## BILL ANALYSIS

Senate Research Center 80R1896 KSD-F

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

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

As proposed, S.B. 304 provides the courts with a formula for determining the cost of health insurance when multiple children are covered under the same policy but some of those children are not from the marriage covered by a child support order. S.B. 304 also adjusts the top dollar bracket for the net resources calculation and clarifies existing law regarding the discretion of the court in establishing child support payment amounts for lower wage earners.

## **RULEMAKING AUTHORITY**

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

## SECTION BY SECTION ANALYSIS

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

(e) Requires the court to divide the obligor's total insurance cost by the total number of minor dependents covered under the insurance plan when calculating expenses for health insurance coverage for an obligor's child under Subsection (d)(5). Specifies that the court is only to take such action if the obligor has other minor dependents covered under the same health insurance plan.

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

Sec. 154.125. New heading: APPLICATION OF GUIDELINES TO NET RESOURCES OF \$7,500 OR LESS. (a) Increases from \$6,000 to \$7,500 the obligor's monthly net resources in which the guidelines for the support of a child in this section apply.

(b) Makes a conforming change.

(c) Authorizes the court to order additional amounts of child support if the obligor's monthly net resources are less than \$2,000, but not in amount that is more than the greater of the presumptive amount under Subsection (b) or equal to 100 percent of the proven needs of the child.

SECTION 3. Amends Section 154.126, Family Code, to make conforming and nonsubstantive changes.

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

SECTION 5. Amends Section 154.182, Family Code, by adding Subsection (d) to make conforming changes.

- SECTION 6. Amends Section 154.183(b), Family Code, to make conforming changes.
- SECTION 7. Makes application of this Act prospective.
- SECTION 8. Effective date: September 1, 2007.