Regulatory Analysis

Notice of Intended Action to be published: 441—Chapters 98, 99, 101, and 102
"Changes to Child Support Rules to Conform to Iowa Supreme Court Guidelines"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 96.3, 234.39, 252B.3, 252B.4, 252B.5, 252B.7A, 252B.9, 252B.21, 252D, 252E, 252I, 252J, 421.65, and 598.21(4)

State or federal law(s) implemented by the rulemaking: Iowa Court Rules Chapter 9 and 15 U.S.C. §1673(b)

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

September 9, 2025 10 a.m.	Microsoft Teams Meeting ID: 267 668 396 724 6 Passcode: zz9uV3ja

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the Department of Health and Human Services no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Victoria L. Daniels
Department of Health and Human Services
Lucas State Office Building
321 East 12th Street
Des Moines, Iowa 50319
Phone: 515.829.6021
Email: compliancerules@hhs.iowa.gov

Purpose and Summary

This proposed rulemaking implements changes to conform to anticipated updates to the Iowa Supreme Court Guidelines based on the quadrennial review required by 45 CFR §302.56(e) and Chapter 9 of the Iowa Court Rules. One of the proposed changes to the Iowa Supreme Court Guidelines is, when appropriate, to include a child care add-on when calculating the amount of child support.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

There are no costs associated with this proposed rulemaking.

- **Classes of persons that will benefit from the proposed rulemaking:**

Qualifying Iowa parents receiving child support who provide child care expenses and request a child care add-on will benefit from the proposed rulemaking.

2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**

- **Quantitative description of impact:**

Child Support Services provided services to customers of 136,174 cases in SFY 2024 and collected $307,827,757 in support for families in SFY 2024.

- **Qualitative description of impact:**

Qualifying Iowa parents receiving child support who provide child care expenses and request a child care add-on will benefit from the proposed rulemaking.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

The Department incurs personnel and other administrative costs associated with enforcing the proposed rulemaking.

- **Anticipated effect on State revenues:**

The proposed rulemaking has no effect on State revenues.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

The rulemaking is appropriate in order to implement changes to the Iowa Court Rules' chapter regarding child support.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

No other methods were considered.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

Not applicable.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

The rulemaking is appropriate in order to implement changes to the Iowa Court Rules' chapter regarding child support.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

This proposed rulemaking has no impact on small business.

Text of Proposed Rulemaking

ITEM 1. Adopt the following **new** definition of "Current support," in rule **441—98.1(252B,252E)**:

"Current support" means an amount for the ongoing support of a child and means the same as "support" as defined in Iowa Code section 252D.16.

ITEM 2. Amend paragraph **98.42(1)"a"** as follows:

a. A claim or offset is contested as provided in subrule ~~98.29(2), 98.30(3), or~~ 98.30(8) by a person's alleging a mistake of fact.

ITEM 3. Amend paragraph **99.1(1)"b"** as follows:

b. Income or other benefits derived from public assistance programs funded by a federal, state, or local governmental agency or entity that are listed in ~~441—41.8~~ 441—41.27(239B) as exempt from consideration in determining eligibility under FIP.

ITEM 4. Rescind subrule **99.2(3)**.

ITEM 5. Renumber subrules **99.2(4)** and **99.2(5)** as **99.2(3)** and **99.2(4)**.

ITEM 6. Adopt the following **new** paragraph **99.4(2)"c"**:

c. Child care expense add-on. When requested by a parent and if applicable, child support services will calculate the amount of the child care add-on as prescribed by the Iowa Supreme Court guidelines.

(1) Actual child care expenses will be verified by a copy of the custodial parent's federal or state income tax return or by a signed statement from the persons or agencies providing the child care showing the total expenses and the time period the expenses represent. The child care expenses must be reasonably expected to continue.

(2) If the child care expense verification submitted represents a period that is less than 12 months, child support services will convert the expenses provided to an annual expense amount for the calculation.

(3) If the child care expense verification submitted shows varying levels of care during the year, such as full-time summer care and part-time care before and after school during the school year, child support services will average the applicable expenses to determine an annual expense amount for the calculation.

(4) Child support services will round the calculated amount of the child care add-on to the nearest whole dollar.

(5) Any child care add-on recommended by child support services will end on the first date that the next periodic support payment becomes due after the youngest child's thirteenth birthday. Child support services may recommend an earlier end date if the custodial parent provides a date that child care expenses are reasonably expected to end prior to the youngest child's thirteenth birthday.

ITEM 7. Amend subrule 99.4(3) as follows:

99.4(3) *Establishing accrued support debt amount.*

a. No change.

b. Calculating accrued support debt. Child support services will calculate the accrued support debt as follows:

(1) to (4) No change.

(5) Child support services will calculate the total amount of the FIP support debt by multiplying the number of months for which assistance was paid times the determined guidelines amount, excluding any applicable child care add-on amount.

(6) Child support services may calculate the total amount of the foster care support debt by multiplying the number of months for which assistance was paid times the determined guidelines amount, excluding any applicable child care add-on amount, and will adjust this amount for weeks in which no foster care benefits were paid.

c. Establishing the accrued support repayment amount.

(1) In cases other than foster care, child support services will establish the repayment amount as follows:

1. When there is an ongoing obligation, the monthly repayment amount will be 10 percent of the ongoing amount, including any child support, child care add-on and cash medical support ordered, unless the noncustodial parent agrees to a higher amount.

2. When the order does not include ongoing support, the monthly repayment amount will be the same as the amount for ongoing child support that would have been due if such an obligation had been established. However, when all of the children for whom accrued support debt is sought are residing with the noncustodial parent, the monthly repayment amount will be set at 10 percent of this amount.

(2) In foster care cases, child support services will establish the repayment amount in the same manner as subparagraph 99.4(3)*"c"*(1), but may establish weekly amounts and if the order does not include ongoing support, the repayment amount will be set at 10 percent of the amount for ongoing child support that would have been due if such an obligation had been established.

ITEM 8. Amend subrule 101.7(1) as follows:

101.7(1) *Conducting the review.* Child support services ~~or its attorney~~ will review the case for administrative adjustment of a child support obligation unless it is determined that any of the following exist:

a. The location of one or both of the parents is unknown.

b. The variation from the Iowa Supreme Court mandatory child support guidelines is based on any material misrepresentation of fact concerning any financial information submitted to child support services.

c. The criteria of rule 441—101.4(252B,252H) are not met.

d. The end date of the order is less than 12 months in the future or the youngest child is 17½ years of age.

ITEM 9. Amend rule 441—101.8(252B,252H) as follows:

441—101.8(252B,252H) Medical support—review and adjustment. Child support services~~, or its attorney,~~ will review the medical support provisions contained in any permanent child support order that is subject to review under rule 441—101.7(252B,252H) and will include in any adjustment order a provision for medical support as defined in Iowa Code chapter 252E, and as set forth in 441—Chapter 98, or other appropriate provisions pertaining to medical support for all children affected directly by the child support order under review.

ITEM 10. Renumber rule **441—101.21(17A)** as **441—101.22(17A)**.

ITEM 11. Adopt the following **new** rule 441—101.21(252B,252H):

441—101.21(252B,252H) Child care add-on Child support services will review a child care add-on or expense agreement contained in any permanent child support order that is subject to review under rule 441—101.7(252B,252H) or 441—101.13(252H) as follows:

101.21(1) *Order with child care add-on.*

a. If the custodial parent provides the necessary information to determine the amount of child care expenses as described in 441—paragraph 99.4(2)*"c,"* child support services will review the information and apply the child care add-on based on the guidelines, if appropriate. Any resulting child care add-on will replace the existing child care add-on.

b. If the custodial parent does not provide the necessary information to determine the amount of child care expenses as described in 441—paragraph 99.4(2)*"c,"* the resulting modified child support amount will no longer include an added amount for child care expenses.

101.21(2) *Order with child care expense agreement.* Child support services will review an order with an existing child care expense agreement entered in lieu of a child care add-on as follows:

a. If the custodial parent provides the necessary information to determine the amount of child care expenses as described in 441—paragraph 99.4(2)*"c,"* child support services will review the information and apply the child care add-on based on the guidelines, if appropriate. Any resulting child care add-on will replace the existing child care expense agreement.

b. If the custodial parent does not provide the necessary information to determine the amount of child care expenses as described in 441—paragraph 99.4(2)*"c,"* child support services will recommend that any existing child care expense agreement remain unchanged.

101.21(3) *Order without a child care add-on or expense agreement.* If the custodial parent provides the necessary information to determine the amount of child care expenses as described in 441—paragraph 99.4(2)*"c"* and there is no current child care expense agreement or child care add-on, child support services will review the information and apply the appropriate child care add-on based on the guidelines.

ITEM 12. Amend rule **441—102.1(252B)**, definition of "Support for a child," as follows:

"Support for a child" means either a set amount of monetary support (child support and any applicable child care add-on), or medical support as defined in Iowa Code section 252E.1, for the benefit of a child. This term does not include spousal support as defined in this rule.

ITEM 13. Adopt the following **new** paragraph **102.3(3)"c"**:

c. If the basis for suspension applies to at least one but not all of the children and if the support order includes a child care add-on, child support services will assist in suspending the child care add-on if child support is being suspended for all of the children who are then subject to the child care add-on. If child support is not being suspended for all of the children who are then subject to the child care add-on and the support order does not apportion the child care add-on between those children, child support services will not assist in suspending the child care add-on. If the support order does not state whether a specific child care add-on amount is included in the step change amounts, child support services will assist in suspending support as set forth in paragraph 102.3(3)*"b."*

ITEM 14. Adopt the following **new** paragraph **102.8(5)"c"**:

c. If the basis for suspension applies to at least one but not all of the children and if the support order includes a child care add-on, child support services will assist in suspending the child care add-on if child support is being suspended for all of the children who are then subject to the child care add-on. If child support is not being suspended for all of the children who are then subject to the child care add-on and the support order does not apportion the child care add-on between those children, child support services will not assist in suspending the child care add-on. If the support order does not state whether a specific child care add-on amount is included in the step change amounts, child support services will assist in suspending support as set forth in paragraph 102.3(3)*"b."*

ITEM 15. Adopt the following **new** subrule 102.14(3):

102.14(3) Child support services will seek to have a previously suspended child care add-on reinstated when seeking to reinstate child support for one or more children who are subject to the child care add-on.