

# Child Support Task Force Minutes

Wednesday, June 28, 2017

9:00 a.m. to 3:00 p.m.

Room 10, State Office Building

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

**Members Present:** The following task force members were present on Wednesday, June 28, 2017:

<input type="checkbox"/> Jimmy Loyd, Chair	<input type="checkbox"/> Senator Melissa Wiklund	<input checked="" type="checkbox"/> Senator Mary Kiffmeyer
<input type="checkbox"/> Vice Chair, Vacancy	<input checked="" type="checkbox"/> Representative Peggy Scott	<input checked="" type="checkbox"/> Representative Laurie Pryor
<input type="checkbox"/> Melinda Hugdahl	<input checked="" type="checkbox"/> Jeffrey Jorgenson	<input checked="" type="checkbox"/> Lisa Kontz
<input checked="" type="checkbox"/> Jodie Metcalf	<input checked="" type="checkbox"/> Melissa Rossow	<input type="checkbox"/> Rachel Sablan
<input checked="" type="checkbox"/> Jason Smith	<input type="checkbox"/> Laura Vang	<input checked="" type="checkbox"/> Pamela Waggoner

**Other Meeting Participants:** Charlie Petersen, facilitator

**DHS Staff:** Sonya Smith, Julie Erickson, Tara Borton, Bruce Erickson, Shaneen Moore, Jessica Raymond, Brynn Rhodes, Bennett Hoffmann

**1) Welcome:** Agenda review and introductions of the group.

## 2) Updates:

- The contract with the Center for Policy Research (CPR) has been executed as of June 23, 2017.
- Dr. Venohr will send materials a week before the meeting to the Task Force.
- CPR would like to be a standing agenda item; Dr. Venohr will be available via phone to answer questions.

## 3) Review of May meeting minutes:

### Minutes approved:

- The Task Force approved the May meeting minutes and DHS staff will post on the Child Support Task Force website. Completed July 5, 2017.

### Action Items:

- Task Force Administrator provided updates on three action items from the May meeting.
  1. Antonia Wilcoxon, Administrator of the Cultural & Ethnic Communities Leadership Council (CECLC) sent an open invite to the Task Force members to attend a CECLC meeting. CECLC wanted to know their role within the Task Force and how they can assist?
  2. The county guidelines work group confirmed to present at the July 26<sup>th</sup> Task Force meeting.
  3. Custodial parent vacancy, posted first week in July. Also contacted custodial parents who interviewed last time since applications are valid for one year from date of submission.

## 4) Other States Regional and Economic Differences:

- DHS staff opened the discussion with the Regional Differences Cost Of Living Adjustment (COLA) handout:
  1. How do other states account for regional differences?

- No states vary the guidelines within the state to account for regional differences (report from Dr. Venohr).
  - The federal regulations require each state to have one uniform guideline.
2. What do states do to adjust guidelines due to different COLA between states?
    - Most states use national estimates, either USDA or Betson-Rothbarth
    - Most states use national estimates then adjust them up or down based on state COLA.
    - No adjustments will be made in MN
  3. Do we want to use a more state specific estimate or stick with the national estimate?
    - Group consensus to use national estimate
- Group's discussion, what percentage of your wage is used for the cost of living; is it the same across the state for the USDA model we use and what are the average wages across MN?
    - Handout with chart provided more information regarding the average wages across individuals make in different regions compared to state-wide.
  - If guidelines are based on data that's using national average and state is above or below that national average, may need to make an adjustment (report from Dr. Venohr).
    - MN is very close to the national average at 97.6 and an adjustment shouldn't be applied, per Dr. Venohr.

## 5) Child's Standard of Living:

- Brief overview of discussion: Federal regulations- all states' guidelines operate under federal law. The federal regulations were modified in December 2016. The main federal regulation on child support guidelines is 45 C.F.R. 302.56. No change in the guidelines is needed; MN is meeting or exceeding changes and take into account income of the custodial parent.
- Next handout: comments from OCSE about changes. The final rule clarified that support must be based on parental income and guidelines are required to be based on the noncustodial parent's income, earnings, and other evidence of ability to pay.
- Key discussion points: child support should be fair in that it won't place a household in poverty or enrich a household. Looking at the standard of living for a child being 100% in both houses.
  - Question: 1. standard of living of the child, standard if the parents were together, standard if parents never together?
  - Question: 2. what is the cost (i.e. what economic model?)
- Key points of discussion: When child support program began, there were many cases of formerly middle income women applying for public assistance to help support their household because they weren't receiving support from other parent.
  - Move to income shares model.
  - Marital standard of living is still in statute, but now modified to acknowledge two households.
  - New PEA will take into account expenses in two households.
  - Self-support reserve.
  - Nearly 50% children are born outside of marriage (Fragile Family Study).
- DHS staff will try to help group continue the conversation with data and examples.

## 6) Adjustments for more than three children:

- DHS staff presented data regarding child support adjustments for more than three children.
- Majority of states use gross income. We need to make sure we are considering what people are actually bringing home and what is left to pay child support.
  - MN deducts pre-existing support, but caps two children in a household.
  - MN appears to be unusual in that we have a cap
  - Group discussion: gross income for child support purposes is after court ordered deduction, then do the deduction for the kids in your home. But when you do the self support reserve, the kids in the home are ignored.
  - DHS staff stated, a work plan was created by Dr. Venohr that mirrored the contract. She requested data from PRISM to analyze and prepare a report, which will be sent to the group along with the contract.

## 7). Future Meetings:

- NorthPoint Health & Wellness Center Inc. 1315 Penn Ave N. Minneapolis, MN 55411
  - September 19, 2017 from 6-8 p.m. (public comment meeting only)
- Brainerd, MN (task force and public comment meeting)
  - September 27, 2017 from 12-6 p.m.
- Mankato, MN (task force and public comment meeting)
  - October 25, 2017 from 12-6 p.m.
- Conversation about a fourth meeting in a suburban location.
  - Coon Rapids was suggested
- What is the Task Force's charge?
  - DHS staff will identify two or three questions for the task force to discuss at the July 26<sup>th</sup> meeting to receive focused feedback during the public comment meetings.

## 8). Action Items:

- **ACTION ITEM:** There was a request to have the CECLC meeting schedule emailed to the group. **Completed 6/29/17**
- **ACTION ITEM:** Members from the group volunteered to attend a CECLC meeting to provide an overview of the task force. Lisa Kontz, Jimmy Lody, Pamela Waggoner and Jodie Metcalf are **scheduled to attend the CECLC September 19<sup>th</sup> meeting**
- **ACTION ITEM:** Members of the task force requested Dr. Venohr's work plan and contract.
- **ACTION ITEM:** Members of the task force requested to discuss marketing and communication plans for the public meetings at the next meeting.
- **ACTION ITEM:** DHS staff will provide data and scenarios with current guidelines to view before the July 26<sup>th</sup> meeting

- **ACTION ITEM:** Suggested suburban locations to host the fourth public comment meeting

**9). Public Comments:**

- There were three members of the audience who gave public comments to the task force:
  - Brian Ulrich, non-custodial parent representing himself.
  - Molly Olson, representing the Center for Parental Responsibility
  - Mike Seeber, non-custodial parent representing himself.

**Meeting Adjourned at 1:00 p.m.**

**Next Meeting** will be held on July 26<sup>th</sup> from 9 a.m. to 1 p.m. in **Hearing Room 10** of the State Office Building.