

Guidelines Advisory Committee Report and Recommendations

Oregon Child Support Program
Child Support Guidelines Review
December 2025



OREGON
CHILD SUPPORT
PROGRAM
SUPPORTING PARENTS TO SUPPORT CHILDREN

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Introduction

The Oregon Child Support Program plays a vital role in promoting the well-being of children by ensuring that parents meet their financial responsibilities. As part of its commitment to fairness, equity, and compliance with federal and state laws, the program periodically reviews its guidelines to assess their effectiveness and relevance in today's social and economic landscape.

This review provides an opportunity to evaluate whether the current child support guidelines continue to meet the needs of Oregon families, reflect the actual costs of raising children, and support consistent and just outcomes across diverse family situations. It also creates an opportunity for stakeholders to provide feedback.

The following document outlines the scope of the most recent review, key areas of focus, the process by which recommendations for updates or changes were developed and recommendations for updates to Oregon's child support guidelines. This report is made on behalf of the 2025 Guidelines Advisory Committee, through the Oregon Child Support Program Policy Team.

The Guidelines Review

Quadrennial Review Mandate

45 CFR § 302.56 requires states to review, and revise, if appropriate, the child support guidelines at least once every four years to ensure that their application results in the determination of appropriate child support order amounts. Oregon's last major guidelines review was in 2011-2013. Subsequent reviews have been delayed by the program's system modernization project and the Covid-19 pandemic. The self-support reserve is adjusted annually, and other guidelines rules are amended as needed between quadrennial reviews.

Economic Study

As part of child support guidelines review, states must consider economic data on the cost of raising children, analyze case data, and provide a meaningful opportunity for public input.

For the first step in this review, the Oregon Child Support Program contracted with the Center for Policy Research to create an economic analysis on the cost of raising children and an updated obligation scale. The revised obligation scale is capped at \$50,000 monthly income, instead of

\$30,000, and reduces the number of children considered from 10 to 6. The Center for Policy Research also provided analysis on other factors impacting the child support guideline (i.e., the self-support reserve for low-income parents, the cost of the child’s health care, and parenting time).” A comprehensive report of their findings, titled [Oregon Child Support Guideline: Economic Data on Cost of Raising Children, Scale Update, and Other Issues](#), can be found on the Oregon Child Support Program website.

Guidelines Advisory Committee

The top priority is for the guidelines to produce fair and equitable child support orders for Oregon families. The purpose of Oregon Child Support Guidelines Advisory Committee was to review and recommend changes to the Oregon Child Support Guidelines to better serve Oregon families.

The committee typically includes representatives from various stakeholder groups—such as legal professionals, judges, advocates, economists, and child support staff—who bring valuable insights and expertise to the process. During this review, parents with lived experience also served on the committee.

The committee’s work was guided by four overarching principles, adopted when the committee convened:

- The guidelines must produce fair and equitable awards;
- Rules should be understandable to families and practitioners;
- Calculations should not be complex; and
- Orders are enforceable.

Committee Membership

Name	Title	Representation
Dawn Marquardt*	Chair, Deputy Director	Oregon Child Support Program
Lenny Kistler**	Chair, Acting Deputy Director	Oregon Child Support Program
Erin Biencourt	Attorney	Corey, Byler & Rew, L.L.P.
Donna Brann	Presiding Administrative Law Judge	Office of Administrative Hearings
Deborah Dowdle	Parent	Lived Experience Representative
Kelly Evans	Attorney	Harris Velázquez Gibbens
Tabitha Fish	Parent	Lived Experience Representative

Luciana Fontanini	Policy Analyst	Oregon Child Support Program
Jeremy Gibons	Deputy District Attorney	Clackamas County DA Family Support Office, Oregon Child Support Program
Heath Hattaway	Attorney	Baxter Law, LLC
Martin Herbest	Division of Child Support Branch Manager	Oregon Child Support Program
Christine Hill	Child Support Analyst	Oregon Judicial Department – Juvenile and Family Court Programs
Trena Klohe	Attorney	Oregon Law Center
Sabrina Owen	Oregon District Attorneys Association Child Support Liaison	Oregon Child Support Program
Keith Raines	Senior Judge	Oregon Judicial Department
Mike Ritchey	General Counsel	Oregon Child Support Program
David Rivera-Vernazza	Parent	Lived Experience Representative
Marisa Salinas	Parent	Lived Experience Representative
Linda Scher	Mediator	(Retired)
Shanon Sporseen	Policy Analyst	Oregon Department of Human Services
Jessica Thomas	Parent	Lived Experience Representative
Amanda Thorpe	Attorney	Cauble & Whittington LLP
Ceri Villa	Policy Analyst	Oregon Department of Human Services
Monica Whitaker	Presiding Administrative Law Judge	Office of Administrative Hearings

**Through October 2025*

***Beginning November 2025*

In addition to the Guidelines Advisory Committee, a project team made of policy, technical, and business experts from the Oregon Child Support Program provided support as needed.

Oregon Child Support Program Project Team

Name	Role/Representation
Dawn Marquardt	Acting Program Director
Lenny Kistler	Interim Sponsor
Alex Popescu	Interim Business Lead
Amy Croucher	Project Manager
Michelle Chrystal	Policy Analyst
Erik Durant	Policy Analyst
Luciana Fontanini	Policy Analyst
Marci Hamilton	Policy Analyst
Alicia Mahan	Policy Analyst
Lori Woltring	Policy Analyst
Martin Herbest	Field Services Representative
Ashley Menke	Field Services Representative
Zvezdomira (ZiZi) Owens	Field Services Representative
Sabrina Owen	District Attorney Representative
Sandra James	Business Analyst
Danielle Napier	Business Analyst
Johnson Jeripothula	Technical Lead
Michelle Underwood	DOJ Enterprise Application Services
Annie Engel	Research Analyst
Krista Smyth	Research Analyst
Charlene St. Jules	Research Analyst
Amy Carroll	Procedure Writer
Malissa Clausen	Procedure Writer
Jason Chappell	Education
Dan Meyers	Communications
Amanda Goodwin	Communications (backup)
Mike Ritchey	Legal Counsel

Summary of Recommendations

The Guidelines Advisory Committee makes the following recommendations to update Oregon's child support guidelines:

Income

Reduce the minimum order from \$100 per month to \$50 per month.

Increase the self-support reserve to 130% of the federal poverty guideline, updated annually.

Use 34 hours per week at the lowest minimum wage rate when unable to determine a parent's actual or potential income.

Use 34 hours per week at the lowest minimum wage rate when alleging income for a parent receiving Temporary Assistance for Needy Families (TANF).

Revise the structure of the guidelines rule on income, OAR 137-050-0715, to more clearly state its purpose and provide clear guidance on the appropriate use of generic income determinations. Clarify that needs-based public assistance, in general, should not be counted as income. Use consistent language to describe when provisions may or must be applied.

Health Care Coverage

Stop prioritizing private health care coverage over public. Allow parents to satisfy the requirement to provide health care coverage by providing public coverage (such as Oregon Health Plan).

Stop automatically issuing National Medical Support Notices to the employers of parents who receive support who are ordered to provide health care coverage.

Add guidance in the health care coverage rule, OAR 137-050-0750, to clarify that although dental, vision, prescription drugs, and mental health coverage are not ordered as standalone items, the costs should be included in the calculation when provided.

Child Care Costs

Add a provision in the child care costs rule, OAR 137-050-0735, making it explicitly clear that a rebuttal to include child care costs that exceed the caps is permissible.

Parenting Time Credits

Update rule language to permit counting blocks of time of 12 hours or less as a half day where appropriate.

Improve commentary explaining how to determine whether a parenting time order or agreement is “current” and clearly state that an order can be modified if overnights are not being exercised as agreed or ordered.

Income Workgroup

The Income Workgroup considered three major topics, identified before the Guidelines Advisory Committee was formed, as well as several additional issues referred to the workgroup by the committee. Income Workgroup membership consisted of volunteers from the Guidelines Advisory Committee and additional Oregon Child Support Program employees. Members met monthly, from January through October 2025.

The workgroup relied on surveys conducted before the committee convened, case data compiled by the program, an economic study provided by the Center for Policy Research, and an offline version of current child support calculator that included a.) an updated scale, b.) 2025 minimum wage figures, and c.) the ability to adjust the self-support reserve amount for the sake of modeling scenarios. The workgroup used these tools, plus additional research conducted by members, to evaluate each topic and assess the following:

- 1) Is there a problem that needs to be solved?
- 2) Is there sufficient information to make an informed decision?
- 3) What recommendation should be made to the Guidelines Advisory Committee?

The Income Workgroup and the Guidelines Advisory Committee make the following recommendations regarding income and final support amounts under Oregon’s child support guidelines:

Minimum Orders

Oregon’s child support guidelines presently state that parents are rebuttably presumed to be able to pay at least \$100 per month, even if the calculation is for less – this is referred to as a minimum order. There are limited exceptions, including when parents have equal parenting time, when ordering medical support only, when the paying parent’s sole source of income is from disability benefits, when a parent is incarcerated, or when they are receiving public assistance.

The Income Workgroup was asked to consider whether Oregon's current minimum order requirement was meeting the needs of families or if adjustments were needed. The types of adjustments considered included the amount of the minimum order, exceptions to the minimum order, and how the minimum order interacts with other factors within the calculation.

Analysis provided by the Center for Policy Research suggested that Oregon's minimum order operated similarly to many other states. It also outlined alternative minimum order models used throughout the country, noting that Oregon's \$100 minimum was on the higher side, and \$50 is a more common minimum order amount. In response to program concerns that a \$100 minimum order was too high, the Center for Policy Research recommended reducing Oregon's minimum order.

The workgroup considered a data sample of 367 child support program cases with orders entered between July 1, 2023, and June 30, 2024, and payments on those cases through the end of August 2024. There were 18 cases in the sample with minimum orders (5%). The case data showed the minimum orders were paid at a similar rate to the overall sample – meaning, the presence of a \$100 minimum order did not correlate to poorer payment rates. Most cases resulting in a minimum order (14 out of 18) were also impacted by the self-support reserve and one-third (6 out of 18) included paying parents who were alleged to earn generic income without clear supporting evidence about their financial circumstances.

Some members speculated that the number of paying parents alleged to earn full-time minimum wage without specific evidence of income within the larger sample made minimum orders less likely to occur. If a paying parent is alleged to earn income well above the self-support reserve, the calculation is less likely to result in a minimum order. It was not clear whether the group had enough reliable data to make an informed decision about the appropriate amount or formula for Oregon's minimum order.

However, regardless of the amount, the Income Workgroup firmly agreed that Oregon's guidelines should continue to include a minimum order. A minimum order helps ensure that all parents are accountable to support their children; it establishes a pattern of involvement and may lead to deeper engagement in the future. Ordering no support when a parent lacks identifiable income can be perceived as prioritizing a paying parent's needs ahead of their child's and can even encourage a parent *not* to engage with the program to avoid establishment of a child support obligation.

Several alternative minimum order models from other states were considered, including a tiered approach (Colorado and New York) and percentage of income (Maine and Michigan). Ultimately, the workgroup recommended reducing Oregon's minimum orders to \$50 per month, consistent with the Center for Policy Research's recommendation and the minimum order amount in several other states.

The Guidelines Advisory Committee also considered whether the exceptions to minimum orders should be expanded to include calculations where parents share any amount of parenting time. The Center for Policy Research recommended making any amount of parenting time an exception to the minimum order. Analysis of the program's case data did not flag this as an issue and committee members had not experienced poor outcomes associated with minimum orders and parenting time. Lacking evidence that there was an issue to be solved, the committee did not recommend new or different exceptions to Oregon's minimum order.

Self-Support Reserve

A self-support reserve is a fixed amount that is deducted from a parent's income within a child support calculation to help ensure they remain able to meet their own subsistence needs. The Income Workgroup was asked to consider whether Oregon's self-support reserve was meeting the needs of low-income paying parents and their children. This referral resulted from a series of surveys conducted by the Oregon Child Support Program that solicited input on the self-support reserve from parents with child support cases, child support practitioners in the legal community, and program employees.

More than half of survey respondents (54% of parent respondents, 61% of child support practitioners from the legal community, and 71% of program employees) felt Oregon's self-support reserve needed changes. When comments were included with the survey responses, they consistently suggested the self-support was too low, particularly when considering Oregon's high cost of housing.

Relying on the survey responses, new economic data, and trends from other states, the Center for Policy Research recommended increasing Oregon's self-support reserve from 116.7% of the federal poverty guideline to 130% of the federal poverty guideline. This would make Oregon's self-support reserve consistent with the federal income threshold for an individual to qualify for Supplemental Nutrition Assistance Program (SNAP) benefits.

Case data analysis suggested that the current self-support reserve did not impact many cases (only 27 out of 367 cases, or 7%, of the sample). Of the cases impacted by the self-support reserve, 74% received a payment during the review period (this was slightly lower than the 80% compliance rate in the larger sample). When delving deeper into the pattern of payments, no correlation was identified between how much the support obligation was reduced and the level of compliance with the order, though a third of the cases impacted by the self-support reserve received **more** than was due in the period.

The group discussed basing Oregon's self-support reserve on the state's income threshold to qualify for SNAP, rather than the federal threshold recommended by the Center for Policy Research. Oregon's income threshold for an individual to receive SNAP is 185% of the federal

poverty guideline. This idea appealed to members, particularly because survey respondents had highlighted the high cost of housing in Oregon.

One workgroup member provided analysis overlaying Area Median Income (AMI) data for Oregon with the various self-support reserve amounts under discussion. AMI is a dynamic, localized data set intended to provide geographical accuracy and economic realism. This analysis suggests that parents earning \$3,621 in the Portland Metro area or \$2,675 in the Eugene area are “very low income.” Using a self-support reserve well below these numbers may not serve its intended purpose for parents in these areas. An AMI-based self-support reserve could increase the consistency of support and reduce long-term arrears accumulation because it would better reflect a paying parent’s actual circumstances.

However, when running scenarios through the updated calculator, using 185% of the federal poverty guidelines as the self-support reserve (let alone an even higher number) resulted in a significant increase in occurrences of minimum orders, even for working parents with income above minimum wage. This suggested raising the self-support reserve to 185% of the federal poverty guideline (or higher) could be an overcorrection of the perceived issue. Additionally, the economic study and the scale that underlies Oregon’s guidelines rely on national child-rearing data and federal tax rates. Therefore, basing the self-support reserve on a federal measurement provides consistency. Ultimately, the workgroup recommended updating Oregon’s formula for calculating the self-support reserve to 130% of the federal poverty guidelines for a single person, and to continue updating it annually.

Alleging Income

The Income Workgroup was asked to consider whether the present method for determining income when the fact finder lacks information about a parent’s financial circumstances produces fair and enforceable orders. Additionally, the workgroup was asked to consider whether the practice of alleging full-time minimum wage for parents receiving Temporary Assistance for Needy Families (TANF) remains appropriate. These two topics were referred to the workgroup as separate items but are closely tied together and discussions on each crossed into the other.

When a Parent’s Financial Circumstances Are Unknown

When surveyed prior to the Guidelines Advisory Committee convening, more than half of respondents from the program and child support practitioners from the legal community (about 60%) felt that imputing full-time minimum wage to a parent when information about their circumstances was unknown worked well. Conversely, only a third of parents who were surveyed felt it worked well (and another 15% had no opinion). However, the survey results did not provide insight into why respondents felt it did or didn’t work well.

The program's case data showed that paying parents were alleged to earn full-time minimum wage without supporting information approximately 25% of the time in cases handled through the Oregon Child Support Program and about 17% of the time in cases handled directly through the courts. However, regardless of who prepared the calculation, paying parents were significantly less likely to comply with their order when they were alleged to earn full-time minimum wage without any supporting information. The compliance rate for the overall case data sample was about 80%, while compliance with orders based on full-time minimum wage without supporting information for the paying parent was around 56%.

When viewed together, the survey results suggest that practitioners find the ability to impute generic income useful, and the data suggests the current model may not produce enforceable child support obligations. However, the data did not reveal the *cause* of the poorer performance. Is it causation – the order is unreasonably high for their circumstances? Or is it correlation – when the parent does not engage with the process to establish an order, they are also more likely to avoid making payments. Changes to the child support guidelines may be able to correct unreasonable order amounts but may not increase parental engagement.

Anecdotally, Income Workgroup members echoed the survey findings – the majority felt strongly that Oregon's guidelines must maintain the option to allege a generic amount of income when lacking sufficient information about a parent's circumstances. Failure to include this type of provision would ultimately encourage parents who want to avoid paying support to disengage and hide information. Additionally, if the child support guidelines do not provide a formula to determine income when information is lacking, fact finders – including unrepresented parents – would be left to make case-by-case decisions. This could increase the potential for litigation and create inconsistent or inequitable results.

With agreement that the guidelines must provide the option to allege generic income, the group considered several alternative models for alleging income when a parent's actual and potential income are unknown. Relying on an offline version of the calculator loaded with an updated scale from the Center for Policy Research's economic study, 2025 minimum wage amounts, and the newly recommend self-support reserve (130% of the federal poverty guideline), the following four models were considered:

- a) Self-Support Reserve (\$1,695)
- b) 34 hours per week at the lowest minimum wage (\$2,070.03)
- c) Status Quo - 40 hours per week at the lowest minimum wage (\$2,435.33)
- d) Mirroring the other parent's income

For each approach, calculations were run using a variety of factors found in common situations (child care costs, health care coverage, non-joint children, parenting time, etc.) and a range of incomes for the other parent.

Upon reviewing the results, the self-support reserve and mirrored models were discounted. Using the self-support reserve for paying parents results in many minimum orders, which could encourage parents to avoid providing information. Using the self-support reserve amount for the parent receiving support had little impact in either direction. Mirroring income for the paying parent created wide-ranging results – relatively consistent to other models when the other parent’s income was low but jumping drastically when the other parent earned more. Additionally, this model does not provide guidance for situations where both parents’ incomes are unknown. Lastly, the philosophy behind mirroring income was unclear and members felt it would be difficult to explain to practitioners and parents alike.

Philosophically, alleging a parent could work 34 hours per week at the lowest minimum wage when information is unknown was appealing to some members. Data from the U.S. Bureau of Labor Statistics shows that the average hours worked across all non-farm jobs in the United States has consistently been around 34 hours per week for more than a decade.¹ If the fact finder knows a parent works retail, the average is less – around 28 hours per week – and parents working in construction often work more than 40 hours per week. However, when the fact finder knows the parent’s profession, they should determine potential income and don’t need to rely on generic income determinations. When information about a parent’s circumstances is absent, the average hours worked nationally across all non-farm jobs may better represent what the parent could be earning than a traditional 40-hour work week.

In addition, the calculations for 34 and 40 hours per week highlighted previous observations from the surveys, case data, and prior discussions on minimum orders and the self-support reserve. When alleging 40 hours per week in the absence of other information for a paying parent, the scenarios produced very few minimum orders, and the self-support reserve generally did not impact the outcome. However, when alleging 34 hours for the paying parent, depending on other factors, there were more minimum orders, and the self-support reserve impacted more calculations.

While this was not inherently positive or negative, lowering the amount of generic income that is alleged when information is lacking may provide better data to assess the effectiveness of Oregon’s minimum order and self-support reserve. Further, by producing somewhat lower orders when information about the paying parent is unknown, future Guidelines Advisory Committees may be able to assess whether the lower compliance rate is the result of unreasonable support amounts or some other factor outside of the guidelines themselves.

¹ The U.S. Census Bureau regularly publishes this information in Table B-2. The most recent news release can be found here: [Table B-2. Average weekly hours and overtime of all employees on private nonfarm payrolls by industry sector, seasonally adjusted - 2025 M11 Results](#). Historical publications can be found here: [Employment Situation Archived News Releases: U.S. Bureau of Labor Statistics](#).

Ultimately, the Income Workgroup recommended updating OAR 137-050-0715 to authorize fact finders to allege a parent can earn the lowest minimum wage in the state where they live at 34 hours per week when there is insufficient information to determine the parent's actual or potential income. However, the workgroup also agreed that additional edits to the rule were necessary to reduce reliance on generic income determinations. This is discussed further in section IV. d.

When a Parent is Receiving Temporary Assistance for Needy Families (TANF)

The guideline rule for determining income in child support calculations states that parents receiving TANF are presumed to be able to earn the lowest, full-time minimum wage in the state where they live. The surveys conducted prior to convening the Guidelines Advisory Committee did not inquire specifically about alleging income for parents receiving TANF and the Center for Policy Research did not make recommendations specific to this issue.

However, for several years program employees have raised concerns about the practice of alleging minimum wage at 40 hours per week for parents receiving TANF. The practice is viewed as outdated, and contrary to the focus on creating enforceable orders based on each family's specific circumstances. When alleging income for the paying parent that is tailored to reflect their specific circumstances, both parents and employees struggle to justify the use of generic income for the parent receiving TANF. Additionally, if the parents share any amount of parenting time and the income of the parent with less parenting time is less than the amount alleged for the parent receiving TANF, the obligation sometimes flips, suggesting the parent on TANF should pay the other parent. However, Oregon law ([ORS 25.245](#)) finds that parents receiving TANF are presumed to be unable to pay support.

The Income Workgroup considered this issue from several perspectives and ultimately concluded that alleging generic income to parents receiving TANF may create some issues, but failing to allege generic income creates *more* issues. The group considered mirroring income for parents receiving TANF, alleging TANF grant amounts as income, alleging the self-support reserve, alleging a lower amount of income, and maintaining the current practice of alleging the lowest minimum wage at 40 hours per week.

Alleging the TANF benefit amount as income increased obligations for low and middle-income paying parents while lowering obligations for higher income paying parents. This occurs because Oregon's child support guidelines rely on an income shares model, where the combined income of the parents dictates their shared obligation and divides it by their proportionate shares of the total. At lower incomes, reducing the income of a parent receiving TANF reduces the basic obligation but also generally increases the paying parent's relative share of the total income. At higher incomes, it again reduces the basic obligation, even though a higher-income parent is likely to have more resources after meeting their own basic needs – leaving more income available to support their child receiving TANF.

Additionally, alleging the TANF benefit amount was both practically and philosophically undesirable to many workgroup members. Historically, needs-based benefits have been excluded from income, and it would also be difficult for most fact finders (parents, child support practitioners, administrative law judges) to accurately identify the TANF grant amount. Further, if the TANF grant amount is considered, what other benefits would need to be factored in as well? Housing subsidies? SNAP benefits? Energy assistance?

The workgroup also concluded that mirroring the income of the non-TANF participant was not effective. It reduced the likelihood that the obligation would flip, but it did not improve other outcomes. Low-income paying parents were asked to pay a higher percentage of their income than previously, while high-income parents would pay less.

After multiple discussions, the Income Workgroup concluded that alleging income based on the lowest minimum wage in the state where the parent lives is still the best model for determining income when a parent receives TANF. This approach balances the needs of paying parents, parents who receive support, children, and child support practitioners. However, the workgroup recommended reducing the number of hours alleged – down to 34 hours per week – to correlate with the recommendation for alleging generic income when information about a parent is lacking. This had an added benefit of mildly decreasing the percentage of income that low and middle-income paying parents would devote to their child support obligations when compared with alleging 40 hours.

Rule clarity and consistency

Income Workgroup members also discussed improvements to language in the guideline rule on income ([OAR 137-050-0715](#)). Beyond updating the hours used to determine generic income when information is lacking (section (7)) and income for parents receiving TANF (section (10)), members agreed that the rule should more clearly state its purpose and principles at the beginning. The rule should overtly discourage the use of generic income and provide guidance on the limited circumstances in which it is appropriate – namely, when a parent's *financial circumstances* are unknown, not just their income history. When a parent lacks income history, the fact finder may still have clear evidence about their financial circumstances.

Additionally, workgroup members identified several places in the rule that lacked clarity. Section (5) provides a short list of needs-based assistance that should not be considered income, but it is unclear if this is a finite list, or if other types of needs-based assistance should be excluded from income as well. The group agreed the list was not intended to be an exclusive, finite list, and it should be revised.

Section (10) states that the income of a parent receiving TANF is presumed to be the lowest minimum wage in the state where they live, at 40 hours per week. When and how can that

presumption be overcome? The group discussed language that would authorize fact finders to allege a different amount when supported by a family's specific circumstances.

The Income Workgroup held multiple discussions regarding the language found in OAR 137-050-0715(8)(a) and (11), debating whether it was necessary to prevent attributing potential income to a parent with a disability, whether additional parameters should be added to the definition of disability, and whether it was necessary to define "full-time" as 40 hours per week in the guideline rule on income. Ultimately, there was consensus to keep the prohibition against alleging potential income to a parent who is unable to work full time due to a disability, found in (8)(a), but to add additional commentary to reinforce that the provision only applies to parents whose work is limited by their disability.

Members did not reach consensus on deleting the definition of full-time in section (11). Some members argued it no longer serves a purpose in the income rule and could therefore be deleted. Others felt it was beneficial as a guide when alleging potential income and considering overtime. However, if deleted, the language in (8)(a) would need additional revisions. Members will have an opportunity to provide additional input during rulemaking.

Income Disparity

The larger Guidelines Advisory Committee also discussed a proposal to adjust the guidelines for parents with income disparities (one parent earns significantly more than the other). The proposal created a formula to add an additional amount to guideline support obligations, based on the difference between the two parents' incomes and the amount of parenting time exercised by the paying parent. A percentage of the difference in their incomes would be added to the support obligation; with a larger percentage added when the paying parent had little or no parenting time, and a smaller percentage added when parents shared more equal or exactly equal parenting time. This additional amount would serve to equalize the households and help the less economically advantaged parent to provide a similar standard of living to the other parent.

Members were divided on the appropriateness and necessity of this proposal. Advocates highlighted situations where children may opt to live with a more well-off parent, simply due to the standard of living in their household and outlined the difficulty in rebutting a guideline calculation case-by-case in this scenario. The proposal would provide a standard that could be applied uniformly, that would better address the style of living across a child's households than the current formula does.

Members discussed whether the proposal may be more appropriate for situations where the income disparity is extreme (where would the threshold be?) or when a parent's income exceeded the obligation scale that underlies the calculator (the new obligation scale caps at \$50,000 per month, equaling \$600,000 per year). However, after reviewing statistics on median incomes in

the state, the committee concluded that if the formula only applied to very high incomes, it would be used very rarely.

Additionally, case law prohibits basing rebuttals on determinative factors in the guideline calculation, and existing rule commentary expressly identifies income disparity as an example.² Oregon's guidelines are already built on an income shares model, which relies on the parents' relative incomes to determine how much each parent should contribute to their children's upkeep. Requiring an additional amount, also based on income shares, suggests that the guideline model, the underlying economic study, and the obligation scale are not serving their intended purpose. Ultimately, the committee voted not to adopt the proposal to equalize households but agreed that the rule for determining income would benefit from language more clearly authorizing consideration of life-style factors beyond income.

Health Care Coverage and Child Care Costs Workgroup

The Health Care Coverage and Child Care Costs Workgroup met monthly from January through July of 2025 with the objective of reviewing issues identified in the Center for Policy Research economic study and those raised by members of the committee, discussing potential options, and making recommendations. While the two topics are not directly related, the Guidelines Advisory Committee elected to have the workgroup review both because they are both core expenses shared by parents and function similarly within the child support calculator.

Health Care Coverage

For matters related to health care coverage, there were four main issues identified:

1. Are the current medical support guidelines appropriate as-is?
2. Should the priority for private health care coverage be removed?
3. Should there be a change to the 4% cap – either by raising or lowering it?
4. Should medical support guidelines include the cost for dental, vision, prescription drug, and mental health coverage?

Are the current medical support guidelines appropriate as-is?

Both federal and state law require child support orders to address health care coverage and medical support. [45 CFR 302.56](#) provides that state guidelines will address how parents will provide for the child's health care needs through private or public health care coverage. [ORS 25.323](#) states that every child support order must include a medical support clause and provides

² [OAR 137-050-0760\(1\)](#)

what that clause may include. The medical support guideline rule, [OAR 137-050-0750](#), states that parents must be ordered to provide health care coverage for children depending on availability and cost. Depending on each family's situation, there are a variety of health care coverage findings:

- When private coverage is available to one parent at a reasonable cost, they must be ordered to provide. This is regardless of whether the child is currently receiving public health care through the Oregon Health Plan (OHP).
- When both parents have available coverage, parenting time becomes a determining factor. The parent with most parenting time gets to choose which coverage is ordered. If they are unable to decide, the fact finder may make the decision.
- If neither parent has private coverage available, one or both will be ordered to provide if coverage becomes available. The parent with the most parenting time will be ordered to enroll in public coverage. The paying parent may be ordered to provide cash medical support, or the order must include a finding of why cash medical was not ordered.
- If a parent's income is at, or below, potential minimum wage, they will only be ordered to provide if it's available at no cost.

While current medical support guidelines are robust, the workgroup determined improvements are needed. Specifically, the priority given to private coverage over public and updating rule language to provide clarity.

Should the priority for private health care coverage be removed?

Currently [OAR 137-055-0750](#) prioritizes private health care coverage by requiring a parent to provide private coverage when available and reasonable in cost regardless of whether the child is receiving public health care coverage. However, state law ([ORS 25.321](#)) does not make a distinction. The question of whether to continue to prioritize private over public coverage was raised by the Center for Policy Research, program employees, parents, and members of the workgroup.

The Center for Policy Research recommended to stop prioritizing private health care coverage and treat OHP as appropriate coverage for all children. In a survey of program participants, most responded they want public health care coverage ordered even when private coverage is affordable and available to parents. They stated that OHP often is better, more accessible and affordable, but they also wanted the flexibility to choose the type of coverage that works best for their child and their family.

The program reviewed a sampling of 359 cases with data from April 2018 - March 2022 and found almost half of the paying and receiving parents had income at or below minimum wage. This meant that no health care coverage was reasonable in cost for those parents. In a review of

Oregon Health Authority data,³ as of January 2025, there were 1.44 million recipients of OHP including 57% of the children in Oregon. Also, according to Oregon Health Insurance [Survey](#) (OHIS)⁴ in 2024, 97.3% of people in Oregon had health care coverage of some kind. Of the 2.7% of people who aren't covered, 26.2% of them are eligible for OHP but are choosing to not have coverage for various reasons.

Allowing both types of coverage to be treated equally in the guidelines can expand access and lessen the financial burden of providing coverage. It also aligns with changes made at the federal level as part of the *2016 Final Rule: Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs*,⁵ which updated federal rule language no longer emphasizing private over public coverage. It placed both on equal footing and gave states the flexibility to draft guidelines to fit the needs of the families they serve. The following year, [ORS 25.321](#) was updated removing the distinction between private and public when ordering health care coverage.

There was concern that having private insurance available would impact a person's ability to get public coverage. The group confirmed having private coverage does not have an impact on OHP coverage and eligibility.⁶ If both exist, providers will bill private insurance first; OHP will pay copays, deductibles, and services the private insurance does not cover. OHP includes check-ups, vaccinations, mental health care, tooth fillings, glasses, and prescriptions. OHP also covers labs, x-rays, and hospital care.

The Center for Policy Research expressed concern there was a potential gap in coverage for children who may not qualify for coverage when their parents earn too much to qualify for public coverage, but private coverage isn't available at a reasonable cost. As the OHIS survey provided, only 2.7% of Oregonians lack coverage, and of those 26.2% qualify for OHP but were choosing not to enroll. Given the small percentage of those not covered, and the various reasons provided for not enrolling, the workgroup concluded this is not a gap that can be addressed through guideline changes.

The consensus of the workgroup was to no longer prioritize private health care coverage over public. Instead, our guiding principle moving forward will support flexibility and allow parents to choose the type of coverage that is best for their families.

Should there be a change to the 4% cap – either by raising or lowering it?

In addition to the type of health care coverage ordered, the workgroup was charged with reviewing whether the 4% cap should change. Currently, private health care coverage is considered

³ Oregon Health Authority, OHP Fact Sheet, 2025, [OHP Fact sheet](#)

⁴ Oregon Health Authority, Health Insurance Survey Coverage Dashboard, 2024, [Oregon Health Authority: Oregon Health Insurance Survey \(OHIS\) Coverage Dashboard: Office of Health Analytics: State of Oregon](#)

⁵ [Final Rule: Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs | The Administration for Children and Families](#)

⁶ Oregon Health Authority (2022), [OHP 3259 - Can I be on the Oregon Health Plan \(OHP\) and have private health insurance?](#)

reasonable in cost if it does not cost more than the total of 4% of each parent's adjusted income. When both parents have appropriate private health care coverage that is both accessible and available at a reasonable cost, the parent with the greater share of parenting time can choose which coverage should be ordered.

To understand how the 4% cap applies in real world scenarios, the workgroup reviewed calculations across various income and coverage levels using the updated scale provided by the Center for Policy Research. The scenarios included situations where both parents' income was input at potential minimum wage with no health care coverage, and where both parents' income was higher than potential minimum wage with either, or both, having coverage available.

Because the reasonable in cost cap is based on a shared percentage, the cap rises in proportion to the parents' combined income, which highlights a situation the program commonly receives questions about. When both parents' income is above potential minimum wage, one being slightly above and the other significantly, the shared cost increases. When the parent who is slightly above potential minimum wage has health care coverage available at a reasonable cost, they are ordered to provide. While it is considered reasonable, unless the providing parent is already providing coverage, the associated cost won't be included in the calculation. Which means, when they are enrolled, the costs can become a burden. This is feedback commonly received from providing parents. Health care coverage is factored into the calculator using a cost-sharing formula and therefore the parent must request a modification to reflect the costs in the order.

The workgroup spent multiple meetings reviewing scenarios and discussing possible solutions. They looked at options to increase or decrease the percentage, or to have a cap based on individual costs. In previous guidelines, there has been a higher cap, and one based on individual (rather than combined) amounts. However, neither of those provided favorable results and there wasn't enough evidence to support reverting back. Ultimately, the workgroup recommended maintaining the current reasonable in cost cap of the total of 4% of each parent's adjusted income.

That said, the workgroup did identify one way to reduce the impact of the combined 4% cap for parents receiving support when they are providing insurance. In addition to allowing them to pursue either public or private coverage, the program will no longer issue National Medical Support Notices (NMSNs) to the employers of parents receiving support unless requested. Currently, the program issues a NMSN to the providing parent's employer to request they enroll the children, and themselves, in coverage. In general, when the receiving parent is designated as the parent to provide coverage, the children are already enrolled with their employer or are receiving public health care. As a result, notifying the employer isn't needed and may cause the children to be enrolled in private coverage when public coverage is already in place. The group recognizes this is incremental progress and it doesn't address situations where a paying parent with income considerably lower than the receiving parent is ordered to provide coverage and the

costs were not factored into the calculation. This is an area where additional improvement may be needed in the future.

Should medical support guidelines include the cost for dental, vision, prescription drug, and mental health?

The Oregon Child Support Program regularly receives questions about whether services such as dental, vision, prescription drug, and mental health are included under the current child support guidelines. These inquiries often focus on two key issues: whether these additional services can be ordered as part of health care coverage, and whether a parent who provides them can receive credit for the associated costs.

Currently, the National Medical Support notice (NMSN), a federal form the Oregon Child Support Program sends to employers providing the health care coverage terms, [Part A](#)⁷ (expiration date 12/31/28), includes checkbox options to instruct the employer to either enroll the children in all health coverages available, or to select specific coverage, i.e., medical, dental, vision, prescription drug, mental health, or other; therefore, allowing them to be ordered. OHP⁸ also has coverage that includes dental, prescription, mental health, and vision. Members of the workgroup expressed that there is confusion amongst practitioners and participants whether someone should provide all types of coverage when it's at a reasonable cost. In addition, the group acknowledged there could be situations where including these costs could make the total cost of health care coverage unreasonable. There was also discomfort about requiring people to provide more coverage than is necessary. As with the discussion on prioritizing public versus private health care coverage, the workgroup felt the guiding principle should be to allow parties to decide what should be covered and is best for the family's situation.

The workgroup agreed to expand commentary to clarify that dental, vision, prescription drug, and mental health coverages aren't ordered as standalone items because they are already encompassed by the overarching concept of health care coverage. When parties provide additional coverage, allow them credit when calculating support if it does not make the health care coverage unaffordable.

Child Care Costs

In the Center for Policy Research's economic study, they acknowledge the high cost of child care and the increase that has occurred since the Covid-19 pandemic. In their analysis, CPR concludes that the actual amount of child care expenses should be considered, rather than generic amounts, because of the large variation (high cost for infants and young children versus little to

⁷ See [Part A- Medical Support Notice to the Plan Administrator \(OMB 1210-0113\)\(PDF\)](#).

⁸ Oregon Health Authority, Oregon Health Plan (OHP) Benefits. [Oregon Health Authority: Oregon Health Plan \(OHP\) Benefits: Oregon Health Plan: State of Oregon](#)

no cost for older children). The economic study further acknowledges that it is difficult to discern between child care expenses that are work-related and those due to entertainment.

A recent price market study⁹ conducted by the Oregon State University and prepared for the Oregon Department of Early Learning and Care found that the price of child care in Oregon has consistently increased over the past 24 years. Data shows that between 2000 and 2024, nominal and inflation-adjusted prices for all types of care and age groups have increased,¹⁰ with the growth in statewide prices being largest in center care compared to large and small home-based care:

Center care:

- 75% increase for infants
- 71% increase for toddlers and preschool-age children

Small and large home-based care:

- 47-53% for large home-based care
- 33%-51% for small home-based care

Across all three types of care, inflation-adjusted price increases were less than 5%, except large home-based preschool, which increased by 7% after adjusting for inflation.

The current guideline rule provides that child care costs can be used to adjust the child support obligation only to the extent that they are reasonable and do not exceed the maximum amounts allowed by the Oregon Department of Early Learning and Care (DELIC):¹¹

	Column A	Column B
Age of Child	The metropolitan areas ⁴ of Portland, Bend, Eugene, Corvallis, Springfield, Monmouth, Ashland Maximum Per Child	All Other Oregon or Out of State Locations Maximum Per Child
Newborn to 1 year	\$1,705	\$1,190
1 year to 3 years	\$1,705	\$1,083
3 years to 6 years	\$1,400	\$860
6 years and older	\$1,100	\$629

The current guidelines do not allow inclusion of the state- or employer-subsidized portion of child care costs because the parent does not actually pay the cost. The guidelines also do not account

⁹ [2024 Oregon Child Care Market Price Study: Executive Summary](#), Oregon State University, March 2025

¹⁰ [2024 Oregon Child Care Market Price Study: Summary of changes in child care prices by age and type of care over time](#), Oregon State University, March 2025

¹¹ See OAR 414-175-0075: [Oregon Secretary of State Administrative Rules](#)

for child care tax credits. In cases where the parent receives a tax benefit, a rebuttal of the guideline result may be applied.

Members of the workgroup acknowledged that rising child care costs are a burden on participants and discussed whether adjustments to the guidelines would address the issue. While the rising costs are a valid concern, the self-support reserve ultimately determines how much income a person has available for support. Therefore, even if the caps are increased, the amount of support someone would be ordered to pay will still be limited by the self-support reserve regardless of their shared cost for child care. Members shared that in their experience earners of all income levels are affected by these high costs, and some parents are stipulating to amounts outside of the calculator to cover the costs. While raising the cost caps may not address the problem, the group agreed to recommend adding a provision to the guideline rule allowing parents to stipulate to pay more than the cap allows and add commentary that rebuttals may be used to account for situations where the cost exceeds the caps.

Parenting Time Workgroup

The Parenting Time Workgroup met monthly from January through April of 2025 with the objective of reviewing the issues identified in the Center for Policy Research's economic study or raised by members of the committee, discussing potential options, and making recommendations.

Most of the requested edits were minor tweaks to rule language and mainly affected the associated commentary to provide more guidance. No changes to the parenting time formula are needed, but it was requested that we simplify how to determine the number of overnights.

- 1. Clarify what is meant by using blocks of time rather than overnights; Clarify what is meant by averaging two consecutive years of overnights when the commentary states that speculative data cannot be used; address additional costs to the parent resulting from increased parenting time.**

Because parenting plans change from year to year and families have varying schedules, the group recognized the importance of having rules that are flexible enough to accommodate each family's needs without overcomplicating how to count overnights (i.e., four-hour blocks). It was agreed that we should continue to allow blocks of time to be used, but rather than four-hour blocks it's recommended that 12 hours or less can be considered half a day. This provides guidance without being too restrictive. It was also recommended to expand the commentary to address how to average overnights over a two-year period based on the parenting plan. Averaging overnights over a two-year period allows for plans that have alternating holidays and schedules from year to year.

2. Require explanation of how specific expenses are to be shared when a timesharing adjustment is applied.

The group discussed various scenarios involving shared parenting time and the desire to account for actual costs incurred while exercising parenting time. Some felt strongly that routine costs, such as extracurriculars, should be accounted for. Other states have similar provisions addressing routine costs and it was suggested we mirror that language in the rebuttal rule. For example, South Dakota specifies that the burden to demonstrate the increased costs the non-custodial parent incurs lays on the non-custodial parent. Initially that seemed like an easy fix; however, upon further review, it was determined that it would not be appropriate to add routine costs as a rebuttal factor. The scale already accounts for routine costs via the parenting time credit, and the scale does not take extracurricular expenses into consideration as those are considered wants, not needs. Rebuttals are intended to address situations where the guideline amount is unfair due to the extraordinary needs of a child (OAR 137-050-0760 (1)(o)). It was agreed that routine expenses should not be added as a rebuttal factor. Parents may still agree to include extra expenses, either through appropriate rebuttals or by agreeing to a support amount, but it will not explicitly be spelled out as a rebuttal.

3. Clearly state that the order can be modified if overnights are not being exercised as considered in the child support order.

Recommendation to clarify that a parenting time plan isn't "current" if parenting time isn't being exercised consistently. Even though this is a clarifying edit only and does not change existing policy, there was still some confusion about what was considered a current plan. It was further recommended to reiterate that only the court or an Administrative Law Judge can order support based on the amount of parenting time actually exercised.

4. Monitor the appropriateness of the formula in equal or near-equal custody cases when there is disparate income (whether the obligation should flip).

Recommendation to retain status quo. The group agreed that the calculation should be allowed to flip if that's how the calculation works out. However, the program should only proceed with the flip case and the flip order if the new receiving parent requests services. If enforcement of the flip order is not requested, the order will instead be modified to zero. This was an issue pointed out by the report from Center for Policy Research and was not a concern raised by the workgroup.

5. Do not apply the minimum order on top of the parenting-time credit formula.

This topic was consolidated into the income workgroup as part of the minimum order discussion and later brought to the Guidelines Advisory Committee to decide. The recommendation is to continue applying the minimum order provision after the credit for parenting time adjustment. It was agreed that the application of parenting time should not reduce support lower than the minimum order. The existing exception for 50/50 custody still applies.

Design Workgroup

This topic was consolidated into the income workgroup as part of the minimum order discussion and later brought to the Guidelines Advisory Committee to decide. The recommendation is to continue applying the minimum order provision after the credit for parenting time adjustment. It was agreed that the application of parenting time should not reduce support lower than the minimum order. The existing exception for 50/50 custody still applies.

As the other three workgroups were in the process of finalizing their recommendations, a fourth workgroup—focused on the design and implementation of those recommendations—was established. This design workgroup, composed entirely of program employees representing multiple teams, was charged with assessing the implementation impacts associated with each recommendation put forward by the committee and overseeing the eventual implementation of those recommendations that receive final approval from the director.

Several of the committee recommendations will require system logic changes, which substantially increases the level of effort necessary for implementation. These changes are expected to require hundreds of testing hours to ensure they function properly in the system, in addition to the time needed for other implementation activities. A more detailed analysis of the resources required will be developed through the formal change request and impact analysis processes. While the workload will be significant, the design workgroup has initially determined that all recommendations proposed by the committee are feasible.

The following table summarizes each of the recommendations with system impacts and provides an initial impact rating of either *minor*, *moderate*, or *major*. Other recommendations that do not affect Origin—for example, those involving only updates to rule language—are not included here. As noted previously, any recommendation requiring changes to system logic has been assigned a major impact rating automatically.

Note: These assessments are preliminary and based on the workgroup's current understanding and expectations. Impact ratings could change as the design workgroup receives input from developers and conducts a more detailed analysis of the implementation requirements of each recommendation in greater depth.

	Impact	Recommendation	Design Notes
1	Major	<p>Reduce the minimum order from \$100 to \$50.</p> <p>This only changes the amount of the minimum order. It does not change when the minimum order applies or where it occurs within the calculation.</p>	<p>Calculator:</p> <ul style="list-style-type: none"> • Changes to code and text • Updating functional and technical design documents • Forms: • Implementation of updated forms • Clarification of form functional design documents • Clarification of technical design documents
2	Minor/ moderate	<p>Raise the self-support reserve from 116.7% of the federal poverty level to 130% (to match with the federal SNAP qualification limit).</p> <p>This affects the formula found in rule. It would still require the rule to be updated annually based on changes to the federal poverty level.</p>	<p>Calculator (minor impact—already done annually):</p> <ul style="list-style-type: none"> • Changes to code <p>Forms (moderate impact—already done annually):</p> <ul style="list-style-type: none"> • Implementation of updated forms • Clarification of form functional design documents • Clarification of technical design documents
3	Major	<p>Use 34 hours per week minimum wage rate when alleging income for a parent on public assistance.</p> <p>This is a change to rule language, which will require users (employees and the public) to enter different numbers into the calculator.</p>	<ul style="list-style-type: none"> • Form text changes • Logic changes
4	Major	<p>Use 34 hours per week minimum wage rate when alleging income for a parent when there is no income history.</p> <p>This is a change to rule language, which will require users (employees and the public) to enter different numbers into the calculator.</p>	<ul style="list-style-type: none"> • Form text changes • Logic changes
5	Moderate	<p>Count 12 hours or less of parenting time as half a day in terms of calculating parenting time.</p>	<ul style="list-style-type: none"> • Updates to external parenting time calculator (no Origin impact) • Text changes to worksheets

		This is a change to rule language and updates to the PT calculator, not to calculator functionality.	
6	Major	<p>Placing public health care coverage on equal footing with private health care coverage.</p> <p>Any type of health care coverage, including OHP or other government paid health care plans, may be ordered to satisfy health care coverage requirements.</p>	<ul style="list-style-type: none"> • Logic changes
7	Major	<p>No longer automatically issue National Medical Support Notices (NMSNs) to the employer of the receiving parent.</p> <p>Origin will not automatically issue a NMSN when the parent who receives support is ordered to provide health care coverage, but it should still be possible for employees to manually issue a NMSN upon request.</p>	<ul style="list-style-type: none"> • Updates to NMSN interfaces, batches, and pages, including all activity logs and associated tasks
8	Moderate	<p>Add a provision to rule that allows parents to stipulate to pay more than the child care costs cap allows and a commentary that rebuttals can be used to account for child care that exceeds the caps.</p> <p>These are changes to rule language, not to calculator functionality.</p>	<ul style="list-style-type: none"> • Text changes to worksheets
9	Moderate	<p>Review for possible options to either rewrite both the stand-alone and full calculator or rewrite the parenting time so it uses one technology instead of two and can be embedded in WordPress instead of running on a different server.</p>	<ul style="list-style-type: none"> • Updates to allow talk back between the internal calculator and the parenting time calculator • Updates to worksheets
10	Moderate	<p>Update the labels used to identify participants in the public calculator.</p>	<ul style="list-style-type: none"> • No Origin impact if change is only to the public calculator • Moderate if worksheets are changed for both Origin and public calculator

11	None/ moderate	Rewrite the cash medical question in the public-facing calculator for additional clarity.	<ul style="list-style-type: none">• No Origin impact if change is only to the public calculator• Moderate if worksheets are changed for both Origin and public calculator
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Appendices

Policy Paper: Income

Issue Title: 2023 Guidelines Policy Paper on Income

Date: September 2023

Prepared by: Luciana Fontanini, Oregon Child Support Program

ISSUES IN BRIEF:

Federal law requires states to regularly review their guidelines for setting child support orders ([45 CFR 302.56](#)). For Oregon's present review, several issues related to assessing parents' income are being considered.

#1 (Income Imputation): As used in this paper, income imputation means alleging that a parent has the ability to earn income when there is no proof that they currently earn it. Presently, [OAR 137-050-0715\(7\)](#) permits imputing the lowest, full-time minimum wage in the state where a parent resides when there is insufficient information to determine their actual or potential income. In addition, section (10) of the same rule **requires** the imputation of the lowest minimum wage in the state where a parent resides when they are receiving public assistance. These provisions may conflict with the intentions behind 45 CFR 302.56(c)(1)(iii), which requires the consideration of a parent's specific circumstances when imputing income. Regardless of potential conflict, Oregonians have remained too reliant on the imputation of minimum wage when calculating support, and, at the very least, better guidance is needed for determining income when information is scarce.

#2 (Self-Support Reserve): Oregon's child support guidelines include a self-support reserve ([OAR 137-050-0745](#)) that is intended to leave parents who pay support with enough income to meet their own basic needs. Oregon's self-support reserve is tied to the federal poverty guideline and is adjusted annually. As of July 2023, the self-support reserve is \$1,418 in monthly income. It is questionable whether this self-support reserve is sufficient for a parent to meet their own needs. In addition, as noted in issue #1, Oregonians routinely impute the lowest state minimum wage (\$2,288 per month as of July 2023), which is considerably higher than the self-support reserve. When minimum wage is imputed for a parent who does not actually earn that much, the self-support reserve is, in effect, circumvented. In addition, the minimum order requirement found in [OAR 137-050-0755](#) overrides the self-support reserve; if a parent only has \$15 available after the self-support reserve is applied, they will still be ordered to pay \$100. To ensure it serves its intended purpose, Oregon's self-support reserve should be examined with particular attention to its interactions with minimum order and income imputation provisions.

#3 (Minimum Orders): Currently, [OAR 137-050-0755](#) states that obligated parents are rebuttably presumed to be able to pay at least \$100 per month in child support, even if their guideline support calculation is for less. There are exceptions when parents share exactly equal parenting time, when the paying parent is incarcerated or receiving public assistance as defined in [ORS 25.245](#), or their sole source of income is from disability benefits. The federal Office of Child Support Services (OCSS) discourages minimum orders to the extent that they conflict with the federal requirement to base support obligations on the paying parent's specific circumstances. The necessity and effectiveness of Oregon's present minimum order requirement should be assessed. Even if Oregon's child support guidelines continue to require a minimum order, is \$100 per month the proper amount and are the right exceptions identified?

REFERENCES:

[PIQ 00-03](#)

[Flexibility, Efficiency, and Modernization in Child Support](#)

[IM-22-03](#)

[45 CFR 302.56](#)

[OAR 137-050-0715](#)

[OAR 137-050-0745](#)

[OAR 137-050-0755](#)

ANALYSIS:

#1 (Income Imputation):

Generally, income imputation can be used to fill evidentiary gaps when calculating support. Oregon's guidelines permit assessing actual or potential income. Potential income is a form of income imputation where a parent's *ability* to earn income is used to augment the parent's actual earnings. For example, if a parent is currently unemployed (earning \$0 income) but has regularly worked in construction earning \$5,000 per month and expects to be rehired soon, they could reasonably be assessed with potential income of \$5,000 per month, based on their work history and available job opportunities.

For the most part, Oregon's definition for potential income found in OAR 137-050-0715(3) comfortably meets the requirements for income imputation found in 45 CFR 302.56(c)(1)(iii). The determination of potential income in Oregon's guidelines relies on specific facts about the parent. However, income imputation pursuant to OAR 137-050-0715(7) may not. This provision serves as a safety mechanism to permit the calculation of support when there is insufficient evidence to

identify actual or potential income. This provision permits imputing income without consideration of a parent's specific circumstances.

The imputation of minimum wage for parents receiving Temporary Assistance for Needy Families (TANF), found in OAR 137-050-0715(10), serves a slightly different purpose. It is arguably a holdover from prior guidelines where income was rarely assessed below minimum wage without a rebuttal. Imputing minimum wage for parents receiving TANF, rather than their actual income or benefits, was thought to create more balanced support obligations and somewhat higher amounts payable to low-income parents entitled to receive support. However, if a parent who (should) receive support is imputed with minimum wage because they are receiving TANF while a parent who (should) pay support is assessed with a low amount of actual income, it can cause further imbalance rather than correcting it. There may also have been an assumption that alleging minimum wage would be more consistent with the parent's expected earnings once they stopped receiving TANF. However, this assumption is outdated; many parents may be unable to earn minimum wage based on their actual circumstances.

Income imputation has been a hot topic in child support circles in recent years because states have continued to impute income to paying parents when there is no evidence they can earn it. In turn, orders based on this imaginary income have led to large amounts of uncollected debt. Orders based on imputed income, absent specific facts about a parent's actual circumstances, may not result in children receiving support they need and can create additional friction between parents. There is growing evidence that imputing income when there is no evidence that the parent can earn it is counterproductive.¹²

In a March 2023 survey of program participants, just under half of the respondents (1,700 people) did not agree with imputing full-time minimum wage when there was a lack of information or when a parent receives public assistance. A little over one third (1,255 people) felt it was appropriate to impute full-time minimum wage, and 15% (513 people) did not have an opinion. However, among program staff and legal partners, the results were very different. For both program staff and legal partner survey respondents, approximately 60% felt that income imputation works well, and a little over one third felt income imputation needs changes. This suggests that income imputation may be meeting the needs of program staff and legal partners but less so those of program participants.

Child support professionals, court staff, and the public in Oregon all routinely impute minimum wage in the absence of concrete information about actual earnings. In a sampling of calculations entered by the Oregon Child Support Program over a four-year period (April 2018 to March 2022), approximately 40% of paying parents were assessed with the lowest, full-time minimum wage without reference to their specific circumstances. Of the remaining calculations that were based

¹² See OCS's information memorandum, IM-22-03, and commentary in the 2016 federal final rule, *Flexibility, Efficiency, and Modernization in Child Support Programs*.

on actual or potential earnings, the majority (more than 80%) were assessed with income above the lowest, full-time minimum wage at the time of the calculation. Is it reasonable to believe that program staff are unable to obtain information about parents' ability to earn income in 40% of cases? Or, in some cases, are program staff interpreting a parent's lack of work history, income, or assets as a lack of evidence? Could the absence of documented work history or income instead be evidence of the parent's inability to earn minimum wage?

Some argue that failure to impute income when there is little or no evidence of a parent's earning ability reinforces negative social behaviors. If a parent can get a lower order by refusing to cooperate or hiding information, doesn't this motivate the parent to avoid engaging with the child support process? How else can child support professionals and courts issue fair, enforceable orders when they don't have clear evidence of the parents' ability to earn income? Further, the guidelines are used by a variety of stakeholders. While child support professionals, attorneys, and judges may be able to gather personal information about individuals on which to base a child support obligation, this can be more difficult for unrepresented litigants. Would the elimination of income imputation enable paying parents to evade their obligation to support their children?

Options to consider:

1. Update sections (7) and (10) from OAR 137-050-0715 to provide nuanced guidance on determining actual and potential income when a parent is receiving public assistance or information is unavailable.
 - a. May include imputation at fewer hours when information is unavailable.
 - b. May include using actual benefit amount or no income for parents receiving public assistance.
2. Remove sections (7) and (10) from OAR 137-050-0715 altogether and rely on "actual" and "potential" income definitions.
3. Maintain status quo (with expanded commentary, continued training, outreach).

#2 (Self-Support Reserve):

45 CFR 302.56(c)(1)(ii) requires states to take into consideration the basic subsistence needs of paying parents, and the regulation identifies a self-support reserve as a method to meet this requirement. The present structure of Oregon's self-support reserve has existed for at least two decades. The dollar amount is adjusted annually in relation to the federal poverty guideline for a single person, multiplied by 1.167 to account for estimated taxes. Parents' gross income, actual or potential, is adjusted to reflect specific factors (presently including spousal support paid or received, union dues paid, the cost to enroll the parent themselves in health care coverage, and a credit for non-joint children). The self-support reserve is then subtracted from the adjusted income to identify the amount of income available for support. However, after all subsequent costs and

credits are calculated and the support obligation has been determined, the protection of the self-support reserve is overridden by the minimum order requirement unless an exception applies.

This means that parents with income below the self-support reserve will be ordered to pay \$100 per month, regardless of their ability to meet their own basic needs. There is no exception for parents experiencing homelessness, addiction, or mental health crises. Separately, as already discussed, there is a tendency to impute the lowest minimum wage in Oregon for parents who do not have a clear work history or who do not provide documentation of their earnings. The lowest minimum wage is considerably higher than the self-support reserve. If the parent has no income and does not have a history of earning minimum wage but is imputed with minimum wage, the self-support reserve has no effect. The parent can be alleged to have more than \$800 per month available to pay support when they may have no income at all.

In March 2023, Oregon Child Support Program participants were sent a survey asking whether they believed the self-support reserve was set at the right amount. More than half of the respondents (54%) indicated that it needed changes. Program staff and legal partners were also surveyed; 71% of program staff and 61% of legal partners suggested Oregon's self-support reserve model should be changed. Those who provided comments suggested that the self-support reserve is too low and does not adequately consider the high cost of housing in Oregon.

Oregon's 2023 economic study, produced by the Center for Policy Research (CPR), recommended increasing the self-support reserve to 130% of the federal poverty guideline, consistent with the Supplemental Nutrition Assistance Program (SNAP). As of today, that would place Oregon's self-support reserve at \$1,580 ($\$1,215 \times 1.3$) rather than \$1,418 ($\$1,215 \times 1.167$). Alternative suggestions include tying the self-support reserve to minimum wage imputation (e.g., the lowest full-time minimum wage or minimum wage at the average hours worked in Oregon, or by profession, or by region). However, depending on related decisions regarding income imputation and minimum orders, this could result in a large influx of minimum orders.

If the self-support reserve continues to be counteracted by routine income imputation or overridden by the minimum order requirement, raising the amount will have a minimal benefit for low-income paying parents. Those parents who have actual earnings more than \$100 higher than the current self-support reserve could see a small benefit from increasing the self-support reserve to 130% of the federal poverty guideline. However, this alone would not have a wide-ranging impact on families because, currently, most paying parents are assessed with income at or above full-time minimum wage.

Eliminating the practice of imputing full-time minimum wage in the absence of work history or reprioritizing the present self-support reserve to override the minimum order may have a broader effect on families. As mentioned previously, in a sampling of calculations entered by program staff, approximately 40% were based on imputed, full-time minimum wage. Of these, only 4% of the calculations were impacted by the self-support reserve. In the remaining cases, where the

parent's income was determined using their actual or potential income based on specific circumstances, the self-support reserve impacted 10% of the calculations. If parents were consistently assessed with actual earnings, including \$0 when there was no evidence of income or work history, the current self-support reserve would likely serve its intended purpose for more low-income paying parents.

Reprioritizing the self-support reserve in relation to the minimum order is potentially more controversial. The minimum order generally comes into play when the paying parent has significant (but not equal) parenting time, when the parent who receives support has substantially higher income than the paying parent, and when the paying parent has low income, particularly below the self-support reserve. If the self-support reserve were reprioritized to override the minimum order (or if the invocation of the self-support reserve becomes an exception to the minimum order), one of the reasons for the minimum order would be eliminated. If the minimum order no longer applies to low-income parents, is the minimum order still beneficial?

Options to consider:

1. Increase the self-support reserve (or tie it to a different indicator).
2. Re-prioritize the self-support reserve within the calculation.
3. Consider a combination of options 1 and 2.
4. Maintain status quo (continue to tie the self-support reserve to the federal poverty guideline).

#3 (Minimum Orders):

Oregon has a long history of requiring minimum orders; records confirm their existence back to at least 1989. However, minimum orders were temporarily retired starting in 2003 before being restored in 2009. Prior to retirement in 2003, the minimum order was \$50 per month. When it came back in 2009, it was set at \$100 per month. The basic premise of minimum orders is that parents have a duty to support their children ([ORS 109.010](#)), and, unless an exception applies, every parent can pay at least \$100 per month. In addition, minimum orders can be used to set the expectation of regular payments and establish a pattern of engagement and compliance with the program. Essentially, unless there are unique circumstances, parents should not be excused from their duty to support their children by ordering zero support.

Unlike income imputation and the self-support reserve, 45 CFR 302.56 does not directly address the appropriateness of minimum orders. However, [42 USC 667\(b\)\(2\)](#) requires all guideline support orders, including minimum orders, to be rebuttable. As early as 2000, OCSS discouraged states from setting minimum orders for parents with limited or no ability to pay because these orders had lower compliance rates (PIQ 00-03). In the 2016 federal final rule, *Flexibility, Efficiency and Modernization in Child Support Programs*, this policy was reinforced with commentary clearly

stating that “high minimum orders that are issued across-the-board without regard to the noncustodial parent’s ability pay the amount do not comply with these regulations.”¹³

Arguments in favor of minimum orders are related to arguments in favor of imputing income in the absence of concrete evidence that a parent has income with which to pay support. If a parent has no income, the guideline support calculator will find that they cannot pay support. Entering an order for no support because a parent has no identifiable earnings can be perceived as a reward for not working or not cooperating with the child support process. A minimum order ensures that all parents are accountable to help support their children. It can establish a pattern of involvement and may lead to more engagement in the future. Setting a support order at \$0 to preserve the paying parent’s ability to meet their own basic needs could be construed as prioritizing the needs of the parent over the needs of the child.

Oregon’s recent survey of program participants, staff, and legal partners did not inquire about minimum orders. However, CPR’s economic study did explore trends in minimum orders among other states. At \$100 per month, Oregon has a relatively high minimum order when compared with other states. The more common minimum order amount is \$50 per month. Colorado and New York have elected to have two types of minimum orders: a lower amount for low-income parents and a higher amount for parents with higher incomes. Maine and Michigan set minimum orders based on a percentage of income; this permits setting support at \$0 when the parent has no earnings (because 10% of \$0 is still \$0). These more nuanced minimum orders may be more in keeping with federal regulations requiring states to consider each parent’s specific circumstances.

Based on comparisons with other states, CPR’s economic study included a recommendation to reduce the minimum order or perhaps convert it into a percentage of income. There has also been discussion of creating a per-child minimum order. For example, if Oregon maintained the minimum order requirement but reduced the amount to \$20 per child, the majority of minimum orders would be for \$20 or \$40 per month because less than 22% of Oregon orders include more than two children. The study also suggests setting minimum orders at a percentage of income (e.g., 10% or 20% of income). Some academic studies referenced in CPR’s economic study suggest that compliance drops when support obligations exceed 20% of the paying parent’s income. However, it should be noted that a percentage of income for a parent with actual earnings of \$1,418 per month (the present self-support reserve) would be \$284 per month (at 20%) or \$142 per month (at 10%), which are both higher than the present minimum order.

Options to consider:

1. Expand the exceptions to the minimum order.
2. Re-prioritize the minimum order within the calculation.

¹³ Federal Register /Vol. 81, No. 244 / Tuesday, December 20, 2016 / pg. 93525

3. Reduce the minimum order.
 - a. Per child
 - b. Flat rate
 - c. Percentage
4. Eliminate the minimum order.
5. Maintain status quo (\$100 per month minimum with limited exceptions)

Policy Paper: Health Care Coverage

Issue Title: 2023 Guidelines Policy Paper on Healthcare Coverage

Date: October 2023

Prepared by: Alexandra Popescu, Oregon Child Support Program

ISSUE IN BRIEF: Federal law requires states to regularly review their guidelines for setting child support orders ([45 CFR 302.56](#)). As part of the Oregon Child Support Program Guidelines Review Project, we are reviewing our current medical support guidelines and determine what, if any, changes are needed. The Center for Policy Research (CPR) wrote an economic study¹⁴ that addresses the different guidelines factors (income, self-support reserve, obligation scale, parenting time, medical expenses, etc.) and how socioeconomic trends impact them. This paper summarizes the medical support analysis included in the economic study and provides an overview of the cost and availability of healthcare for children in Oregon, including potential options and considerations for changing the Oregon medical support guideline, such as clarifying or simplifying reasonable in costs (i.e., recognize OHP as healthcare coverage and do not prioritize private healthcare coverage).

REFERENCES:

[45 CFR 302.56](#)

[ORS 25.323](#)

[OAR 137-050-0750 \(Medical Support\)](#)

[Oregon Health Authority - Health Systems Division: Medical Assistance Programs - Chapter 410](#)

[Oregon Health Plan \(OHP\) Handbook](#)

[OHP Data and Reports Page](#)

[Oregon Health Authority – Quick Guide to Income Eligibility](#)

[Care Oregon – Am I Eligible for the Oregon Health Plan \(OHP\)?](#)

BACKGROUND: The current medical support guideline in Oregon is laid out in [OAR 137-050-0750 \(Medical Support\)](#). The guideline rule explains how medical support is calculated in Oregon orders. Briefly, parents must be ordered to provide public healthcare coverage for their child, depending on availability and cost. When private healthcare coverage is available to a parent at a reasonable cost as defined in administrative rule, the parent must be ordered to provide it. This must currently happen even though public healthcare coverage such as Oregon Health Plan

¹⁴ *Review of the Oregon Child Support Guideline: Economic Data on Cost of Raising Children, Scale Update, and Other Issues* (Center for Policy Research, July 2023)

(OHP)¹⁵ may be available at **no cost**. Under the current guidelines, private healthcare coverage is considered reasonable in cost if it does not cost more than the total of 4% of each parent's adjusted income.¹⁶ When both parents have appropriate private healthcare coverage that is both accessible and available at a reasonable cost, the parent with the greater share of parenting time¹⁷ can choose which coverage should be ordered.

When the parents do not have access to private healthcare coverage that is appropriate in cost, the guideline rule provides that one or both parents must be ordered to provide private health care coverage if it becomes available and order the parent with the majority of the parenting time to provide public healthcare coverage for their child. Moreover, whenever this provision applies, the parent with the child support obligation must be ordered to pay cash medical support, or the order must include a finding that explains why cash medical support is not ordered. In the past, many paying parents were ordered to provide private healthcare coverage whenever available and appropriate, and to pay cash medical support whenever such coverage was not provided.

When the parents' incomes are at or below the highest Oregon minimum wage for full-time employment, healthcare coverage can only be ordered when available at no cost.

SUMMARY OF FINDINGS:

Case Sampling: To better understand the issues our current guidelines have, we selected 359 random program cases that had an administrative order with a guideline calculation entered between April 2018 and March 2022. What we found was that almost half of the paying and receiving parents on these cases had incomes at or below minimum wage. This means that no healthcare coverage amount was reasonable in cost for those parents.

OHP Data: The Oregon Health Authority (OHA) has a comprehensive list of reports and data regarding Medicaid and OHP recipients in Oregon. According to the [Medicaid Monthly Population Report for Oregon](#), as of October 1, 2023, there are **1,518,169** current Medicaid/OHP recipients in Oregon. Of these recipients, OHA reports¹⁸ that:

- **43,545** are in the 0 to 1 age group.
- **91,992** are in the 2 to 5 age group.
- **316,928** are in the 6 to 18 age group.

A 2017 OHA report¹⁹ indicated that more than 3.7 million Oregonians had healthcare coverage. Of those, about 26% were enrolled in OHP. This means that approximately 962,000 Oregonians were

¹⁵ [Oregon Health Plan: Medicaid and CHIP Population Aid Categories](#)

¹⁶ Income determined pursuant to [OAR 137-050-0720 \(Adjusted Income\)](#)

¹⁷ Parenting time determined pursuant to [OAR 137-050-0730 \(Parenting Time\)](#)

¹⁸ For more information, see [Coordinated Care Organization \(CCO\)/Open Card Enrollment by Age Group](#).

¹⁹ [2017 Oregon Health Insurance Survey – Gaps in Health Insurance Coverage Fact Sheet](#).

receiving OHP in 2017. By comparing today's numbers to the 2017 data, the number of OHP recipients has increased by over 36% in almost seven years.

Survey feedback: The healthcare coverage question²⁰ in the survey received overall similar response from parents, staff, and partners. Most answered *yes – public health coverage should be ordered even when private coverage is affordable and available to the parents.*

Among the comments received, the ones about OHP healthcare coverage often being better than private coverage are most notable. Many survey respondents indicated that OHP is more affordable, more accessible, and overall better than private health coverage. Several also indicated that parents should at least have the flexibility to choose which type of coverage they want to enroll their children in when both private and public coverage are available.

Only a couple survey respondents commented that dental and vision coverage should be considered in the medical support guideline. However, including dental, vision, prescription drug, and mental health coverage in the medical support guideline would align with the federal guidance as the recent updates²¹ to the National Medical Support Notice (NMSN), which now includes sections for these types of coverage.

ANALYSIS: Like all state child support agencies, the Oregon Child Support Program is federally required to have a medical support guideline. While our current medical support guideline is overall robust, it could use some improvement. Specifically, it doesn't accurately address the current gap in healthcare coverage that exists for Oregon children whose parents earn too much to qualify for public coverage and private coverage is not available at a reasonable cost. These families²² are usually left without a feasible solution or option.

To address this issue and attempt to close the gap, CPR recommends to no longer prioritize private healthcare coverage and to treat OHP as viable coverage for all children. This recommendation also supports OHA data, which indicates that more than half of Oregon children are enrolled in OHP. Additionally, OHA reports that 9 out of 10 children who lack health coverage are eligible under OHP for a premium-reduction subsidy through the health insurance marketplace and that the main reasons for lack of OHP coverage are affordability and eligibility—or lack thereof (primarily due to making too much money).²³

With the changes made as part of the *2016 Final Rule: Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs*,²⁴ the federal rule language no longer emphasizes private

²⁰ The survey question was: “Ordering public vs. private health care coverage (OAR 137-050-0750). Currently, the guidelines prioritize requiring private health care coverage even when public coverage (such as the Oregon Health Plan) is available, and the child qualify for it. State and federal law no longer require this priority. **Should public health care coverage be ordered even when private coverage is affordable and available to parents?**”

²¹ See [Part B - Medical Support Notice to the Plan Administrator \(OMB 1210-0113\) \(PDF\)](#), [AT-23-01 Revised NMSN Parts A and B - Expire Nov. 30, 2025](#), and [National Medical Support Notice Forms & Instructions](#).

²² We do not have sufficient data to be able to estimate how many families and children are impacted.

²³ [New report: Many Oregonians who lack health coverage are eligible for premium subsidies, Oregon Health Plan](#)

²⁴ [AT-16-06 Final Rule: Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs, December 20, 2016.](#)

healthcare coverage over public coverage. On the contrary, it places both types of coverage on equal footing, thus giving states the flexibility of drafting guidelines that best suit the needs of the families they serve, which includes prioritizing public healthcare coverage such as OHP over private coverage:

§ 302.56 Guidelines for setting child support orders.

(2) 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;

To comply with the new federal guidance, we updated our medical support statute²⁵ in 2017 to no longer specify that the healthcare coverage must be private, thus supporting the option of giving public healthcare coverage such as OHP and private coverage equal weight.

While both the federal rule and our Oregon statute are aligned and consistent in not prioritizing private healthcare coverage over public coverage, our medical support guideline is not, and we believe it should be.

Separate from the recommendations in CPR's economic study, the Oregon Child Support Program has been continuously receiving inquiries whether dental, vision, prescription drug, and mental health benefits are included in health care coverage. We believe this issue should be addressed through a robust discussion at the Guidelines Advisory Committee.

ISSUES TO BE ADDRESSED:

1. Status quo – leave the medical support guideline as-is. Revise language in forms for clarity.
2. Remove the private healthcare coverage priority and allow parents to enroll children in either public or private healthcare coverage, as best suits their family's needs, regardless of whether private healthcare coverage is available.
3. Include dental, vision, prescription drug, and mental health in the medical support guideline.
4. Change the 4% cap – either by lowering or increasing it. Note: there is insufficient data to estimate the impact of such changes.

²⁵ [Senate Bill 765](#).

Policy Paper: Parenting Time Credit

Issue Title: 2023 Guidelines Paper on Parenting Time Credit

Date: September 2023

Prepared by: Lori Woltring, Policy Team

ISSUE IN BRIEF: Federal law requires states to regularly review their guidelines for setting child support orders ([45 CFR 302.56](#)). As part of the 2023 Oregon Child Support Program Guidelines Review Project, we are reviewing the parenting time credit rule to determine whether any changes are needed. The Center for Policy Research (CPR) wrote an economic study²⁶ that addresses the different guidelines factors (income, self-support reserve, obligation scale, parenting time, medical expenses, etc.) and how socioeconomic trends impact them. This paper addresses issues raised by the CPR economic study regarding the current parenting time credit rule ([OAR 137-050-0730](#)).

BACKGROUND: Oregon’s parenting time formula is designed to produce gradual changes to the support amount as the parents share more time. It starts with zero credit for no parenting time, produces small percentage credits as the lesser-time parent gains more parenting time, increases rapidly to 50% credit near 50% parenting time, and then gradually increases again to 100% credit at 100% parenting time. According to the 2023 Center for Policy Research (CPR) economic study, Oregon’s formula is considered to be one of the best. They recommended minor adjustments:

- 1. Clarify what is meant by averaging two consecutive years of overnights when the commentary states that speculative data cannot be used.**
- 2. Require explanation of how specific expenses are to be shared when a timesharing adjustment is applied.**
- 3. Clearly state that the order can be modified if overnights are not being exercised as considered in the child support order.**
- 4. Monitor the appropriateness of the formula in equal or near-equal custody cases when there is disparate income.**
- 5. Do not apply the minimum order on top of the parenting-time credit formula.**
- 6. In addition to the issues identified by CPR, we also think the rule provision that addresses using blocks of time, rather than overnights, to determine parenting time should be clarified further.**

ANALYSIS:

- 1. Clarify what is meant by averaging two consecutive years of overnights when the commentary states that speculative data cannot be used.**

²⁶ *Review of the Oregon Child Support Guideline: Economic Data on Cost of Raising Children, Scale Update, and Other Issues* (Center for Policy Research, July 2023).

Subsection (2)(a) of the rule says to determine the average number of overnights using two consecutive years. The corresponding commentary explains that parenting time must be calculated on actual planned overnights that total 365 days, and therefore speculative or unknown data cannot be used. The commentary provides an example of an unquantifiable period as *the child will spend time during the summer months with the father*. The number of overnights cannot be counted as it's unknown. Whereas quantifiable periods, *the child will spend Memorial Day weekend with the mother*, are countable.

The CPR economic study also noted that using the average of two consecutive years of overnights may not be practical to obtain and suggested the guidelines include a statement that says *the expectation is that the parenting plan will be followed and average the number of overnights over two years, recognizing that the timesharing arrangement may differ from one year to the next due to holidays*.

OPTIONS CONSIDERED:

The existing commentary in the rule provides a fairly comprehensive explanation; however, the fact this issue was specifically pointed out indicates it's either insufficient or it's unclear. Consider expanding on the explanation or incorporating it into the rule text. The recommended language from the CPR economic study would help to further explain why overnights are averaged over two years.

Pro: Addresses an issue that has been identified as confusing.

Con: None identified.

2. Require explanation of how specific expenses are to be shared when a timesharing adjustment is applied.

If known or ordered in a parenting time agreement, expenses related to child-rearing or uninsured medical expenses can be included in the calculation as a rebuttal ([OAR 137-050-0760](#)). This results in prorating costs between the parents based on their percentage share of their combined income. Unknown expenses related to child-rearing or uninsured medical expenses cannot be included in a calculation but could potentially be included in future modifications using a rebuttal. That said, sharing of expenses in relation to shared parenting time is not addressed in the parenting time credit rule. One has to know to look in the rebuttal rule to find any information on this, which is not very user friendly or obvious.

OPTIONS CONSIDERED:

Consider including either a rule provision or commentary in the Parenting Time rule to specifically acknowledge that unless part of an order for parenting time or unless specifically known, these types of expenses are not included.

Consider including a cross reference to the specific sections in the Rebuttal rule about extracurricular activities, extraordinary medical expenses, and extraordinary needs of the child, which are comprehensively addressed in the commentary.

Pro: Addresses an issue that has been identified as lacking.

Con: None identified.

3. Clearly state that the order can be modified if overnights are not being exercised as considered in the child support order.

In cases where the family is currently receiving Temporary Assistance for Needy Families (TANF) assistance or upon request, the program will initiate a periodic review if 35 months have passed since the date the most recent support order took effect. If the order is less than three years old, a change to a written parenting time agreement or order qualifies as a change in circumstances. Upon request, the order will be reviewed and modified if it is found the existing order is not in substantial compliance with the guidelines.²⁷

In the survey sent out to participants, there were a few responses indicating parents were uncomfortable asking for a modification because it could make the other parent angry or that there could be repercussions. It was suggested that mandatory reviews would relieve this concern. It is permissible under ORS 25.287 to initiate a modification once an order is at least three years old, regardless of TANF status; however, this is a program policy²⁸ choice rather than a guidelines issue.

OPTIONS CONSIDERED:

Modifications are addressed in program rules, forms, and the website. Although a change in parenting time is a change in circumstances that qualifies for the order to be reviewed, making parents aware that a modification is an option is not a parenting time credit issue or a guideline rules issue.

While this information is available in different formats, the survey responses suggest it isn't sufficient. On a program level, and not in the context of the guidelines review, we may want to

²⁷ [OAR 137-055-3430](#) (1) For purposes of this rule: "Substantial compliance" means that the difference between the existing support order and the amount calculated using current guidelines is not greater than \$50 or 15% of the current guideline amount, whichever is less.

²⁸ [OAR 137-055-3420](#) (2) provides that the administrator will initiate a periodic review if 35 months have passed since the date the most recent support order took effect and the family is currently receiving TANF.

evaluate how we interact with our participants to determine if there are other ways to get information about the program and our services out to more people.

In addition, consider further clarifying the rule language and commentary regarding parenting time plans that aren't followed. Emphasize that a parenting plan is not “current” when it is not followed, and in those circumstances, no parenting time credit is given. The parties can obtain a new parenting plan, or an Administrative Law Judge may make a finding of actual parenting time for purposes of calculating support.

4. Monitor the appropriateness of the formula in equal or near-equal custody cases when there is disparate income.

For the 2010 guidelines, it was understood that when the parent had a greater percentage of combined income than of parenting time, that parent would be the obligated parent. However, it was not anticipated that the obligation would flip any time. All other things held equal, a parent with slightly more parenting time could be the paying parent when that parent had a significantly greater income. The 2012 guideline review²⁹ sought to correct this issue. To address this and other issues with the parenting credit formula, a graduated curve formula was adopted. This allowed a smaller credit for even minimal parenting time, and the credit increased rapidly as parenting time approached 50/50%. With this formula, the obligation can still flip when parenting time is equal or near equal and the parent with the most overnights also has a significantly higher income, but the majority agreed that this was an appropriate outcome as it helps to equalize the households.

Since the last review, we've found that the obligation can also flip when both parents have very low incomes, but due to receipt of disability payments or very low actual income, a parent at or slightly above minimum wage may be found to have the obligation to pay even though they have the most overnights. Though the math is correct, outcomes such as these are not scenarios we anticipated.

When the calculation flips, it can be difficult to explain why the parent with the most parenting time must pay support. It's also somewhat cumbersome for staff as a new case must be created, and in some cases, an application for services must be obtained from the new receiving party. A child attending school adds another layer of complexity that can make these cases challenging to work through.

All that said, the CPR report found that there is insufficient information to definitively conclude that the existing credit is unfair or inappropriate. They recommended Oregon continue to monitor these cases and consider information as it becomes available.

²⁹ [2012 GAC Report](#)

OPTIONS CONSIDERED:**(a)** Maintain status quo**Pro:** Presumes application of the guideline rule is just and appropriate**Pro:** No clear evidence suggesting the result is unfair or inappropriate**Pro:** Seeks to equalize households**Con:** Difficult to explain**Con:** Can be difficult to prepare documents in Origin (Oregon Child Support Program case management system)**Con:** Child Attending School complicates these cases**(b)** Enter a zero order instead of allowing it to flip**Pro:** Easier for the caseworker to process and explain**Con:** Parent who would receive support should be given the choice**Con:** Calculation indicates that the obligation should flip**5. Do not apply the minimum order on top of the parenting-time credit formula.**

The CPR report pointed out that most states do not apply a minimum order to shared parenting time situations. It further notes that the application of the minimum order in scenarios with significant parenting time can create some anomalous outcomes. For example, in two recent cases with similar findings, 12 hours (one overnight) made the difference of \$39 per month. The minimum order did not apply to the scenario with 182.5/182.5 overnights, resulting in a \$61 per month order, but it did apply to the scenario with 182/183 overnights, resulting in support being bumped up to \$100 per month.

The previous parenting time formula had a threshold set at 25% (which is approximately 91 overnights). Once that threshold was reached, a credit was applied. The difference of three overnights (88 overnights versus 91) would have a significant impact on the child support amount. But it also would apply the same credit for 130 overnights as 91. The current graduated curve formula is more nuanced and applies credit as parenting time increases—gradually at first, then more rapidly as the number approaches 50%. This eliminates the large jumps in credit from occurring. Applying the minimum order to cases with parenting time appears to be counterintuitive and undermines the integrity of the formula. Excluding only cases with exactly 50/50 parenting appears to be an arbitrary choice.

Brief history of the minimum order:

- The \$50 Minimum Order rule has been in effect since at least 1989: OAR 137-050-0470.
- Effective 5/12/2002, this rule was repealed due to the determination that there should be no set minimum order amount. The rationale given was that by utilizing the calculations as found in OAR 137-050-0465 and 137-050-0475, child support practitioners would be able to arrive at a fair and reasonable child support obligation.
- Effective 1/4/2010, OAR 137-050-0755 was adopted, stating that regardless of the computation, a parent is presumed to be able to pay \$100 per month, except in limited circumstances, such as when parenting time is equal.

More discussion on the minimum order is included in the 2023 Guideline Issue Research Paper on Income.

OPTIONS CONSIDERED:

(a) Don't apply the minimum order presumption to situations with shared parenting time

Pro: Begins with the assumption that the amount of credit, as indicated by formula, and the guideline amount, as determined by application of the guideline rules, are just and appropriate

Pro: Policy is consistent with other states

b) Expand the percentage to include situations with a smaller share of the parenting time (e.g., situations with at least 40/60% up to 50/50% shared parenting time are excepted from the minimum order)

Pro: Includes situations where the time isn't exactly equal but there is still a significant amount of parenting time

Con: Creates a threshold. Puts the focus on making sure the correct number is used (e.g., minimum order applies if noncustodial parent has 144 overnights but does not apply to 146 overnights)

c) Maintain status quo

Pro: Requires no changes to rule or programming

Con: Inconsistent practice from other states

Con: Overrides the guideline amount as determined by application of the parenting time formula and guideline rules

Con: Undermines the use of actual income

6. In addition to the issues identified by CPR, we also think the rule provision that addresses using blocks of time, rather than overnights, to determine parenting time should be clarified further.

The current rule language provides that parenting time may be determined using a method other than overnights if the parents have an alternative parenting time schedule in which a parent has significant time periods where the minor child is in the parent's physical custody but does not stay overnight. For example, in lieu of overnights, 12 continuous hours may be counted as one day. Additionally, blocks of time of four hours up to 12-hours may be counted as half-days, but not in conjunction with overnights. Regardless of the method used, blocks of time may not be used to equal more than one full day per 24-hour period.

This language is intended to offer flexibility but also causes confusion. Specifically, if a 12-hour block is counted as one day, then two 12-hour blocks in a day could potentially entitle two people to credit for the same 24-hour period. Then it goes on to say that regardless of how it's calculated, blocks of time may not be used to equal more than one full day per 24-hour period. This could be interpreted as being contradictory. We should consider expanding this section and clarifying the commentary to make it clearer.

Child Care Costs

Issue Title: Guidelines Review Policy Paper on Child Care Costs

Date: July 2025

Prepared by: Alexandra Popescu, Policy Team

ISSUE IN BRIEF: Federal law requires states to regularly review their guidelines for setting child support orders ([45 CFR 302.56](#)). The Center for Policy Research (CPR) wrote an economic study³⁰ that addresses the different guidelines factors, including child care costs, among others (income, self-support reserve, obligation scale, parenting time, medical expenses, etc.). As part of the Oregon Child Support Program Guidelines Review Project, we are reviewing our current child care costs guideline to determine what, if any, changes are needed.

REFERENCES:

[45 CFR 302.56](#)

[OAR 137-050-0735](#)

SUMMARY:

The current guideline rules provide that child care costs can be used to adjust the child support obligation only to the extent that they are reasonable and do not exceed the maximum amounts allowed by the Oregon Department of Early Learning and Care (DELIC):³¹

	Column A	Column B
Age of Child	The metropolitan areas ⁴ of Portland, Bend, Eugene, Corvallis, Springfield, Monmouth, Ashland Maximum Per Child	All Other Oregon or Out of State Locations Maximum Per Child
Newborn to 1 year	\$1,705	\$1,190
1 year to 3 years	\$1,705	\$1,083
3 years to 6 years	\$1,400	\$860
6 years and older	\$1,100	\$629

The current guidelines do not allow inclusion of the state- or employer-subsidized portion of child care costs because the parent does not actually pay the cost. The guidelines also do not account for child care tax credits. In cases where the parent actually receives a tax benefit, a rebuttal of the guideline result may be applied.

³⁰ [Review of the Oregon Child Support Guideline: Economic Data on Cost of Raising Children, Scale Update, and Other Issues \(Center for Policy Research, July 2023\)](#)

³¹ See OAR 414-175-0075: [Oregon Secretary of State Administrative Rules](#)

In their economic study, CPR acknowledges and discusses the increased expenditures on child care in the past years, especially since the Covid pandemic. It also breaks down the parents' expenditures on child care and child rearing based on national data for 20 income ranges that were generally income intervals of \$5,000 to \$20,000 per year. In their analysis, CPR concludes that the actual amount of child care expenses should be considered, rather than generic amounts, because of the large variation (high cost for infants and young children versus little to no cost for older children). The economic study further acknowledges that it is difficult to discern between child care expenses that are work-related and those due to entertainment.

A recent price market study³² conducted by the Oregon State University and prepared for the Oregon Department of Early Learning and Care found that the price of child care in Oregon has consistently increased over the past 24 years. Data shows that between 2022 and 2024, nominal and inflation-adjusted prices for all types of care and age groups have increased,³³ with the growth in statewide prices being largest in center care compared to large and small home-based care:

Center care:

- 75% increase for infants
- 71% increase for toddlers and preschool-age children

Small and large home-based care:

- 47-53% for large home-based care
- 33%-51% for small home-based care

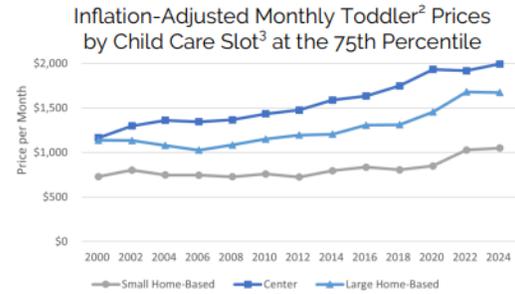
³² [2024 Oregon Child Care Market Price Study: Executive Summary](#), Oregon State University, March 2025

³³ [2024 Oregon Child Care Market Price Study: Summary of changes in child care prices by age and type of care over time](#), Oregon State University, March 2025

Prices have consistently increased over time.

Since 2000, prices¹ have increased for all types of care and age groups.

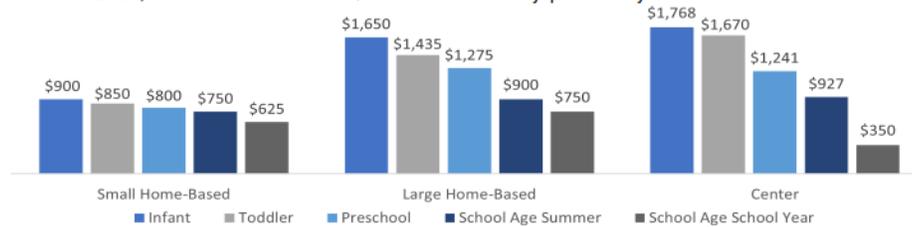
From 2022 to 2024, prices increased by less than 5% for most care types and ages served after adjusting for inflation. Large home-based preschool prices increased by 7%.



Prices vary by type of care and age of child served.

Centers report the highest prices, followed by large home-based, and small home-based care. Within each type of care, infant prices are the highest, followed by toddler, preschool, and school age prices.

2024 statewide full-time, median monthly prices by child care slot³



ITEMS FOR DISCUSSION:

1. Describe the issue regarding child care costs that can be solved. For example, does the current model unnecessarily limit child care credits? Or does the current model create excessively high support obligations?
2. The CPR did not provide recommendations to address the high child care costs in Oregon. Can the concerns about the high cost of child care be addressed by the child support guidelines? Consider and discuss alternatives, if any.