

STATE OF NEW MEXICO Human Services Department Governor Michelle Lujan Grisham Kari Armijo, Cabinet Secretary Alex Castillo Smith, Deputy Secretary Kathy Slater-Huff, Deputy Secretary Kyra Ochoa, Deputy Secretary

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State announces modernized child support guidelines for 2024

New Child Support Schedule reflects economic changes and introduces self-support reserve; ends \$5 Cash Medical Support Orders for children on Medicaid

SANTA FE – In a bold move to support non-custodial and custodial parents, the New Mexico Human Services Department (HSD) announced today comprehensive updates to the Basic Child Support Schedule for 2024. These changes, spearheaded by HSD's Child Support Services Division, consider more current economic data related to the costs involved in raising children and introduce a new self-support reserve for paying parents.

"Our goal is to ensure that child support payments are both reliable for families and realistically manageable for paying parents," said **Katherine Slater-Huff**, HSD Deputy Secretary. "Life is more expensive, and the updated guidelines take into consideration the economy, inflation, and the increased federal poverty guidelines to strike a balance when determining monthly obligation based on the income of the parents."

HSD has completed its rule making process for updating the child support guidelines schedule used to determine the appropriate amount of child support paid by the paying parent for financial support of their child(ren). The authority for making changes through the promulgation of rules versus state statute occurred during the passage of Senate Bill 223 during the 2023 legislative session.

The <u>updated child support guidelines schedule</u> will be used to set or modify child support amounts in new pleadings filed after January 1, 2024, and may result in a decrease in monthly obligations in some cases, and an increase in others.

"The self-support reserve is designed to ensure that paying parents, particularly those near or below poverty, face a manageable financial obligation," said **Betina Gonzales McCracken**, HSD's Child Support Services Director. "Research indicates that when child support payments are within their financial reach, parents are more likely to consistently meet their responsibilities, benefiting both the child and the custodial party."

Whether you pay or receive child support, the changes may impact you depending on where your income falls on the updated schedule. Increases are seen at the middle and higher incomes,

while reduced amounts at lower incomes are seen as a result of adding a self-support reserve for paying parents whose incomes are just above the 2022 federal poverty guidelines.

These changes do not impact existing child support orders. The updated guideline schedule will be used to consider new petitions for orders and motions for modifications filed after January 1, 2024.

In addition to the updated child support guidelines schedule, the new rules also recommend consideration of labor market data when imputing income for child support obligations. Labor market data shows that many low-wage jobs offer less than 40-hour work weeks, for example, in New Mexico the average is 34.1 hours per week; therefore, imputing income at 40 hours per week would be inappropriate in these instances. Imputing income is used when parents are not employed or under employed.

HSD also updated the rules to make official the discontinued practice of ordering \$5 per month in cash medical support when the child's health coverage is from a public entity, such as Medicaid. This practice ended through an administrative order issued in November 2022, but was passed through legislation in 2023 via Senate Bill 224. For more information on the Child Support Services Program, visit YES.NM.GOV

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The Human Services Department provides services and benefits to 981,259 New Mexicans through several programs including: the Medicaid Program, Temporary Assistance for Needy Families (TANF) Program, Supplemental Nutrition Assistance Program (SNAP), Child Support Program, and several Behavioral Health Services.