647	\$707	\$780	\$944
Alabama	\$553	\$645	\$708	\$828	\$954
Arkansas	\$565	\$631	\$705	\$857	\$971
Georgia	\$584	\$742	\$826	\$962	\$1,097
Kentucky	\$445	\$572	\$683	\$845	\$929
Mississippi	\$346	\$430	\$558	\$754	\$950
Missouri	\$577	\$739	\$839	\$966	\$1,067
North Carolina	\$541	\$706	\$824	\$973	\$1,073
Virginia	\$507	\$651	\$737	\$875	\$981
West Virginia	\$461	\$539	\$636	\$805	\$951
Updated (Based on 2017 price levels and tax rates)	\$556	\$700	\$800	\$939	\$1,083
Median of States	\$543	\$648	\$718	\$851	\$966
Tennessee's Rank Among the 10 States (1 is highest)	5th	5th	6th	9th	9th
Updated (Based on 2019 price levels and tax rates)	\$570	\$717	\$821	\$965	\$1,119

As shown in Exhibit 8, the differences between the existing and updated 2017 schedule for two children are less than 15 percent, which is the variance threshold for a modification, except for Case D. The general results of the comparisons for two children differ from those for one child in that an updated schedule would produce increases for each of the scenarios involving two children. This is because the impact of changes in the price level is larger than the impact of any changes to the Betson-Rothbarth (BR) measurements when there are more children. The increase for two children ranges from \$11 per month for Case A to \$159 per month for Case D. The Tennessee amounts were generally in the range of those of neighboring states. The

existing Tennessee guidelines consistently often ranked mid-range (5th to 6th highest) among states for two-child scenarios.

Updating to 2019 Levels Including Changes to Consider Federal Tax Reform

Exhibits 7 and 8 also shows that updating the schedule to 2019 price levels and to consider 2019 federal income tax rates would increase the schedule amounts from the 2017 updated schedule. This is largely due to tax reform, which results in more after-tax income due to a decrease in federal tax rates. Price levels only increased by about 2.5 percent from when the 2017 updated schedule was developed to when the 2019 schedule was developed. The federal tax reform changes are scheduled to expire in 2025, so there will be an opportunity to revisit the issue for Tennessee's next review.

Conclusion from the Comparisons

Based on the comparisons, updating the schedule would result in inconsistent changes in order amounts and generally small changes. All but one of the case scenarios yielded differences between the order amounts based on the existing schedule and those based on the 2017 updated schedule that would not meet the 15-percent variance threshold required for an order modification. The existing schedule also yields amounts similar to those of neighboring states. Based on these findings and a consensus that the focus should be on the low-income adjustment where changes were warranted, the Task Force did not recommend an overall update to the schedule as part of this review. They also recognized that the issue would be reconsidered at the next review.

Detailed Findings from Analysis of Case File Data

Overview

As discussed earlier, case file data was analyzed to fulfill the federal requirements to: analyze guidelines applications and deviations; analyze rates of default and imputed orders; orders adjusted for the noncustodial parent's subsistence needs; and compliance with the child support order. The information was shared with the Task Force.

Guidelines Application and Deviations

Federal regulation requires the measurement of guidelines deviations; that is, whether the order amount varied from the guidelines-calculated amount. The underlying premise is that reasons for guidelines deviations may indicate parts of the guidelines that should be changed

(*e.g.*, if there are several deviations due to timesharing arrangements, the adjustment for timesharing should be reviewed and appropriately changed.)

The CSP automated system, TCSES (which is the data source of the case file data), includes a data field to note guidelines deviations. This was the data source analyzed to determine the frequency of guidelines deviations. Only four percent of new orders contained guidelines deviations and two percent of modified orders contained guidelines deviations. Last review, the deviation rates were six percent among newly established orders and one percent among modified orders. Like the last review, the vast majority (85%) of reasons for guidelines deviations were coded as “other.” The second most common reason for deviations was that the Tennessee Department of Human Services (TDHS) noted that there was a custody change. It accounted for nine percent of the guidelines’ deviations.

On one hand, the low deviation rate suggests that the guidelines are strictly followed. On the other hand, the finding is limited by the source of the data. It is based on data from TCSES, which mostly consists of child support orders enforced by a government child support agency (also known as IV-D cases for Title IV-D of the Social Security Act that provides for government child support agencies). Most states that analyze both IV-D and non-IV-D cases find that guidelines deviations are higher among non-IV-D cases. Another limitation to this finding is that measuring guidelines deviations from the automated system is problematic. The issue is inherent to all state automated systems because child support agency staff populate that data field and may not know whether there actually is a deviation because the information from the court does not contain that level of detail or is not obvious in the information (*e.g.*, the order may be several pages of narrative in which a deviation is buried in the narrative) .

Some states (*e.g.*, Georgia) collect deviation information from court records, which enables a sample of both IV-D and non-IV-D cases. Although this sampling method provides a more representative sample of orders statewide, payment data cannot be obtained from court records. Payment data must also be analyzed pursuant to federal requirements. Payment data is generally readily available from state automated systems, but not readily available from private cases. In summary, for Tennessee and most states, there is not one data source that can be used to fulfill the federal requirements.

Low-Income Adjustment

Based on the analysis of data from the TCSES guidelines calculator, many obligated parents and parents due support are poor. Based on comparisons between a parent’s income and the

federal poverty guidelines for the number of children plus one (for the parent receiving support), 32 percent of custodial parent households with new orders were poor; and, 18 percent of custodial parent households with modified orders were poor. Based on a similar comparison for obligated parents only using the federal poverty guidelines for one person, the poverty rate is 28 percent among obligated parents with a new order; and, 18 percent among obligated parents with a modified order. A limitation to this finding is it only considers cases on the TCSES system. Nonetheless, there are a substantial number of Tennessee children tracked by TCSES. According to 2017 data, 366,485 Tennessee children have IV-D cases, hence are in TCSES.³⁷

According to the existing guidelines (as shown in Exhibit 9), obligated parents with incomes below the federal poverty level for one person may be eligible for a deviation from the guidelines. As shown in the previous section, however, guidelines deviations are very infrequent. The percentage of obligated parents eligible for low-income guidelines deviations (*e.g.*, 28% among new orders) is substantially larger than the percentage of orders with guidelines deviations (*e.g.*, 6% among new orders).³⁸

EXHIBIT 9: TENNESSEE'S EXISTING PROVISION FOR LOW-INCOME PARENTS

Rule 1240-2-4-.07(f) Deviation from Guidelines Amount for Low-Income Persons.

1. The tribunal may consider the low income of the primary residential parent or the alternate residential parent as a basis for deviation from the guideline amounts.
2. The tribunal shall consider all non-exempt sources of income available to each party and all expenses actually paid by each party.
3. The party seeking a low-income deviation must present to the tribunal documentation of all his/her income and expenses or provide sworn statements of all his/her income and expenses in support of the requested deviation.
4. The tribunal shall make a written finding in its order that the deviation from the Guidelines based upon the low income and reasonable expenses of a party is clearly justified and shall make the necessary written findings pursuant to paragraph (1) above.
5. For purposes of this subparagraph, a parent is considered to be a low-income person if his/her annual gross income is at or below the federal poverty level for a single person as established in 1240-2-4-.05(2)(d).
6. Under no circumstance shall the tribunal fail to order a basic support obligation if the parent has non-exempt gross income. See Rule 1240-2-4-.03(6)(a)4.

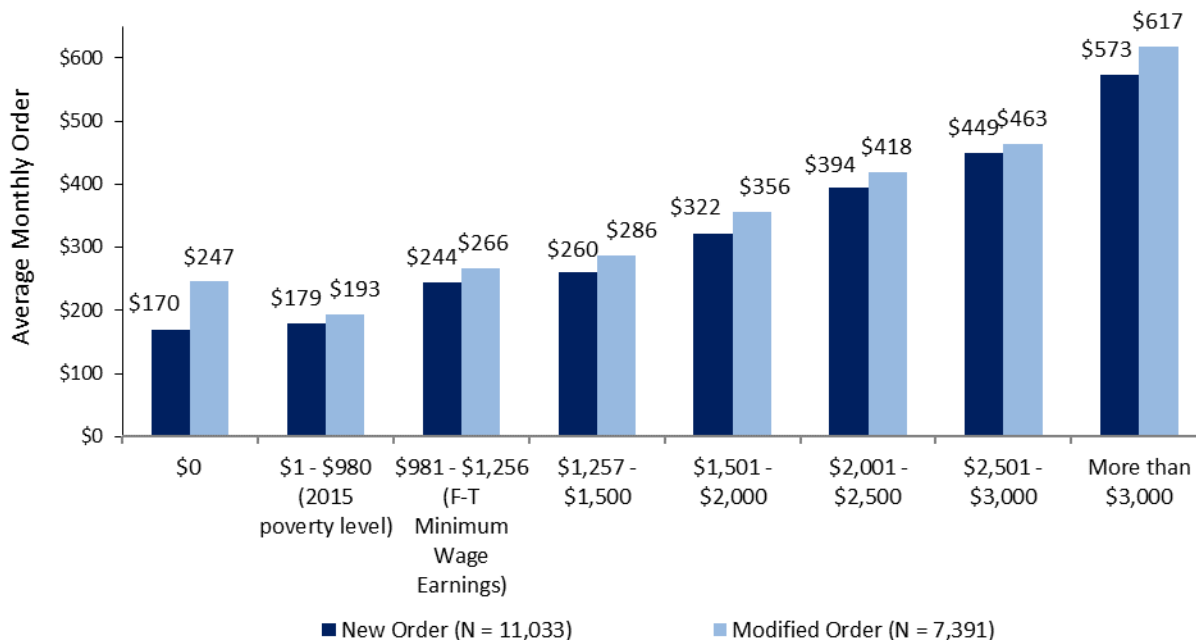
³⁷Federal Office of Child Support Enforcement, *Report to Congress: Preliminary 2017*, Washington, D.C. Downloaded from <https://www.acf.hhs.gov/css/resource/fy-2017-preliminary-data-report> .

³⁸ TCSES does not assign a unique code for deviations due to low income. Instead, they are coded as "other."

Further, as shown in Exhibit 10, the average order for obligated parents with incomes below the poverty level was substantial. For example, the average amount of new orders among obligated parents with \$0 income was \$170 per month. Still another example, the average amount of new orders among obligated parents with \$1 to \$980 per month income (where \$980 approximates the federal poverty level for one person in 2015, the year that the data were collected) was \$179 per month. In contrast, many states provide a minimum order of about \$50 per month for obligated parents whose incomes are below poverty or the state-determined self-support reserve. In all, this suggests that the low-income deviation is used infrequently or when used, it does not reduce the order substantially.

Exhibit 10: Average Order Amount by Monthly Gross Incomes of Obligated Parents

(Cases with Recorded Guidelines Calculations and New and Modified Status, n = 18,424)



Income Imputation and Default Orders

TCSES, like most state automated systems, does not record whether income was imputed. Instead, the order amount at minimum wage income is used as a proxy for income imputation. In all, there were 4,346 cases in which the obligated parent’s gross income was at least \$1,100 per month and not more than \$1,260 per month. This range of incomes approximates

minimum wage incomes.³⁹ This translates into an income imputation rate of 24 percent among obligated parents with recorded guidelines calculations. The percentages of obligees whose guidelines' incomes are in the minimum-wage range are even more: it is 33 percent. One limitation to these findings are that without a data field noting whether income was imputed, minimum-wage may have been the actual income of the parent.⁴⁰ Despite this limitation, a check against quarterly wage data suggest that these minimum-wage incomes are indeed imputed.⁴¹

TCSES does contain a data field to note whether the order is entered by default. There were only 1,472 default orders noted, which is a default rate of 4 percent. The limitation of the default data field is the data field is believed to be under-populated for various reasons (*e.g.*, the caseworkers do not receive that level of detail from the court about order entry).

It is not clear how a provision in a state's guidelines can affect default rates. Most state guidelines do not provide for a different calculation strictly on the basis that the order was entered through a default. Orders set by default may be confounded with income imputation issues. National research and other research find default rates and income imputation rates are highly correlated. Most state guidelines do have provisions that address what to impute income at if income evidence is not available or limited. There is also a new federal regulation that requires states to have guidelines provisions that better consider the individual circumstances when income imputation is authorized. If the goal is to reduce defaults, there is emerging evidence that shows sending hearing reminders by text and telephone and redesigning and re-phrasing the "notice to appear" increase the involvement of parties named in child support actions and their participation rates in settlement conferences.⁴²

³⁹ Minimum wage was \$7.25 per hour in 2015. A 35-hour work week yields about \$1,100 gross per month, and a 40-hour work week yields \$1,157 per month, which rounds up to \$1,260 gross per month.

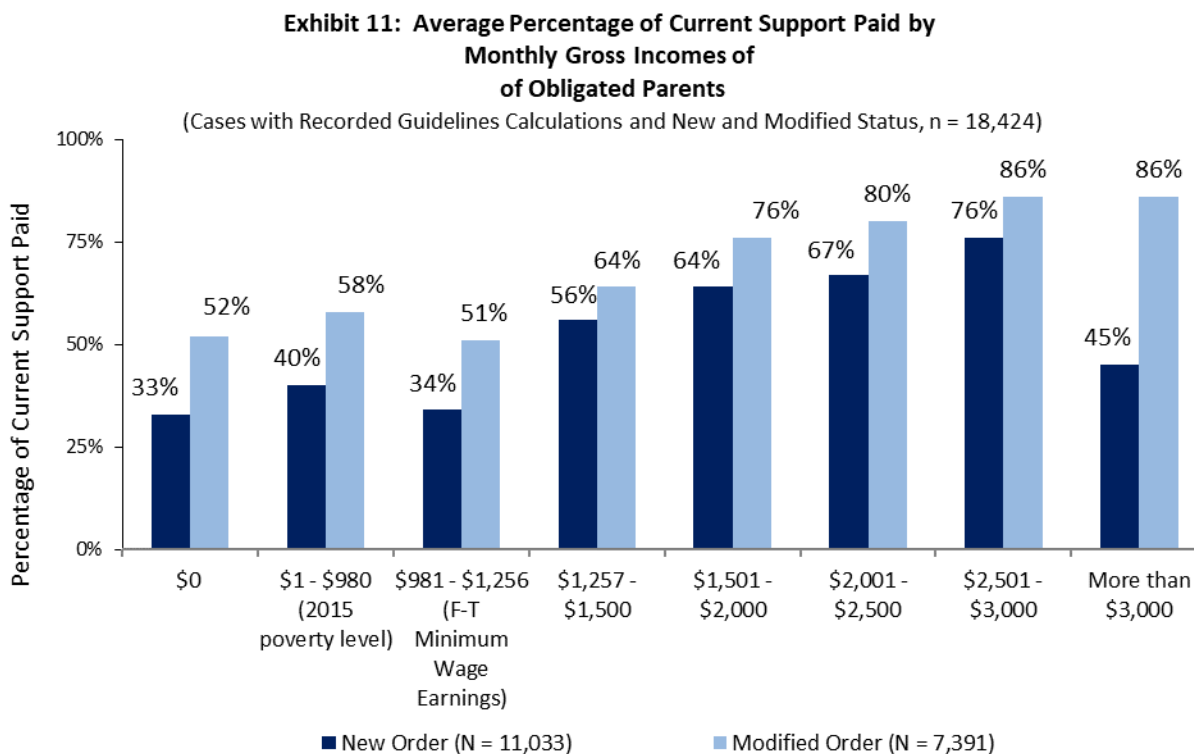
⁴⁰ Some state automated systems have a data field for the income source (*e.g.*, wage or unemployment benefits) that also list imputed income as a potential source.

⁴¹ Correlation tests were conducted for cases with quarterly wage data available. Among parents with minimum-wage income, the Pearson correlation coefficient to quarterly wage data is 0.176, which suggests little correlation since a Pearson correlation coefficient of 1.0 is perfect correlation. In contrast, the Pearson correlation coefficient at all income levels for all guidelines incomes and quarterly wage incomes is 0.717, which is statistically significant. Correlation is significant at the 0.01 level (2-tailed test).

⁴² For example, see Anzelone, Caitlin, Timm, Jonathan and Kusayeva, Yana. *Dates and Deadlines: Behavioral Strategies to Increase Engagement in Child Support*. The Behavioral Interventions for Child Support Service Project, MDRC, New York, New York. Retrieved from https://www.acf.hhs.gov/sites/default/files/programs/css/bics_georgia_brief_final.pdf .

Payment Patterns

Federal regulation requires an analysis of payment patterns. Exhibit 11 shows the percentages of current support paid based upon same income ranges examined in Exhibit 10. This is the current support paid in 2016. (Recall that the cases selected for analysis had an order established or modified in 2015.) Further, the analysis is limited to those with a TCSES guidelines calculation recorded. The first two income ranges are below poverty incomes; hence, eligible for the low-income deviation. The third monthly income range is \$981 through \$1,256, which is above the federal poverty level for one person in the year that the data was collected (*i.e.*, \$980 per month in 2015), but below earnings from full-time minimum wage employment (*i.e.*, \$1,257 per month).



As evident in Exhibit 11, the compliance rate is lowest (*i.e.*, 34% compliance rate among new orders and 51% compliance rate among modified orders) for obligated parents with incomes in \$1,257 through \$1,500 per month income range. This is the range that would include obligated parents whose incomes were imputed at full-time minimum wage earnings. As noted

earlier, 24 percent of obligors had guidelines incomes of \$1,100 to \$1,260 per month, which is the income range for income imputed at minimum wage.⁴³ (This includes both new and modified orders.) The average compliance rate for this income range is 37 percent, which is below the average compliance rate (53%) for all orders. Among default orders, the average compliance rate was 26 percent. Exhibit 11 also shows that the average compliance rates for obligated parents with poverty incomes (\$980 per month and below) are about the same as those in the \$1,257 - \$1,500 range, which is the range that would include those with income imputed at minimum wage. However, the compliance rate is higher for those with incomes above poverty and below minimum wage. (It could be that the judge used the actual incomes of the parties in these cases, which theoretically would result in better payment patterns.) In all, these findings corroborate the underlying premise of the new federal rule: payment is less likely when income is imputed.

Exhibit 12 shows the average number of months paid in 2016 by the obligated parent's income. The number of months with payment is important to creating a regular stream of income for custodial families. One theory is that if the order is set at a reasonable amount, there is likely to be more regular payments. The patterns shown in Exhibit 12 are like the findings considering average compliance rates for a range of obligated parents' incomes. The average number of months are lowest among obligated parents with poverty incomes, for the income range containing earnings from full-time minimum wage, and those with incomes between poverty and full-time, minimum wage earnings. The average number of months with payments for obligors with guidelines incomes of \$1,100 to \$1,260 per month, which is the income range for income imputed at minimum wage, is 4.4 months. The average number of months with payments for default orders (including both new and modified orders) is 3.0 months.

Exhibit 13 provides another way to examine payment data. It uses a scattergram to show the average amount paid per month in 2017 for every case that had guidelines income information available for the obligated parent. As evident in the darkly colored trendline, as income increases, the average payment per month also increases.

⁴³ As noted earlier, some judges may impute less than 40-hour workweeks because many employers offering jobs paying minimum schedule workers for less than 40 hours per week, particularly in the service sector. Also, some judges may round \$1,257 per month (which is the monthly gross income from a 40-hour workweek at minimum wage of \$7.25 per hour) to \$1,260 per month.

Exhibit 12: Average Number of Months with Payment in 2016 by Monthly Gross Incomes of Obligated Parents

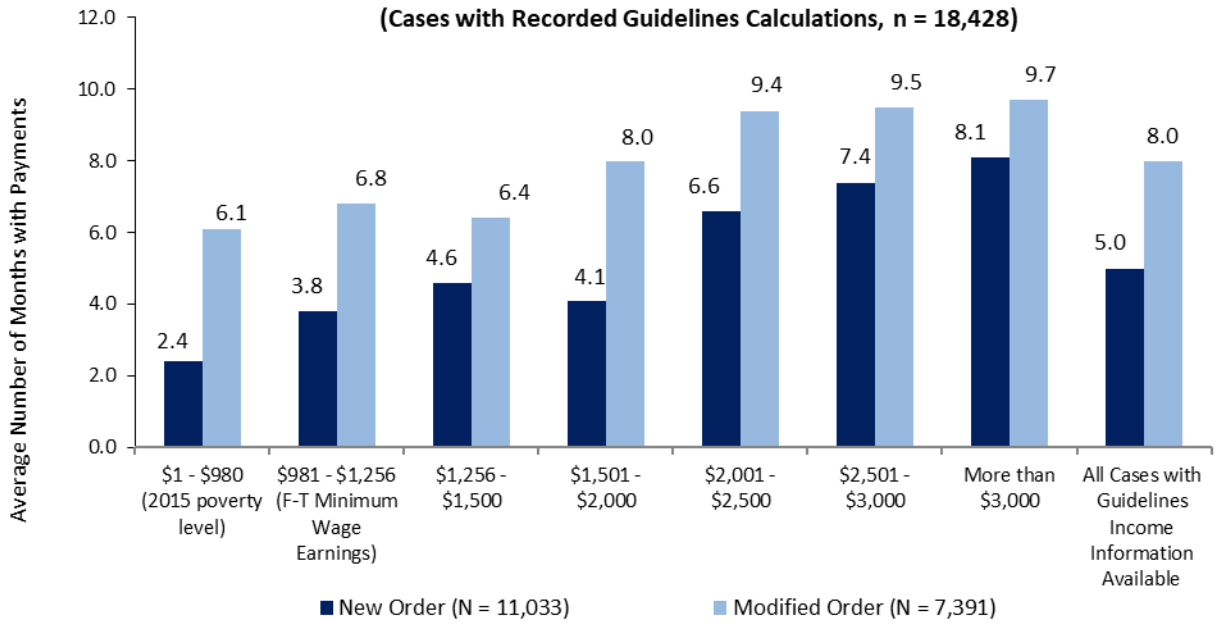
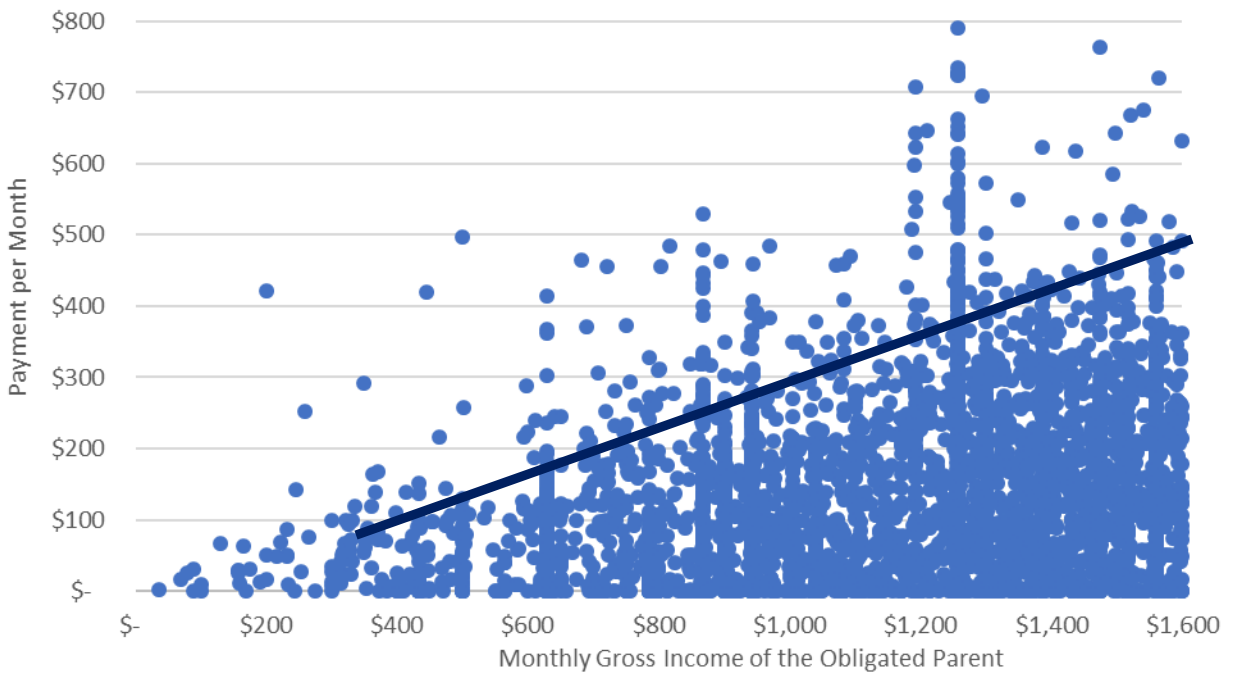
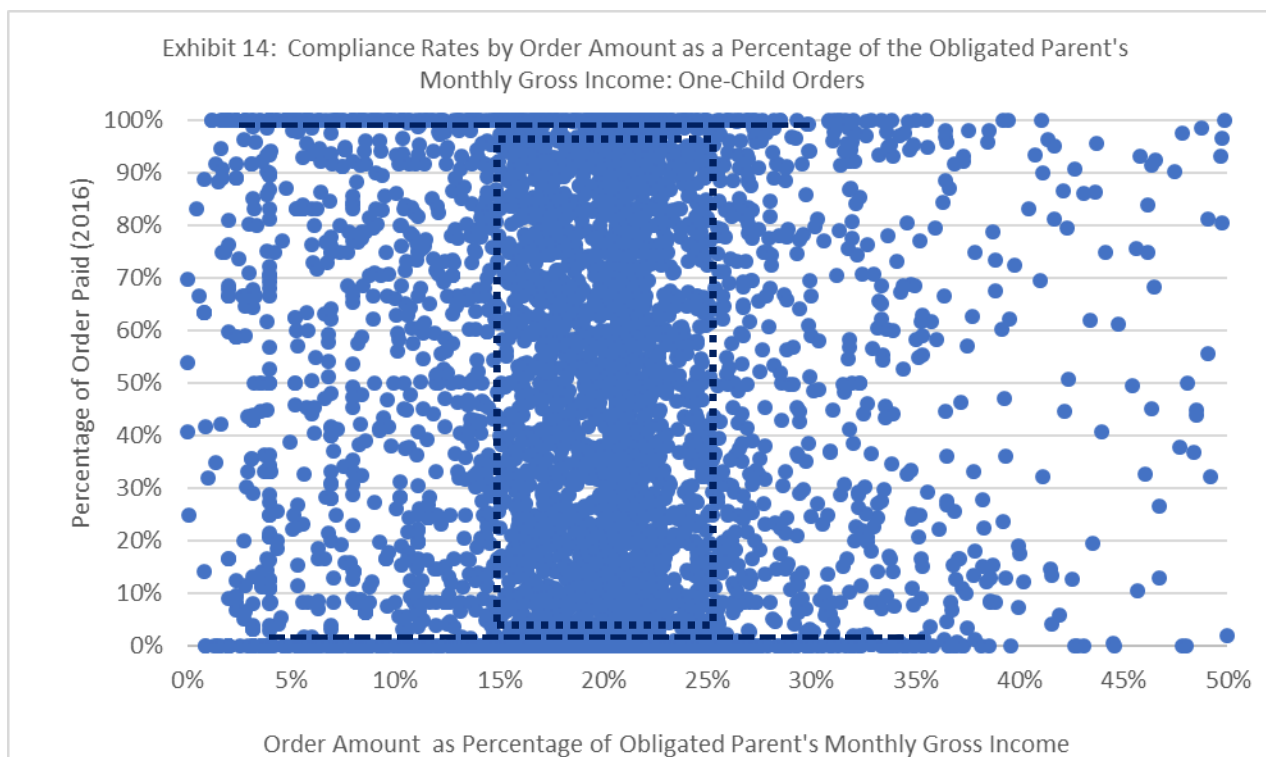


Exhibit 13: Monthly Payment by Obligated Parent's Income



Another consideration is whether order amounts are being set too high relative to the obligated parent’s gross income. Research cited in the proposed federal rule notes that obligated parents do not pay orders that are 20 percent or more of their gross income.⁴⁴ (The actual research finds a threshold of 29% when there are two or more children.⁴⁵) Exhibit 14 explores this by using a scattergram for one-child orders by plotting the percent of current support paid in 2016 by the order amount as a percentage of the obligated parent’s gross income.



As shown in Exhibit 14, the almost solid horizontal plot line formed by the dots at the top of the chart indicate there are a lot of obligated parents with full compliance; whereas, the almost solid horizontal plot line formed by the dots at the bottom of the chart indicate there are lot of

⁴⁴ 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>.

⁴⁵ 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.

obligated parents with zero payments. Combined, both lines suggest that the order amount as a percentage of the obligated parent's income does not affect the payment for many cases. If the order amount as a percentage of the obligated parent's income was a significant determinant of the percentage of current support paid and the correlation was positive, an upward sloping line would be apparent in Exhibit 14.

The concentration of orders just around 20 percent indicates that many one-child orders are set at about 20 percent of the obligated parent's gross income. This can be observed by the almost vertical mass that indicates lots of variation in the percentage of current support paid at this order level. However, the appearance of the mass is slightly heavier on the top to the left of 20 percent than the right of 20 percent. This provides some collaboration that Tennessee also realizes lower payments when orders are set above 20 percent of the obligated parent's income.

Examination of Labor Market Data

Federal regulation (C.F.R. § 302.56(h)(1)) requires the consideration of:

...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;

The review of labor market data appears to be aimed at informing recommendations for guidelines provisions for income imputation and low-income adjustments. One of the new federal requirements is to consider the individual circumstances of the obligated parent when income imputation is authorized. This typically includes consideration of the employment opportunities available to the parent given local labor market conditions. Since labor market conditions may change more frequently than every four years, which is the minimum amount of time for which a state's guidelines must be reviewed, it makes more sense to simply adopt the federal language about considering employment opportunities available to a parent given local labor market conditions.

Unemployment Rates

At the time of this analysis, the Tennessee economy is doing better than previously. As of February 2019, the Tennessee unemployment rate was 3.2 percent, which is lower than the

U.S. average (3.8%) and many states.⁴⁶ The Tennessee unemployment rate does not vary significantly among counties. Based on December 2018 data, it ranges from 2.2 percent in Rutherford County to 5.8 percent in Hancock County.⁴⁷ These unemployment rates (which are based on the U-3 measurement methodology) understate actual unemployment. The U.S. Bureau of Labor Statistics has developed alternative measures that better reflect all persons who are unemployed including those who are marginally attached workers (those who want to work but are discouraged and not looking) and workers employed part-time but who would work full-time if they could. Tennessee's unemployment rate using this alternative measure was 6.8 percent in 2018, whereas the same alternative unemployment rate (called the U-6) for the U.S. in 2018 was 7.7 percent.⁴⁸ This is of concern because many in the IV-D caseload are marginally employed.

Hours Worked and Income Imputation

Hours worked has been used to inform income imputation policies. For example, South Dakota used labor market data on hours worked to reduce the presumption of a 40-hour work week when imputing income because labor market data indicates South Dakota workers usually work 35 hours per week. As of February 2019, the average weekly hours in Tennessee was 40.9 hours per week.⁴⁹ National data suggests that the average weekly hours vary by employment sector. For example, as of March 2019, employment in the leisure and hospitality industry averages 26.1 hours per week and employment in retail averages 31.6 hours per week.⁵⁰ The data underscore the importance of considering usual hours worked for the parent's specific occupation when imputing income.

Low-Skilled Jobs

Based on Tennessee Department of Labor and Workforce Development,⁵¹ there are several job openings that appear entry level and require little experience. For example, there are landscape and yard work jobs available in Bells paying \$10.00 to \$18.00 per hour and

⁴⁶ U.S. Bureau of Labor Statistics. *Local Area Unemployment Rates*. Retrieved from <https://www.bls.gov/web/laus/laumstrk.htm>.

⁴⁷ Tennessee Department of Labor and Workforce Development. *Unemployment Rates by County*. Retrieved from <https://www.tn.gov/workforce/tennessee-economic-data-/labor-force-statistics/unemployment-rates.html>

⁴⁸ U.S. Bureau of Labor Statistics. *Alternative Measures of Labor Underutilization for States, 2018 Annual Averages*. Retrieved from <https://www.bls.gov/lau/stalt.htm>.

⁴⁹ U.S. Bureau of Labor Statistics. *State and Metro Area Employment, Hours, & Earnings*. Retrieved from <https://www.bls.gov/web/laus/tabled4m.htm>.

⁵⁰ U.S. Bureau of Labor Statistics. *Table B-2. Average weekly hours and overtime of all employees on private nonfarm payrolls by industry sector, seasonally adjusted*. <https://www.bls.gov/news.release/empsit.t18.htm>.

⁵¹ Tennessee Department of Labor and Workforce Development. *Here is a listing of job openings in Tennessee that meet your search criteria*. Retrieved on April 8, 2019 from <https://www.jobs4tn.gov/jobbanks/joblist.asp?session=jobsearch&geo=470100000&t=q&sitecategory=VOS&pu=1&plang=E>.

merchandise jobs (which involve stocking and managing grocery store shelves for beverage distributors) that pay \$10.00 to \$11.00 per hour in Paris. There are openings for personal care attendants in Spring City for \$9.00 to \$11.00 per hour and warehouse associate openings in Knoxville for \$10.00 per hour.

200 Percent of the Federal Poverty Guidelines

Few of the occupations listed above have average wages that are at least 200 percent of the federal poverty guidelines (FPG) for one person. Since the 2019 FPG is \$1,041 per month, 200 percent would be \$2,082, which is \$12.00 per hour assuming a 40-hour work week.

Factors that Influence Employment Rates and Compliance

Analyzing factors influencing employment rates and compliance requires detailed data and rigorous research methods that are not readily available. There is some older, academic research that child support can affect employment among obligated parents. A 2005 study found that child support enforcement accounted for half or more of the decline in employment activity among Black men between the ages of 16 and 34 who had a high school education or less in the 1980s and 1990s.⁵² Another study finds some weak association of changes in father's earnings with changes in orders among fathers in couples that had their first child support ordered in 2000.⁵³ Further, there are many anecdotes of obligated parents who quit working or turn to unreported employment (also called the underground economy) once wages are garnished for child support.

The limitations of these studies are they are dated (hence do not consider today's labor market and child support enforcement practices) and not specific to Tennessee. Opportunities for income from unreported employment are rapidly changing. It is becoming more common to have multiple jobs and one may be unreported employment and the other may be reported employment. Still, more mechanisms are being developed to facilitate the reporting of gig economy jobs (*e.g.*, drivers for ridesharing). As is, the earnings from unreported employment are often sporadic and yield inconsistent earnings.

⁵² Holzer, Harry J. Offner, Paul, and Sorensen, Elaine. (March 2005). "Declining employment among young black less-educated men: The role of incarceration and child support." *Journal of Policy Analysis and Management*.

⁵³ Ha, Yoonsook, Cancian, Maria, and Meyer, Daniel, R. (Fall 2010). "Unchanging Child Support Orders in the Face of Unstable Earnings." *Journal of Policy Analysis and Management*. vol. 29, No. 4, pp. 799-820.

COMPLYING WITH THE EXPANDED FEDERAL REQUIREMENTS FOR STATE GUIDELINES

In developing recommendations to comply with expanded federal requirements of state guidelines, the Tennessee Task Force reviewed what changes other states had made to comply with the federal requirements and findings from the analysis of Tennessee case file data and labor market data when relevant.

Address the Subsistence Needs of Parents

The federal requirement to address the subsistence needs of parents was the most complicated. Tennessee is one of two of the 40 states using the Income Shares guidelines that does not have a presumptive low-income adjustment or a built-in self-support reserve (SSR) in its schedule.⁵⁴ A SSR is essentially the minimum amount needed for a parent to meet his or her subsistence needs. Often, states relate the amount of the SSR to the federal poverty guidelines for one person (which is \$1,041 per month in 2019). Many state guidelines provide that if the obligated parent's income is below the state determined SSR, a minimum order applies (*e.g.*, \$50 per month). For incomes just above the state determined SSR, an additional adjustment may apply so a low-income, obligated parent's remaining income after payment of the guidelines determined amount is at least equivalent to the SSR.

The Task Force agreed to explore developing a SSR appropriate for Tennessee at its initial meeting. This required several meetings and much discussion. There were several critical questions that are summarized below, then elaborated upon individually.

- *Whether to apply the SSR to the obligated parent only or both parents?* The initial draft of the new federal rule only required application to the obligated parent, but based on comments received to the draft rule, the federal rule was expanded to include both parents at state option. For equity reasons, the Task Force favored applying it to both parents.

⁵⁴ The other Income Shares state is Georgia. Although the Georgia guidelines provides for a guidelines' deviation for low-income parents, Georgia currently has a workgroup reviewing its provision. For the three states using the Melson formula, a low-income adjustment is built into the Melson formula. Among the eight states relying on the percentage of income model, about half of the states have a low-income provision and the other half do not.

- *What the SSR should be set at?* The amount of the SSR is a policy decision. As mentioned earlier, many states relate the SSR to the FPG for one person. Some use more or less of the FPG for various reasons including consideration of the cost of living in that state. Some states also index the SSR so it is updated annually when the FPG is updated, which is usually in February in each year.
- *What the minimum order should be for incomes below the SSR?* The amount of the minimum order is also a policy decision. The most common minimum order among states is \$50 per month. Some states use more or less and vary it by the number of children.
- *Where to apply the SSR?* This is also a policy decision. The SSR can be incorporated into the schedule or worksheet or both.
- *How to phase the SSR out and the economic data on the cost of raising children in?* This is also a policy decision. There must be a transition from orders adjusted for the SSR to the regular child support calculation. There are numerous ways that the phase-in/phase-out can occur.

Application of the SSR to Both Parents

The Task Force favored applying the SSR to both parents, but also recognized that whether it was applied to one parent or both parents, it produced the same order amount. Further, an attempt to modify the worksheet to apply the SSR to each parent made the worksheet more cumbersome to use by adding additional lines and verbiage. (See Exhibit 15.) The Task Force ultimately abandoned this approach since the results were the same as incorporating the adjustment into the schedule and placing the adjustment into the schedule would be easier to implement.

Exhibit 15: Example of Attempt to Incorporate SSR for Both Parents in Worksheet

Part II. Adjusted Gross Income

		Mother or Parent 1 / Column A	Father or Parent 2 / Column B	Non-parent Caretaker / Column C
	1 Monthly Gross Income	\$	\$	
	1a Federal benefit for child	+	+	
	1b Self-employment tax paid	-	-	
	1c Subtotal	\$	\$	
	1d Credit for In-Home Children	-	-	
	1e Credit for Not In Home Children	-	-	
	2 Adjusted Gross Income (AGI)	\$	\$	
Use Credit Worksheet to calculate line items 1d and 1e.	2a Combined Adjusted Gross Income	\$	\$	
	3 Percentage Share of Income (PI)	%	%	
	3a Means-tested Income only (Y/N)			

Part III. Parents' Share of BCSO

4	BCSO allotted to primary parent's household	\$	\$	\$
4a	Share of BCSO owed to primary parent	\$	\$	
4b	BCSO if Self Support Reserve (SSR) is applied	\$	\$	
5	ARP parent's average parenting time			
5a	Parenting time adjustment (68 or less days)	\$	\$	
5b	Adjusted BCSO (68 or less days)	\$	\$	
6a	Parenting time adjustment (92 or more days)	\$	\$	
6b	Adjusted BCSO (92 or more days)	\$	\$	
7	Calculated BCSO	\$	\$	

Amount of the SSR

The Task Force reviewed what other states use as a SSR. Most states rely on the federal poverty guidelines (FPG) for one person as their SSR or income threshold for applying a low-income adjustment. A notable exception is Arizona, which just updated its SSR to 80 percent of full-time earnings at the state minimum wage. In 2019, this yields an amount equivalent to \$1,525 per month, the highest SSR among states. When the Task Force developed its adjustment, the 2018 FPG was in effect (*i.e.*, \$1,012 per month). Some states use more or less of the FPG. New York uses 135 percent of the FPG and Illinois uses 70 percent of the FPG. There are several reasons for using a higher amount: it accounts for tax liability, and it is on par with many benefit programs for children, which set income eligibility above the FPG.

As shown in Exhibit 16, the Task Force also considered case examples involving minimum wage-earners and other low-income families to assess the impact of alternative SSR that ranged from 75 percent of the 2018 FPG (\$759 per month) to 120 percent of the 2018 FPG (\$1,214 per month). To put context to the alternatives, Exhibit 16 also contains findings from the case file review about payment patterns for obligated parents with incomes in the range that the SSR would affect.

The Task Force favored a SSR of 110 percent of the 2018 FPL (\$1,113) for multiple reasons. The increase essentially offsets the impact of paying taxes (*i.e.*, the effective tax rate was about

110% at income equivalent to full-time minimum wage earnings); and, the amount would result in a small decrease for those with full-time minimum wage earnings (while other amounts produced no decrease or a large decrease). Moreover, the results were sensible: it made a difference but was not a large change.

EXHIBIT 16: IMPACT OF ALTERNATIVE SELF-SUPPORT RESERVES AMOUNTS AND RELEVANT FINDINGS FROM CASE FILE DATA (Each Parent 's Gross Income is \$1,257, which is equivalent to \$7.25 per hour working 40 hours per week)				
	1 Child	2 Children	3 Children	All Orders
Findings from Case File Review				
• % of all 2015 orders	72%	21%	6%	100%
• % of all 2015 orders where obligated parent income is \$1,200 - \$1,300 per month	74%	19%	6%	23%
• Median order of those with incomes of \$1,200-\$1,300 per month	\$259	\$363	\$417	\$259
• Median monthly payment (total paid over 12 months divided by 12 months) for those with incomes of \$1,200-\$1,300 per month	\$39	\$53	\$42	\$42
• Median payment in months with payment (total paid over 12 months divided by months with payments) for those with incomes of \$1,200 - \$1,300 per month	\$181	\$237	\$263	\$193
• % with no payments for those with incomes of \$1,200 - \$1,300 per month	35%	32%	35%	34%
Existing Guidelines Amount when Each Parent Earns \$1,257 per month and There Are No Other Adjustments	\$259	\$362	\$411	\$259
Order Amount Based on Alternative SSRs using 2018 Federal Poverty Guidelines (FPG) for One Person				
	1 Child	2 Children	3 Children	
75% FPG (\$759)	\$259	\$362	\$411	
100% FPG (\$1,012)	\$245	\$245	\$245	
105% FPG (\$1,063)	\$194	\$194	\$194	
110% FPG (\$1,113)	\$144	\$144	\$144	
120% FPG (\$1,214)	\$43 or min. order	\$43 or min. order	\$43 or min. order	

Amount of the Minimum Order

The minimum order applies if the obligated parent's income is below the SSR. The Task Force reviewed whether other states had a minimum order; and, if so, what the amount was. Only a few states provide for a zero order when the obligated parent's income is below the SSR. When the Task Force discussed this thoroughly at its March 2018 meeting, North Dakota was the only state to have reviewed its guidelines since the new federal rules were promulgated to effectively adopt a minimum order of zero. North Dakota adopted a zero order for incomes below the maximum benefit for one person receiving Supplemental Security Income (SSI), which is essentially a pseudo-SSR for North Dakota. North Dakota currently provides for a zero order for incomes up to \$800 per month, while the maximum benefit for one person receiving SSI is \$771 per month in 2019.

In contrast, most states provide a minimum order to establish a precedent that the parent does indeed have a financial liability to his or her children. The norm is \$50 per month. One state that set it at \$10 per month later raised it out of concerns that it made a negligible difference in the financial well-being of the child and was not worth the custodial parent's time to show up for the establishment hearing. Many states are considering \$60 per month based on research that finds \$60 approximates the average value of voluntary, in-kind contribution among low-income parents.⁵⁵ Based on what low-income parents typically pay in the case file data, \$75 per month appears to be a reasonable minimum order amount. That was the basis of the initial recommendation. Ultimately, however, based on public comment, a \$100 minimum order amount was recommended.

Whether to increase the minimum order for the number of children is a policy decision. Adjusting for the number of children and increasing the minimum order for the number of children, eases the phase-out of the SSR and the phase-in of the schedule obligation amounts that reflect the economic data on the cost of raising children.

Providing the SSR in the Schedule or Worksheet

The minimum order applies if the obligated parent's income is below the SSR. As mentioned earlier, the Task Force considered placing the SSR in the worksheet but it made the worksheet

⁵⁵ See Rosen, Jill. (2015). "Many 'deadbeat dads' support children through gifts, not cash, study shows," John Hopkins University. <http://hub.jhu.edu/2015/06/15/how-low-income-dads-provide>, and Kane, J., Nelson, T. and Edin, K. (2015). "How Much In-Kind Support Do Low-Income Nonresident Fathers Provide? A Mixed-Method Analysis." *Journal of Marriage and Family*, 77 (June 2015): 591–611.

more cumbersome to use. Instead, they preferred including it in the schedule like how North Carolina does. (North Carolina’s SSR is shown in Exhibit 17.)

EXHIBIT 17: NORTH CAROLINA’S SSR

Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
0-1150	50	50	50	50	50	50
1200	71	72	73	74	74	75
1250	106	107	108	109	110	111
1300	140	142	143	145	146	148
1350	175	176	178	180	182	184
1400	209	211	214	216	218	221
1450	243	246	249	252	254	257
1500	278	281	284	287	290	293
1550	288	316	319	323	326	330
1600	297	351	354	358	362	366
1650	305	383	387	392	396	400
1700	313	416	420	425	430	434
1750	321	448	453	458	463	468
1800	329	481	486	491	497	502
1850	337	513	519	525	530	536
1900	345	533	552	558	564	570
1950	353	546	585	591	598	604
2000	361	558	618	625	631	638
2050	369	571	651	658	665	672
2100	378	583	684	691	699	706
2150	386	596	717	724	732	740
2200	394	608	744	758	766	774
2250	402	621	760	791	799	808
2300	410	633	775	824	833	842
2350	418	646	790	857	867	876
2400	427	659	805	891	900	910
2450	435	671	821	917	934	944
2500	443	684	836	934	968	978
2550	451	696	851	951	1001	1012
2600	459	709	867	968	1035	1046
2650	467	721	882	985	1068	1080
2700	475	734	897	1002	1102	1114
2750	484	746	912	1019	1121	1148
2800	492	759	927	1036	1140	1182
2850	500	771	943	1053	1158	1216
2900	508	784	958	1070	1177	1250
2950	516	796	973	1087	1196	1284
3000	524	809	988	1104	1214	1318
3050	533	821	1004	1121	1233	1340
3100	541	834	1019	1138	1252	1361
3150	549	846	1034	1155	1271	1381
3200	557	858	1049	1171	1288	1401

Self-Support Reserve: Supporting Parents with Low Incomes

The guidelines include a self-support reserve that ensures that obligors have sufficient income to maintain a minimum standard of living based on the 2014 federal poverty level for one person (\$973.00 per month.) for obligors with an adjustment gross income of less than \$1,097.00 the Guidelines require, absent a deviation, the establishment of a minimum support order (\$50). For obligors with adjusted gross incomes above \$1,097.00 the Schedule of Basic Support Obligations incorporates a further adjustment to maintain the self-support reserve for the obligor.

If the obligor’s adjusted gross income falls within the shaded area of the Schedule and Worksheet A is used, the basic child support obligation and the obligor’s total child support obligation are computed using only the obligor’s income. In these cases, childcare and health insurance premiums should not be used to calculate the child support obligation. However, payment of these costs or other extraordinary expenses by either parent may be a basis for deviation. This approach prevents disproportionate increases in the child support obligation with moderate increases in income and protects the integrity of the self-support reserve. In all other cases, the basic child support obligation is computed using the combined adjusted gross incomes of both parents.

Phase-Out of SSR/Phase-In Economic Data on Cost of Raising Children

Besides phasing the SSR out and phasing the economic data on the cost of raising children into the schedule, the phase-in/phase-out serves another purpose. It preserves the economic incentive to increase earnings by not assigning every additional dollar to child support. A case example illustrates this point. Suppose that the obligated parent has \$1,150 per month in income and one child. Based on the Task Force’s recommendation, the order would be set at the minimum amount of \$65 per month. If the obligated parent’s income increases to \$1,200, what should the order be? If it is \$115 per month, this leaves the obligated parent with less after-tax income because some of that \$50 in increased earnings would be taxed.

Final Recommendation

After consideration of numerous options, the Task Force settled on:

- Incorporating the SSR into the schedule;
- Clearly stating that the SSR was incorporated into schedule;
- Setting the SSR at 110 percent of the 2018 federal poverty guidelines for one person;;
- Not indexing the SSR to avoid confusion among guidelines' users due to annual changes in the SSR;
- Using a sliding-scale, minimum order that starts at \$65 per month for one child and increases for the number of children at the same percentage increase observed in child-rearing expenditures data (*e.g.*, according to the data, expenditures for two children are about 42% more than expenditures for one child so a 42% increase to \$65 produces a minimum order of \$92 for two children);
- Phase-out of the SSR/phase-in of the economic data on child-rearing expenditures by taking the lower of i) the amount based on the economic data on child-rearing expenditures; and ii) the minimum order plus \$35 per month for every \$50 per month in income above \$1,150 per month.
- After receiving public comment on rule changes, the minimum order of \$65 per month was increased to \$100 per month. As originally proposed, this minimum does not increase with the number of children.

Income Imputation

As identified in the findings from the case file data analysis, many orders involve income imputed to the obligated parent; and, payments are indeed less in these cases. The new federal requirements aim at not only reducing the frequency at which income is imputed and imputing income that more accurately reflects what an obligated parent can earn, but also improving payments.

Tennessee's proposed provision pertaining to income imputation essentially mirrors the federal language: specifically, listing the same 14 factors that are listed in the federal requirement (45 CFR 302.56(c)(2)(iii)). It states:

(iv) Imputing Income When There is No Reliable Evidence of Income.

- I. If a parent fails to produce adequate and/or reliable evidence of income (such as tax returns for prior years, checkstubs, or other information for determining current ability to support or ability to support in prior years for calculating retroactive support); and
- II. The tribunal has no adequate and/or reliable evidence of the parent's income or income potential;

- III. Then, in such cases, the tribunal must take into consideration the specific circumstances of the parents to the extent known, including such factors as:
- assets,
 - residence,
 - employment and earnings history,
 - job skills,
 - educational attainment,
 - literacy,
 - age,
 - health,
 - criminal record and other employment barriers,
 - records of seeking work,
 - the local job market,
 - the availability of employers willing to hire the parents,
 - prevailing earnings level in the local community, and
 - other relevant background factors.

This is the approach that has been taken by most states to comply with the Modernization Rule (MR).

Incarceration is Not Voluntary Unemployment

The number of incarcerated, obligated parents in Tennessee is unknown. The analysis of the case file data found that eight percent of closed and suspended cases involved an incarcerated parent. There are likely to be more incarcerated, obligated parents with opened child support orders. A recent report by the Pew Foundation provides additional background information about this issue.⁵⁶ It found that about 144,000 children in Tennessee (10% of all children in the state) experienced parental incarceration in 2011 or 2012. A 2010 study of Families First households by the University of Tennessee found that 39.4 percent of absent parents of Families First children had served time for a criminal conviction,⁵⁷ and a significant proportion of those were currently in prison. Many Families First children are in the IV-D caseload.

The new federal requirement concerning incarcerated parents aims to limit income imputation beyond an incarcerated parent's actual income. For example, if the incarcerated parent was an accountant prior to incarceration, it cannot be presumed that the incarcerated parent can continue to earn the same amount of income once that parent becomes incarcerated.

⁵⁶ The Annie E. Casey Foundation. (Apr. 2016). *A Shared Sentence: The Devastating Toll of Parental Incarceration on Kids, Families and Communities*, p. 5. Retrieved from <http://www.aecf.org/m/resourcedoc/aecf-asharedsentence-2016.pdf>.

⁵⁷ Fox, Williams, Cunningham, Vickie, and Hamblen, William. (June 2011). *Families First 2010 Case Characteristics Study*, Center for Business and Economic Research, University of Tennessee, Knoxville, TN, p. 47. Retrieved from https://www.tn.gov/assets/entities/humanservices/attachments/2010_FFCCS.pdf.

Tennessee's proposed provision mirrors the federal requirement. It states:

The guidelines shall not treat incarceration of a parent as voluntary underemployment or unemployment for the purpose of establishing or modifying a child support order.

This is also the approach that has been taken by most states to comply with the new federal requirement.

SECTION 4: CONCLUSIONS

In conclusion, Tennessee has put a tremendous amount of effort into the 2017-19 review of the Tennessee child support guidelines. This includes both the federal requirements pertaining to how the guidelines are to be reviewed and developing recommendations that will bring Tennessee in compliance with expanded federal requirements. Tennessee has reached out to a wide range of guidelines' stakeholders including parents to obtain information to improve the guidelines. Tennessee has also extensively considered findings from the analysis of case file data to inform the recommendations. In all, the recommended changes will fulfill the federal requirements pertaining to the consideration of the subsistence needs of the obligated parent, consideration of the individual circumstances of the parent when income imputation is warranted, and eliminate the presumption that incarceration was voluntary unemployment or underemployment.

The experience from this review also points to possible data improvements for the next guidelines review. This includes the addition of data fields on income imputation and whether the low-income adjustment (or self-support reserve) was used; and, to encourage more use of the guidelines calculator (in order to obtain more detail about the guidelines calculation); and, to better populate the guidelines deviation field and default field. In addition, Tennessee should consider supplementing the data extract from TCSES with a hard case file review of non-IV-D orders to gain a better understanding of how the Tennessee guidelines are being applied to all cases, not just IV-D cases.

APPENDIX A: SURVEY OF GENERAL PUBLIC AND SURVEY RESULTS

In Tennessee, we use the child support guidelines to calculate what parents pay in child support. We are currently reviewing the guidelines for required updates per federal law changes and needed updates based on changes in state law. This survey contains potential updates to the guidelines, and we are requesting your input.

Thank you for participating in this survey. All your responses to this survey are confidential. This survey will take less than ten minutes to complete.

1. Which best describes you

- I receive child support I pay child support
- I both receive and pay child support Administrative Office of the Courts employee
- Court Clerk Attorney
- Child Support Employee Magistrate or Judge
- Other (please specify)

2. How much is YOUR annual income (not your household)

- Less than \$10,000
- \$10,000 to \$14,999
- \$15,000 to \$34,999
- \$35,000 to \$49,999
- \$50,000 to \$74,999
- Above \$75,000
- Other (please specify)

3. How many children are you legally responsible for?

- None
- One
- Two
- Three
- Four
- Five or more
- Other (please specify)

4. Allowing a shorter duration of time (less than 12 hours) spent with the child(ren) to be added to a parent's calculation of their "Days". A typical "day" of parenting time occurs when the child spends more than twelve (12) consecutive hours in a twenty-four (24) hour period under the supervision of one parent or caretaker.

Routinely incurred parenting time of shorter duration may be cumulated as a single day for parenting time purposes.

Agree

Disagree

Neutral

Additional Comment

5. Adding a Self-Support Reserve (low-income adjustment) to the guidelines. A low-income adjustment is the amount of money a parent owing support needs to support him or herself at a minimum level. It is intended to ensure that a low-income parent can meet his or her own basic needs as well as permit continued employment. A low-income adjustment is a generic term. A self-support reserve is an example of a low-income adjustment that is commonly used by the States.

The guidelines will include a self-support reserve (SSR) that ensures obligors have sufficient income to maintain a minimum standard of living based on 110% of the 2018 federal poverty level for one person (\$1,113.00 net income per month). For obligors with an adjusted gross income of less than \$1,150.00, the Guidelines will require, absent a deviation, the establishment of a minimum Basic Child Support Obligation (\$65 for one child). For obligors with adjusted gross incomes above \$1,150.00, the child support guidelines will incorporate a further adjustment to maintain the self-support reserve for the obligor.

Agree

Disagree

Neutral

Additional Comment

6. Add the following sources to the Determination of Gross Income:

(xix) Inheritance that consist of cash or other liquid instruments, or which can be converted to cash or which can produce income such as real estate;

(xxiii) Actual income earned during incarceration by inmate;

Agree

Disagree

Neutral

Additional Comment

7. Deleting the language stating criminal activity shall be treated as voluntary underemployment or unemployment and adding the following language:

A determination of willful and/or voluntary underemployment or unemployment is not limited to choices motivated by an intent to avoid or reduce the payment of child support. The determination may be based on any intentional choice or act that adversely affects a parent's income. The guidelines shall not treat incarceration of a parent as voluntary underemployment or unemployment for the purpose of establishing or modifying a child support order.

Agree

Disagree

Neutral

Additional Comment

8. Adding under Imputing Income When There is No Reliable Evidence of Income

Then, in such cases, the tribunal must take into consideration the specific circumstances of the parents to the extent known, including such factors as:

- assets,
- residence,
- employment and earnings history,
- job skills,
- educational attainment,
- literacy,
- age,
- health,
- criminal record and other employment barriers,
- records of seeking work,
- the local job market,
- the availability of employers willing to hire the parents,
- prevailing earnings level in the local community;
- and other relevant background factors.

Agree
Disagree
Neutral
Additional Comment

9. Allowing for 100% credit instead of 75% credit for other children.

The available credit against gross income for either parent's qualified "not-in-home" children is the actual court ordered amount of support paid for qualified other children, averaged to a monthly amount of support paid over the most recent twelve (12) month period up to but not exceeding the court ordered monthly amount. Absent a court order, the Court may consider the actual monetary support paid.

Agree
Disagree
Neutral
Additional Comment

10. Allowing a credit to be applied on the parent's column on the worksheet in cases where a step-parent carries insurance for the child.

The amount of the health, vision, and dental care insurance premium paid for the benefit of the child(ren), such as a step-parent who carries coverage for the child(ren), may be included and credited in the worksheet under that prospective parent's column.

Agree
Disagree
Neutral
Additional Comment

11. Allowing for a minimum child support order amount in certain situations such as:
- When the obligor's actual or imputed gross income is at or below \$1,150 (minimum amount of \$65 per month, for one child)
 - When a person is incarcerated for one hundred and eighty (180) days consecutive or more and there is no reliable evidence of income.
 - When the child is placed in foster care, allowing the initial order to be set at a minimum amount.

-This provision does not apply if the obligor's only source of income is Supplemental Security Income (SSI) or Temporary Assistance for Needy Families (TANF), support shall be set at \$0 per month for these cases.

Agree

Disagree

Neutral

Additional Comment

12. Allowing those incarcerated for 180 days or more to request a review and possible adjustment of their child support order.

Agree

Disagree

Neutral

Additional Comment

13. Are there any additional comments or suggestions you would like to make? Please explain, if so.

Survey Results Summary

According to the Child Support Guidelines Updates Online Survey, conducted in late 2018, a majority of the 385 responders agreed with the proposed guidelines' changes. Those who responded included individuals who pay child support, those who receive child support, as well as attorneys and magistrates. Over half of those who responded to the survey identified themselves as "persons who pay child support." The survey showed that the majority of those who took the survey, selected their income level to be between \$15,000-\$34,999.

Sixty-five percent (65%) of respondents reported they were legally responsible for one to two children. Regarding the proposed change of imputing income, sixty-five percent (65%) agreed that these changes are needed. With the topic of a non-case participant (such as a stepparent) providing medical insurance for the child(ren) and the parent associated with that non-case participant receiving credit on the child support calculation, almost eighty percent (80%) agreed with allowing that proposal. A large number of responders (70%) replied that they agreed with not treating incarceration as voluntary underemployment or unemployment for the purpose of establishing or modifying a child support order while also agreeing with allowing those incarcerated for 180 days or more to request a review and possible modification of their child support order.

Another topic that seventy-five (75%) of responders agreed with amending is adding a self-support reserve in the child support calculation. Sixty-three percent (63%) of survey takers agreed that the definition of 'day' needs to be revised to allow for a shorter duration of time spent with the child(ren). There were numerous comments left on the survey mostly from individuals who are ordered to receive child support but are not receiving it for various reasons.

APPENDIX B: FULL TEXT OF RECOMMENDED GUIDELINES CHANGES

Chapter 1240-02-04 Child Support Guidelines

Amendments

Rule 1240-02-04-.01 Legal Basis, Scope, and Purpose, paragraph (1), is amended by deleting subparagraph (d) in its entirety and substituting the following language, so that as amended this subparagraph shall read:

- (d) Pursuant to federal laws and regulations, the Child Support Guidelines established by a state must, at a minimum:
 - 1. Be applied by all judicial or administrative tribunals and other officials of the state who have power to determine child support orders in the state as a rebuttable presumption as to the amount of child support to be awarded in child support cases and result in a presumptively correct child support orders;
 - 2. Provide that the child support order is based on the Alternate Residential Parent's (ARP's) earnings, income, and other evidence of ability to pay that:
 - (i) Takes into consideration all earnings and income of the alternate residential parent;
 - (ii) Takes into consideration the basic subsistence needs of the ARP 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 ARP (and at the State's discretion, the PRP) to the extent known, including such factors as the ARP'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 ARP, prevailing earnings level in the local community, and other relevant background factors in the case.
 - 3. Be based on specific descriptive and numeric criteria and result in the computation of the child support obligation;
 - 4. 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; and
 - 5. Provide that incarceration may not be treated as voluntary unemployment in establishing or modifying support orders.

Rule 1240-02-04-.01 Legal Basis, Scope, and Purpose is further amended by deleting the language "bi-weekly, semi-monthly" wherever such language appears and substituting instead the following language: "biweekly, semimonthly".

Rule 1240-02-04-.01 Legal Basis, Scope, and Purpose, paragraph (2), is amended by deleting subparagraph (c) in its entirety.

Rule 1240-02-04-.01 Legal Basis, Scope, and Purpose is further amended by deleting paragraph (3) in its entirety and substituting the following language, so that as amended this paragraph shall read:

- (3) The major goals in the development and application of these Guidelines are, to the extent possible, to:
 - (a) Decrease the number of impoverished children living in single parent families by establishing guidelines that encourage regular, on-time payments to all families and increase the number of ARPs working and supporting their children;
 - (b) Make child support orders more equitable by ensuring more consistent treatment of persons in similar circumstances while establishing an accurate child support order and obtain compliance with the order based on the real circumstances of the parties and the best interests of the child in the case before the tribunal are taken into consideration;
 - (c) Improve the efficiency of the tribunal process by promoting settlements and by giving tribunals and parties guidance in establishing appropriate levels of support orders;
 - (d) Encourage parents paying support to maintain contact with their child;
 - (e) Ensure that, when parents live separately, the economic impact on the child is minimized while setting an accurate order based upon the ability to pay, and, to the extent that either parent enjoys a higher standard of living, the child shares in that higher standard;
 - (f) Ensure that a minimum amount of child support is set for parents with a low income in order to maintain a bond between the parent and the child, to establish patterns of regular payment, and to enable the child support enforcement agency and party receiving support to maintain contact with the parent paying support; and
 - (g) Allocate a parent's financial child support responsibility from the parent's income among all of the parent's children for whom the parent is legally responsible in a manner that gives equitable consideration, as defined by the Department's Guidelines, to children for whom support is being set in the case before the tribunal and to other children for whom the parent is legally responsible and supporting.

Authority: T.C.A. §§ 4-5-202, 36-5-101(e), 37-1-151, 71-1-105(12) and (15), and 71-1-132; 42 U.S.C. §§ 654 and 667; and 45 C.F.R. § 302.56.

Rule 1240-02-04-.02 Definitions is amended by deleting paragraph (5) in its entirety and substituting the following language, so that as amended this paragraph shall read:

- (5) "Basic Child Support Obligation" — The Basic Child Support Obligation (BCSO) is the amount of support displayed on the Child Support Schedule (CS Schedule) which corresponds to the combined Adjusted Gross Income (AGI) of both parents and the number of children for whom support is being determined. The BCSO amount is rebuttably presumed to be the appropriate amount of basic child support to be provided by both parents prior to consideration of any adjustments for parenting time or additional expenses. However, if the obligor's adjusted gross

income falls within the shaded area of the CS Schedule, the BCSO may be computed using only the obligor's income. [see "Self Support Reserve" definition]

Rule 1240-02-04-.02 Definitions is further amended by deleting paragraphs (8), (9), and (10) in their entirety and substituting the following language, so that as amended these paragraphs shall read:

- (8) "Child Support Schedule" — The Child Support Schedule (CS Schedule or Schedule) is a chart which displays the dollar amount of the BCSO corresponding to various levels of combined AGI of the children's parents and the number of children for whom a child support order is being established or modified. The Schedule shall be used to calculate the BCSO, according to the rules in this chapter. The shaded area on the schedule represents the SSR amount. Deviations from the Schedule shall comply with the requirements of 1240-2-4-.07.
- (9) "Combined Adjusted Gross Income" — The amount of AGI calculated by adding together the AGI of both parents. This amount is then used to determine the BCSO for both parents for the number of children for whom support is being calculated in the case immediately under consideration. However, if the obligor's AGI falls within the shaded area of the CS Schedule, a comparison must be completed to determine if the BCSO is computed using only the obligor's income.
- (10) "Days" — For purposes of this chapter, a "day" of parenting time occurs when the child spends more than twelve (12) consecutive hours in a twenty-four (24) hour period under the care, control or direct supervision of one parent or caretaker. The twenty-four (24) hour period need not be the same as a twenty-four (24) hour calendar day. Accordingly, a "day" of parenting time may encompass either an overnight period or a daytime period, or a combination thereof. In extraordinary circumstances, routinely incurred parenting time of shorter duration may be cumulated as a single day for parenting time purposes.

Rule 1240-02-04-.02 Definitions is further amended by deleting paragraphs (13) in its entirety and substituting the following language, so that as amended the paragraph shall read:

- (13) "Final Child Support Order" — The presumptive child support order (PCSO) adjusted by any deviations ordered by the tribunal or adjusted to the minimum child support order.

Rule 1240-02-04-.02 Definitions is further amended by inserting the following as new paragraph (14) and re-designating subsequent paragraphs accordingly:

- (14) "Health Insurance" — Health insurance includes medical, vision, and dental coverage for the minor child(ren), if available at a reasonable cost.

Rule 1240-02-04-.02 Definitions, renumbered paragraph (20), is amended by deleting the language "see paragraph 22 below" and substituting instead "see paragraph 23 below", so that as amended this paragraph shall read:

- (20) "Percentage of Income" — The Percentage of Income (PI) for each parent is obtained by dividing each parent's AGI (see paragraph (1) above) by the combined total of both parents' AGI. The PI is used to determine each parent's pro rata share of the BCSO, as well as each parent's share of the amount of additional expense for health insurance, work-related childcare costs, and recurring uninsured medical expenses. [Also see paragraph 23 below – "pro rata"]

Rule 1240-02-04-.02 Definitions, renumbered subparagraph (23)(a) “Pro rata.”, is amended by deleting the language “see paragraph 19 above” and substituting instead “see paragraph 20 above”, so that as amended this subparagraph shall read:

- (a) For the purposes of this chapter, “pro rata” refers to the proportion of one parent’s Adjusted Gross Income to both parents’ combined Adjusted Gross Income, or to the proportion of one parent’s support obligation to the whole support obligation. [Also see paragraph 20 above – “percentage of income”]

Rule 1240-02-04-.02 Definitions is further amended by inserting the following as new paragraphs (24) and (25) and re-designating subsequent paragraphs accordingly:

- (24) “Reasonable Cost of Insurance” — When the Order states that insurance should be provided when available at a reasonable cost, the cost of insurance is considered reasonable to the parent responsible for providing medical support for the child(ren) if the cost does not exceed five percent (5%) of his or her gross income. If adding vision and/or dental insurance for the child(ren) increases the total cost of the insurance to more than 5% of gross income, only medical insurance is required.
- (25) “Self Support Reserve (SSR)” — The minimum amount of income required to meet the basic subsistence needs of a parent as determined under 1240-02-04-.03 is considered the self support reserve. The obligor is eligible for the SSR adjustment if his/her income falls within the shaded area of the CS Schedule. The SSR adjustment amount shall be compared to the obligor’s proportionate share using the combined AGI of the parents to determine the BCSO from the CS Schedule and multiplying by the PI. The lesser amount of the two establishes the Calculated BCSO Owed.

Authority: T.C.A. §§ 4-5-202, 36-5-101(e), 71-1-105(12) and (15), and 71-1-132; 42 U.S.C. § 667; and 45 C.F.R. § 302.56.

Rule 1240-02-04-.03 The Income Shares Model is amended by deleting paragraph (1) in its entirety and substituting the following language, so that as amended this paragraph shall read:

- (1) General Basis.

The Tennessee Child Support Guidelines are based on an Income Shares Model. This model presumes that both parents contribute to the financial support of the child in pro rata proportion to the actual income available to each parent.

Rule 1240-02-04-.03 The Income Shares Model is further amended by deleting paragraphs (2) and (3) in their entirety and re-designating subsequent paragraphs accordingly.

Rule 1240-02-04-.03 The Income Shares Model, renumbered paragraph (2), is amended by deleting the language “thirty (30)” and substituting instead “forty (40)”, so that as amended this paragraph shall read:

- (2) The Income Shares model, which is used by over forty (40) other states, is generally based on economic studies of child-rearing costs, including those of David Betson, Erwin Rothbarth, and Ernst Engel, and studies conducted by the United States Department of Agriculture and the United States Department of Labor’s Bureau of Labor Statistics involving expenditures for the care of children.

Rule 1240-02-04-.03 The Income Shares Model is further amended by deleting renumbered paragraph (3) in its entirety and substituting the following language, so that as amended this paragraph shall read:

- (3) The Child Support Guidelines established by this chapter were developed and adjusted as needed based upon:
 - (a) Studies of child-rearing costs conducted by David Betson, Erwin Rothbarth, and Ernst Engel which utilized information on child-rearing costs conducted by the United States Department of Agriculture and the United States Department of Labor's Bureau of Labor Statistics;
 - (b) Comments on these Guidelines by advocacy groups, judges, child support magistrates, attorneys, legislators, Title IV-D child support contractors and staff of the Tennessee Department of Human Services, and oral and written comments resulting from public hearings;
 - (c) The work and input of the Tennessee Department of Human Services' Child Support Guidelines Task Force established in 2002. The Task Force was established to assist the Department in reviewing and considering changes to the existing Child Support Guidelines that were originally adopted in 1989 and based upon the Flat Percentage Model;
 - (d) Review of the child support guidelines of other states;
 - (e) Recommendations made to states generally by the United States Office of Child Support Enforcement regarding measurements of child-rearing costs and their use in establishing child support guidelines;
 - (f) The Income Shares Advisory Committee established in 2005 pursuant to 2005 Tenn. Pub. Acts 403; and
 - (g) A Task Force established in 2017 in order to address requirements outlined in the federal "Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs" final rule of 2016, located at Fed. Reg. Vo. 81, No. 244 (Dec. 20, 2016).

Rule 1240-02-04-.03 The Income Shares Model is further amended by deleting renumbered paragraph (4) in its entirety and substituting the following language, so that as amended this paragraph shall read:

- (4) Assumptions and Methodology Used in the Income Shares Model.
 - (a) Determination of the Basic Child Support Obligation.
 - 1. The Income Shares Model incorporates a numerical schedule, designated in these Guidelines as the CS Schedule or Schedule, found in Rule 1240-02-04-.09, that establishes the dollar amount of child support obligations corresponding to various levels of parents' combined AGI, the number of children for whom the child support order is being established or modified, and taking into consideration SSR requirements.

2. The Schedule is used to determine the BCSO, according to the rules in this chapter.
 3. Each parent's share of the BCSO is determined by prorating the child support obligation between the parents in the same ratios as each parent's individual AGI is to the Combined AGI.
 4. If custody or guardianship of a child is awarded to a person or entity other than a parent of the child as defined in 1240-02-04-.02(15), the child support obligation shall be calculated on the Worksheet according to the rules for standard parenting, and each parent will be responsible for paying his/her share of the final obligation to the non-parent caretaker of the child. If only one parent is available, then that parent's income alone is considered in establishing the child support award. The income of a non-parent caretaker is not considered. If the tribunal is able to order both parents to pay support for the children, the tribunal shall assign each parent a Pro Rata share of the additional expenses.
 5. When a child is placed in State custody, the Department of Children's Services may set the initial child support order without using the worksheet.
- (b) Child Support Schedule Assumptions.
1. The Child Support Schedule is based on the Combined AGI of both parties.
 2. Self-Support Reserve (SSR).
 - (i) The guidelines include a SSR that ensures obligors have sufficient income to maintain a minimum standard of living based on 110% of the 2018 federal poverty level for one person (\$1,113 net income per month).
 - (ii) If the Obligor's AGI falls within the shaded area of the CS Schedule and the SSR is used, the BCSO is computed using only the obligor's income. This shaded area incorporates a SSR of \$1,113 (110% net income of the 2018 federal poverty level for one person). In all other cases, the BCSO is computed using the combined AGIs of both parents.
 - (iii) If the obligation using only the obligor's monthly gross income is an obligation within the shaded area of the CS Schedule, that amount shall be compared to the obligor's proportionate share using both parents' monthly gross incomes. The lesser amount establishes the BCSO. If the SSR adjustment is applied, the obligor will not receive the parenting time credit.
 3. Taxation Assumptions.
 - (i) All income is earned income subject to federal withholding and the Federal Insurance Contributions Act (FICA/Social Security).
 - (ii) The ARP will file as a single wage earner claiming one withholding allowance, and the PRP claims the tax exemptions for the child or tax benefits associated with the child such as the Federal Earned Tax Credit (EITC).

- (iii) The Schedule's combined obligation includes the tax adjustments for federal withholding and the Federal Insurance Contributions Act (FICA/Social Security).
- 4. The Schedule is based upon the 1996-1999 Consumer Expenditures Survey, conducted by the U.S. Bureau of Labor Statistics, and updated to 2003 levels by adjusting for the rise in the Consumer Price Index since 1996.
 - (i) The Schedule has been evaluated as part of each guidelines review in consideration of the most current economic data on the cost of raising children, more current expenditures data and price level data, and changes in Tennessee incomes. This information does not overwhelmingly indicate that substantial changes to the Schedule are necessary.
 - (ii) The Schedule also incorporates the 2018 federal poverty level for one person based on the 2016 federal requirement for states to consider the obligor's subsistence needs.
- 5. Basic Expenses.
 - (i) The Schedule assumes that all families incur certain child-rearing expenses and includes in the BCSO an average amount to cover these expenses for various levels of the parents' combined income and number of children. The bulk of these child-rearing expenses is comprised of housing, food, and transportation. The share of total expenditures devoted to clothing and entertainment is also included in the BCSO but is relatively small compared to the other three items.
 - (ii) Basic educational expenses associated with the academic curriculum for a public school education, such as fees, books, and local field trips, are also included in the BCSO as determined by the Schedule.
 - (iii) The BCSO does not include the child's health insurance premium, work-related childcare costs, the child's uninsured medical expenses, special expenses, or extraordinary educational expenses because of the highly variable nature of these expenses among different families.
- 6. Extraordinary Education Expenses.
 - (i) Extraordinary education expenses including, but not limited to, tuition, room and board, fees, books, and other reasonable and necessary expenses associated with special needs education or private elementary and secondary schooling are not included in the basic child support schedule.
 - (ii) Extraordinary educational expenses may be added to the presumptive child support order as a deviation.
- 7. Special Expenses.

- (i) Special expenses include, but are not limited to, summer camp, music or art lessons, travel, school-sponsored extra-curricular activities, such as band, clubs, and athletics, and other activities intended to enhance the athletic, social, or cultural development of a child that do not otherwise qualify as mandated expenses like health insurance premiums and work-related childcare costs.
 - (ii) Special expenses incurred for child rearing which are quantified shall be considered and may be added by the tribunal to the Presumptive Child Support Order (PCSO) as a deviation when this category of expenses exceeds seven percent (7%) of the monthly Basic Child Support Obligation (BCSO).
- (c) In the Income Shares model, it is presumed that the PRP spends his or her share of the child support obligation directly on the child and that the ARP share is only one component of the total child support obligation.
- (d) Adjustments to the BCSO.
- 1. In addition to basic support set forth in the Schedule, the child support award shall include adjustments that account for each parent's pro rata share of the child's health insurance premium costs, uninsured medical expenses, and work-related childcare costs, as provided in 1240-02-04-.04(8). These costs are not included in the Schedule because they are highly variable among cases.
 - 2. The BCSO shall also be adjusted based upon the parenting time of the ARP.

Rule 1240-02-04-.03 The Income Shares Model is further amended by deleting renumbered paragraph (5) in its entirety and substituting the following language, so that as amended this paragraph shall read:

- (5) Revisions to the Child Support Schedule.
- (a) The CS Schedule will be reviewed by the Department, as required by T.C.A. § 36-5-101(e) and by Federal law, and revised, if necessary, to account for changes in the BCSO due to tax changes and/or to account for changes in child rearing costs as reported by the Consumer Expenditures Survey conducted by the U.S. Bureau of Labor Statistics and to reflect authoritative economic studies of child rearing costs. If significant changes in tax laws and child rearing costs warrant, the Department may review and revise the CS Schedule prior to the regular review.
 - (b) Any revised CS Schedule published subsequent to the first Schedule appearing in Rule 1240-02-04-.09 will be incorporated by rule amendment, provided to the Administrative Office of the Courts for distribution to all Tennessee judicial tribunals, distributed by the Department to its Title IV-D Offices, and posted for use by the public on the Department's website.

Authority: T.C.A. §§ 4-5-202, 36-5-101(e), 71-1-105(12) and (15), and 71-1-132; 42 U.S.C. § 667; 45 CFR § 303.31; and 45 C.F.R. § 302.56.

Rule 1240-02-04-.04 Determination of Child Support, paragraph (1), is amended by deleting subparagraphs (a) and (b) in their entirety and substituting the following language, so that as amended these subparagraphs shall read:

- (a) These rules contain a Child Support Worksheet, a Credit Worksheet, Instructions for both Worksheets, and the Child Support Schedule which shall be required to implement the child support order determination. The Child Support Worksheet calculator can be found at the Department's website.
- (b) The use of the Worksheets promulgated by the Department is mandatory in order to ensure uniformity in the calculation of child support awards pursuant to the rules. A Worksheet shall be used with the exception referenced in 1240-02-04-.04(h) below when a child is placed in State custody.

Rule 1240-02-04-.04 Determination of Child Support, paragraph (1), is further amended by adding the following as new subparagraph (h):

- (h) When the child is placed in State custody, the Department of Children's Services may set the initial child support order without using the worksheet.

Rule 1240-02-04-.04 Determination of Child Support is amended by deleting paragraph (3) in its entirety and substituting the following language, so that as amended this paragraph shall read:

- (3) Gross income.
 - (a) Determination of Gross Income.
 - 1. Gross income of each parent shall be determined in the process of setting the presumptive child support order and shall include all income from any source (before deductions for taxes and other deductions such as credits for other qualified children), whether earned or unearned, and includes, but is not limited to, the following:
 - (i) Wages;
 - (ii) Salaries;
 - (iii) Commissions, fees, and tips;
 - (iv) Income from self-employment;
 - (v) Bonuses;
 - (vi) Overtime payments;
 - (vii) Severance pay;
 - (viii) Pensions or retirement plans including, but not limited to, Social Security, Veterans Affairs Department, Railroad Retirement Board, Keoughs, and Individual Retirement Accounts (IRAs);

- (ix) Interest income;
 - (x) Dividend income;
 - (xi) Trust income;
 - (xii) Annuities;
 - (xiii) Net capital gains;
 - (xiv) Disability or retirement benefits that are received from the Social Security Administration pursuant to Title II of the Social Security Act or from the Veterans Affairs Department, whether paid to the parent or to the child based upon the parent's account;
 - (xv) Workers compensation benefits, whether temporary or permanent;
 - (xvi) Unemployment insurance benefits;
 - (xvii) Judgments recovered for personal injuries and awards from other civil actions;
 - (xviii) Gifts that consist of cash or other liquid instruments, or which can be converted to cash, or which can produce income such as real estate, or which reduces a parent's living expenses such as housing paid by others; in whole or in part;
 - (xix) Inheritances that consist of cash or other liquid instruments, or which can be converted to cash, or which can produce income such as real estate;
 - (xx) Prizes;
 - (xxi) Lottery winnings;
 - (xxii) Alimony or maintenance received from persons other than parties to the proceeding before the tribunal; and
 - (xxiii) Actual income earned during incarceration by an inmate.
2. Imputed Income.
- (i) Imputing additional gross income to a parent is appropriate in the following situations:
 - (I) If a parent has been determined by a tribunal to be willfully underemployed or unemployed; or
 - (II) When there is no reliable evidence of income due to a parent failing to participate in a child support proceeding or a parent failing to supply adequate and reliable financial information in a child support proceeding; or

(III) When the parent owns substantial non-income producing assets, the court may impute income based upon a reasonable rate of return upon the assets.

(ii) Determination of Willful Underemployment or Unemployment.

The Guidelines do not presume that any parent is willfully underemployed or unemployed. The purpose of the determination is to ascertain the reasons for the parent's occupational choices, to assess the reasonableness of these choices in light of the parent's obligation to support his or her child(ren), and to determine whether such choices benefit the children.

(I) A determination of willful underemployment or unemployment is not limited to choices motivated by an intent to avoid or reduce the payment of child support.

I. The determination may be based on any intentional choice or act that adversely affects a parent's income.

II. Under the Guidelines, however, incarceration of a parent shall not be treated as willful underemployment or unemployment for the purpose of establishing or modifying a child support order.

(II) Once a parent has been found to be willfully underemployed or unemployed, additional income can be allocated to that parent to increase the parent's gross income to an amount which reflects the parent's income potential or earning capacity, and the increased amount shall be used for child support calculation purposes. The additional income allocated to the parent shall be determined using the following criteria:

I. The parent's past and present employment; and

II. The parent's education and training.

(III) A determination of willful underemployment or unemployment shall not be made when an individual enlists, is drafted, or is activated from a Reserve or National Guard unit for full-time service in the Armed Forces of the United States.

(iii) Factors to be Considered When Determining Willful Underemployment or Unemployment.

The following factors may be considered by a tribunal when making a determination of willful underemployment or unemployment:

(I) The parent's past and present employment;

(II) The parent's education, training, and ability to work;

- (III) The State of Tennessee recognizes the role of a stay-at-home parent as an important and valuable factor in a child's life. In considering whether there should be any imputation of income to a stay-at-home parent, the tribunal shall consider:
 - I. Whether the parent acted in the role of full-time caretaker while the parents were living in the same household;
 - II. The length of time the parent staying at home has remained out of the workforce for this purpose; and
 - III. The age of the minor children.
 - (IV) A parent's extravagant lifestyle, including ownership of valuable assets and resources (such as an expensive home or automobile), that appears inappropriate or unreasonable for the income claimed by the parent;
 - (V) The parent's role as caretaker of a handicapped or seriously ill child of that parent, or any other handicapped or seriously ill relative for whom that parent has assumed the role of caretaker which eliminates or substantially reduces the parent's ability to work outside the home, and the need of that parent to continue in that role in the future;
 - (VI) Whether unemployment or underemployment for the purpose of pursuing additional training or education is reasonable in light of the parent's obligation to support his/her children and, to this end, whether the training or education will ultimately benefit the child in the case immediately under consideration by increasing the parent's level of support for that child in the future; and
 - (VII) Any additional factors deemed relevant to the particular circumstances of the case.
- (iv) Imputing Income When There is No Adequate and Reliable Evidence of Income.
- (I) When Establishing an Initial Order.
 - I. If a parent fails to produce adequate and reliable evidence of income (such as tax returns for prior years, check stubs, or other information for determining current ability to support or ability to support in prior years for calculating retroactive support); and
 - II. The tribunal has no adequate and reliable evidence of the parent's income or income potential;
 - III. Then, in such cases, the tribunal must take into consideration the specific circumstances of the parent to the extent known, including, but not limited to, the following factors:

- A. Assets;
 - B. Residence;
 - C. Employment and earnings history;
 - D. Job skills;
 - E. Educational attainment;
 - F. Literacy;
 - G. Age;
 - H. Health;
 - I. Criminal record and other employment barriers;
 - J. Records of seeking work;
 - K. The local job market;
 - L. The availability of employers willing to hire the parents;
 - M. Prevailing earnings level in the local community; and
 - N. Other relevant background factors.
- IV. If imputation of income is authorized, gross income for the current and prior years shall be determined by imputing annual gross income of forty-three thousand seven hundred sixty-one dollars (\$43,761) for male parents and thirty-five thousand nine hundred thirty-six dollars (\$35,936) for female parents. These figures represent the full time, year-round workers' median gross income, for the Tennessee population only, from the American Community Survey of 2016 from the U.S. Census Bureau.

(II) When Modifying an Existing Order

- I. If a parent fails to produce adequate and reliable evidence of income (such as tax returns for prior years, check stubs, or other information for determining current ability to support); and
- II. The tribunal has no adequate and reliable evidence of that parent's income or income potential;
- III. Then, in such cases, the tribunal must take into consideration the specific circumstances of the parent to the extent known, including, but not limited to, the following factors:

- A. Assets;
 - B. Residence;
 - C. Employment and earnings history;
 - D. Job skills;
 - E. Educational attainment;
 - F. Literacy;
 - G. Age;
 - H. Health;
 - I. Criminal record and other employment barriers;
 - J. Records of seeking work;
 - K. The local job market;
 - L. The availability of employers willing to hire the parents;
 - M. Prevailing earnings level in the local community; and
 - N. Other relevant background factors.
- IV. After increasing the gross income of the parent failing or refusing to produce evidence of income by an increment not to exceed ten percent (10%) per year for each year since the support order was entered or last modified, the tribunal shall calculate the BCSO using the increased income amount as that parent's gross income.
- V. If the order to be modified is not an income shares order, and the parent who fails or refuses to provide reliable evidence of income was not required to produce evidence of income under the prior order, the tribunal shall determine that parent's income under the directions of subpart (iv)(I) above.
- (III) In either circumstance in subpart (iv)(I) or (II) above, upon motion to the tribunal served upon all interested parties pursuant to the Tennessee Rules of Civil Procedure, the parent may provide the reliable evidence necessary to determine the appropriate amount of support based upon this reliable evidence. Under this circumstance, the parent is not required to demonstrate the existence of a significant variance otherwise required for modification of an order under 1240-02-04-.05. In ruling on a proper motion, the tribunal may modify the amount of current support prospectively.

- (IV) Arrearages accrued or retroactive amounts due under an order based upon imputed income shall not be forgiven or modified under this section.

3. Self-Employment Income.

- (i) Income from self-employment includes income from, but not limited to, business operations, work as an independent contractor or consultant, sales of goods or services, and rental properties, etc., less ordinary and reasonable expenses necessary to produce such income.
- (ii) Ordinary and Reasonable Expenses of Self-Employment Necessary to Produce Income.
 - (I) Excessive promotional expenses, excessive travel expenses, excessive car expenses or excessive personal expenses, or depreciation on equipment, the cost of operation of home offices, etc., shall not be considered reasonable expenses.
 - (II) Amounts allowed by the Internal Revenue Service for accelerated depreciation or investment tax credits shall not be considered reasonable expenses.

4. Fringe Benefits.

- (i) Fringe benefits for inclusion as income or “in-kind” remuneration received by a parent in the course of employment, or operation of a trade or business, shall be counted as income if they reduce personal living expenses.
- (ii) Such fringe benefits might include, but are not limited to, company car, housing, or room and board.
- (iii) Basic Allowance for Housing (BAH), Basic Allowance for Subsistence (BAS), and Variable Housing Allowances (VHA) for service members are considered income for the purposes of determining child support.
- (iv) Fringe benefits do not include employee benefits that are typically added to the salary, wage, or other compensation that a parent may receive as a standard added benefit (e.g., employer-paid portions of health insurance premiums or employer contributions to a retirement or pension plan).

5. Federal Benefits.

- (i) Federal benefits, including veteran’s benefits and Social Security Title II benefits, received by a child shall be included as income to the parent on whose account the child’s benefit is drawn and applied against the support obligation ordered to be paid by that parent. The child’s benefit is only considered when it springs from the parent’s account. For example, if a child is drawing benefits from the Mother’s Social Security account, the amount of the child’s benefit is added to the Mother’s income, and the amount of the child’s benefit is subtracted from the Mother’s child support obligation. If the

child's benefit is drawn from the child's own disability, the child's benefit is not added to either parent's income and not deducted from either parent's obligation.

(ii) Child Support Greater Than the Benefit.

If after calculating the parent's gross income as defined in 1240-02-04-.04(3), including the countable federal benefits in subpart 5(i) above, and after calculating the amount of the child support obligation using the Child Support Worksheet, the amount of the child support award due from the parent on whose account the child is receiving benefits is greater than the benefit paid on behalf of the child on that parent's account, then that parent shall be required to pay the amount exceeding the benefit as part of the child support award in the case.

(iii) Child Support Equal to or Less Than the Benefit.

(I) If after calculating the parent's gross income as defined in 1240-02-04-.04(3), including the countable benefit paid for the child, referred to in subpart 5(i) above, and after calculating the amount of the child support obligation using the Child Support Worksheet, the amount of the child support award due from the parent on whose account the child is receiving benefits is less than or equal to the benefit paid to the caretaker on behalf of the child on that parent's account, the child support obligation of that parent is met and no additional child support amount must be paid by that parent.

(II) Any benefit amounts as determined by the Veteran Affairs Department or the Social Security Administration and sent to the caretaker by either agency for the child's benefit which are greater than the support ordered by the tribunal shall be retained by the caretaker for the child's benefit and shall not be applied to prospective support or be used as a reason for decreasing the child support order.

I. This provision is in reference to ongoing monthly, federal benefits and does not pertain to lump sum awards sent directly to the caretaker.

II. In such case as a lump sum award sent directly to a caretaker, if an arrearage exists, said lump sum shall be applied to the arrears balance and shall not be considered a retroactive modification of support.

III. Any lump sum payment over and above the arrears balance shall be retained by the caretaker for the benefit of the minor child and not applied to prospective support.

(iv) The tribunal shall make a written finding in the support order regarding the use of the federal benefit in the calculation of the child support obligation.

- (b) Variable income such as commissions, bonuses, overtime pay, dividends, etc. shall be averaged over a reasonable period of time consistent with the circumstances of the case and added to a parent's fixed salary or wages to determine gross income.
- (c) Excluded from gross income are the following:
 - 1. Child support payments received by either parent for the benefit of children of another relationship; or
 - 2. Benefits received from means-tested public assistance programs such as, but not limited to:
 - (i) Families First, Temporary Assistance for Needy Families (TANF), or similar programs in other states or territories under Title IV-A of the Social Security Act;
 - (ii) Supplemental Nutrition Assistance Program (SNAP), also known as Food Stamps, or the value of food assistance provided by way of electronic benefits transfer procedures by the Food Stamp agency;
 - (iii) Supplemental Security Income (SSI) received under Title XVI of the Social Security Act;
 - (iv) Benefits received under 42 U.S.C. § 402(d) for disabled adult children of deceased disabled workers; and
 - (v) Low Income Heating and Energy Assistance Program (LIHEAP) payments.
 - 3. The child's income from any source, including, but not limited to, trust income and Social Security benefits drawn on the child's disability; and
 - 4. Adoption Assistance subsidy under Tennessee's Interstate Compact on Adoption Assistance, found at T.C.A. § 36-1-201 et seq., or another state's adoption assistance subsidy which is based on the Adoption Assistance and Child Welfare Act (42 U.S.C. § 670 et seq.).
- (d) Under no circumstance shall the tribunal fail to order a basic support obligation if the parent has non-exempt gross income. See Rule 1240-02-04-.03(4)(a)4.

Rule 1240-02-04-.04 Determination of Child Support, paragraph (4), is amended by deleting subparagraphs (c) and (d) in their entirety and substituting the following language, so that as amended these subparagraphs shall read:

- (c) Social Security tax withholding (FICA) for high-income persons may vary during the year. Six and two-tenths percent (6.2%) is withheld on the first one hundred twenty-eight thousand four hundred dollars (\$128,400) of gross earnings (for wage earners in 2018). A maximum of seven thousand nine hundred sixty dollars and eighty cents (\$7,960.80) of FICA tax will be withheld in a year.
- (d) Self-employed persons are required by law to pay the full FICA tax of twelve and four tenths percent (12.4%) up to the gross earnings limit of one hundred twenty-eight

thousand four hundred dollars (\$128,400) and the full Medicare tax rate of two and nine tenths percent (2.9%) on all earned income. One half of each amount is already accounted for in the BCSO amounts on the Schedule. The additional Medicare Tax of nine tenths percent (0.9%) applies to an individual's Medicare wages that exceed two hundred thousand dollars (\$200,000) per year.

Rule 1240-02-04-.04 Determination of Child Support, paragraph (6), is amended by deleting subparagraph (a) in its entirety and substituting the following language, so that as amended this subparagraph shall read:

- (a) Rule 1240-02-04-.09 contains the CS Schedule which shall be used to determine the combined obligation of both parents for the support of their children based upon their monthly combined AGI and the number of children who are the subject of the child support determination. However, if the obligor's AGI falls within the shaded area of the CS Schedule, a comparison must be done to determine if the BCSO is computed using only the obligor's income. The CS Schedule, in chart form, displays the amount of the BCSO prior to adjustments for parenting time and additional expenses and is presumed correct for the combined income of the parents and the number of children for whom support is being determined.

Rule 1240-02-04-.04 Determination of Child Support, paragraph (7), is amended by deleting the term "Father" wherever the term appears and substituting instead the following language: "Father or Parent 2".

Rule 1240-02-04-.04 Determination of Child Support, subparagraph (7)(b), is amended by deleting parts 3 and 4 in their entirety and substituting the following language, so that as amended these parts shall read:

3. No more than one (1) day of credit for parenting time can be taken in any twenty-four (24) hour period, i.e., only one parent can take credit for parenting time in one twenty-four (24) hour period. Except in extraordinary circumstances, as determined by the tribunal, partial days of parenting time that are not consistent with this definition shall not be considered a "day" under these Guidelines. Routinely incurred parenting time of shorter duration may be cumulated as a single day for parenting time purposes.
4. Average Parenting Time.

If there are multiple children for whom support is being calculated, and the ARP is spending a different amount of time with each child, then an annual average of parenting time with all of the children shall be calculated. For example, if the ARP has sixty-seven (67) days of parenting time per year with Child A, eighty-four (84) days of parenting time per year with Child B, and one hundred thirty-two (132) days of parenting time per year with Child C, then the Parenting Time Adjustment would be calculated based upon ninety-four (94) days of parenting time $[67 + 84 + 132 = 283 / 3 = 94]$. The Income Shares Worksheet formula will automatically calculate this average by using the actual number of days spent with each child. For this purpose, standard rounding rules apply.

Rule 1240-02-04-.04 Determination of Child Support, paragraph (7), is further amended by deleting subparagraphs (c) through (f) in their entirety and substituting the following language, so that as amended these subparagraphs shall read:

- (c) In cases of split parenting, both parents are eligible for a parenting time adjustment for the child(ren) for whom the parent is the ARP unless a SSR is applied.
- (d) In a non-parent caretaker situation, neither parent is eligible for a parenting time adjustment. However, a SSR may be applicable.
- (e) Parenting time adjustments are not mandatory, but presumptive. The presumption may be rebutted in a case where the circumstances indicate the adjustment is not in the best interest of the child.
- (f) Due to the method for calculation of the adjustment, it is anticipated, in a case where the PRP has greater income than the ARP and the ARP has a high level of parenting time with the child, that support may be due from the PRP to the ARP to assist with the expenses of the children during the times spent with the ARP. In this circumstance, a support payment from the PRP to the ARP is allowed. The SSR is also considered in this circumstance.

Rule 1240-02-04-.04 Determination of Child Support, subpart (7)(h)4(i), is amended by deleting the language “paragraph (7)(b)4(i)” and substituting instead “part (7)(b)4 above”, so that as amended this subpart shall read:

- (i) First, the variable multiplier is determined by multiplying a standard per diem of .0109589 [2 / 182.5] by the ARP’s parenting time determined pursuant to paragraph (7)(b) above. For example, the 94 days of parenting time calculated in the example from part (7)(b)4 above is multiplied by .0109589, resulting in a variable multiplier of 1.0301366 [94 x .0109589].

Rule 1240-02-04-.04 Determination of Child Support, part (7)(h)4, is amended by adding the following as a new subpart (v):

- (v) Once the BCSO is reduced for parenting time, only one parent will owe a BCSO. Once it is determined who that one parent is, that parent’s AGI and number of children for whom support is being determined shall be checked against the “shaded area” to determine if the SSR applies to that parent. If it does, the BCSO shall be the lower of the amount from (iv) or the shaded area based on the obligor’s AGI and number of children for whom support is being determined. In the example above, (iv) indicates that the ARP’s share of the BCSO is five hundred eighty-seven dollars and ninety-four cents (\$587.94). If the ARP’s income is four thousand eight hundred ninety dollars (\$4,890) per month, the ARP’s income does not fall into the shaded area and no additional adjustment is made. If the circumstance is as described in (f) where the PRP owes the ARP, which can result from the calculation if the PRP has greater income than the ARP and the ARP has a high level of parenting time with the child, then the BCSO shall be the lower of the PRP’s BCSO from (iv) and the PRP’s AGI using the shaded area and the number of children for whom support is being determined.

Rule 1240-02-04-.04 Determination of Child Support, subparagraph (7)(i), is amended by deleting part 2 in its entirety and substituting the following language, so that as amended this part shall read:

2. The second step is to multiply the percentage of days by the ARP's share of the BCSO. For example, if the ARP's share of the BCSO is one thousand two hundred dollars (\$1,200), and the parenting time is sixty-eight (68) days, the increased share of support is three dollars and twenty-nine cents (\$3.29) [$0.002739726 \times \$1,200 = \3.29]. If the ARP's share of the BCSO is adjusted for the SSR, the percentage of days would also be multiplied to the ARP's share of the BCSO.

Rule 1240-02-04-.04 Determination of Child Support, subparagraph (8)(a), is amended by deleting part 6 in its entirety and substituting the following language, so that as amended this part shall read:

6. The amount of the health, vision, and dental care insurance premium paid for the benefit of the child(ren), such as a parent or step-parent who carries coverage for the child(ren), may be included and credited in the worksheet under that respective parent's column.

Rule 1240-02-04-.04 Determination of Child Support, paragraph (8), is amended by deleting subparagraph (b) in its entirety and substituting the following language, so that as amended this subparagraph shall read:

(b) Health Insurance Premiums.

1. If Health Insurance that provides for the health care needs of the child can be obtained by a parent at reasonable cost, then an amount to cover the cost of the premium(s) shall be added to the BCSO as indicated above in subparagraph (a).
2. In determining the amount to be added to the order for this cost, only the amount of the insurance cost attributable to the children who are the subject of the support order shall be included.
3. If coverage is applicable to other persons and the amount of the health insurance premium attributable to the child who is the subject of the current action for support is not available to be verified, the total cost to the parent paying the premium shall be pro-rated by the number of persons covered so that only the cost attributable to the children who are the subject of the order under consideration is included. Enter the monthly cost on the Child Support Worksheet in the column of the parent paying the premium. If Health Insurance coverage is provided for the children at issue at no additional cost to the parent, no amount for this expense should be included on the Worksheet.

Rule 1240-02-04-.04 Determination of Child Support, paragraph (11), is amended by deleting subparagraphs (c) and (d) in their entirety and substituting the following language, so that as amended these subparagraphs shall read:

- (c) The completed Worksheet(s) must be maintained as part of the official record either by filing them as exhibits in the tribunal's file or as attachments to the order except when the child is placed in State custody and the initial child support order is set by the Department of Children's Services without the Worksheet.
- (d) Payments of child support shall be ordered to be paid in a specific dollar amount on a weekly, biweekly (every two weeks), semimonthly, or monthly basis.

Rule 1240-02-04-.04 Determination of Child Support is amended by adding the following as a new paragraph (12):

(12) Minimum Child Support Order.

- (a) It is the obligation of all parents to contribute to the support of their children with a minimum child support order of at least one hundred (\$100) per month unless as indicated in parts (b) and (d) below.
- (b) This provision does not apply:
 - 1. If the obligor's only source of income is Supplemental Security Income (SSI);
 - 2. When the federal benefit for a child results in a calculation of support owed to be less than the minimum amount; or
 - 3. When the Parenting Time Adjustment results in an amount less than the minimum child support order.
- (c) The Tribunal shall make a written finding upon evidence submitted and taking all circumstances into consideration to set the current obligation at the minimum order amount.
- (d) In its discretion, the Court may deviate from the minimum child support order by either setting a higher or lower support order.

Authority: T.C.A. §§ 4-5-202, 36-5-101(a), 36-5-101(a)(1), 36-5-101(e), 36-5-103(f), 71-1-105(12), (15) and (16), and 71-1-132; 42 U.S.C. §§ 652 and 667; and 45 C.F.R. §§ 302.56, 303.8 and 303.31.

Rule 1240-02-04-.05 Modification of Child Support Orders is amended by deleting paragraphs (1) through (4) in their entirety and substituting the following language. The phrase in subparagraph (2)(c) "[effective date of this rule filing]" shall be replaced with the actual effective date of this amendment. The phrase in subparagraph (2)(c) "[effective date of this rule filing + 180 days]" shall be replaced with the date that is one hundred eighty (180) days after the actual effective date of this amendment. The phrase in subparagraph (2)(d) "[effective date of this rule filing + 181 days]" shall be replaced with the date that is one hundred eighty-one (181) days after the actual effective date of this amendment. As amended, paragraphs (1) through (4) shall read:

- (1) All modifications shall be calculated under the Income Shares Guidelines.
- (2) Significant Variance Required for Modification of Order.
 - (a) Unless a significant variance exists, as defined in this section, a child support order is not eligible for modification; provided, however, the necessity of providing for the child's health care needs shall be a basis for modification regardless of whether a modification in the amount of child support is warranted by other criteria.
 - (b) A significant variance is defined as at least fifteen percent (15%) difference in the current support obligation and the proposed support obligation.

- (c) For all orders modified [effective date of this rule filing] through [effective date of this rule filing + 180 days], for the case to be modified per the current Guidelines, there must be a change of circumstances, such as income or number of children to support, in addition to at least a fifteen percent (15%) change between the amount of the current support order (not including any deviation amount) and the amount of the proposed presumptive support order.
- (d) For all orders modified on or after [effective date of this rule filing + 181 days], for the case to be modified per the current Guidelines, there must be a at least a fifteen percent (15%) change between the amount of the current support order (not including any deviation amount) and the amount of the proposed presumptive support order.
- (3) Within fifteen (15) business days of when the Title IV-D agency learns that the obligor will be incarcerated for more than one hundred and eighty (180) calendar days, a notice may be sent to both parties informing them of the right to request the State to review and, if appropriate, adjust the order consistent with this section.
- (4) To determine if a modification is possible, a child support order shall first be calculated on the Child Support Worksheet using current evidence of the parties' circumstances. If the current child support order was calculated using the flat percentage guidelines, compare the existing ordered amount of current child support to the proposed amount of the ARP's pro-rata share of the BCSO. If the current child support order was calculated using the Income Shares Guidelines, compare the PCSO amounts in the current and proposed orders. Do not include the amount of any previously ordered deviations or proposed deviations in the comparison. If a significant variance exists between the two amounts, such a variance would justify the modification of a child support order unless, in situations where a downward modification is sought, the obligor is willfully and voluntarily unemployed or underemployed, or except as otherwise restricted by paragraph (5) below or 1240-02-04-.04(10) above.

Rule 1240-02-04-.05 Modification of Child Support Orders is further amended by deleting paragraphs (6) through (8) in their entirety and substituting the following language, so that as amended these paragraphs shall read:

- (6) Minimum Child Support Order.
 - (a) It is the obligation of all parents to contribute to the support of their children with a minimum child support order of at least one hundred (\$100) per month unless as indicated in parts (b) and (d) below.
 - (b) This provision does not apply:
 - 1. If the obligor's only source of income is Supplemental Security Income (SSI);
 - 2. When the federal benefit for a child results in a calculation of support owed to be less than the minimum amount; or
 - 3. When the Parenting Time Adjustment results in an amount less than the minimum child support order.

- (c) The Tribunal shall make a written finding upon evidence submitted and taking all circumstances into consideration to set the current obligation at the minimum order amount.
 - (d) In its discretion, the Court may deviate from the minimum child support order by either setting a higher or lower support order.
- (7) An order may be modified to reflect a change in the number of children for whom a parent is legally responsible, a Parenting Time Adjustment, and Work-Related Childcare only upon compliance with the significant variance requirement specified in Rule 1240-02-04-.05.
- (8) No ordered child support is subject to modification as to any time period or any amounts due prior to the date that an action for modification is filed and notice of the action has been mailed to the last known address of the opposing parties. Any payment or installment of support under any child support order on or after the date it is due is a judgment by operation of law with the full force, effect, and attributes of a judgment, including the ability to be enforced, and is entitled as a judgment to full faith and credit. This provision applies to all child support orders issued in all Tennessee courts, including but not limited to circuit, chancery, and juvenile courts and all other tribunals with jurisdiction to modify child support, whether the order originated under an action taken by the authority of Tennessee Code Annotated Titles 36 or 37, or the equivalent law in any other state. When a lump sum award of a federal benefit is sent directly to a caretaker, if an arrearage exists, said lump sum shall be applied to the arrears balance and shall not be considered a retroactive modification of support.

Authority: T.C.A. §§ 4-5-202, 36-5-101(a)(1), 36-5-101(e), 36-5-103(f), 37-1-151, 71-1-105(12), (15) and (16), and 71-1-132; 42 U.S.C. §§ 666-667; and 45 C.F.R. §§ 302.56 and 303.8.

Rule 1240-02-04-.06 Retroactive Support is amended by deleting paragraph (1) in its entirety and substituting the following language, so that as amended this paragraph shall read:

- (1) Unless the rebuttal provisions of Tennessee Code Annotated §§ 36-2-311(a)(11) or 36-5-101(e) have been established by clear and convincing evidence provided to the tribunal, then, in cases in which initial support is being set, a judgment must be entered to include an amount of monthly support due up to the date that an order for current support is entered.

Rule 1240-02-04-.06 Retroactive Support is further amended by inserting the following as new paragraph (2) and re-designating subsequent paragraphs accordingly:

- (2) Retroactive child support shall not be awarded for a period of more than five (5) years from the date the action for support is filed unless the court determines, for good cause shown according to Tennessee Code Annotated §§ 36-2-311(a)(11) or 36-5-101(e), that a different award of retroactive child support is in the interest of justice. The burden to show that a longer time period of retroactive support is in the interest of justice is on the PRP.

Authority: T.C.A. §§ 4-5-202, 36-2-311, 36-5-101(a), 36-5-101(e), 71-1-105(12), (15) and (16), and 71-1-132; 42 U.S.C. § 667; and 45 C.F.R. § 302.56.

Rule 1240-02-04-.07 Deviations from the Child Support Guidelines, paragraph (2), is amended by deleting subparagraphs (b) and (c) in their entirety and substituting the following language, so that as amended these subparagraphs shall read:

- (b) In cases where the child is in the legal custody of the Department of Children's Services, the child protection or foster care agency of another state or territory, or any other child-caring entity, public or private, the tribunal may consider a deviation from the Presumptive Child Support Order (PCSO) if the deviation will assist in accomplishing a permanency plan or foster care plan for the child that has a goal of returning the child to the parent(s), and the parent's need to establish an adequate household or to otherwise adequately prepare herself or himself for the return of the child clearly justifies a deviation for this purpose. At the tribunal's discretion, an initial order may be established by the Department of Children's Services without the necessity of a Worksheet.
- (c) If parenting time-related travel expenses are substantial due to the distance between the parents, the tribunal may order the allocation of such costs by deviation from the PCSO, taking into consideration the circumstances of the respective parties as well as which parent moved and the reason that the move was made.

Rule 1240-02-04-.07 Deviations from the Child Support Guidelines, paragraph (2), is further amended by deleting subparagraph (f) in its entirety and substituting the following language, so that as amended this subparagraph shall read:

- (f) Unless all gross income is exempt, the tribunal must order a basic support obligation. See Rule 1240-02-04-.03(4)(a)4.

Rule 1240-02-04-.07 Deviations from the Child Support Guidelines, paragraph (2), is further amended by deleting subparagraph (h) in its entirety:

Authority: T.C.A. §§ 4-5-202, 36-5-101(e), 71-1-105(12) and (15), 71-1-132; 42 U.S.C. § 667; and 45 C.F.R. § 302.56.

Rule 1240-02-04-.08 Worksheets and Instructions is amended by deleting the terms "Mother" and "Mother's" wherever the terms appear and substituting, respectively, instead the following language: "Mother or Parent 1" and "Mother's or Parent 1's".

Rule 1240-02-04-.08 Worksheets and Instructions is further amended by deleting the terms "Father" and "Father's" wherever the terms appear and substituting, respectively, instead the following language: "Father or Parent 2" and "Father's or Parent 2's".

Rule 1240-02-04-.08 Worksheets and Instructions, paragraph (1), is amended by deleting subparagraphs (a) and (b) in their entirety and substituting the following language, so that as amended these subparagraphs shall read:

- (a) The Child Support Worksheet and Credit Worksheet provided by the Department are mandatory for use in calculating the appropriate child support obligation under these Guidelines. The completed Worksheet(s) must be maintained as part of the official record either by filing them as exhibits in the tribunal's file or as attachments to the order except in cases where the child is in state custody. See 1240-02-04-.03(4)(a)6.

- (b) The Child Support Worksheet, Credit Worksheet, Instructions for Worksheets, and Child Support Schedule are part of the Tennessee Child Support Guidelines and can be found on the Department's website. In the event that the language contained in the Worksheets, Instructions or CS Schedule conflicts in any way with the language of subchapters 1240-02-04-.01 – .07, the language of those subchapters is controlling.

Rule 1240-02-04-.08 Worksheets and Instructions, subparagraph (2)(b), is amended by inserting the following as new part 6:

6. Line 3a – Means-Tested Income. [Rule 1240-02-04-.04(3)(c)2]

Means-tested income is a payment available to people who can demonstrate that their income is below specified limits, such as Supplemental Security Income (SSI) received under Title XVI of the Social Security Act.

- (i) A 'Y' for Yes should be placed on the Worksheet if the parent has no other source of income other than means-tested income.
- (ii) Support should be set at zero if the only source of income for the Obligor is means-tested.

Rule 1240-02-04-.08 Worksheets and Instructions, subpart (2)(c)1(iii), is amended by deleting item (II) in its entirety and substituting the following language, so that as amended this item shall read:

- (II) When calculating support in a fifty-fifty/equal parenting situation in conjunction with a standard parenting situation, the BCSO for the child(ren) in the fifty-fifty/equal parenting situation will be assigned to the Father or Parent 2 in situations where the Father or Parent 2 is the PRP for all other children in the case under consideration.

Rule 1240-02-04-.08 Worksheets and Instructions, subpart (2)(c)2(iii), is amended by deleting item (I) in its entirety and substituting the following language, so that as amended this item shall read:

- (I) When calculating support in fifty-fifty/equal parenting situations, whether alone or in conjunction with a split parenting situation, the Father or Parent 2 will owe a pro-rata share of the BCSO entered for the Mother or Parent 1 on Line 4. The amount shall be entered in the Father's or Parent 2's column on Line 4a. See Rule 1240-2-04-.08(2)(c)2(iii) and (c)5(iv) for exception.

Rule 1240-02-04-.08 Worksheets and Instructions, subparagraph (2)(c), is amended by inserting the following as new part 3 and re-designating subsequent parts accordingly:

3. Line 4b – BCSO if SSR is applied. [Rule 1240-02-04-.02(25)]

- (i) Standard Parenting.
 - (I) If the ARP's monthly AGI and the respective number of children for whom support is being ordered falls within the shaded area of the CS Schedule, enter that amount on ARP's Line 4b.

- (ii) Split Parenting.
 - (I) If the Mother's or Parent 1's AGI only (Line 2) and the number of children for whom the Father or Parent 2 is the PRP falls within the shaded area of the CS Schedule, enter that amount on Line 4b.
 - (II) If the Father's or Parent 2's AGI only (Line 2) and the number of children for whom the Mother or Parent 1 is the PRP falls within the shaded area of the CS Schedule, enter that amount on Line 4b.
- (iii) Fifty-fifty/Equal Parenting.
 - (I) If a parent's monthly AGI and the respective number of children for whom support is being ordered falls within the shaded area of the CS Schedule, enter that amount on Line 4b unless there is a split parenting situation.
 - (II) If there is fifty-fifty/equal parenting and split custody, use the split parenting BCSO adjusted for the SSR as defined in (ii) "Split Parenting" above, enter that amount on Line 4b.
- (iv) Non-parent Caretaker Situations.
 - (I) If only one parent is available and the parent's monthly AGI and the respective number of children for whom support is being ordered falls within the shaded area of the CS Schedule, enter that amount on Line 4b.
 - (II) If both parents are available and either or both parent's monthly AGI and the respective number of children for whom support is being ordered falls within the shaded area of the CS Schedule, enter that amount on Line 4b.

Rule 1240-02-04-.08 Worksheets and Instructions, renumbered part (2)(c)5 is amended by deleting the language "Line 6 – Parenting Time Adjustment" and substituting instead the language "Parenting Time Adjustment. The following provisions apply to the parenting time adjustments which may be applicable to Lines 5a, 5b, 6a, or 6b depending on the ARP's parenting days", so that as amended this part shall read:

- 5. Parenting Time Adjustment. The following provisions apply to the Parenting Time Adjustments which may be applicable to Lines 5a, 5b, 6a, or 6b depending on the ARP's parenting days. [Rule 1240-2-4-.02(18) and .04(7)]

Rule 1240-02-04-.08 Worksheets and Instructions, subparagraph (2)(c), is further amended by adding the following as new parts 6 through 10:

- 6. Line 5a – Parenting Time Adjustment (68 or less days). Complete Line 5a only if a parent has the child(ren) for 68 or less days; otherwise leave Line 5a blank.
 - (i) Calculating Increase for Lack of Parenting Time.

- (I) The ARP's child support obligation may be increased for the lack of the ARP's parenting time. This amount is calculated by using the following formula:
 - I. Subtract number of days (Line 5) from 69 and divide the result by 365
 - II. Next, multiply the result above by the lower BCSO amount from Line 4a or Line 4b.
 - III. Enter the results on Line 5a.
 - A. For standard parenting or fifty-fifty/equal parenting, enter in ARP parent column on Line 5a.
 - B. For non-parent caretaker situations, enter in both Mother or Parent 1 and Father or Parent 2 columns on Line 5a.
 - C. For split parenting, enter in both Mother or Parent 1 and Father or Parent 2 columns on Line 5a.
 - (II) For example, when the combined gross income (Line 2a) is \$8,150, the ARP's parenting days are 65 (Line 5) and the Share of BCSO is \$600 (Line 4a).
 - I. $(69 \text{ days} - 65 \text{ days}) / 365 = .010958904 \times \$600 = \$6.58$
 - II. \$6.58 would be entered on Line 5a for this example.
7. Line 5b – Adjusted BCSO (68 or less days). Complete Line 5b only if a parent has the child(ren) for 68 or less days; otherwise leave Line 5b blank.
- (i) Take the lower BCSO from Line 4a or 4b and add Line 5a to this amount. Enter the calculated amount on Line 5b.
 - (I) For standard parenting or fifty-fifty/equal parenting, enter in ARP parent column on Line 5b.
 - (II) For non-parent caretaker situations, enter in both Mother or Parent 1 and Father or Parent 2 columns on Line 5b.
 - (III) For split parenting, enter in both Mother or Parent 1 and Father or Parent 2 columns on Line 5b.
8. Line 6a – Parenting Time Adjustment (92 or more days). Complete Line 6a only if a parent has the child(ren) for 92 or more days; otherwise leave Line 6a blank.
- (i) Calculation of the Parenting Time Credit.

- (I) The ARP's child support obligation may be decreased for additional parenting time. This amount is calculated by using the following formula:
 - I. Multiply .0109589 by Line 5 (Avg Days with Children) and subtract 1.
 - II. Next, take the result from above and multiply that amount by Line 4 (BCSO for PRP).
 - III. Lastly, multiply the result from above by Line 3 (PRP's PI%) and enter on Line 6a.
 - (II) For example, when the combined gross income (Line 2a) is \$8,150, the ARP's parenting days are 145 (Line 5), the BCSO is \$1000 (Line 4) and the Mother or Parent 1's Percentage of Income (Line 3) is 40%
 - I. $(.0109589 \times 145) - 1 = 0.5890405 \times \$1000 \times .40 = \$235.62$
 - II. \$235.62 would be entered on Line 6a for this example.
9. Line 6b – Adjusted BCSO (92 or more days). Complete Line 6b only if a parent has the child(ren) for 92 or more days; otherwise leave Line 6b blank.
- (i) The amount calculated on Line 6a is used to decrease the BCSO.
 - (ii) Subtract the amount on Line 6a from the amount on Line 4a. This amount must be entered on to Line 6b.
 - (I) For standard parenting or fifty-fifty/equal parenting, enter in ARP parent column on Line 6b.
 - (II) For non-parent caretaker situations, enter in both Mother or Parent 1 and Father or Parent 2 columns on Line 6b.
 - (III) For split parenting, enter in both Mother or Parent 1 and Father or Parent 2 columns on Line 6b.
 - (iii) If the difference between the ARP's Line 4a and the ARP's Line 6a is positive, it is placed on the ARP's Line 6b. If the difference is negative, it is placed on the PRP's Line 6b.
10. Line 7 – Calculated BCSO.
- (i) Parenting Time between 69 to 91 days.

The calculated BCSO is the lower of the ARP's Line 4a and the ARP's Line 4b.
 - (ii) Parenting Time of 68 days or less.

The calculated BCSO is the amount shown on Line 5b.

- (iii) Parenting Time of 92 or more days.

The calculated BCSO is the lower amount shown on Line 4b and that parent's Line 6b.

- (iv) Split Parenting.

The calculated BCSO is the lower of the amount shown on Line 6b and that parent's Line 4b.

- (v) Any negative amount in a parent's column resulting from the calculation on Line 6b shall be entered on Line 7 as a positive amount in the column of the other parent.

Rule 1240-02-04-.08 Worksheets and Instructions, part (2)(e)2, is amended by deleting subpart (ii) in its entirety and re-designating subsequent subparts accordingly.

Rule 1240-02-04-.08 Worksheets and Instructions, paragraph (2), is amended by deleting subparagraph (f) in its entirety and substituting the following language, so that as amended this subparagraph shall read:

- (f) Part VI – Deviations and Final Child Support Obligation.

1. Line 14 – Deviations. [Rule 1240-2-4-.07]

- (i) Specify the reason for the deviation and enter on Line 14 the amount that will be added to or subtracted from the Presumptive Support Order.
- (ii) The order must include written findings supporting the deviation as outlined in 1240-2-4-.07(1).

2. Line 15 – Adjusted for Minimum Order (Y/N). [Rule 1240-2-4-.04(12) and Rule 1240-2-4-.05(6)]

- (i) 'Y' for Yes should be placed on the Worksheet if the minimum order should be applied. Once a 'Y' is placed on the Worksheet, the Final Child Support Order will be set at \$100.
- (ii) 'N' for No should be placed on the Worksheet if the minimum order is not applied.

3. Line 16 – Final Child Support Order. [Rule 1240-2-4-.02(13)]

To the Presumptive Support Order amount on Line 12, add/subtract as appropriate any amount on Line 14 and enter the result on Line 16 as the Final Child Support Order.

4. Line 17 – Social Security Benefits.

- If a child to be supported under the order receives social security benefits on the account of the parent who will pay support under this order, and such benefit was added to that parent's gross income on Line 1a according to rule 1240-2-4-.04(3)(a)5, then enter the amount of that child's benefit entered on Line 1a and subtract that amount from that parent's obligation. The parent is relieved from directly making that portion of the obligation so long as the benefit is being paid by social security.
5. The completed Worksheet must be maintained as part of the official record either by filing it as an exhibit in the tribunal's file or as an attachment to the order. Payments of child support shall be ordered to be paid in a specific dollar amount on a weekly, biweekly (every two weeks), semimonthly (twice a month), or monthly basis.

Rule 1240-02-04-.08 Worksheets and Instructions is amended by deleting paragraph (4) in its entirety and substituting the following language, so that as amended this paragraph shall read:

(4) Child Support Worksheet.

State of Tennessee – Child Support Worksheet

Part I. Identification

Indicate the status of each parent or caretaker by placing an "X" in the appropriate column	Name of Mother or Parent 1:		PRP	ARP	SPLIT
	Name of Father or Parent 2:				
	Name of non-parent Caretaker:				
	TCSSES case #:				
	Docket #:				
	Court name:				

Name(s) of Child(ren)	Date of Birth	Days with Mother or Parent 1	Days with Father or Parent 2	Days with Caretaker

Part II. Adjusted Gross Income

	Mother or Parent 1 / Column A	Father or Parent 2 / Column B	Non-parent Caretaker / Column C
1 Monthly Gross Income	\$	\$	
1a Federal benefit for child	+	+	
1b Self-employment tax paid	-	-	
1c Subtotal	\$	\$	
1d Credit for In-Home Children	-	-	
1e Credit for Not In Home Children	-	-	
2 Adjusted Gross Income (AGI)	\$	\$	
2a Combined Adjusted Gross Income	\$	\$	
3 Percentage Share of Income (PI)	%	%	
3a Means-tested Income only (Y/N)			

Use Credit Worksheet to calculate line items 1d and 1e.

Part III. Parents' Share of BCSO

4 BCSO allotted to primary parent's household	\$	\$	\$
4a Share of BCSO owed to primary parent	\$	\$	
4b BCSO if Self Support Reserve (SSR) is applied	\$	\$	
5 ARP parent's average parenting time			
5a Parenting time adjustment (68 or less days)	\$	\$	
5b Adjusted BCSO (68 or less days)	\$	\$	
6a Parenting time adjustment (92 or more days)	\$	\$	
6b Adjusted BCSO (92 or more days)	\$	\$	
7 Calculated BCSO	\$	\$	

State of Tennessee – Child Support Worksheet

Part IV. Additional Expenses

		Mother or Parent 1 / Column A	Father or Parent 2 / Column B	Non-parent Caretaker / Column C
8a	Children's portion of health insurance premium	\$	\$	\$
8b	Recurring Uninsured Medical Expenses	\$	\$	\$
8c	Work-related childcare	\$	\$	\$
9	Total expenses	\$	\$	\$
10	Share of additional expenses owed	\$	\$	
11	Adjusted Support Obligation (ASO)	\$	\$	

Part V. Presumptive Child Support / Modification of Current Support

		Obligation Column		
	12 Presumptive Child Support Order (PCSO)	\$	\$	
	* Enter the difference between the greater and smaller numbers from Line 11, except in non-parent caretaker situations.			
	Current Order Flat % _____ (N / Y)			
Modification of Current Child Support Order	13a Current child support order amount for the obligor parent	\$	\$	
	13b Amount required for significant variance to exist	\$	\$	
	13c Actual variance between current order and PCSO / BCSO	\$	\$	

Part VI. Deviations and Final Child Support Order

Deviations must be substantiated by written findings in the Child Support Order	14 Deviations (Specify):	\$	\$	

	15 Adjusted for minimum order (Y/N)			
	16 Final Child Support Order (FCSO)	\$	\$	
	17 FCSO adjusted for federal benefit, Line 1a, Obligor's column	\$	\$	

Comments, Calculations, or Rebuttals to Schedule

Preparer's Use Only

Name: _____ Date: _____

Title: _____

Rule 1240-02-04-.08 Worksheets and Instructions is amended by deleting paragraph (5) in its entirety and substituting the following language, so that as amended this paragraph shall read:

(5) Credit Worksheet.

State of Tennessee – Credit Worksheet

Part I. Identification

		PRP	ARP	SPLIT
Indicate the status of each parent or caretaker by placing an "X" in the appropriate column	Name of Mother or Parent 1:	_____	_____	_____
	Name of Father or Parent 2:	_____	_____	_____
	Name of non-parent Caretaker:	_____	_____	_____
	TCSES case #:	_____	_____	_____
	Docket #:	_____	_____	_____
	Court name:	_____	_____	_____

Part II. Other Children

		Column A	Column B
Parent Income Information	1 Applicable gross income from CS worksheet	\$ _____	\$ _____
In-Home Children	2 Below, list qualified children living in the parent's home (if none, skip to line 6):		
	Name(s) of Child(ren) for PRP Date of Birth Name(s) of Child(ren) for ARP Date of Birth		
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	3 Number of qualified children living in the parent's home	# _____	# _____
	4 Theoretical child support order (this parent's income on CS Schedule for number of children from line 3)	\$ _____	\$ _____
	5 75% of theoretical child support order from line 4	\$ _____	\$ _____
Not-In-Home Children	6 Below, list qualified children not living in the parent's home:		
	Name(s) of Child(ren) for PRP Date of Birth Name(s) of Child(ren) for ARP Date of Birth		
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	7 Number of qualified children not living in the parent's home	# _____	# _____
	8 Average monthly amount of documented monetary support	\$ _____	\$ _____
	9 Theoretical child support order (this parent's income on CS Schedule for number of children from line 7)	\$ _____	\$ _____
	10a 75% of theoretical child support order from line 9	\$ _____	\$ _____
	10b Allowable credit for not-in-home children	\$ _____	\$ _____

Authority: T.C.A. §§ 4-5-202, 36-5-101(a)(1), 36-5-101(e), 36-5-103(f), 71-1-105(12), (15) and (16), and 71-1-132; 42 U.S.C. § 667; and 45 C.F.R. § 302.56 and 303.8.

Rule 1240-02-04-.09 Child Support Schedule is amended by deleting the rule in its entirety and substituting the following language, so that as amended this rule shall read:

1240-02-04-.09 Child Support Schedule.

Tennessee
Schedule of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
150-1100.00	100	100	100	100	100
1150.00	100	100	107	119	131
1200.00	100	127	142	154	166
1250.00	135	162	177	189	201
1300.00	170	197	212	224	236
1350.00	205	232	247	259	271
1400.00	240	267	282	294	306
1450.00	275	302	317	329	341
1500.00	310	337	352	364	376
1550.00	335	372	387	399	411
1600.00	345	407	422	434	446
1650.00	355	442	457	469	481
1700.00	365	477	492	504	516
1750.00	375	512	527	539	551
1800.00	384	542	562	574	586
1850.00	394	555	597	609	621
1900.00	403	568	632	644	656
1950.00	412	580	667	679	691
2000.00	421	592	685	714	726
2050.00	430	604	699	749	761
2100.00	439	616	713	784	796
2150.00	448	628	727	810	831
2200.00	457	641	741	826	866
2250.00	466	653	754	841	901
2300.00	475	665	768	857	936
2350.00	484	677	782	872	959
2400.00	493	689	796	887	976
2450.00	501	701	809	902	992
2500.00	510	712	821	916	1007

2550.00	518	724	834	930	1023
2600.00	527	735	847	945	1039
2650.00	536	747	860	959	1055
2700.00	544	758	873	973	1070
2750.00	553	770	886	987	1086
2800.00	561	781	898	1002	1102
2850.00	569	792	911	1015	1117

Tennessee
Schedule Of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
2900.00	577	802	922	1028	1130
2950.00	584	812	933	1040	1144
3000.00	592	822	945	1053	1159
3050.00	600	833	957	1067	1174
3100.00	608	844	970	1081	1190
3150.00	616	855	982	1095	1205
3200.00	624	866	995	1109	1220
3250.00	632	877	1007	1123	1236
3300.00	640	888	1020	1137	1251
3350.00	648	899	1032	1151	1266
3400.00	656	910	1045	1165	1282
3450.00	664	921	1058	1179	1297
3500.00	672	932	1070	1193	1312
3550.00	680	943	1083	1207	1328
3600.00	688	954	1095	1221	1343
3650.00	695	964	1106	1233	1356
3700.00	702	973	1116	1244	1368
3750.00	709	982	1126	1255	1381
3800.00	715	991	1136	1266	1393
3850.00	722	1000	1145	1277	1405
3900.00	729	1009	1155	1288	1417
3950.00	735	1018	1165	1299	1429
4000.00	742	1027	1175	1310	1441
4050.00	749	1036	1185	1322	1454
4100.00	756	1045	1195	1333	1466
4150.00	762	1054	1205	1344	1478
4200.00	769	1063	1215	1355	1490
4250.00	776	1072	1225	1366	1502
4300.00	779	1076	1228	1370	1507
4350.00	782	1079	1231	1372	1510
4400.00	785	1082	1233	1375	1512
4450.00	788	1085	1235	1377	1515
4500.00	791	1088	1238	1380	1518

4550.00	794	1091	1240	1383	1521
4600.00	797	1094	1242	1385	1524

Tennessee
Schedule Of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
4650.00	800	1097	1245	1388	1527
4700.00	803	1100	1247	1390	1529
4750.00	806	1104	1249	1393	1532
4800.00	809	1107	1252	1395	1535
4850.00	812	1110	1254	1398	1538
4900.00	815	1113	1256	1401	1541
4950.00	819	1117	1261	1406	1546
5000.00	823	1122	1266	1411	1552
5050.00	826	1126	1270	1417	1558
5100.00	830	1131	1275	1422	1564
5150.00	834	1135	1280	1427	1570
5200.00	838	1140	1285	1432	1576
5250.00	841	1145	1290	1438	1582
5300.00	845	1149	1294	1443	1587
5350.00	849	1154	1299	1448	1593
5400.00	853	1158	1304	1454	1599
5450.00	856	1163	1309	1459	1605
5500.00	860	1167	1313	1464	1611
5550.00	864	1172	1318	1470	1617
5600.00	868	1177	1324	1476	1623
5650.00	872	1182	1329	1482	1630
5700.00	876	1187	1334	1488	1636
5750.00	880	1192	1339	1493	1643
5800.00	884	1197	1345	1499	1649
5850.00	888	1201	1350	1505	1656
5900.00	892	1206	1355	1511	1662
5950.00	896	1211	1361	1517	1669
6000.00	900	1216	1366	1523	1675
6050.00	904	1221	1371	1528	1681
6100.00	907	1225	1376	1534	1687
6150.00	911	1230	1381	1540	1694

6200.00	915	1235	1386	1545	1700
6250.00	919	1239	1391	1551	1706
6300.00	923	1244	1396	1557	1712
6350.00	926	1249	1401	1562	1718
6400.00	930	1254	1406	1568	1725
6450.00	934	1258	1411	1573	1731

Tennessee
Schedule Of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
6500.00	938	1263	1416	1579	1737
6550.00	941	1267	1420	1583	1742
6600.00	942	1268	1421	1584	1743
6650.00	943	1269	1422	1585	1744
6700.00	944	1270	1423	1586	1745
6750.00	945	1271	1424	1587	1746
6800.00	946	1272	1424	1588	1747
6850.00	947	1273	1425	1589	1748
6900.00	948	1274	1426	1590	1749
6950.00	949	1275	1427	1591	1750
7000.00	950	1276	1428	1592	1751
7050.00	951	1277	1429	1593	1752
7100.00	952	1278	1430	1594	1753
7150.00	953	1279	1430	1595	1754
7200.00	954	1280	1431	1596	1755
7250.00	955	1281	1432	1597	1757
7300.00	956	1282	1433	1598	1758
7350.00	957	1283	1434	1599	1759
7400.00	958	1284	1435	1600	1760
7450.00	959	1285	1436	1601	1761
7500.00	960	1286	1437	1602	1762
7550.00	961	1288	1438	1603	1763
7600.00	962	1289	1439	1604	1765
7650.00	963	1290	1440	1605	1766
7700.00	964	1291	1441	1606	1767
7750.00	965	1292	1442	1607	1768
7800.00	967	1293	1442	1608	1769
7850.00	969	1297	1446	1613	1774

7900.00	974	1304	1454	1621	1783
7950.00	979	1310	1461	1629	1792
8000.00	984	1317	1469	1637	1801
8050.00	990	1324	1476	1646	1810
8100.00	995	1331	1483	1654	1819
8150.00	1000	1337	1491	1662	1829
8200.00	1005	1344	1498	1671	1838
8250.00	1010	1351	1506	1679	1847
8300.00	1015	1358	1513	1687	1856

Tennessee
Schedule of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
8350.00	1020	1364	1521	1695	1865
8400.00	1025	1371	1528	1704	1874
8450.00	1030	1378	1535	1712	1883
8500.00	1035	1385	1543	1720	1892
8550.00	1040	1391	1550	1728	1901
8600.00	1045	1398	1558	1737	1910
8650.00	1050	1405	1565	1745	1920
8700.00	1055	1412	1572	1753	1929
8750.00	1060	1418	1580	1762	1938
8800.00	1065	1425	1587	1770	1947
8850.00	1070	1432	1595	1778	1956
8900.00	1075	1439	1602	1786	1965
8950.00	1080	1445	1610	1795	1974
9000.00	1085	1452	1617	1803	1983
9050.00	1090	1459	1624	1811	1992
9100.00	1094	1464	1629	1817	1998
9150.00	1098	1468	1634	1822	2004
9200.00	1101	1472	1639	1827	2010
9250.00	1105	1477	1643	1832	2016
9300.00	1108	1481	1648	1838	2021
9350.00	1112	1486	1653	1843	2027
9400.00	1115	1490	1657	1848	2033
9450.00	1119	1495	1662	1853	2038
9500.00	1122	1499	1667	1858	2044
9550.00	1126	1504	1671	1863	2050

9600.00	1129	1508	1676	1869	2055
9650.00	1133	1513	1681	1874	2061
9700.00	1136	1517	1685	1879	2067
9750.00	1140	1521	1690	1884	2073
9800.00	1143	1526	1694	1889	2078
9850.00	1147	1530	1699	1894	2084
9900.00	1150	1535	1704	1900	2090
9950.00	1154	1539	1708	1905	2095
10000.00	1158	1544	1713	1910	2101
10050.00	1161	1548	1718	1915	2107
10100.00	1165	1553	1722	1920	2112
10150.00	1168	1557	1727	1926	2118

Tennessee
Schedule of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
10200.00	1172	1562	1732	1931	2124
10250.00	1175	1566	1736	1936	2130
10300.00	1179	1570	1741	1941	2135
10350.00	1182	1575	1746	1946	2141
10400.00	1186	1579	1750	1951	2147
10450.00	1189	1584	1755	1957	2152
10500.00	1193	1588	1759	1962	2158
10550.00	1196	1593	1764	1967	2164
10600.00	1200	1597	1769	1972	2169
10650.00	1203	1602	1773	1977	2175
10700.00	1207	1606	1778	1983	2181
10750.00	1210	1610	1783	1988	2187
10800.00	1214	1615	1787	1993	2192
10850.00	1217	1619	1792	1998	2198
10900.00	1221	1624	1797	2003	2204
10950.00	1224	1628	1801	2008	2209
11000.00	1227	1632	1805	2013	2214
11050.00	1230	1636	1809	2018	2219
11100.00	1233	1639	1814	2022	2225
11150.00	1236	1643	1818	2027	2230
11200.00	1239	1647	1822	2032	2235
11250.00	1242	1651	1826	2037	2240

11300.00	1245	1655	1831	2041	2245
11350.00	1248	1659	1835	2046	2251
11400.00	1251	1663	1839	2051	2256
11450.00	1254	1667	1844	2056	2261
11500.00	1257	1671	1848	2060	2266
11550.00	1260	1674	1852	2065	2272
11600.00	1263	1678	1856	2070	2277
11650.00	1266	1682	1861	2075	2282
11700.00	1269	1686	1865	2079	2287
11750.00	1272	1690	1869	2084	2292
11800.00	1275	1694	1873	2089	2298
11850.00	1278	1698	1878	2094	2303
11900.00	1281	1702	1882	2098	2308
11950.00	1284	1706	1886	2103	2313
12000.00	1287	1709	1890	2108	2319

Tennessee
Schedule Of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
12050.00	1289	1713	1895	2113	2324
12100.00	1292	1717	1899	2117	2329
12150.00	1295	1721	1903	2122	2334
12200.00	1298	1725	1907	2127	2340
12250.00	1301	1729	1912	2132	2345
12300.00	1304	1733	1916	2136	2350
12350.00	1307	1737	1920	2141	2355
12400.00	1310	1741	1925	2146	2360
12450.00	1313	1744	1929	2151	2366
12500.00	1316	1748	1933	2155	2371
12550.00	1319	1752	1937	2160	2376
12600.00	1322	1756	1942	2165	2381
12650.00	1325	1760	1946	2170	2387
12700.00	1328	1764	1950	2174	2391
12750.00	1331	1767	1954	2178	2396
12800.00	1334	1771	1958	2183	2401
12850.00	1336	1774	1962	2187	2406
12900.00	1339	1778	1966	2192	2411
12950.00	1342	1782	1970	2196	2416

13000.00	1345	1785	1974	2201	2421
13050.00	1347	1789	1978	2205	2425
13100.00	1350	1793	1982	2209	2430
13150.00	1353	1796	1985	2214	2435
13200.00	1356	1800	1989	2218	2440
13250.00	1358	1803	1993	2223	2445
13300.00	1361	1807	1997	2227	2450
13350.00	1364	1811	2001	2231	2455
13400.00	1367	1814	2005	2236	2459
13450.00	1370	1818	2009	2240	2464
13500.00	1372	1821	2013	2245	2469
13550.00	1375	1825	2017	2249	2474
13600.00	1378	1829	2021	2254	2479
13650.00	1381	1832	2025	2258	2484
13700.00	1383	1836	2029	2262	2489
13750.00	1386	1839	2033	2267	2493
13800.00	1388	1842	2036	2270	2497
13850.00	1391	1845	2038	2273	2500

Tennessee
Schedule of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
13900.00	1393	1848	2041	2276	2503
13950.00	1395	1850	2044	2279	2506
14000.00	1398	1853	2046	2282	2510
14050.00	1400	1856	2049	2285	2513
14100.00	1402	1858	2052	2288	2516
14150.00	1405	1861	2054	2291	2520
14200.00	1407	1864	2057	2294	2523
14250.00	1409	1867	2060	2297	2526
14300.00	1411	1869	2062	2300	2529
14350.00	1414	1872	2065	2303	2533
14400.00	1416	1875	2068	2306	2536
14450.00	1418	1877	2070	2309	2539
14500.00	1421	1880	2073	2312	2543
14550.00	1423	1883	2076	2315	2546
14600.00	1425	1885	2078	2317	2549
14650.00	1428	1888	2081	2320	2553

14700.00	1430	1891	2084	2323	2556
14750.00	1432	1894	2087	2326	2559
14800.00	1434	1896	2089	2329	2562
14850.00	1437	1899	2092	2332	2566
14900.00	1439	1902	2095	2335	2569
14950.00	1441	1904	2097	2338	2572
15000.00	1444	1907	2100	2341	2576
15050.00	1446	1910	2103	2344	2579
15100.00	1448	1913	2105	2347	2582
15150.00	1451	1915	2108	2350	2585
15200.00	1453	1918	2111	2353	2589
15250.00	1455	1921	2113	2356	2592
15300.00	1457	1923	2116	2359	2595
15350.00	1460	1926	2119	2362	2599
15400.00	1462	1929	2121	2365	2602
15450.00	1464	1932	2124	2368	2605
15500.00	1467	1934	2127	2371	2609
15550.00	1469	1937	2130	2374	2612
15600.00	1471	1940	2132	2377	2615
15650.00	1474	1942	2135	2380	2618
15700.00	1476	1945	2138	2383	2622

Tennessee

Schedule Of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
15750.00	1478	1948	2140	2386	2625
15800.00	1480	1950	2143	2389	2628
15850.00	1483	1953	2146	2392	2632
15900.00	1485	1956	2148	2395	2635
15950.00	1487	1959	2151	2398	2638
16000.00	1490	1961	2154	2401	2641
16050.00	1492	1964	2156	2404	2645
16100.00	1494	1967	2159	2407	2648
16150.00	1497	1969	2162	2410	2651
16200.00	1499	1972	2164	2413	2655
16250.00	1501	1975	2167	2416	2658
16300.00	1503	1978	2170	2419	2661
16350.00	1506	1980	2172	2422	2665

16400.00	1508	1983	2175	2425	2668
16450.00	1510	1986	2178	2428	2671
16500.00	1513	1988	2181	2431	2674
16550.00	1515	1991	2183	2434	2678
16600.00	1517	1994	2186	2437	2681
16650.00	1520	1997	2189	2440	2684
16700.00	1522	1999	2191	2443	2688
16750.00	1524	2002	2194	2446	2691
16800.00	1526	2005	2197	2449	2694
16850.00	1529	2007	2199	2452	2697
16900.00	1531	2010	2202	2455	2701
16950.00	1533	2013	2205	2458	2704
17000.00	1536	2015	2207	2461	2707
17050.00	1538	2018	2210	2464	2711
17100.00	1540	2021	2213	2467	2714
17150.00	1543	2024	2215	2470	2717
17200.00	1545	2026	2218	2473	2721
17250.00	1547	2029	2221	2476	2724
17300.00	1550	2032	2223	2479	2727
17350.00	1552	2034	2226	2482	2730
17400.00	1554	2037	2229	2485	2734
17450.00	1556	2040	2232	2488	2737
17500.00	1559	2043	2234	2491	2740

Tennessee
Schedule Of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
17550.00	1561	2045	2237	2494	2744
17600.00	1563	2048	2240	2497	2747
17650.00	1566	2051	2242	2500	2750
17700.00	1568	2053	2245	2503	2753
17750.00	1570	2056	2248	2506	2757
17800.00	1573	2059	2250	2509	2760
17850.00	1575	2062	2253	2512	2763
17900.00	1577	2064	2256	2515	2767
17950.00	1579	2067	2258	2518	2770
18000.00	1582	2070	2261	2521	2773

18050.00	1584	2072	2264	2524	2777
18100.00	1586	2075	2266	2527	2780
18150.00	1589	2078	2269	2530	2783
18200.00	1591	2081	2272	2533	2786
18250.00	1593	2083	2275	2536	2790
18300.00	1596	2086	2277	2539	2793
18350.00	1598	2089	2280	2542	2796
18400.00	1600	2091	2283	2545	2800
18450.00	1602	2094	2285	2548	2803
18500.00	1605	2097	2288	2551	2806
18550.00	1607	2099	2291	2554	2809
18600.00	1609	2102	2293	2557	2813
18650.00	1612	2105	2296	2560	2816
18700.00	1614	2108	2299	2563	2819
18750.00	1616	2110	2301	2566	2823
18800.00	1619	2113	2304	2569	2826
18850.00	1621	2116	2307	2572	2829
18900.00	1623	2118	2309	2575	2833
18950.00	1625	2121	2312	2578	2836
19000.00	1628	2124	2315	2581	2839
19050.00	1630	2127	2318	2584	2842
19100.00	1633	2130	2321	2588	2847
19150.00	1637	2134	2324	2592	2851
19200.00	1640	2138	2328	2596	2855
19250.00	1643	2141	2331	2600	2859
19300.00	1646	2145	2335	2603	2864

Tennessee
Schedule of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
19350.00	1650	2149	2338	2607	2868
19400.00	1653	2152	2342	2611	2872
19450.00	1656	2156	2345	2615	2877
19500.00	1660	2160	2349	2619	2881
19550.00	1663	2163	2352	2623	2885
19600.00	1666	2167	2356	2627	2889
19650.00	1669	2171	2359	2631	2894
19700.00	1673	2175	2363	2634	2898

19750.00	1676	2178	2366	2638	2902
19800.00	1679	2182	2370	2642	2906
19850.00	1683	2186	2373	2646	2911
19900.00	1686	2189	2377	2650	2915
19950.00	1689	2193	2380	2654	2919
20000.00	1692	2197	2384	2658	2923
20050.00	1696	2200	2387	2662	2928
20100.00	1699	2204	2390	2665	2932
20150.00	1702	2208	2394	2669	2936
20200.00	1705	2211	2397	2673	2940
20250.00	1709	2215	2401	2677	2945
20300.00	1712	2219	2404	2681	2949
20350.00	1715	2223	2408	2685	2953
20400.00	1719	2226	2411	2689	2958
20450.00	1722	2230	2415	2693	2962
20500.00	1725	2234	2418	2696	2966
20550.00	1728	2237	2422	2700	2970
20600.00	1732	2241	2425	2704	2975
20650.00	1735	2245	2429	2708	2979
20700.00	1738	2248	2432	2712	2983
20750.00	1741	2252	2436	2716	2987
20800.00	1745	2256	2439	2720	2992
20850.00	1748	2259	2443	2724	2996
20900.00	1751	2263	2446	2727	3000
20950.00	1755	2267	2450	2731	3004
21000.00	1758	2271	2453	2735	3009
21050.00	1761	2274	2457	2739	3013
21100.00	1764	2278	2460	2743	3017

Tennessee
Schedule of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
21150.00	1768	2282	2463	2747	3021
21200.00	1771	2285	2467	2751	3026
21250.00	1774	2289	2470	2755	3030
21300.00	1778	2293	2474	2758	3034
21350.00	1781	2296	2477	2762	3038
21400.00	1784	2300	2481	2766	3043

21450.00	1787	2304	2484	2770	3047
21500.00	1791	2307	2488	2774	3051
21550.00	1794	2311	2491	2778	3056
21600.00	1797	2315	2495	2782	3060
21650.00	1800	2318	2498	2786	3064
21700.00	1804	2322	2502	2789	3068
21750.00	1807	2326	2505	2793	3073
21800.00	1810	2330	2509	2797	3077
21850.00	1814	2333	2512	2801	3081
21900.00	1817	2337	2516	2805	3085
21950.00	1820	2341	2519	2809	3090
22000.00	1823	2344	2523	2813	3094
22050.00	1827	2348	2526	2817	3098
22100.00	1830	2352	2530	2820	3102
22150.00	1833	2355	2533	2824	3107
22200.00	1837	2359	2536	2828	3111
22250.00	1840	2363	2540	2832	3115
22300.00	1843	2366	2543	2836	3119
22350.00	1846	2370	2547	2840	3124
22400.00	1850	2374	2550	2844	3128
22450.00	1853	2378	2554	2848	3132
22500.00	1856	2381	2557	2851	3137
22550.00	1859	2385	2561	2855	3141
22600.00	1863	2389	2564	2859	3145
22650.00	1866	2392	2568	2863	3149
22700.00	1869	2396	2571	2867	3154
22750.00	1873	2400	2575	2871	3158
22800.00	1876	2403	2578	2875	3162
22850.00	1879	2407	2582	2879	3166
22900.00	1882	2411	2585	2882	3171

Tennessee
Schedule of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
22950.00	1886	2414	2589	2886	3175
23000.00	1889	2418	2592	2890	3179
23050.00	1892	2422	2596	2894	3183
23100.00	1896	2426	2599	2898	3188

23150.00	1899	2429	2602	2902	3192
23200.00	1902	2433	2606	2906	3196
23250.00	1905	2437	2609	2910	3200
23300.00	1909	2440	2613	2913	3205
23350.00	1912	2444	2616	2917	3209
23400.00	1915	2448	2620	2921	3213
23450.00	1918	2451	2623	2925	3218
23500.00	1922	2455	2627	2929	3222
23550.00	1925	2459	2630	2933	3226
23600.00	1928	2462	2634	2937	3230
23650.00	1932	2466	2637	2941	3235
23700.00	1935	2470	2641	2944	3239
23750.00	1938	2473	2644	2948	3243
23800.00	1941	2477	2648	2952	3247
23850.00	1945	2481	2651	2956	3252
23900.00	1948	2485	2655	2960	3256
23950.00	1951	2488	2658	2964	3260
24000.00	1955	2492	2662	2968	3264
24050.00	1958	2496	2665	2972	3269
24100.00	1961	2499	2669	2975	3273
24150.00	1964	2503	2672	2979	3277
24200.00	1968	2507	2675	2983	3281
24250.00	1971	2510	2679	2987	3286
24300.00	1974	2514	2682	2991	3290
24350.00	1977	2518	2686	2995	3294
24400.00	1981	2521	2689	2999	3299
24450.00	1984	2525	2693	3003	3303
24500.00	1987	2529	2696	3006	3307
24550.00	1991	2533	2700	3010	3311
24600.00	1994	2536	2703	3014	3316
24650.00	1997	2540	2707	3018	3320
24700.00	2000	2544	2710	3022	3324

Tennessee
Schedule of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
24750.00	2004	2547	2714	3026	3328
24800.00	2007	2551	2717	3030	3333
24850.00	2010	2555	2721	3034	3337
24900.00	2014	2558	2724	3037	3341
24950.00	2017	2562	2728	3041	3345
25000.00	2020	2566	2731	3045	3350
25050.00	2023	2569	2735	3049	3354
25100.00	2027	2573	2738	3053	3358
25150.00	2030	2577	2742	3057	3362
25200.00	2033	2581	2745	3061	3367
25250.00	2036	2584	2748	3065	3371
25300.00	2040	2588	2752	3068	3375
25350.00	2043	2592	2755	3072	3380
25400.00	2046	2595	2759	3076	3384
25450.00	2050	2599	2762	3080	3388
25500.00	2053	2603	2766	3084	3392
25550.00	2056	2606	2769	3088	3397
25600.00	2059	2610	2773	3092	3401
25650.00	2063	2614	2776	3096	3405
25700.00	2066	2617	2780	3099	3409
25750.00	2069	2621	2783	3103	3414
25800.00	2073	2625	2787	3107	3418
25850.00	2076	2628	2790	3111	3422
25900.00	2079	2632	2794	3115	3426
25950.00	2082	2636	2797	3119	3431
26000.00	2086	2640	2801	3123	3435
26050.00	2089	2643	2804	3127	3439
26100.00	2092	2647	2808	3130	3443
26150.00	2095	2651	2811	3134	3448
26200.00	2099	2654	2814	3138	3452
26250.00	2102	2658	2818	3142	3456
26300.00	2105	2662	2821	3146	3460
26350.00	2109	2665	2825	3150	3465

26400.00	2112	2669	2828	3154	3469
26450.00	2115	2673	2832	3158	3473
26500.00	2118	2676	2835	3161	3478

Tennessee
Schedule of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
26550.00	2122	2680	2839	3165	3482
26600.00	2125	2684	2842	3169	3486
26650.00	2128	2688	2846	3173	3490
26700.00	2132	2691	2849	3177	3495
26750.00	2135	2695	2853	3181	3499
26800.00	2138	2699	2856	3185	3503
26850.00	2141	2702	2860	3189	3507
26900.00	2145	2706	2863	3192	3512
26950.00	2148	2710	2867	3196	3516
27000.00	2151	2713	2870	3200	3520
27050.00	2154	2717	2874	3204	3524
27100.00	2158	2721	2877	3208	3529
27150.00	2161	2724	2880	3211	3533
27200.00	2164	2728	2884	3215	3537
27250.00	2167	2731	2887	3219	3541
27300.00	2170	2735	2890	3223	3545
27350.00	2173	2738	2894	3227	3549
27400.00	2177	2742	2897	3230	3553
27450.00	2180	2746	2900	3234	3557
27500.00	2183	2749	2904	3238	3562
27550.00	2186	2753	2907	3242	3566
27600.00	2189	2756	2911	3245	3570
27650.00	2193	2760	2914	3249	3574
27700.00	2196	2764	2917	3253	3578
27750.00	2199	2767	2921	3257	3582
27800.00	2202	2771	2924	3260	3586
27850.00	2205	2774	2927	3264	3590
27900.00	2208	2778	2931	3268	3595
27950.00	2212	2781	2934	3272	3599
28000.00	2215	2785	2938	3275	3603

28050.00		2218	2789	2941	3279	3607
28100.00		2221	2792	2944	3283	3611
28150.00		2224	2796	2948	3287	3615
28200.00		2227	2799	2951	3290	3619
28250.00		2231	2803	2954	3294	3624

Tennessee
Schedule of Basic Child Support Obligations

For combined adjusted gross income in excess of \$28,250.00:		
	One child:	2231 plus 6.81% of all income in excess of 28250
	Two children:	2803 plus 7.22% of all income in excess of 28250
	Three children:	2954 plus 7.77% of all income in excess of 28250
	Four children:	3294 plus 8.05% of all income in excess of 28250
	Five + children:	3624 plus 8.66% of all income in excess of 28250

Authority: T.C.A. §§ 4-5-202, 36-5-101(e) and 71-1-105(12), (15)-(16), 71-1-132; 42 U.S.C. § 667; and 45 C.F.R. § 302.56.

**Addendum:
Tennessee Child Support Guidelines Review
(Sept. 2021)**

ADDENDUM: TENNESSEE CHILD SUPPORT GUIDELINES REVIEW (SEPT. 2021)

PURPOSE AND BACKGROUND

This is an addendum to the report documenting the Tennessee Child Support Guidelines Review.⁵⁸ It documents a recommended change to the self-support reserve (SSR). Specifically, it recommends changing the current SSR amount of \$1,113 net per month to a SSR of \$957 gross per month. Implementing this change requires modification of two paragraphs in the Rules of the Tennessee Department of Human Services (CSSD Chapter 1240-02-04) as well as the low-income end of the schedule. These proposed changes are shown in Appendix A by striking out text to be replaced and inserting new text that is noted by underlined, red font.

The change was recommended by a joint committee formed between the Tennessee Supreme Court, Administrative Office of the Courts (AOC) and Tennessee Department of Human Services (DHS); hereafter referred to the AOC-DHS Joint Child Support Committee. Conceived in August 2020, the committee was formed in response to concerns with the child support guidelines changes that became effective May 10, 2020. Concerns were heard at the July 8, 2020 meeting of the Government Operations Committee of the Tennessee State Legislature.

The members of the AOC-DHS Joint Child Support Committee are listed in Exhibit 1. The committee is an addition and separate from the Guidelines Review Task Force that was formed in 2017 and discussed in the report.⁵⁹

EXHIBIT 1: AOC – DHS JOINT CHILD SUPPORT COMMITTEE	
AOC Members	DHS Members
Honorable Sheila Calloway, Juvenile Court Judge Davidson County Tennessee Council of Juvenile & Family Court Judges (TCJFCJ) Legislative Committee Member	Krisann Hodges, General Counsel Office of General Counsel Tennessee Department of Human Services
Honorable Rachel Jackson, Juvenile Court Judge Lauderdale County	Rebekah Parkhurst, Deputy General Counsel Office of General Counsel

⁵⁸Tennessee Child Support Guidelines Review: Findings and Recommendations. (Revised June 2020.) Report prepared for Tennessee Department of Human Services. Retrieved from: [Section 1 \(tn.gov\)](#)

⁵⁹ Tenn. Code Ann. § 36-5-101(l)(i)(v) charges DHS with the guidelines review. DHS formed a Task Force to help fulfill a new federal requirement (45 C.F.R. §302.56 (h)(3)) to “[p]rovide 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.” Additional opportunities for public input are documented in the report.

Tennessee Council of Juvenile & Family Court Judges (TCJFCJ) Legislative Chair	Tennessee Department of Human Services
Honorable Daryl Fansler, Retired Chancellor 6th Judicial District Tennessee Jurist in Residence (JIR)	Robert Duck, Director of Operations Child Support Policy Family Assistance and Child Support Services Tennessee Department of Human Services
Honorable Ashleigh Travis, State Child Support Magistrate 19th Judicial District	Patti Wood, Director of Operations Child Support Field Services and Contracts Family Assistance and Child Support Services Tennessee Department of Human Services
Honorable Stan Briggs, Child Support Magistrate Knox County Juvenile Court	
AOC Staff Participants	DHS Staff Participants
Michelle Consiglio-Young, Esq., Director and Counsel Office of Intergovernmental Affairs Tennessee Supreme Court Administrative Office of the Courts	Suzanne Carr, Director of Legislation and Special Projects Public Information and Legislative Office Tennessee Department of Human Services
Stephanie Etheridge, Juvenile Court Manager and Statewide Judicial Safe Baby Court Coordinator Tennessee Supreme Court Administrative Office of the Courts Office of Intergovernmental Affairs, Children’s Justice Team	Matthew Tarpley, Executive Administrative Assistant 2 Office of General Counsel Tennessee Department of Human Services

CHRONOLOGY OF GUIDELINES REVIEW AND PROPOSED CHANGES

As documented in the report, DHS began reviewing the child support guidelines in Fall 2017. The review was intent on making recommendations that clearly would bring Tennessee in compliance with federal requirements of child support guidelines, particularly new requirements of state guidelines imposed by the “Flexibility, Efficiency and Modernization in Child Support Enforcement Programs Rule” that were published December 2016.⁶⁰ (Hereafter referred to as the “FEM.”) FEM essentially requires states to meet the new federal requirements a year after their quadrennial review commencing after 2016. DHS Child Support Services (CSS) initially filed proposed rule changes through a *Notice of Rulemaking Hearing on June 14, 2019*. These proposed rule changes included changes that would bring Tennessee in compliance with the FMR. Based on comments received to the June 2019 *Notice*, CSS revised the proposed rule changes and submitted an amended *Rulemaking Filing Form* on February 10,

⁶⁰ 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. <https://www.gpo.gov/fdsys/pkg/FR-2016-12-20/pdf/2016-29598.pdf>.

2020 that also would bring Tennessee in compliance with the FMR. The *Rules* filed in February became effective May 10, 2020. Both sets of proposed rules changes (those published in June 2019 and February 2020) included a SSR of \$1,113 net per month. The major change from the February 2019 version to the May 2020 version was an increase to the minimum support amount.

All changes in agency rules are reviewed by the Government Operations Committee of the Tennessee State Legislature. The Committee heard concerns about the May 2020 child support guidelines changes at its July 8, 2020 meeting including testimony via telephone from Judge Tim Irwin, Knox County. Subsequently, Judge Irwin, as president of the Tennessee Council of Juvenile and Family Courts Judges (TCJFCJ), submitted a resolution opposing some of the guidelines changes on behalf of the TCJFCJ Executive Committee on August 20, 2020. Among other things, the resolution took issues with the SSR. At their August 26, 2020 meeting, the Government Operations Committee encouraged TCJFCJ and DHS to collaborate on developing changes to the child support guidelines that would meet the FEM requirements of state guidelines as well as address the concerns of TCJFCJ. The Committee met several times during the Fall of 2020 and agreed on a recommended change by December 2020.

TECHNICAL CONSIDERATIONS IN THE DEVELOPMENT OF THE SELF-SUPPORT RESERVE

As discussed in the 2018 report, DHS with input from a Guidelines Review Task Force extensively considered several different options for fulfilling the federal requirement (45 C.F.R. §302.56 (c)(1)(ii)) to:

[Take] 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.

At the time, Tennessee was one of two of the 40 states using the Income Shares guidelines that did not have a presumptive low-income adjustment or a built-in self-support reserve (SSR) in its schedule. In 2016, there were 37 state guidelines that provided a SSR.⁶¹ Although today's count is unknown and changing as more states meet the new federal requirements, there are several additional states that now provide a SSR. For example, Illinois adopted a SSR in 2016 and Arkansas adopted a SSR in 2020.

⁶¹ JANE VENOHR, REVIEW OF THE NEVADA CHILD SUPPORT GUIDELINES 50 (2016), <https://www.leg.state.nv.us/Session/79th2017/Exhibits/Senate/JUD/SJUD144D.pdf>.

The higher the amount of the SSR, the lower the guidelines-determined amount. Most states relate the amount of the SSR to the federal poverty guidelines (FPG) for one person. Some states update it annually with annual changes to the FPG. Several states provide a SSR that is more than 100 percent of the FPG to account for payroll taxes or to mirror income eligibility thresholds for SNAP, Medicaid, or other assistance that are more than 100 percent of the FPG. These and other factors were considered when arriving at a SSR of 110 percent of the 2018 FPG in the initial draft of the proposed guidelines changes. (The 2018 FPG, which was \$1,012 per month for one person, was considered because much of the deliberation occurred in 2018.)

The AOC-DHS Joint Child Support Committee considered basing the SSR on the most recent data available: the 2020 FPG, which is \$1,063 per month for one person. The AOC-DHS Joint Child Support Committee considered SSRs based on 70, 75, 80, 85, 90, 100, and 105 percent of the 2020 FPG for one person. For simplicity, the SSR is considered to be a gross-income basis because the child support schedule relates to gross income. (A SSR may relate to net or gross income.) One rationale for using 90 percent was that Tennessee price levels are about 10 percent lower than the national average,⁶² while the FPG is an amount to be used for the lower 48 states. Ninety percent of the 2020 FPG is \$957 per month.

A minimum basic obligation of \$100 per month in the schedule was retained. This is different than a minimum order of \$100 per month. A minimum basic obligation relates to the combined gross income of the parties; hence what is owed by both parties. The minimum order applies only to the party obligated to pay support with some exceptions.⁶³ The guidelines effective May 2020 includes both a minimum basic obligation of \$100 per month and a minimum order of \$100 per month. The guidelines effective prior to May 2020 only included a minimum basic obligation of \$100 per month.

As shown in the proposed schedule changes in Appendix A, the \$100 minimum basic obligation would apply to combined adjusted gross incomes of \$950 per month or less, where \$950 approximates the SSR of \$957 per month. For incomes just above \$950 per month (\$1,000 and \$1,050 per month), there are some incremental increases to the minimum basic obligation of \$100 per month that becomes larger for more children. As discussed in the report, this serves two purposes: it recognizes the additional expense of more children; and it eases the gradual

⁶² Tennessee's price parity is 89.9, which essentially means Tennessee's prices are 10.1 percent less than the national average. See U.S. Bureau of Economic Analysis. (May 2020). *Real Personal Income By State and Metropolitan Area, 2018*. <https://www.bea.gov/news/2020/real-personal-income-state-and-metropolitan-area-2018>.

⁶³ An exception would be the circumstances when the parties have equal incomes and equal physical custody.

transition to the actual economic data on the cost of raising children that forms the basis of the schedule amounts that are not adjusted for the SSR. Once combined adjusted gross incomes are above \$1,500 per month, \$35 per month is added to the basic obligation for every \$50 per month of additional combined adjusted gross income until the child support schedule based on economic evidence of the cost of raising children is less. The lesser amount is used as the new schedule amount. The \$35 increment for every \$50 in additional adjusted gross income recognizes that some of the increased gross income must be devoted to payroll taxes. It also gradually phases out the SSR and phases in the schedule amounts based on the economic cost of raising children. Without this gradual phase-out/phase-in, there would be abrupt changes in the schedule amounts that could cause a precipitous decrease or increase in the guidelines-determined amount (also called a “cliff effect”) with minute income changes. In general, it is considered good public policy to avoid cliff effects.

Other Considerations

The AOC-DHS Joint Child Support Committee considered other factors but made no other recommended changes.

PROPOSED CHANGES TO GUIDELINES CHANGES PUBLISHED JULY 2021

Only sections with proposed amendments appear.

Chapter 1240-02-04 Child Support Guidelines

Amendments

Rule 1240-02-04-.03 THE INCOMES SHARES MODEL.

- (4) Assumptions and Methodology Used in the Income Shares Model.
 - (a) Determination of the Basic Child Support Obligation.
 - 1. The Income Shares Model incorporates a numerical schedule, designated in these Guidelines as the CS Schedule or Schedule, found in Rule 1240-02-04-.09, that establishes the dollar amount of child support obligations corresponding to various levels of parents' combined AGI, the number of children for whom the child support order is being established or modified, and taking into consideration SSR requirements.
 - 2. The Schedule is used to determine the BCSO, according to the rules in this chapter.
 - 3. Each parent's share of the BCSO is determined by prorating the child support obligation between the parents in the same ratios as each parent's individual AGI is to the Combined AGI.
 - 4. If custody or guardianship of a child is awarded to a person or entity other than a parent of the child as defined in 1240-02-04-.02(15), the child support obligation shall be calculated on the Worksheet according to the rules for standard parenting, and each parent will be responsible for paying his/her share of the final obligation to the non-parent caretaker of the child. If only one parent is available, then that parent's income alone is considered in establishing the child support award. The income of a non-parent caretaker is not considered. If the tribunal is able to order both parents to pay support for the children, the tribunal shall assign each parent a Pro Rata share of the additional expenses.
 - 5. When a child is placed in State custody, the Department of Children's Services may set the initial child support order without using the worksheet.
 - (b) Child Support Schedule Assumptions.
 - 1. The Child Support Schedule is based on the Combined AGI of both parties.
 - 2. Self-Support Reserve (SSR).

- (i) The guidelines include a SSR that ensures obligors have sufficient income to maintain a minimum standard of living based on ~~44%~~ 90% of the ~~2018~~ 2020 federal poverty level for one person (~~\$1,113 net~~ \$957 gross income per month).
- (ii) If the Obligor's AGI falls within the shaded area of the CS Schedule and the SSR is used, the BCSO is computed using only the obligor's income. This shaded area incorporates a SSR of ~~\$1,113~~ \$957 (~~44% net~~ 90% gross income of the ~~2018~~ 2020 federal poverty level for one person). In all other cases, the BCSO is computed using the combined AGIs of both parents.
- (iii) If the obligation using only the obligor's monthly gross income is an obligation within the shaded area of the CS Schedule, that amount shall be compared to the obligor's proportionate share using both parents' monthly gross incomes. The lesser amount establishes the BCSO. If the SSR adjustment is applied, the obligor will not receive the parenting time credit.

State of Tennessee – Child Support Worksheet

1240-02-04-.09 Child Support Schedule.

Tennessee
Schedule of Basic Child Support Obligations

Monthly Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five + Children
Monthly Combined Child Support Obligation					
150-1100.00	100	100	100	100	100
1150.00	100	100	107	119	131
1200.00	100	127	142	154	166
1250.00	135	162	177	189	201
1300.00	170	197	212	224	236
1350.00	205	232	247	259	271
1400.00	240	267	282	294	306
1450.00	275	302	317	329	341
1500.00	310	337	352	364	376
1550.00	335	372	387	399	411
1600.00	345	407	422	434	446
1650.00	355	442	457	469	481
1700.00	365	477	492	504	516
1750.00	375	512	527	539	551
1800.00	384	542	562	574	586
1850.00	394	555	597	609	621
1900.00	403	568	632	644	656
1950.00	412	580	667	679	691
2000.00	421	592	685	714	726
2050.00	430	604	699	749	761
2100.00	439	616	713	784	796
2150.00	448	628	727	810	831
2200.00	457	641	741	826	866
2250.00	466	653	754	841	901
2300.00	475	665	768	857	936

<u>150.00-950.00</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
<u>1000.00</u>	<u>100</u>	<u>100</u>	<u>107</u>	<u>119</u>	<u>131</u>
<u>1050.00</u>	<u>100</u>	<u>127</u>	<u>142</u>	<u>154</u>	<u>166</u>
<u>1100.00</u>	<u>135</u>	<u>162</u>	<u>177</u>	<u>189</u>	<u>201</u>
<u>1150.00</u>	<u>170</u>	<u>197</u>	<u>212</u>	<u>224</u>	<u>236</u>
<u>1200.00</u>	<u>205</u>	<u>232</u>	<u>247</u>	<u>259</u>	<u>271</u>
<u>1250.00</u>	<u>240</u>	<u>267</u>	<u>282</u>	<u>294</u>	<u>306</u>
<u>1300.00</u>	<u>275</u>	<u>302</u>	<u>317</u>	<u>329</u>	<u>341</u>
<u>1350.00</u>	<u>295</u>	<u>337</u>	<u>352</u>	<u>364</u>	<u>376</u>
<u>1400.00</u>	<u>305</u>	<u>372</u>	<u>387</u>	<u>399</u>	<u>411</u>
<u>1450.00</u>	<u>315</u>	<u>407</u>	<u>422</u>	<u>434</u>	<u>446</u>
<u>1500.00</u>	<u>325</u>	<u>442</u>	<u>457</u>	<u>469</u>	<u>481</u>
<u>1550.00</u>	<u>335</u>	<u>477</u>	<u>492</u>	<u>504</u>	<u>516</u>
<u>1600.00</u>	<u>345</u>	<u>487</u>	<u>527</u>	<u>539</u>	<u>551</u>
<u>1650.00</u>	<u>355</u>	<u>500</u>	<u>562</u>	<u>574</u>	<u>586</u>
<u>1700.00</u>	<u>365</u>	<u>514</u>	<u>597</u>	<u>609</u>	<u>621</u>
<u>1750.00</u>	<u>375</u>	<u>528</u>	<u>612</u>	<u>644</u>	<u>656</u>
<u>1800.00</u>	<u>384</u>	<u>542</u>	<u>628</u>	<u>679</u>	<u>691</u>
<u>1850.00</u>	<u>394</u>	<u>555</u>	<u>644</u>	<u>714</u>	<u>726</u>
<u>1900.00</u>	<u>403</u>	<u>568</u>	<u>657</u>	<u>733</u>	<u>761</u>
<u>1950.00</u>	<u>412</u>	<u>580</u>	<u>671</u>	<u>748</u>	<u>796</u>
<u>2000.00</u>	<u>421</u>	<u>592</u>	<u>685</u>	<u>764</u>	<u>831</u>
<u>2050.00</u>	<u>430</u>	<u>604</u>	<u>699</u>	<u>779</u>	<u>857</u>
<u>2100.00</u>	<u>439</u>	<u>616</u>	<u>713</u>	<u>795</u>	<u>874</u>
<u>2150.00</u>	<u>448</u>	<u>628</u>	<u>727</u>	<u>810</u>	<u>891</u>
<u>2200.00</u>	<u>457</u>	<u>641</u>	<u>741</u>	<u>826</u>	<u>908</u>
<u>2250.00</u>	<u>466</u>	<u>653</u>	<u>754</u>	<u>841</u>	<u>925</u>
<u>2300.00</u>	<u>475</u>	<u>665</u>	<u>768</u>	<u>857</u>	<u>942</u>
2350.00	484	677	782	872	959
2400.00	493	689	796	887	976
2450.00	501	701	809	902	992
2500.00	510	712	821	916	1007
2550.00	518	724	834	930	1023
2600.00	527	735	847	945	1039
2650.00	536	747	860	959	1055
2700.00	544	758	873	973	1070
2750.00	553	770	886	987	1086
2800.00	561	781	898	1002	1102
2850.00	569	792	911	1015	1117