

North Dakota House of Representatives

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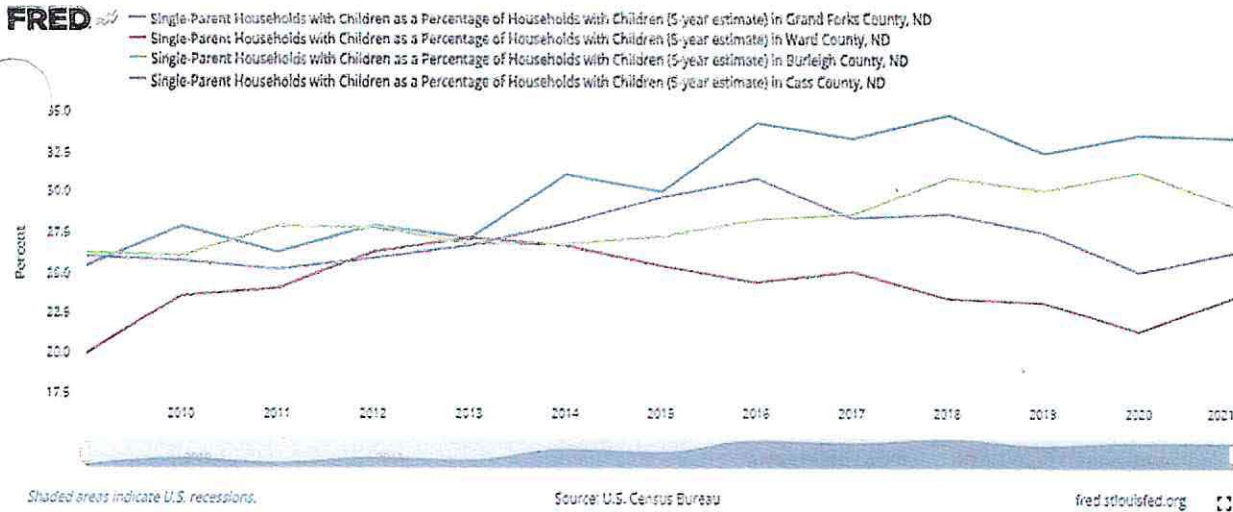
Chairman Weisz and members of the committee,

HB 1458 continues our efforts to reform the child support program, particularly when it comes to the obligation placed upon the paying parent. HB 1458, much like HB 1443 seeks to address an inequity which has only grown over time, due to the increasing costs of health insurance for most Americans.

Presently, in the child support system, parents may choose to provide health insurance for their child, and typically the parent with the better health insurance is the one who does so. In doing so, they typically have to spend more on that insurance coverage as it is no longer an "individual plan" but rather is a group or family plan in the insurance market which carries a noticeable premium. North Dakota has an obligor model which bases everything on the payor or obligor. Unfortunately, however, the cost of this insurance is not factored in as part of their child support payments, and as such the parent who is providing health coverage for their child can continue to be stuck with a child support bill which neglects that they are already spending money to support the child.

HB 1458 as a result, as written, allows the court to consider the value of the health insurance when calculating the total amount owed, in order to make it more equitable and to better reflect what is already being provided to the child.

In my previous testimony, I noted that this issue affects thousands of North Dakota families, and has the potential to impact about 1/3rd of all households with children in the county of Grand Forks. Again, upon request of the committee I will be more than willing to provide county specific data for their consideration, but the 4 most populous counties are below.



I would also humbly request that the committee consider a few amendments to the bill, in order to continue the spirit of fairness and equity that is being attempted in reforming the child support system. I would like the committee to amend b.) to the following:

b.) Include 'consideration of the obligor providing health insurance coverage for the child and reduce the final amount owed by the fair market value of the health insurance policy'.

This amendment comes as I have been made aware that some health insurance policies, particularly those from public employees and the military do not require the obligor to pay extra money to cover their child. As a result, it is my fear that the value of these policies when calculating child support will be based on the cost to the parent (in some cases zero) and as such have no tangible impact on the level of child support required of them. It is my goal to recognize the financial value that is going towards the support of the child via a health insurance plan and deduct that amount from what the obligor owes.

I would ask for a Do Pass. I will now stand for questions