

BILL ANALYSIS

Senate Research Center

H.B. 448
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Jurisprudence
5/16/2007
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law does not give courts guidance regarding how to calculate the cost of health insurance when multiple children are covered by the same policy but are not all from the marriage covered by the order. Additionally, the top net resources dollar bracket has not been adjusted in more than a decade, and the current statutes are not clear regarding the court's discretion in addressing child support to be paid by certain lower wage earners.

H.B. 448 provides a formula for determining the cost of health insurance when multiple children are covered by the same policy but are not all from the marriage covered by the order. The bill adjusts the top dollar bracket for the net resources calculation and clarifies existing law regarding the discretion of the court in establishing child support amounts for lower wage earners.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 154.062, Family Code, by adding Subsection (e), as follows:

(e) Requires the court, in calculating expenses for health insurance coverage for an obligor's child under Subsection (d)(5), if the obligor has other minor dependents covered under the same health insurance plan, to divide the total cost to the obligor for the insurance by the total number of minor dependents, including the child, covered under the plan.

SECTION 2. Amends Section 154.125, Family Code, as follows:

Sec. 154.125. New heading: APPLICATION OF GUIDELINES TO NET RESOURCES. (a) Provides that the guidelines for the support of a child in this section are specifically designed to apply to situations in which the obligor's monthly net resources are not greater than \$7,500 or the adjusted amount determined under Subsection (a-1), whichever is greater, rather than \$6,000 or less.

(a-1) Provides that the dollar amount prescribed by Subsection (a) is adjusted every six years as necessary to reflect inflation. Requires the Title IV-D agency to compute the adjusted amount, to take effect beginning September 1 of the year of the adjustment, based on the percentage change during the preceding six-year period in the consumer price index, as rounded to the nearest \$50 increment. Requires the Title IV-D agency to publish the adjusted amount in the Texas Register before September 1 of the year in which the adjustment takes effect. Defines "consumer price index."

(a-2) Requires the initial adjustment required by Subsection (a-1) to take effect September 1, 2013. Provides that this subsection expires September 1, 2014.

(b) Requires the court, if the obligor's monthly net resources are not greater than the amount provided by Subsection (a), rather than \$6,000 or less, to

presumptively apply a certain schedule setting forth child support guidelines in rendering the child support order.

SECTION 3. Amends Section 154.126, Family Code, as follows:

Sec. 154.126. New heading: APPLICATION OF GUIDELINES TO ADDITIONAL NET RESOURCES. Requires the court, if the obligor's net resources exceed the amount provided by Section 154.125(a), rather than \$6,000 per month, to presumptively apply the percentage guidelines to the portion, rather than the first \$6,000, of the obligor's net resources that does not exceed that amount. Makes conforming changes.

SECTION 4. Amends Section 154.130(b), Family Code, to make conforming changes.

SECTION 5. Amends Section 154.182, Family Code, by adding Subsection (d), as follows:

(d) Requires the court, in calculating the additional child support to be withheld under Subsection (b)(2), if the obligee has other minor dependents covered under the same health insurance plan, to divide the total cost to the obligee for the insurance by the total number of minor dependents, including the child, covered under the plan.

SECTION 6. Amends Section 154.183(b), Family Code, as follows;

(b) Authorizes the court, if the court finds and states in the child support order that the obligee will maintain health insurance coverage for the child at the obligee's expense, to increase the amount of child support to be paid by the obligor in an amount not exceeding the total expense to the obligee for maintaining health insurance coverage. Requires the court, in calculating the total expense to the obligee for maintaining health insurance for the child under this subsection, if the obligee has other minor dependents covered under the same health insurance plan, to divide the total expense to the obligee for the insurance by the total number of minor dependents, including the child, covered under the plan.

SECTION 7. Makes application of the changes in law made by this Act to Sections 154.125, 154.126, and 154.130(b), Family Code, prospective.

SECTION 8. Provides that the changes in law made by this Act apply only to a proceeding to establish or modify a child support obligation that is pending on or filed on or after the effective date of this Act.

SECTION 9. Effective date: September 1, 2007.