

Child Support Task Force Minutes

March 27, 2019

9:00 a.m. to 1:00 p.m.

180 State Office Building

100 Rev. Dr. Martin Luther King Jr. Blvd., Saint Paul, MN 55155

Members Present: The following task force members were present on Wednesday, March 27, 2019:

<input checked="" type="checkbox"/> Beth Assell, by phone	<input checked="" type="checkbox"/> Rep. Laurie Pryor	<input checked="" type="checkbox"/> Sandy Thorne, MFSRC alternate
<input checked="" type="checkbox"/> Rahya Iliff, Chair	<input checked="" type="checkbox"/> Melissa Rossow	<input checked="" type="checkbox"/> Victoria Taylor
<input type="checkbox"/> Sen. Mary Kiffmeyer	<input checked="" type="checkbox"/> Joseph Russell	<input checked="" type="checkbox"/> Sen. Melissa Wiklund
<input type="checkbox"/> Lisa Kontz	<input checked="" type="checkbox"/> Rachel Sablan, by phone	<input type="checkbox"/> Mia Wilson
<input checked="" type="checkbox"/> Jodie Metcalf	<input type="checkbox"/> Rep. Peggy Scott	
<input checked="" type="checkbox"/> Shaneen Moore	<input checked="" type="checkbox"/> Jason Smith	

DHS Staff:

<input checked="" type="checkbox"/> Tara Borton	<input checked="" type="checkbox"/> Jessica Raymond	<input checked="" type="checkbox"/> Stacy Sjogren, facilitator
<input checked="" type="checkbox"/> Julie Erickson		

Other Meeting Participants:

Welcome, Announcements and Meeting Objectives

Agenda review and introductions of the group. Sandy Thorne, MFSRC alternate, attended in the place of Lisa Kontz.

Review and approval of February Meeting Minutes

Minutes approved: The February meeting minutes were approved and will be posted on the Child Support Task Force website.

Reminder of Task Force Purpose and Decisions to Date

Jessica went over a recap of the task force's decisions surrounding the update of the basic support table as well as decisions made at the February meeting regarding the future of the task force. The chair provided an update after reaching out to the task force legislators to see if there is interest in seeking an extension. One legislator expressed interest, but so far legislation extending the task force has not been developed or introduced.

Self-Support Reserve: Applying the SSR to both Parents

Jessica went over a recap of the task force's decisions and discussion about how to apply the SSR to both parents. Jessica shared a draft of proposed legislative changes to 518A.42 and 518A.43. A task member pointed out that the change of applying the SSR to PICS instead of gross income was not incorporated into subdivisions (b) and (d) of 518A.42. Jessica stated that this was an oversight and she will correct that. The group then discussed the best way to submit the recommendation in the task force report, and voted to explain the recommendation in the body of the report and provide the proposed legislative changes.

Decision: Proposed language (with changes to subdivisions (b) and (d) to 518A.42) will be presented in the task force's report along with the recommendation explaining the reasoning for the proposed changes.

Presentation on Adjustments for Nonjoint Children, Discussion and Decisions

Jessica gave presentation on adjustments for nonjoint children that focused on the approaches of states that provide the same deduction for all nonjoint children regardless of whether a parent has a court-ordered support obligation. The group discussed the advantages to having a uniform deduction for all nonjoint children. However, there were also concerns about individuals with out-of-state court orders or orders that are simply not in line with their current circumstances. One member suggested that a new deviation factor be created to help with these types of cases. Ultimately, the majority of the group voted in favor of exploring the option of providing the same deduction for all nonjoint children.

Decision: The option of having the same deduction for nonjoint children whether or not the parent has a court-ordered support obligation will be explored further.

One task force member raised a question about whether nonjoint children who are not subject to court orders and also live outside the parent's home would be included in the deduction. Another task force member pointed that Minnesota's statutory definition of "nonjoint children" includes these children, so it would make sense that be included since they are "legal children". Group voted in favor of using the statutory definition of nonjoint children when applying the nonjoint children deduction.

Decision: The deduction for nonjoint children will be used for nonjoint children as they are defined in statute.

Jessica also presented on the particular methods of states that provide the same deduction for nonjoint children. The group reviewed the method used by Oregon and Texas, (which includes the joint child(ren) in the calculation), as well as the methods of Iowa and Michigan, (which use a deduction based on a sliding-scale of percentages based on the number of children). Jessica also suggested that the task force could also consider using Minnesota's current method of calculating the deduction for nonjoint children in the home for all nonjoint children. After discussing the three options, a few members of the group stated that the Iowa and Michigan method seemed arbitrary, and the group eventually voted against it.

Decision: Minnesota will not use a sliding-scale percentage to calculate the deduction for nonjoint children.

Another vote was taken, but there were equal votes for the Oregon and Texas method and the current Minnesota method. DHS staff volunteered to run additional scenarios for the task force to review at the next meeting to help with the decision. At the next meeting, the task force will choose between the Oregon and Texas method, the current Minnesota method using 50% of the guideline amount as well as Minnesota's method using 75% of the guideline amount as this is a percentage commonly used by other states.

Report on New Basic Support Table from Dr. Venohr

The task force members were asked to share any observations or concerns from Dr. Venohr's January report of the new basic support table. One member identified the following concerns:

- Most recent USDA data on USDA website does not match the USDA numbers provided in the report
- USDA data is not available for households at \$30,000 combined monthly income, therefore the table should not be extended to that amount
- Housing expenses should be taken out of the calculation of child support

One task force member noted that the task force was aware that child-rearing costs at higher incomes are extrapolated when the decision to extend the basic support table was made.

Other than noting concerns in the minutes, no action items were identified.

Wrap Up and Look Ahead

Jessica stated that at the last meeting the task force agreed to focus on adjustments for nonjoint children and then move onto the issue of simultaneous orders, however, the issue of non-nuclear families may be the best issue to address next with the limited time remaining. Jessica asked if there were any objections to this change in plans and there were none. The next meeting will focus on completing adjustments for nonjoint children, reviewing the basic support table extended to \$30,000, an introduction to the issue of non-nuclear families, and a review of the outline of the task force report.

The task force also discussed the possibility of adding another meeting in May or June. Jessica will look into possible dates in early June.

Public Comment

1. Diane
 - Public comment should not be limited to 3 minutes when there is plenty of meeting time remaining
 - Concern about the effect that custodial parents' income has on child support obligations
 - USDA does not support extending table to \$30,000 combined monthly income
 - Brian U. should present info on tax credits to task force
 - Court-ordered support obligations for nonjoint children should be considered when calculating support

New Action Items

1. Jessica will correct the error in the language of the proposed legislation applying the SSR to both parents and creating a new deviation factor.
2. DHS staff will run more scenarios using the three different methods of calculating the nonjoint children deduction and present them at the next meeting.
3. Jessica will schedule an additional June meeting.

Meeting Adjourned at 12:35 p.m.

Next Meeting

Wednesday, April 24, 2019

9:00 a.m. - 1:00 p.m.

Room 400S of the State Office Building, St. Paul, MN