

MINNESOTA FAMILY SUPPORT & RECOVERY COUNCIL

2017 ANNUAL CONFERENCE





Minnesota Child Support Guidelines Task Force

Information and Feedback Session

October 3, 2017


History of Minnesota's Child Support Guidelines



- Child Support Guidelines are required by the Federal Government for States to receive TANF Funding.
- All States were required to enact Child Support Guidelines by 1984.
- Child support guidelines assume both parents have a legal duty to provide support for their children. Policies diverge on whether the intent of child support is:
 - To provide some sort of minimum standard of living for a child,
 - Provide the child with the standard of living that they would have had if the parents were not separated,
 - Or that each parent should provide for the child as much as (s)he is able.

10/3/2017 MFSRC Annual Conference 2


Guidelines Methodologies



- Three commonly used methodologies to estimate child-rearing expenditures:
 - United States Department of Agriculture (USDA) data estimates
 - Lower than Engel, higher than Rothbarth
 - Minnesota's guidelines uses this method currently
 - Engel method
 - Highest results
 - Rothbarth method
 - Lowest results
- The Task Force also learned about the Comanor method, not used by any States
 - Lower than Rothbarth

10/3/2017 MFSRC Annual Conference 3



Guidelines Model



- Once the methodology is selected, the Guidelines Model must be developed. There are three common models:
 - Income Shares
 - Percentage of Obligor's Income
 - Melson Formula
- From 1984 to 2007, Minnesota's Guidelines model was the Percentage of the Obligor's Income Model
- Since 2007, Minnesota's Guidelines model is an Income Shares Model

10/3/2017 MFSRC Annual Conference 4


History of Minnesota Child Support Guidelines Models

- 1984-2007 – Percentage of Obligor's Income Model
- 2000/2001 – Attempt at Shared Responsibility Model
- 2005 – Income Shares Model adopted by Legislature
- 2006 – Income shares Model adjusted for both low and high incomes
- 2007 – Income Shares Model implemented

10/3/2017 MFSRC Annual Conference 5

Minnesota Guidelines Purpose




- The Minnesota Legislature does not describe its intent or policy for its child support guideline statutes like happens in some states
- However, the Legislature hints at its intent through the reasons for deviations from the Guidelines
 - The reasons for deviation in Minn. Stat. 518A.43 are "among other reasons," to:
 - "encourage prompt and regular payments of child support" and
 - "to prevent either the parent or child from living in poverty"
 - Factors the court must consider include:
 - The needs of the child
 - Maintenance of a pre-divorce standard of living
 - A variety of factors that indicate parental poverty

10/3/2017 MFSRC Annual Conference 6

2014 Quadrennial Review Recommendations


- Every 4 years the Minnesota Department of Human Services is required to conduct a review of the Child Support Guidelines
- In 2014, there was a thorough review, and as a result, made several recommendations, including:
 - Coming up with a consistent method to regularly update the guidelines on updated economic data
 - Reviewing the Parenting Expense Adjustment with legislative guidance
- The Minnesota Child Support Work Group was created and then the Minnesota Child Support Guidelines Task Force followed



10/3/2017 MFSRC Annual Conference 7

Task Force Statute

518A.79 CHILD SUPPORT TASK FORCE.
Subdivision 1. Establishment; purpose.
 There is established the Child Support Task Force for the Department of Human Services. The purpose of the task force is to advise the commissioner of human services on matters relevant to maintaining effective and efficient child support guidelines that will best serve the children of Minnesota and take into account the changing dynamics of families.



10/3/2017 MFSRC Annual Conference 8

Task Force Members

Subd. 2. Members.
 (a) The task force must consist of:



- (1) two members of the house of representatives, one appointed by the speaker of the house and one appointed by the minority leader;
- (2) two members of the senate, one appointed by the majority leader and one appointed by the minority leader;
- (3) one representative from the Minnesota County Attorneys Association;
- (4) one staff member from the Department of Human Services Child Support Division;
- (5) one representative from a tribe with an approved IV-D program appointed by resolution of the Minnesota Indian Affairs Council;
- (6) one representative from the Minnesota Family Support Recovery Council;
- (7) one child support magistrate, family court referee, or one district court judge or retired judge with experience in child support matters, appointed by the chief justice of the Supreme Court;
- (8) four parents, at least two of whom represent diverse cultural and social communities, appointed by the commissioner with equal representation between custodial and noncustodial parents;
- (9) one representative from the Minnesota Legal Services Coalition; and
- (10) one representative from the Family Law Section of the Minnesota Bar Association.



10/3/2017 MFSRC Annual Conference 9

Membership

- 4 members representing parents:
 - Jimmy Loyd – Noncustodial Parent and Chair
 - Jason Smith – Noncustodial Parent
 - Vacant – Custodial Parent
 - Vacant – Custodial Parent

10/3/2017 MFSRC Annual Conference 10

Membership

- Professional Members:
 - Jeff Jorgenson, Director Child Support Division
 - Representing the Department of Human Services
 - Melissa Rossow, Assistant Ramsey County Attorney
 - Representing the Minnesota County Attorney's Association
 - Kathleen Heaney, Sherburne County Attorney - alternate
 - Lisa Kontz, Assistant Dakota County Attorney
 - Representing the Minnesota Family Support and Recovery Council
 - Melinda Hugdahl, Minnesota Legal Services Advocacy Project
 - Minnesota Legal Services Coalition
 - Anna Andow, attorney, Mid-Minnesota Legal Aid - alternate



10/3/2017 MFSRC Annual Conference 11


Membership

- Professional Members:
 - Rachel Sablan, director Mille Lacs Band of Ojibwe Child Support Program
 - Minnesota Native American Tribal Child Support Programs
 - Pamela Waggoner, Attorney
 - Minnesota State Bar Association, Family Law Section
 - Karen Kugler, Attorney - alternate
 - Jodie Metcalf, Child Support Magistrate
 - Minnesota Courts
 - Representative Peggy Scott
 - Representative Laurie Pryor
 - Senator Mary Kiffmeyer
 - Senator Melissa Wiklund




10/3/2017 MFSRC Annual Conference 12

Organization and Staffing




Subd. 3. Organization.
 (a) The commissioner or the commissioner's designee shall convene the first meeting of the task force.
 (b) The members of the task force shall annually elect a chair and other officers as the members deem necessary.
 (c) The task force shall meet at least three times per year, with one meeting devoted to collecting input from the public.

Subd. 4. Staff.
 The commissioner shall provide support staff, office space, and administrative services for the task force.

10/3/2017 MFSRC Annual Conference 13


Task Force Duties



Subd. 5. Duties of the task force.
 (a) General duties of the task force include, but are not limited to:
 (1) serving in an advisory capacity to the commissioner of human services;
 (2) reviewing the effects of implementing the parenting expense adjustment enacted by the 2016 legislature;
 (3) at least every four years, preparing for and advising the commissioner on the development of the quadrennial review report;
 (4) collecting and studying information and data relating to child support awards; and
 (5) conducting a comprehensive review of child support guidelines, economic conditions, and other matters relevant to maintaining effective and efficient child support guidelines.


10/3/2017 MFSRC Annual Conference 14

Task Force Duties




Subd. 5. Duties of the task force.
 (b) The task force must review, address, and make recommendations on the following priority issues:

Priorities



10/3/2017 MFSRC Annual Conference 15


Seven Priority Issues



- 1) The self-support reserve for custodial and noncustodial parents

10/3/2017 MFSRC Annual Conference 16


Seven Priority Issues



- 2) Simultaneous child support orders
- 3) Obligor who are subject to child support orders in multiple counties
- 4) parents with multiple families

10/3/2017 MFSRC Annual Conference 17

Seven Priority Issues




- 5) non-nuclear families, such as grandparents, relatives, and foster parents who are caretakers of children
- 6) Standards to apply for modifications

10/3/2017 MFSRC Annual Conference 18

Seven Priority Issues

7) Updating section 518A.35, subdivision 2, the guideline for basic support



10/3/2017 MFSRC Annual Conference 19

Task Force Consultation

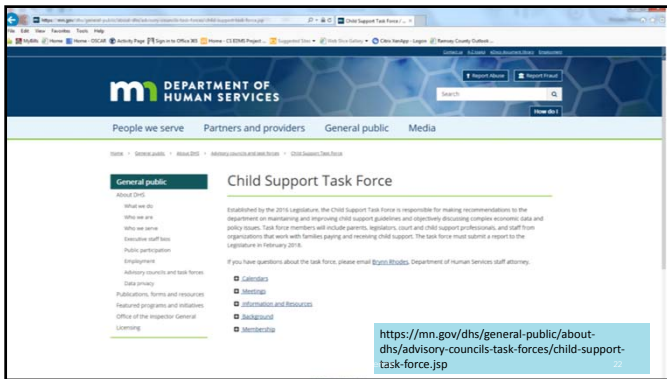
Subd. 6. Consultation.
The chair of the task force must consult with the Cultural and Ethnic Communities Leadership Council at least annually on the issues under consideration by the task force.

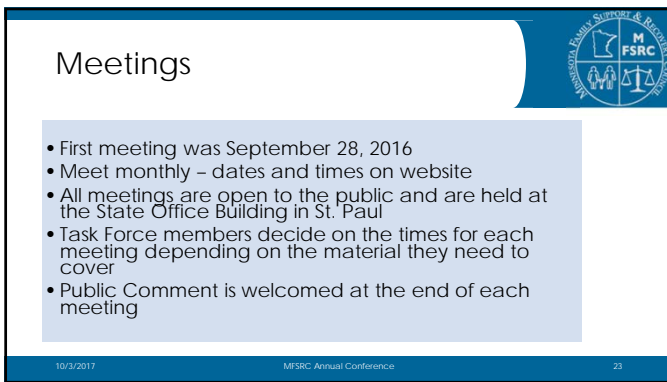
10/3/2017 MFSRC Annual Conference 20

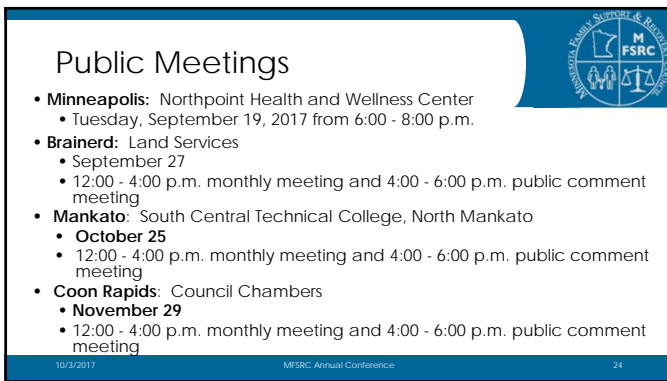
Report and Recommendations

Subd. 7. Report and recommendations.
Beginning February 15, 2018, and biennially thereafter, if the task force is extended by the legislature, the commissioner shall prepare and submit to the chairs and ranking minority members of the committees of the house of representatives and the senate with jurisdiction over child support matters a report that summarizes the activities of the task force, issues identified by the task force, methods taken to address the issues, and recommendations for legislative action, if needed.

10/3/2017 MFSRC Annual Conference 21







Meetings Summary

- September 2016 – January 2017 Meetings
 - Education
 - History of Child Support
 - Minnesota Child Support Guidelines for Basic Support and "Grid"
 - Overview of the IV-D Child Support Program
 - Discussion of process to update Guidelines for Basic Support
 - RFP Process and Evaluations
 - Seven Priority Items Discussion
 - Presentation on known issues with the Basic Support Grid and Guidelines

10/3/2017 MFSRC Annual Conference 25


Meetings Summary

- February 22, 2017 Meeting
 - Presentation by Economist Dr. William Comanor
- March 29, 2017 Meeting
 - Presentation by Dr. Jane Venohr
- April 26, 2017 Meeting
 - Reflections and debrief on presentations by the two Economists
 - Review of Legislation and Task Force charge
 - Discussion of Guidelines assumptions and key questions about the 7 priority items
 - Discussion on using data for the models

10/3/2017 MFSRC Annual Conference 26

Meetings Summary


- May 31, 2017 Meeting
 - Overall roadmap for the duration of the Task Force
 - Policy discussion
 - Timelines and deadlines and report
- June 28, 2017 Meeting
 - Policy discussion
 - Cost of Living
 - Child's Standard of Living
 - Adjustments for more than three children



10/3/2017 MFSRC Annual Conference 27

Meetings Summary


- July 26, 2017 Meeting
 - Discussion with Dr. Venohr regarding report
 - Housing costs
 - Tax issues
 - Presentation from County child support workgroup
- August 29, 2017 Meeting
 - Child Support Visual Guide
 - Continued policy discussion
 - Measurement of Child-Rearing Expenditures
 - Update to 2017 Consumer Price Index (CPI)



10/3/2017 MFSRC Annual Conference 28

Policy Discussions



- Before we get to the method and model, we need to make policy decisions
- Policy decisions, and decisions about what other policies need to be addressed, were made at the April and May 2017 meetings



10/3/2017 MFSRC Annual Conference 29

Policy Discussions

- Minnesota should keep – but maybe update/change:
 - An income shares model
 - Child care and medical calculations separate
 - Minimum support order
 - Self-support reserve (low income adjustment)
 - Parenting expense adjustment separate from the basic support table

10/3/2017 MFSRC Annual Conference 30

Policy Discussions

- Future meeting discussions:
 - Tax assumptions
 - Net vs. Gross Income
 - What is net income?
 - Back to the wild west?
 - Minnesota adjusted gross income (income minus other deductions)?
 - Adjustment for state cost of living standards
 - Adjustments for more than 3 children
 - Adjustment for high incomes

10/3/2017 MFSRC Annual Conference 31

Feedback

- We want your feedback on what you like, don't like, would like to see, would like to avoid if the Minnesota Child Support Guidelines are changed
- How?
 - Today
 - Attend a Child Support Task Force Meeting
 - Meeting information on the website
 - Contact a member of the Child Support Task Force
 - Contact information on the website
 - Submit written comment through the website

10/3/2017 MFSRC Annual Conference 32

Examples of Feedback

- Basic Support Grid is unfair to obligors who earn between \$12-\$16 per hour
- Minimum basic support is not enough to support children
- The self-support reserve is too low/the self-support reserve is too high and is unfair because it only applies to the obligor
- If a parent has more than one family he or she is responsible for, the guidelines are a nightmare
- What is the cost of raising a child? Poverty level, or including hockey and violin lessons – and should the guidelines cover anything more than poverty level?
- Let's not go back to net income – that increases litigation

10/3/2017 MFSRC Annual Conference 33

Contact Information



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 - (651) 205-4733



10/3/2017 MFSRC Annual Conference 34
