

Child Support Task Force Minutes

August 30, 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, August 30, 2017:

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

Other Meeting Participants:

Charlie Petersen, facilitator

Dr. Venohr, economist

DHS Staff: Sonya Smith, Brynn Rhodes, Julie Erickson, Tara Borton, Bruce Erickson, Jessica Raymond, Jennifer Sommerfeld.

Welcome:

Agenda review and introductions of the group.

Updates:

- Followed-up with Representative Peggy Scott, Council Chambers in Coon Rapids, MN, confirmed for November 29, 2017 task force meeting from 12-4pm and Public Comments 4-6pm.
- Jason Smith, confirmed Mankato location at South Central Technical College, October 25, 2017 12-4 Task Force meeting and 4-6pm Public Comments.
- Custodial parent interviews started August 14th through first week in September. As of August 17, 2017, Laura Vang resigned from her custodial parent position on the Task Force. The vacancy was posted August 18, 2017 and remains open for 21 days (application period to expire) the soonest appointment date would be September 18th. Two new custodial parents on-board by September 27, 2017 meeting.

Review of July meeting minutes:

Minutes approved: The July meeting minutes were approved and will be posted on the Child Support Task Force website. **Completed 7/26/17**

Completed Action Items: The Department of Human Services staff created visual guidelines chart (discussion #4 on agenda).

Child Support Visual Guidelines:

Melinda requested, a layout of each issue/decision being considered in the process a visual guide and calculation, plus a chart with the decisions made, thus far, handed out for review.

Dr. Venohr Descriptive Statistics Summary Report:

Dr. Venohr answered questions the task force members had regarding measurement of child-rearing expenditures.

Measurement of Child-Rearing Expenditures:

Task force needs to make a decision or determine what other information is needed to make a decision. The following questions were asked to Dr. Venohr by the task force members.

Question: If we did Melson formula, what about our PEA?

Dr. Venohr: Look at Delaware, Hawaii, and Montana. Delaware has been changing its PEA. Dr. Venohr stated that-, Montana starts below the federal poverty level. The model most states use, starts with intact families. States tend to adjust for that because it shows that people are using more than their income.

Question: Do we still need child rearing expenditures with Melson formula?

Dr. Venohr: Yes, to come up with basic number starting number.

Question: How much of the obligor's income is left after share of primary support and SSR?

Dr. Venohr: Montana will apply 18% of amount left over. Melson is compliant with federal regulations. I don't think that model will solve anything.

A task force member suggested that-, we should look into basis for foster care payments. What is the number and how do they calculate that number? DHS staff will look into the calculation of foster care and represent information at September meeting.

Questions from Dr. Venohr from the task force members:

1. We're struggling with the issue and non-data of two parent households (being in one at first and now are in two or they were never in one household). What are other states doing?
2. Do we need to create a new method or ask USDA to create something new (building our own model or using and updating/modifying what we have)?
3. Is it possible to update what we have in MN economically or do we have to use the underline data and make adjustments?
4. With our new PEA effective August 2018, how does that effect the two parent households? Making sure we're not double accounting the adjustment. Can we update specifically the orange numbers (Beth & Engle) which states there is no updating those numbers and what would be our choices if we did/didn't update them?
5. Is there any downside with going with 2017 CPI?
6. Melson formula is not based on the entire family, if we use Melson, what would that mean for the PEA?
7. If you use Melson do you still need the measurements for the child rearing expenditures?

After Break Discussion:

Guidelines Model-Income shares model

Data set- two parent household

Melson formula-Delaware, Montana and Hawaii

Parenting Expense Adjustment-2018

Melson formula, two-parent model, it starts with the basic needs of the child, then that amount gets prorated between the parents and a self-support reserve is subtracted from the obligated parent. Time sharing adjustment on top of that amount. Usually use after tax income. Remaining amount left, there is an additional percent. Then can do a time share adjustment on that, but it is complicated.

Dr. Venohr: Next deliverable is a low income adjustment. Are we truly interested in changing models? And can you do that? If we stick with income shares, you could be “bothered” by the economic model. There is a breakdown of the economic models in the March report on page 34.

A task force member stated that- the members should at least update the USDA price level to 2017 CPI. **Consensus to place CPI on September’s agenda.**

Dr. Venohr asked the task force members:

1. Are you truly interested and can change guidelines model? Can you switch to the Melson model?
2. Can you switch to the Melson formula; Sticking with income shares or going with cost shares?

Public Comments Meetings:

Extended public comment dates:

- ❖ **September 19th** NorthPoint Health & Wellness Center Inc. North Minneapolis, MN, meeting room 108 (lower level) (public comments 6:00 p.m. – 8:00 p.m.)
- ❖ **September 27th** Crow Wing County Land Services Brainerd, MN, meeting room 1 and 2(lower level) (task force meeting 12:00 p.m. – 4:00 p.m. public comments from 4:00 p.m. – 6:00 p.m.)
- ❖ **October 25th** South Central Technical College Mankato, MN (task force meeting 12:00 p.m. – 4:00 p.m. public comments from 4:00 p.m. – 6:00 p.m.)
- ❖ **November 29th** Council Chambers Coon Rapids, MN (task force meeting 12:00 p.m. – 4:00 p.m. public comments from 4:00 p.m. – 6:00 p.m.)

Public Comments:

Five audience members provided public comments:

1. Michael Cibeau, non-custodial parent, representing himself.
2. Molly Olson, representing the Center for Parental Responsibility
3. Rose McCullough, representing, NorthPoint Health & Wellness Center Inc.
4. Scott Vogel, non-custodial parent, representing himself
5. Michael Seeber, non-custodial parent, representing himself

New Action Items:

- Update the price level to 2017 CPI- formally consider at the September meeting for consensus.
- Create chart with each models and data source (assumptions and differences) Income shares, Melson, Cost shares, Percentage of income (Review Dr. Venohr's March report, page 34).
- Cite to the federal regulation, that says that income must be part of a guidelines,-(model 45CFR 302.56).
- See if Dr. Rogers is available for comment regarding the cost share model.

Meeting Adjourned at 1:00 p.m.

Next Meeting:

Tuesday, September 19, 2017 from 6:00 p.m. – 8:00 p.m. NorthPoint Health & Wellness Center Inc. (room 108). **Public comment meeting only.**

Wednesday, September 27, 2017 task force meeting 12:00 p.m. – 4:00 p.m. **public comment** 4:00 p.m. – 6:00 p.m.) Land Services, Brainerd, MN.