

Child Support Task Force Minutes

July 26, 2017

9:00 a.m. to 1:00 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, July 26, 2017:

<input checked="" type="checkbox"/> Jimmy Loyd, Chair	<input type="checkbox"/> Senator Melissa Wiklund	<input checked="" type="checkbox"/> Senator Mary Kiffmeyer
<input type="checkbox"/>	<input type="checkbox"/> Representative Peggy Scott	<input checked="" type="checkbox"/> Representative Laurie Pryor
<input checked="" 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 checked="" 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

Dr. Venohr, economist

Lori Hoff, county workgroup

DHS Staff: Sonya Smith, Brynn Rhodes, Julie Erickson, Tara Borton, Jessica Raymond, Lydia Monahan, Bruce Erickson, Jennifer Sommerfeld, Shaneen Moore

Welcome:

Agenda review and introductions of the group.

Updates:

- Dr. Venohr, present via teleconference, presenting on 1st report and available for questions.
- Task force members requested Dr. Venohr's work plan and contract. **Completed 7/19/17**
- Custodial parent vacancy, received over 260 applications (including applications from last year that remain valid for one year from the application date); currently sending out questionnaires by July 31, 2017, return deadline date of August 7, 2017. Interviews start August 14, 2017.

Review of June meeting minutes:

Minutes approved:

The June meeting minutes were approved and will be posted on the Child Support Task Force website. **Completed 7/28/17**

Completed Action Items:

- Task force member suggested a fourth public comment meeting be held in a suburban location; No recommendations for locations from the task force members were provided. (See public comment below).

- Department of Human Service DHS staff provided data to be presented during county workgroup presentation. (See workgroup below).
- Communication and marketing plan will be discussed today regarding public comment meetings. (See public comment below).
- The Cultural & Ethnic Communities Leadership Council CECLC meeting schedule was emailed to the task force. **Completed 6/29/17**
- Lisa Kontz, Pamela Waggoner, Jimmy Loyd and Jodie Metcalf will provide an overview of the task force to the CECLC. Presentation is scheduled for September 15, 2017.

1) Words from the Chair:

Chair Jimmy Loyd made the following comments: “I’m glad to hear there has been spirited discussion over the last few meetings when I haven’t been able to be present. We need to remember to keep our minds focused on solutions and be open to new ideas. My goal is to create parity and achieve a balance so both parents can play a part in raising their child. Encourage everyone (public and task force) to stay rooted in empathy, and remember that not all issues apply to everyone”.

2) Dr. Venohr Report on Child Support Guidelines:

Dr. Venohr gave a brief overview of the first report and opened it up for discussion. Goal is to consider economic data on cost of raising child according to federal requirements, update the guidelines grid and get input on the results. Dr. Venohr will draft another report for September’s meeting.

Questions/answers for Dr. Venohr from the task force members:

- What states used age as a dividing factor in their table? Washington & Kansas.
- Is there any method that divides based on the age of the child? Yes, USDA (a challenge with age categories is keeping them updated).
- Which states have deviation factor? Not sure, will find out.
- Do states allow age as a basis for modifications? Kansas gets higher each one (there are three) and Washington has two categories (2nd is higher). Don’t think it is a reason for a modification.
- How does it work with multiple kids? It does make for longer tables.

As Dr. Venohr discussed in the report, keep in mind the other issues that the task force needs to address:

- Self-support reserve
- Multiple families
- Multiple counties for an obligor

1. How are these different?
 - There is an overlap. Multiple families intended to take into account kids in home, not just with orders.
 - Regarding counties, two different judges, neither hears the other case. Simultaneous orders- if they are in front of the judge at the same time, how should that judge determine what child support should be for each family. Overlap, but also subtitles.
 - There can be a loop of modifications, because of changing credit for orders each time one is modified. Then, even if you have them all at the same time, how should judge determine what is appropriate?

2. Preliminary feel of the standards to apply for modifications?
 - There can be a loop of modifications, because of changing credit for orders each time one is modified. Then, even if you have them all at the same time, how should Judge determine what is appropriate?
 - One example is that a subsequent child is not a basis for a modification.
 - Is it good for families and children to modify a portion of the award amount (i.e., only modify child care).
 - Limited jurisdiction.
 - We need to address modifications based on change of law.

3. What does the group see as the issues?
 - Dr. Venohr: recommends not adjusting for regional Cost of Living
 - Taxes: no need to adjust for USDA. For Rothbarth, use expenditures and what percent of income they spend. Tax consequences of single tax payer has highest tax consequences.

The task force discussed:

The percentage of marginal housing based on USDA, both parents having the same housing costs, so why is it included in the models? These are estimating expenditures in intact families. Minnesota uses an income share model received if the parents were together. It can be adjusted, but starts with the expenditures of an intact family. Word of caution, it is easier to take income shares and adjust for parent than start with a new model. Dr. Venohr encouraged for mathematical reasons to stick to income shares and make housing adjustments on the back end. Are utilities included? Yes, (i.e., furniture).

Dr. Venohr stated, concerns with omitting the housing cost would be if the child had same standard at both houses, that's fine. Problem is when parents have unequal incomes. Costs 1.4-1.5 times more to raise a child in two houses. Obligor picks up some of those costs. Obligee may not be able to provide the difference.

Task force member said, USDA is using estimates. To exclude housing cost when it is such a huge cost would artificially reduce it. We could include the incremental difference of both houses if we want, but not take them all out. Dr. Venohr replied, don't give two adjustments. USDA only went to \$10,000/month. Dr. Venohr talks about the two studies where adjustments were made to bring MN into reasonable boundaries based on Engle/Betson and Rothbarth. Extrapolated data from USDA was used and adjusted using Engle estimator. The guidelines should probably go to a higher income.

The task force also discussed married vs. unmarried parents. A task member stated, we really haven't looked into the cost shares model and wanted to know if the board assumed 25% of people don't have parenting time. Dr. Venohr stated, 30% is what the committee decided was their standard visitation. Data from the census was national statistic stating over 25% of children do not have contact with the other parent.

Regarding housing, it's understood that it's a cost. The problem with including it and transportation is that you have those expenses no matter what. It artificially increases the costs of the child and the payee is responsible for the artificial cost. Dr. Venohr stated, don't believe the parent expense adjustment PEA adjusts for it.

A task force member asked, could personal finance sheets be included in the calculation? Hear all the time parents are frustrated by reporting their expenses, but never used.

Task force member adds, that it is only the extra kid costs to the home. Not what the parent pays. If you adjust the housing in the table for the two homes, you have to adjust the PEA.

A request was asked to Department of Human Service staff if a visual chart could be provided to see the adjustments and decisions in the grid? Department of Human Service staff will provide chart at August meeting.

3) Presentation from child support workgroup:

You have heard from economists and attorneys regarding research and statutes. Today Lori Hoff, presenting from a county workgroup, shared observations and feedback from line workers.

4) Public Comments Meetings:

Communication, marketing and meeting structure were discussed:

- Overview of the task force, charge, members, and process (who presents)?
- Communicate the issues that have been identified and the plan moving forward with recommendations.
- Are there key questions the task force wants or needs to be commented on by the public (what do we want to know from them)?
- What key insights are we looking for from the public?
- Do we want small group discussion and groups report out to the larger audience?
- Have a sign in sheet for public comment speakers.
- Would like to hear personal stories.
- List of organizations to hand out flyers and network via email.
- Post on Minnesota Child Support Online, and Department of Human Service website.
- Involve county workers via county messaging and the court house.
- Email event flyer to applicants that applied for the task force parent position.
- Social media- Twitter, and Facebook.
- Task force members communicate with personal network.
- Other ideas for the public comment meetings?

Key questions:

1. What do we want to know from the public?
 - What is working well?
2. What specific issues do we want feedback/input on?
 - Hear story, ideas for solutions, what is working well, and stand for questions.
 - Can we let people fill out a survey with these questions at the meeting? Yes

Public comment sheet:

- Who would like to make a statement to the task force?
- Name and who representing/what county?
- Time for comment will be based on time remaining (what's the time limit to speak)?
- Keep to the point of discussion.

Public comment dates:

- NorthPoint Health & Wellness Center Inc. North Minneapolis, MN (public comments only)
 - **September 19, 2017 from 6-8 p.m.**
- Land Services 322 Laurel St. Brainerd, MN, (task force meeting with public comments from 4 to 6 pm)
 - **September 27, 2017 from 12-6 p.m.**
- Location TBD Mankato, MN (task force meeting with public comments from 4 to 6 pm)
 - **October 25, 2017 from 12-6 p.m.**
- Council Chambers Coon Rapids, MN (task force meeting with public comments from 4 to 6 pm)
 - **November 29, 2017 from 12-6 p.m.**

5) New Action Items:

- Follow-up with Sen Peggy regarding Anoka 4th public meeting location (**Council Chambers in Coon Rapids confirmed August 7, 2017 for the November 29th meeting**).
- Create a visual chart representing the decisions regarding the schedule (guidelines grid) or an adjustment made after the calculation was done (present at August task force meeting).

6) Public Comments:

One audience member provided public comments:

- Mike Seeber, non-custodial parent, representing himself

Meeting Adjourned at 1:00 p.m.

Next Meeting:

Wednesday, August 29, 2017 from 9 a.m. to 1 p.m. in **Hearing Room 10** of the State Office Building.