

**WISCONSIN DEPARTMENT OF CHILDREN AND FAMILIES
Division of Family and Economic Security
Bureau of Child Support**

**To: Child Support Directors
Child Support Supervisors or Lead Workers
Child Support Attorneys**

**From: Director
Bureau of Child Support**

<p>CHILD SUPPORT BULLETIN</p> <p>No.: 09-21</p> <p>Date: 07/22/2009</p>
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Subject: Change in Federal Minimum Wage

This bulletin obsoletes CSB08-15 which discussed July 24, 2007 to July 24, 2009 minimum wage rates.

Purpose

This bulletin informs child support agencies about changes to the federal minimum wage law.

Background

The Fair Minimum Wage Act of 2007 included phased increases to the federal minimum wage. Scheduled changes to the federal minimum wage occurred on July 24, 2007 and July 24, 2008. The next increase is scheduled for July 24, 2009. These changes affect certain child support activities, including the formula for applying DCF 150 (formerly DWD 40) to impute income for child support and the formula for determining whether an NCP can be ordered to participate in employment programs under Wis. Stats. [§767.55](#).

Policy

Effective July 24, 2009, the federal minimum wage for work performed by covered, nonexempt employees increases from \$6.55 per hour to \$7.25 per hour. Child support agencies and courts should use the new federal minimum wage rate of \$7.25 per hour in the following circumstances:

Imputing Income under DCF 150

CSAs and courts should use the new minimum wage rate to impute income based on earning capacity as governed by the Department of Children and Families (DCF) Percentage of Income Standard. Administrative Rule 150.03(3) states, in part:

(3) DETERMINING INCOME IMPUTED BASED ON EARNING CAPACITY. In situations where the income of a parent is less than the parent's earning capacity or is unknown, the court...may impute to the parent the income that a person would earn by working 35 hours per week for the higher of the federal minimum hourly wage under 20 USC 206(a)(1) or the state minimum wage under Chapter DWD 272.

For the purposes of computing income under DCF 150, CSAs and courts should use \$7.25 per hour X 35 hours per week = \$253.75 per week or \$1,099.58 per month (weekly x 52 / 12).

Children First and other Employment-Related Orders

Employment Related Orders including Children First orders provide for the use of the federal minimum wage rate to determine income eligibility for program participants. Wis. Stat. [§767.55\(2\)\(am\)3](#) states:

...the court may order a parent who is not a custodial parent to register for a work experience and job training program under Wis. Stat. [§49.36](#) if all of the following conditions are met...

3. The parent's actual weekly gross income averages less than 40 times the federal minimum hourly wage under 29 USC 206(a)(1) or the parent is earning less than the parent has the ability to earn, as determined by the court.

For the purposes of determining **whether** a parent may be ordered to participate in Children First or other employment-related programs, CSAs and courts should use \$7.25 per hour x 40 hours per week = \$290 per week or \$1,256.67 per month (weekly x 52 / 12).

*Note: When calculating the **amount** of a Children First order under Wis. Stats. [§767.55\(2\)\(c\)](#), the court may order the parent to pay the amount of support in the most recent determination, or the amount imputed at 35 hours per week as provided under DCF 150.03(3).*

Effective Date	Hourly Amount	Weekly Amount	Monthly Amount
7/24/09	\$7.25/hour @ 35 hours	\$253.75	\$1,099.58
	\$7.25/hour @ 40 hours	\$290.00	\$1,256.67