

HB 317-FN - AS INTRODUCED

2021 SESSION

21-0391

05/10

HOUSE BILL **317-FN**

AN ACT relative to the treatment of veterans' disability benefits for purposes of determining child support.

SPONSORS: Rep. Baldasaro, Rock. 5; Rep. Spillane, Rock. 2; Rep. Pearl, Merr. 26; Rep. Hopper, Hills. 2; Rep. Wallace, Rock. 12; Rep. Leishman, Hills. 24; Sen. Giuda, Dist 2; Sen. Bradley, Dist 3; Sen. Daniels, Dist 11; Sen. Gannon, Dist 23

COMMITTEE: Children and Family Law

ANALYSIS

This bill provides that a veteran's disability benefit shall not be considered as gross income for purposes of determining child support unless the veteran waived a portion of retirement pay for the disability benefit.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to the treatment of veterans' disability benefits for purposes of determining child support.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Child Support Guidelines; Definition of Gross Income; Veterans Disability Compensation.

2 Amend the introductory paragraph of RSA 458-C:2, IV to read as follows:

3 IV. "Gross income" means all income from any source, whether earned or unearned,
4 including, but not limited to, wages, salary, commissions, tips, annuities, social security benefits,
5 trust income, lottery or gambling winnings, interest, dividends, investment income, net rental
6 income, self-employment income, alimony, business profits, pensions, bonuses, and payments from
7 other government programs (except public assistance programs, including aid to families with
8 dependent children, aid to the permanently and totally disabled, supplemental security income, food
9 stamps, and general assistance received from a county or town), including, but not limited to,
10 workers' compensation, veterans' benefits (***except as otherwise provided in subparagraph (d)***),
11 unemployment benefits, and disability benefits; provided, however, that no income earned at an
12 hourly rate for hours worked, on an occasional or seasonal basis, in excess of 40 hours in any week
13 shall be considered as income for the purpose of determining gross income; and provided further that
14 such hourly rate income is earned for actual overtime labor performed by an employee who earns
15 wages at an hourly rate in a trade or industry which traditionally or commonly pays overtime wages,
16 thus excluding professionals, business owners, business partners, self-employed individuals and
17 others who may exercise sufficient control over their income so as to recharacterize payment to
18 themselves to include overtime wages in addition to a salary. In addition, the following shall apply:

19 2 New Subparagraph; Definition of Gross Income; Veterans Disability Compensation. Amend
20 RSA 458-C:2, IV by inserting, after subparagraph (c) the following new subparagraph:

21 (d) A veteran's compensation for service-connected disability shall not be considered as
22 gross income unless the veteran waived a portion of retirement pay in order to receive such
23 compensation, as verified by an apportionment review conducted by the United States Department
24 of Veterans Affairs in accordance with 42 U.S.C. section 659(h)(1)(A)(ii)(V) and Informational
25 Memorandum IM-98-03, dated September 25, 1998, as amended or updated by the Department.

26 3 Effective Date. This act shall take effect January 1, 2022.

**HB 317-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to the treatment of veterans' disability benefits for purposes of determining child support.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2021	FY 2022	FY 2023	FY 2024
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable
Funding Source:	<input checked="" type="checkbox"/> General Funds <input type="checkbox"/> Education <input type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Federal			

METHODOLOGY:

This bill amends the definition of "gross income" under the NH child support guidelines by excluding veterans' disability benefits from the calculation of gross income in most instances. The Department of Health and Human Services notes that in certain cases, any decrease in child support could result in additional families seeking aid through various state assistance programs. In addition, the Department states that the bill may subject the Bureau of Child Support Services to federal sanctions, in that it may conflict with federal regulation 45 CFR 302.56(c)(1), which requires state child support guidelines to take into consideration all earnings and income of the noncustodial parent. The Department speculates that such sanctions could include the loss of federal funding for child support programs, loss of federal child support performance measure incentive funds, and up to 5 percent of the state's Temporary Assistance to Needy Families (TANF) block grant. In total, federal funds received by the Bureau of Child Support Services equal \$11.8 million per year in the current FY 2020/21 budget.

AGENCIES CONTACTED:

Department of Health and Human Services