

Inmate Reentry, Finances, and Debt Modifications

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Melissa G. Ballard

Senate Sponsor: Michael K. McKell

LONG TITLE

General Description:

This bill concerns inmate and former inmate reentry, finances, and debts.

Highlighted Provisions:

This bill:

- defines terms;
- requires, with a delayed implementation date, a county jail to notify certain state agencies that may have information concerning an inmate's existing debts when an inmate is incarcerated in the county jail for more than 90 days and when the inmate is released from the county jail;
- requires, with a delayed implementation date, the Office of State Debt Collection to suspend the accrual of interest on certain accounts receivable during periods of at least 90 days of incarceration and for an additional period after release;
- expands the duties of the reentry division created by the Department of Corrections (department);
- requires the department to provide information to an inmate on a regular basis concerning:
 - the inmate's known debts;
 - incentives for paying certain debts while incarcerated; and
 - information on how to access additional information concerning debts and resources on financial literacy and money management;
- requires the department:
 - with a delayed implementation date, to notify certain state agencies that may have information concerning an inmate's existing debts when an inmate enters and leaves incarceration; and
 - to provide educational resources to individuals designated by an inmate concerning

incentives for repaying certain debts while incarcerated;

- amends provisions concerning when incarceration may not be considered by the Office of Recovery Services (office) as voluntary unemployment for purposes of a child support order;

- requires the office to suspend child support orders and money judgments in certain circumstances relating to incarceration;

- provides that the office shall resume a suspended child support obligation after the offender has been released for 90 days; and

- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

64-13-6, as last amended by Laws of Utah 2024, Chapters 144, 208

64-13-23, as last amended by Laws of Utah 2024, Chapter 144

81-6-101, as renumbered and amended by Laws of Utah 2024, Chapter 366

81-6-203, as renumbered and amended by Laws of Utah 2024, Chapter 366

ENACTS:

17-22-35, Utah Code Annotated 1953

63A-3-509, Utah Code Annotated 1953

81-6-211.5, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **17-22-35** is enacted to read:

17-22-35 . Notification requirements to state agencies concerning potential inmate debts.

(1) As used in this section, "inmate" means an individual who is in the custody of a county jail.

(2)(a) Beginning on January 1, 2027, a county jail is required to notify the Office of State Debt Collection, the State Tax Commission, and the Office of Recovery Services:

(i) within five business days after the day on which an inmate has been incarcerated

- 62 in the county jail for 90 consecutive days; and
- 63 (ii) if an inmate has been incarcerated in the county jail for more than 90 consecutive
- 64 days, within five business days after the day on which an inmate is released from
- 65 the county jail.
- 66 (b) The notification described in Subsection (2)(a) shall include:
- 67 (i) the relevant dates of the inmate's incarceration and identifying information
- 68 concerning the inmate's identity; and
- 69 (ii) whether the inmate's incarceration is based on:
- 70 (A) criminal non-payment of a child support order; or
- 71 (B) an offense against the inmate's child or custodial parent of the inmate's child.
- 72 (c) The requirement described in Subsection (2)(a)(i) does not apply if a court, another
- 73 county jail, the Department of Corrections, or another entity already has notified the
- 74 Office of State Debt Collection, the State Tax Commission, and the Office of
- 75 Recovery Services as described in Subsection (2)(a) about the inmate's incarceration.
- 76 (d) The requirement described in Subsection (2)(a)(ii) does not apply if an inmate is
- 77 transferred to a different county jail or another incarcerated setting for the purpose of
- 78 continued incarceration.

79 Section 2. Section **63A-3-509** is enacted to read:

80 **63A-3-509 . Suspension of interest on certain accounts receivable during and**

81 **subsequent to incarceration.**

82 Beginning on January 1, 2027, unless prohibited by another provision of law or a court

83 order, or unless an account receivable contains restitution as defined in Section 77-38b-102,

84 the office shall, upon receipt of a notification from a county jail in accordance with Section

85 17-22-35 or a notification from the Department of Corrections in accordance with Subsection

86 64-13-23(9), suspend the accrual of interest on an individual's accounts receivable under

87 Subsection 63A-3-502(4)(g):

- 88 (1) during any period that the individual is incarcerated in a county jail or a state prison, if
- 89 the period is 90 or more consecutive days; and
- 90 (2) for a period of 180 days after the day on which the individual is released from a period
- 91 of incarceration as described in Subsection (1).

92 Section 3. Section **64-13-6** is amended to read:

93 **64-13-6 . Department duties.**

94 (1) The department shall:

- 95 (a) protect the public through institutional care and confinement, and supervision in the

- 96 community of offenders where appropriate;
- 97 (b) implement court-ordered punishment of offenders;
- 98 (c) provide evidence-based and evidence-informed program opportunities for offenders
99 designed to reduce offenders' criminogenic and recidivism risks, including
100 behavioral, cognitive, educational, and career-readiness program opportunities;
- 101 (d) ensure that offender participation in all program opportunities described in
102 Subsection (1)(c) is voluntary;
- 103 (e) where appropriate, utilize offender volunteers as mentors in the program
104 opportunities described in Subsection (1)(c);
- 105 (f) provide treatment for sex offenders who are found to be treatable based upon criteria
106 developed by the department;
- 107 (g) provide the results of ongoing clinical assessment of sex offenders and objective
108 diagnostic testing to sentencing and release authorities;
- 109 (h) manage programs that take into account the needs and interests of victims, where
110 reasonable;
- 111 (i) supervise probationers and parolees as directed by statute and implemented by the
112 courts and the Board of Pardons and Parole;
- 113 (j) subject to Subsection (3), investigate criminal conduct involving offenders
114 incarcerated in a state correctional facility;
- 115 (k) cooperate and exchange information with other state, local, and federal law
116 enforcement agencies to achieve greater success in prevention and detection of crime
117 and apprehension of criminals;
- 118 (l) implement the provisions of Title 77, Chapter 28c, Interstate Compact for Adult
119 Offender Supervision;
- 120 (m) establish a case action plan based on appropriate validated risk, needs, and
121 responsivity assessments for each offender as follows:
- 122 (i)(A) if an offender is to be supervised in the community, the department shall
123 establish a case action plan for the offender no later than 60 days after the day
124 on which the department's community supervision of the offender begins; and
125 (B) if the offender is committed to the custody of the department, the department
126 shall establish a case action plan for the offender no later than 90 days after the
127 day on which the offender is committed to the custody of the department;
- 128 (ii) each case action plan shall:
- 129 (A) integrate an individualized, evidence-based, and evidence-informed treatment

- 130 and program plan with clearly defined completion requirements; and
- 131 (B) require that a case manager will:
- 132 (I) ensure that an assessment of the education level, occupational interests, and
- 133 aptitudes of the inmate has been completed;
- 134 (II) refer the inmate to a higher education student advisor at an institution
- 135 offering programs consistent with the inmate's interests and aptitudes for
- 136 advisement on educational preferences and plans;
- 137 (III) incorporate the inmate's interests, aptitudes, and student advisement into
- 138 an education plan consistent with the guidance provided by the Higher
- 139 Education and Corrections Council created in Section 53B-35-201; and
- 140 (IV) refer the inmate to the student advisor at the institution called for in the
- 141 case action plan for guidance and assistance with the education process;
- 142 (iii) the department shall share each newly established case action plan with the
- 143 sentencing and release authority within 30 days after the day on which the case
- 144 action plan is established; and
- 145 (iv) the department shall share any changes to a case action plan, including any
- 146 change in an offender's risk assessment, with the sentencing and release authority
- 147 within 30 days after the day of the change;
- 148 (n) ensure that an inmate has reasonable access to legal research;
- 149 (o) ensure that any training or certification required of a public official or public
- 150 employee, as those terms are defined in Section 63G-22-102, complies with Title
- 151 63G, Chapter 22, State Training and Certification Requirements, if the training or
- 152 certification is required:
- 153 (i) under this title;
- 154 (ii) by the department; or
- 155 (iii) by an agency or division within the department;
- 156 (p) when reporting on statewide recidivism, include the metrics and requirements
- 157 described in Section 63M-7-102;
- 158 (q) create a reentry division that focuses on the successful reentry of inmates into the
- 159 community[;], which shall include:
- 160 (i) screening and assessments for an inmate's risks and needs;
- 161 (ii) individualized plans and case management;
- 162 (iii) quality treatment, education, and job preparation;
- 163 (iv) community partnerships; and

- 164 (v) comprehensive release planning before the inmate's release, including:
165 (A) coordination with support services; and
166 (B) coordination with one or more family members or friends, if the inmate has
167 given permission to contact specific individuals for this purpose;
168 (r) coordinate with the Board of Pardons and Parole regarding inmate records that are
169 necessary for the Board of Pardons and Parole to make necessary determinations
170 regarding an inmate; and
171 (s) ensure that inmate records regarding discipline, programs, and other relevant metrics
172 are:
173 (i) complete and updated in a timely manner; and
174 (ii) when applicable, shared with the Board of Pardons and Parole in a timely manner.
175 (2) The department may in the course of supervising probationers and parolees:
176 (a) respond to an individual's violation of one or more terms of the probation or parole in
177 accordance with the graduated and evidence-based processes established by the adult
178 sentencing and supervision length guidelines, as defined in Section 63M-7-401.1; and
179 (b) upon approval by the court or the Board of Pardons and Parole, impose as a sanction
180 for an individual's violation of the terms of probation or parole a period of
181 incarceration of not more than three consecutive days and not more than a total of
182 five days within a period of 30 days.
183 (3)(a) By following the procedures in Subsection (3)(b), the department may investigate
184 the following occurrences at state correctional facilities:
185 (i) criminal conduct of departmental employees;
186 (ii) felony crimes resulting in serious bodily injury;
187 (iii) death of any person; or
188 (iv) aggravated kidnapping.
189 (b) Before investigating any occurrence specified in Subsection (3)(a), the department
190 shall:
191 (i) notify the sheriff or other appropriate law enforcement agency promptly after
192 ascertaining facts sufficient to believe an occurrence specified in Subsection (3)(a)
193 has occurred; and
194 (ii) obtain consent of the sheriff or other appropriate law enforcement agency to
195 conduct an investigation involving an occurrence specified in Subsection (3)(a).
196 (4) Upon request, the department shall provide copies of investigative reports of criminal
197 conduct to the sheriff or other appropriate law enforcement agencies.

- 198 (5)(a) The executive director of the department, or the executive director's designee if
199 the designee possesses expertise in correctional programming, shall consult at least
200 annually with cognitive and career-readiness staff experts from the Utah system of
201 higher education and the State Board of Education to review the department's
202 evidence-based and evidence-informed treatment and program opportunities.
- 203 (b) Beginning in the 2022 interim, the department shall provide an annual report to the
204 Law Enforcement and Criminal Justice Interim Committee regarding:
- 205 (i) the department's implementation of and offender participation in evidence-based
206 and evidence-informed treatment and program opportunities designed to reduce
207 the criminogenic and recidivism risks of offenders over time; and
- 208 (ii) the progress of the department's implementation of the inmate program
209 requirements described in Section 64-13-50.
- 210 (6)(a) As used in this Subsection (6):
- 211 (i) "Accounts receivable" means any amount owed by an offender arising from a
212 criminal judgment that has not been paid.
- 213 (ii) "Accounts receivable" includes unpaid fees, overpayments, fines, forfeitures,
214 surcharges, costs, interest, penalties, restitution to victims, third-party claims,
215 claims, reimbursement of a reward, and damages that an offender is ordered to
216 pay.
- 217 (b) The department shall collect and disburse, with any interest and any other costs
218 assessed under Section 64-13-21, an accounts receivable for an offender during:
- 219 (i) the parole period and any extension of that period in accordance with Subsection
220 (6)(c); and
- 221 (ii) the probation period for which the court orders supervised probation and any
222 extension of that period by the department in accordance with Subsection
223 77-18-105(7).
- 224 (c)(i) If an offender has an unpaid balance of the offender's accounts receivable at the
225 time that the offender's sentence expires or terminates, the department shall be
226 referred to the sentencing court for the sentencing court to enter a civil judgment
227 of restitution and a civil accounts receivable as described in Section 77-18-114.
- 228 (ii) If the board makes an order for restitution within 60 days from the day on which
229 the offender's sentence expires or terminates, the board shall refer the order for
230 restitution to the sentencing court to be entered as a civil judgment of restitution as
231 described in Section 77-18-114.

(d) This Subsection (6) only applies to offenders sentenced before July 1, 2021.

Section 4. Section **64-13-23** is amended to read:

64-13-23 . Offender's income, debt, and finances -- Department responsibilities concerning offender debt and financial information.

(1) The department may require each offender, while in the custody of the department or while on probation or parole, to place funds received or earned by the offender from any source into:

(a) an account administered by the department; or

(b) a joint account with the department at a federally insured financial institution.

(2) The department may require each offender to maintain a minimum balance in an account under Subsection (1) for the particular offender's use upon:

(a) discharge from the custody of the department; or

(b) completion of parole or probation.

(3) If the funds are placed in a joint account at a federally insured financial institution:

(a) any interest accrues to the benefit of the offender account; and

(b) the department may require that the signatures of both the offender and a departmental representative be submitted to the financial institution to withdraw funds from the account.

(4) If the funds are placed in an account administered by the department, the department may by rule designate:

(a) a certain portion of the offender's funds as interest-bearing savings; and

(b) a portion of the offender's funds as noninterest-bearing to be used for day-to-day expenses.

(5)(a) The department may withhold part of the offender's funds in an account under Subsection (1) for expenses of:

~~[(a)]~~ (i) supervision or treatment;

~~[(b)]~~ (ii) restitution, reparation, fines, alimony, support payments, or similar court-ordered payments;

~~[(c)]~~ (iii) obtaining the offender's DNA specimen, if the offender is required under Section 53-10-404 to provide a specimen;

~~[(d)]~~ (iv) department-ordered repayment of a fine that is incurred under Section 64-13-33; and

~~[(e)]~~ (v) other debt to the state.

(b) The department shall provide or make available an account statement at least every

two weeks to each inmate who has an account under Subsection (1) that contains:

(i) a list of the inmate's known existing debts, including debts related to the inmate's restitution, court costs, fines, tax obligations, alimony, child support, other court-ordered payments, and similar debts;

(ii) information regarding incentives for paying certain debts while incarcerated; and

(iii) information on how the inmate can access information concerning:

(A) the debts listed in Subsection (5)(b)(i); and

(B) educational resources on financial literacy and money management.

(c) The department may provide an account statement to a former inmate through the former inmate's parole officer through the Division of Adult Probation and Parole upon request.

(6)(a) An offender may not be granted free process in civil actions, including petitions for a writ of habeas corpus, if, at any time from the date the cause of action arose through the date the cause of action remains pending, there are any funds in an account under Subsection (1) that have not been withheld or are not subject to withholding under Subsection (4) or (5).

(b) The amount assessed for the filing fee, service of process and other fees and costs shall not exceed the total amount of funds the offender has in excess of the indigence threshold established by the department but not less than \$25 including the withholdings under Subsection (4) or (5) during the identified period of time.

(c) The amounts assessed shall not exceed the regular fees and costs provided by law.

(7) The department may disclose information on offender accounts to the Office of Recovery Services and other appropriate state agencies.

(8) The department shall publish a notice on the department's website, and any website used by an individual depositing funds into an offender's account, that the individual may request from the department a copy of a statement of the offender's financial account in accordance with Title 63G, Chapter 2, Government Records Access and Management Act.

(9)(a)(i) Beginning on January 1, 2027, within 15 days after an inmate has been incarcerated in a state prison for 90 consecutive days, the department shall notify the Office of State Debt Collection, the State Tax Commission, and the Office of Recovery Services about the inmate's incarceration, including:

(A) the relevant dates of the inmate's incarceration and identifying information concerning the inmate's identity; and

- 300 (B) whether the inmate's incarceration is based on criminal non-payment of a child
301 support order or an offense against the child or custodial parent.
- 302 (ii) Beginning on January 1, 2027, within 15 days after the day on which an inmate is
303 released from incarceration, the department shall notify the entities listed in
304 Subsection (9)(a)(i) of the inmate's release date.
- 305 (b) The requirement described in Subsection (9)(a)(i) does not apply if a court, county
306 jail, or other entity previously has notified the agencies listed in Subsection (9)(a)(i)
307 about the inmate's incarceration.
- 308 (10)(a) The department shall, on a periodic basis, offer educational resources to one or
309 more individuals designated by an inmate concerning financial incentives for
310 repaying certain debts during an inmate's incarceration.
- 311 (b) The department may, if the department has received an inmate's consent, provide one
312 or more individuals designated by an inmate with information concerning the
313 inmate's current financial account balance and existing known debts, in addition to
314 the information provided under Subsection (10)(a).

315 Section 5. Section **81-6-101** is amended to read:

316 **81-6-101 . Definitions for chapter.**

317 As used in this chapter:

- 318 (1) "Administrative agency" means the Office of Recovery Services or the Department of
319 Health and Human Services.
- 320 (2) "Administrative order" means the same as that term is defined in Section 26B-9-201.
- 321 (3) "Alimony" means the same as that term is defined in Section 81-4-101.
- 322 (4) "Base child support award" means the award that may be ordered and is calculated
323 using the child support guidelines before additions for medical expenses and
324 work-related child care costs.
- 325 (5) "Base combined child support obligation" means the presumed amount of child support
326 that the parents should provide for their child as described in Subsection 81-6-204(1).
- 327 (6) "Base combined child support obligation table" means the appropriate table described in
328 Sections 81-6-302 and 81-6-304.
- 329 (7) "Child" means:
- 330 (a) a son or daughter who is under 18 years old and who is not otherwise emancipated,
331 self-supporting, married, or a member of the armed forces of the United States;
- 332 (b) a son or daughter who is 18 years old or older while enrolled in high school during
333 the normal and expected year of graduation and not otherwise emancipated,

self-supporting, married, or a member of the armed forces of the United States; or
(c) a son or daughter of any age who is incapacitated from earning a living and, if able to
provide some financial resources to the family, is not able to support self by own
means.

(8)(a) "Child support" means a base child support award, or a monthly financial award
for uninsured medical expenses, ordered by a tribunal for the support of a child.

(b) "Child support" includes current periodic payments, arrearages that accrue under an
order for current periodic payments, and sum certain judgments awarded for
arrearages, medical expenses, and child care costs.

(9) "Child support guidelines" means the calculation and application of child support as
described in Part 2, Calculation and Adjustment of Child Support.

(10) "Child support order" means a judgment, decree, or order issued by a tribunal whether
temporary, final, or subject to modification, that:

(a) establishes or modifies child support;

(b) reduces child support arrearages to judgment; or

(c) establishes child support or registers a child support order under Title 78B, Chapter
14, Utah Uniform Interstate Family Support Act.

(11) "Child support tables" means the tables described in Part 3, Child Support Tables.

(12) "Child support services" means the same as that term is defined in Section 26B-9-101.

(13) "Gross income" means the amount of income calculated for a parent as described in
Section 81-6-203.

(14) "Health care coverage" means coverage under which medical services are provided to
a child through:

(a) fee for service;

(b) a health maintenance organization;

(c) a preferred provider organization;

(d) any other type of private health insurance; or

(e) public health care coverage.

(15)(a) "Incarceration" means the placement of an obligor who has been ordered to pay
child support into a carceral setting in which the obligor is not permitted to earn
wages from employment outside of the carceral setting.

(b) "Incarceration" does not include being placed on probation, parole, or work release.

[(15)] (16)(a) "Income" means earnings, compensation, or other payment due to an
individual, regardless of source, whether denominated as wages, salary, commission,

bonus, pay, allowances, contract payment, or otherwise, including severance pay, sick pay, and incentive pay.

(b) "Income" includes:

- (i) all gain derived from capital assets, labor, or both, including profit gained through sale or conversion of capital assets;
- (ii) interest and dividends;
- (iii) periodic payments made under pension or retirement programs or insurance policies of any type;
- (iv) unemployment compensation benefits;
- (v) workers' compensation benefits; and
- (vi) disability benefits.

~~[(16)]~~ (17) "Joint physical custody" means the same as that term is defined in Section 81-9-101.

~~[(17)]~~ (18) "Low income table" means the appropriate table under Section 81-6-303 or 81-6-305.

~~[(18)]~~ (19) "Medical expenses" means health and dental expenses and related insurance costs.

~~[(19)]~~ (20) "Minor child" means a child who is younger than 18 years old.

~~[(20)]~~ (21) "Obligee" means an individual, this state, another state, or another comparable jurisdiction to whom child support is owed or who is entitled to reimbursement of child support or public assistance.

~~[(21)]~~ (22) "Obligor" means a person owing a duty of support.

~~[(22)]~~ (23) "Office" means the Office of Recovery Services within the Department of Health and Human Services.

~~[(23)]~~ (24) "Pregnancy expenses" means an amount equal to:

(a) the sum of a pregnant mother's:

- (i) health insurance premiums while pregnant that are not paid by an employer or government program; and
- (ii) medical costs related to the pregnancy, incurred after the date of conception and before the pregnancy ends; and

(b) minus any portion of the amount described in Subsection ~~[(23)(a)]~~ (24)(a) that a court determines is equitable based on the totality of the circumstances, not including any amount paid by the mother or father of the child.

~~[(24)]~~ (25) "Split custody" means that each parent has physical custody of at least one of the

children.

~~[(25)]~~ (26) "State" means a state, territory, possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Native American tribe, or other comparable domestic or foreign jurisdiction.

~~[(26)]~~ (27) "Support" means past-due, present, and future obligations to provide for the financial support, maintenance, or medical expenses of a child.

~~[(27)]~~ (28) "Support order" means:

(a) a child support order; or

(b) a judgment, decree, or order by a tribunal, whether temporary, final, or subject to modification, for alimony.

(29) "Suspension" means adjusting a child support order to zero dollars during the period of an obligor's incarceration.

~~[(28)]~~ (30) "Temporary" means a period of time that is projected to be less than 12 months in duration.

~~[(29)]~~ (31) "Third party" means an agency or a person other than a parent or a child who provides care, maintenance, and support to a child.

~~[(30)]~~ (32) "Tribunal" means the district court, the Department of Health and Human Services, Office of Recovery Services, or court or administrative agency of a state, territory, possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Native American tribe, or other comparable domestic or foreign jurisdiction.

~~[(31)]~~ (33) "Work-related child care expenses" means reasonable child care costs for up to a full-time work week or training schedule as necessitated by the employment or training of a parent.

~~[(32)]~~ (34) "Worksheet" means a form used to aid in calculating the base child support award.

Section 6. Section **81-6-203** is amended to read:

81-6-203 . Determination of gross income for child support -- Imputing income to a parent.

(1)(a) Each parent shall provide verification of current income to the court or administrative agency.

(b) Each parent shall provide year-to-date pay stubs or employer statements and complete copies of tax returns from at least the most recent year, unless the court finds the verification is not reasonably available.

(c) Verification of income from records maintained by the Department of Workforce Services may be substituted for pay stubs, employer statements, and income tax returns.

(2)(a) To calculate gross income of a parent, the court or administrative agency may include:

(i) prospective income of the parent, including income from earned and nonearned sources, such as salaries, wages, commissions, royalties, bonuses, rents, gifts from anyone, prizes, dividends, severance pay, pensions, interest, trust income, alimony from previous marriages, annuities, capital gains, Social Security benefits, worker compensation benefits, unemployment compensation, income replacement disability insurance benefits, and payments from nonmeans-tested government programs; and

(ii) income imputed to the parent as described in Subsection (6).

(b) Income from earned income sources is limited to the equivalent of one full-time 40-hour job.

(c) If and only if during the time before the original support order, the parent normally and consistently worked more than 40 hours at the parent's job, the court may consider this extra time as a pattern in calculating the parent's ability to provide child support.

(3)(a) The court or administrative agency shall use historical and current earnings to determine whether an underemployment or overemployment situation exists.

~~[(b) The office may not treat incarceration of at least six months as voluntary unemployment in establishing or modifying a support order.]~~

(b) When establishing or modifying a child support order for an obligor who is a parent and incarcerated, the office shall follow the requirements of Section 81-6-211.5.

(4)(a) To calculate income from self-employment or operation of a business, the court or administrative agency:

(i) shall calculate gross income from self-employment or operation of a business by subtracting necessary expenses required for self-employment or business operation from gross receipts;

(ii) shall review income and expenses from self-employment or operation of a business to determine an appropriate level of gross income available to the parent to satisfy a child support award; and

(iii) may only deduct those expenses necessary to allow the business to operate at a

- 470 reasonable level from gross receipts.
- 471 (b) Gross income determined under this Subsection (4) may differ from the amount of
472 business income determined for tax purposes.
- 473 (5) When possible, the court or administrative agency shall determine the average monthly
474 gross income for each parent by:
- 475 (a) calculating the gross income of each parent on an annual basis; and
476 (b) dividing the annual gross income for each parent by 12.
- 477 (6)(a) The court or administrative agency may not impute income to a parent unless the
478 parent stipulates to the amount imputed, the parent defaults, or, in contested cases, a
479 hearing is held and the court or administrative agency enters findings of fact as to the
480 evidentiary basis for the imputation.
- 481 (b) If income is imputed to a parent, the court or administrative agency shall base
482 income upon employment potential and probable earnings considering, to the extent
483 known:
- 484 (i) employment opportunities;
485 (ii) work history;
486 (iii) occupation qualifications;
487 (iv) educational attainment;
488 (v) literacy;
489 (vi) age;
490 (vii) health;
491 (viii) criminal record;
492 (ix) other employment barriers and background factors; and
493 (x) prevailing earnings and job availability for persons of similar backgrounds in the
494 community.
- 495 (c) If a parent has no recent work history or a parent's occupation is unknown, the court
496 or administrative agency may impute an income to that parent at the federal
497 minimum wage for a 40-hour work week.
- 498 (d) To impute a greater or lesser income, the court or administrative agency shall enter
499 specific findings of fact as to the evidentiary basis for the imputation.
- 500 (e) The court or administrative agency may not impute income to a parent if any of the
501 following conditions exist and the condition is not of a temporary nature:
- 502 (i) the reasonable costs of child care for the parents' minor child approach or equal
503 the amount of income the custodial parent can earn;

- (ii) a parent is physically or mentally unable to earn minimum wage;
- (iii) a parent is engaged in career or occupational training to establish basic job skills;
- or
- (iv) unusual emotional or physical needs of a child require the custodial parent's presence in the home.

(7) Notwithstanding Subsection (2), the court or administrative agency may not include the following sources of income when calculating the gross income of a parent:

- (a) cash assistance provided under Title 35A, Chapter 3, Part 3, Family Employment Program;
- (b) benefits received under a housing subsidy program, the Job Training Partnership Act, Supplemental Security Income, Social Security Disability Insurance, Medicaid, SNAP benefits, or General Assistance;
- (c) other similar means-tested welfare benefits received by a parent;
- (d) the earned income of a child who is the subject of a child support award; or
- (e) except as otherwise provided in Subsection (8), the benefits to a child in the child's own right, such as Supplemental Security Income.

(8)(a) The court or administrative agency shall credit, as child support, the amount of social security benefits received by a child due to the earnings of the parent on whose earning record the social security benefits are based by crediting the amount against the potential obligation of that parent.

(b) The court or administrative agency may consider other unearned income of a child as income of a parent depending upon the circumstances of each case.

Section 7. Section **81-6-211.5** is enacted to read:

81-6-211.5 . Child support orders for an incarcerated obligor -- Suspension -- Exceptions.

(1) The office may not treat incarceration of 90 or more consecutive days as voluntary unemployment in establishing or modifying a child support order.

(2)(a) Except as provided in Subsection (2)(c), for any period of 90 or more consecutive days of the obligor's incarceration, suspension of a money judgment or support order issued in this state for an obligor ordered to pay child support shall occur by operation of law.

(b) For a suspension under Subsection (2)(a), the office shall:

- (i) retroactively date the period of suspension to the date on which the office notified the required parties of the suspension, with the eligible period beginning on the

- 538 first day of the first full month of the date that the office provided the parties with
539 the notification;
- 540 (ii) issue a balance credit for any funds collected during the period of suspension,
541 unless the funds have already been distributed, in which case, the funds may not
542 be credited or otherwise recovered; and
- 543 (iii) resume the obligation described in Subsection (2)(a) on the first day of the first
544 full month that occurs once 90 days have passed after the day on which the
545 obligor is released from incarceration.
- 546 (c) The office may not suspend an obligation under Subsection (2)(a) if the obligor is
547 incarcerated for:
- 548 (i) criminal non-payment of a child support order; or
549 (ii) an offense against the inmate's child or custodial parent of the inmate's child.
- 550 (3) The suspension described in Subsection (2)(a) is only applicable for an obligor whose
551 term of incarceration begins on or after January 1, 2027.

552 **Section 8. Effective Date.**

553 This bill takes effect on May 7, 2025.