



**SOUTH CAROLINA CHILD
SUPPORT GUIDELINES
REVIEW FINAL REPORT**

BY

**CHILD SUPPORT SERVICES
DIVISION**

**SOUTH CAROLINA
DEPARTMENT OF SOCIAL
SERVICES**

March 1, 2024



SOUTH CAROLINA CHILD SUPPORT GUIDELINES REVIEW

FINAL REPORT

The Department of Social Services is required to perform a quadrennial review of Regulation 114-4710 through 114-4750, known as the Child Support Guidelines, pursuant to Sections 43-5-580(b) and 63-17-470(D) of the South Carolina Code of Laws in addition to 45 Code of Federal Regulations (CFR) Section 302.56. The Child Support Services Division of the South Carolina Department of Social Services organizes and oversees South Carolina's quadrennial review of the Guidelines.

The Guidelines are used to calculate the appropriate amount of child support to be paid and are used to review and adjust existing orders for support. South Carolina's guidelines are based on the Income Shares Model, developed by the Child Support Guidelines Project of the National Center for State Courts. Developed with the best available economic evidence on child rearing expenditures, the Income Shares Model is based on the concept that the children should receive the same proportion of parental income that they would have received had the parents lived together. A more detailed explanation of the Income Shares Model and the underlying economic evidence used to support it is contained in Development of Guidelines for Child Support Orders, Report to the Federal office of Child Support Enforcement, September 1987 (National Center for State Courts, Denver, Colorado).

The Income Shares Model calculates child support as the share of each parent's income which would have been spent on the children if the parents and children were living in the same household. The shares are based on the amount of money ordinarily spent on children by their families living in the United States and adjusted to South Carolina cost of living levels. This evidence indicates that individuals tend to spend money on their children in proportion to their income, and not solely on need.

The purpose and mission of the Guidelines Review Committee is to conduct a comprehensive review of the Guidelines, economic factors and other matters relevant to ensure that the best interests of South Carolina's children are served when child support is calculated. The Guidelines Review Committee is also tasked with evaluating South Carolina's compliance with Federal regulations concerning child support guidelines, reviewing how other states have revised their child support guidelines and addressing the needs and concerns of the public through engagement with stakeholders. The Guidelines Review Committee is responsible for making recommendations for proposed changes to the Guidelines.

WORK OF THE COMMITTEE

The quadrennial review focused on updating the basic support obligation tables to address changes in the underlying economic factors, data and studies upon which they are based; addressing issues of compliance with the 2016 Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs Final Rule as they relate to 45 CFR 302.56; updating and clarifying terminology; and, creating a section define extraordinary medical expenses.

The Guidelines Review Committee identified and determined the appropriate manner for South Carolina to fully comply with the 2016 Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs Final Rule:

1. Prohibition of imputation of income to incarcerated individuals pursuant to 45 CFR §302.56(c)(3).

2. Increase and expand the factors that may be used when imputing income to a parent is unemployed or underemployed pursuant to 45 CFR §302.56(c)(1)(iii).
3. The term “insurance” was replaced with “coverage” to allow for inclusion of public health plans and assistance as envisioned by 45 CFR §302.56(c)(2) in regard to health care coverage for the minor child(ren) involved in the case.

In order to determine the best manner in which to implement these changes to South Carolina’s Child Support Guidelines, the Guidelines Review Committee examined the child support guidelines of several other States that have made revisions since the 2016 Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs Final Rule was promulgated. The exact language contained in Federal regulations was thoroughly reviewed and analyzed to ensure the proposed revisions to the existing South Carolina Child Support Guidelines would fully address any issues with compliance.

The Guidelines Review Committee addressed the issue of “Extraordinary Medical Expenses”. While this term appears as a “line item” on the Child Support Guidelines Worksheets, it is neither defined nor mentioned in the existing Child Support Guidelines. Members of the private bar, Family Court Judges and the public have previously submitted comments regarding the matter. The existing Child Support Guidelines address the issue of “Unreimbursed Medical Expenses” and, therefore, the Guidelines Review Committee chose precise language to differentiate between these two terms. A new section was added to the proposed Child Support Guidelines to directly address “Extraordinary Medical Expenses”.

The Guidelines Review Committee addressed the issue of “unlicensed work-related child care expenses” at the request of members of the private bar, Family Court Judges and the public. The cost and expense of work-related childcare can significantly impact the amount of child support calculated pursuant to the Child Support Guidelines. During its discussions, the Guidelines Review Committee noted that demand far exceeds the supply of licensed childcare facilities in South Carolina and this can be exacerbated by geography. As a result, the proposed Child Support Guidelines allow for work-related childcare expenses from an unlicensed provider to be considered; however, the Guidelines Review Committee felt it only appropriate to ensure that expenses from an unlicensed provider should not exceed that of a licensed provider.

The Guidelines Review Committee addressed changes in economic and tax codes through a review of the Basic Support Obligation table and work-related childcare tax

The Basic Support Obligation table is the engine which drives the calculation of an actual child support obligation. The tables are comprised of a schedule of monthly basic obligations for a range of combined incomes based upon the number of children to be supported. The development and creation of the tables is a highly complex matter. At the request of the Guidelines Review Committee, the South Carolina Department of Social Services retained the services of Jane Venohr, Ph.D., a renowned economist with substantial experience and expertise regarding child support guidelines for many states, to provide revised Basic Support Obligation tables based upon the most recent economic studies and data available. This request included an expansion of the Basic Support Obligation tables to cover income up to \$40,000.00 per month as South Carolina’s current Child Support Guidelines only cover income up to \$30,000.00 per month. These revised Basic Support Obligation tables would also take into account the increase in the “Self-Support Reserve”(SSR). The Self-Support Reserve is a federal requirement to ensure that a child support obligation does not place a low-income individual below the poverty level. South Carolina’s Self-Support Reserve is calculated based upon the federal poverty guideline for one person and adjusted for price parity in South Carolina using data from the United States Census. The proposed Child Support Guidelines will increase the Self-Support Reserve as the federal poverty guideline has increased substantially since the time the current guidelines were promulgated. The Basic Support Obligation tables received

from Dr. Venohr were reviewed by the Guidelines Review Committee and adjustments were made as deemed necessary.

In addition to the revisions made to the Basic Support Obligation tables, other revisions were required as a result of changes in State and Federal Tax Codes. South Carolina's Child Support Guidelines provide for an adjustment to the work-related child care costs line item to account for the custodial parent receiving tax benefits for the same when the custodial parent's income exceeds a specific threshold. The changes to the State and Federal Tax Codes led to an increase in the income threshold amounts. This will result in more custodial parents receiving full credit for their work-related child care costs.

The Guidelines Review Committee also addressed necessary updates for terminology. The term "health insurance" was replaced with "health care coverage" to comply with Federal regulations. The term "daycare" was replaced with "child care". Along with updates for terminology, corrections for errors in grammar and usage were made.

Upon completion of the draft proposed Child Support Guidelines, the revised Regulations were submitted for public review and comment in the *State Register*. The complete chronological history of matters published in the *State Register* is as follows:

April 22, 2022 (Notice of Drafting)
October 28, 2022 (Proposed Regulation)
December 23, 2022 (Submitted to South Carolina General Assembly)
February 23, 2024* (Anticipated date of publication of Final Regulation)

The complete chronological legislative history of the revised Regulations is as follows:

December 23, 2022 (Submitted to South Carolina General Assembly)
January 10, 2023 (Received by the President of the Senate and Speaker of the House)
January 10, 2023 (Referred to Senate Committee)
January 11, 2023 (Referred to House Committee)
April 26, 2023 (Committee Requested Withdrawal)
April 26, 2023 (Withdrawn and Resubmitted to add effective date of January 1, 2024)
January 13, 2024 (Approved by Expiration Date)
February 23, 2024 (Effective Date unless otherwise provided for in the Regulation*)
*The regulation provides for an effective date of January 1, 2024

The Guidelines Review Committee held formal meetings on the following dates:

January 19, 2022
June 17, 2022
July 8, 2022
August 12, 2022
September 2, 2022

The 2022 Child Support Guidelines Review Committee included the following members:

Timothy Mose
Director, Child Support Services Division
South Carolina Department of Social Services

The Honorable Mindy W. Zimmerman
Family Court Judge

Amy Wessinger
Family Court Representative
South Carolina Judicial Branch

Sue Berkowitz, Esquire
Director, South Carolina Appleseed Legal Justice Center

Thomas W. Traxler, Esquire

Tana Vanderbilt, Esquire
South Carolina Center for Fathers and Families

Paul LeBarron, Esquire
State Attorney, Child Support Services Division
South Carolina Department of Social Services

James Swick, Esquire
Assistant Director, Child Support Services Division
South Carolina Department of Social Services

PREPARATION FOR IMPLEMENTATION

Following the conclusion of the 2023 Legislative session in May of 2023, the Child Support Services Division initiated plans for implementation of the revised Child Support Guidelines. These plans included preparation for:

1. Release of an updated Child Support Guidelines calculator located on the Child Support Services Division's website,
2. Release of an updated Child Support Guidelines calculator in the Palmetto Automated Child Support System (PACSS);
3. Release of an updated Child Support Guidelines Booklet; and,
4. Release of informational and training materials.

The updated calculators were released into production on January 15, 2024. Informational and training materials were provided to all staff of the Child Support Services Division on January 4, 2024. The updated Child Support Guidelines Booklet was made available on the Child Support Services Division's website on January 15, 2024.

Future Reviews

The next quadrennial review of South Carolina's Child Support Guidelines is scheduled for January 1, 2028. To obtain additional information on participating and/or contributing to the review process, please contact James Swick, Assistant Director, at James.Swick@dss.sc.gov or Post Office Box 1469, Columbia, South Carolina 29202.

ADDENDUM A

Please follow this link: [Microsoft Word - 2014CSGuidelines3FinalBookletFormat.docx \(sc.gov\)](#)

CHILD SUPPORT GUIDELINES REGULATION

BASIC SUPPORT TABLES

CHILD SUPPORT WORKSHEETS