

# Child Support Task Force Minutes

December 20, 2017

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, December 20, 2017:

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

## DHS Staff:

## Other Meeting Participants:

<input checked="" type="checkbox"/> Sonya Smith	<input checked="" type="checkbox"/> Jessica Raymond	<input type="checkbox"/> Charlie Petersen, facilitator
<input checked="" type="checkbox"/> Tara Borton	<input checked="" type="checkbox"/> Jennifer Sommerfeld	<input checked="" type="checkbox"/> Jane Venohr, economist
<input checked="" type="checkbox"/> Julie Erickson, alternate	<input type="checkbox"/> Shaneen Moore	<input checked="" type="checkbox"/> Stacy Sjogren, facilitator
<input checked="" type="checkbox"/> Brynn Rhodes	<input checked="" type="checkbox"/> Bennett Hoffmann	<input type="checkbox"/>

## Welcome:

Agenda review and introductions of the group.

## Updates:

None

## Review of October meeting minutes:

**Minutes approved:** The November meeting minutes were approved and will be posted on the Child Support Task Force website. **Completed 12/27/17**

## Overview of Task Force Progress to Date:

### a. Report to the Legislature

The report was sent to the task force members on December 14<sup>th</sup>. Final comments due by December 27<sup>th</sup> to the task force Administrator.

A task force member, requested to add an amendment to the report stating that the meetings with the economist presentations were scheduled during the 2017 legislative session and no provisions to accommodate legislators' schedules were made. Other members expressed disagreement over the inclusion of that change. Department of Human Services (DHS) staff noted that DHS did videotape each economist presentation to provide accommodations for the legislators.

Question: Explain the process for amending the draft? The report is a Department of Human Services report, not a report of the task force. Department of Human Services will consider the request and determine how best to address the concern.

b. Terminology document

Department of Human Service staff will create a glossary document of commonly used terms, which be presented at the January 2018 meeting.

c. Visual Guide & Dr. Venohr’s “Exhibit 2”

An overview was provided by Department of Human Service staff of the two working documents. The documents are intended as quick aids to members to keep track of issues, and to understand the way the issues relate to each other.

## **Organize for Work Ahead**

a. Timeline 2018 Meetings

Department of Human Services staff presented a document that will serve as a point of reference for the remaining issues that the task force is charged with addressing.

b. A task force member raised the issue of the Parenting Expense Adjustment (PEA). She suggested that the prior child support work group intended that the PEA issue would be addressed prior to the effective date of the law in August 2018. Members expressed that they would like to see some runs regarding the effect of the PEA. A task force member stated he had a spreadsheet example that he would email to members.

c. Members discussed the “modifications” issue. It was clarified that the priority issue from the statute is a separate issue from the PEA modification which the task force has already recommended. The task force must address the modification standards generally.

d. The quadrennial review must be submitted to the federal Office of Child Support Enforcement by December 2018. Question: What is the timeline? Department of Human Services staff stated that an overview of the quadrennial review would be included as an agenda item for the January meeting.

## **Dr. Venohr’s Briefing on Case Examples**

Dr. Venohr discussed her case examples which used alternative adjustments from her December 15<sup>th</sup> and November 27<sup>th</sup> documents, both supplements to the July report. Three differing adjustments (columns entitled B1, B2, and B3) were offered to the updated USDA numbers. The adjustments could be chosen piecemeal and applied to the guidelines table. B1 doesn’t include a medical expense. The original number included \$250 per year for ordinary medical because other states tend to do it. B2 adjusts for tax filing status. This adjustment is similar to adjustments R. Mark Rogers refers to. It acknowledges the reality of maintaining two households and that intact families do not have the same tax filing status if they are in two homes. B3 is an alternative multiplier for 2 or more children. Each subsequent column includes the adjustments in the preceding columns. Therefore, B3 includes the alternative multiplier, the tax adjustment, and the medical adjustment.

Use of the term “existing” in the reports represents the table that is in effect now.

Question: How does the USDA accounts for housing? Dr. Venohr stated they used to do a per capita method, then the USDA looked at the research and decided to go with a marginal cost estimating the cost of another bedroom. They use a multiple regression analysis to capture marginal cost.

Question: Why is there an increase from existing to B1?

A member of the task force clarified that the “existing” is the current table, rather than an updated USDA table with no adjustments. B1 includes the updated USDA study/data plus the adjustment.

Question: How many obligated parents are in fact single filers and have these adjustments been added in other places? Dr. Venohr stated that there are statistics that say eventually people remarry, and 30% of obligated parents have kids with another parent. Minnesota is the only state that uses USDA, therefore, the only state to look at the adjustments.

Question: What is the multiplier relationship between all three options? Dr. Venohr explained, B3 adjustments are the lowest and may be lower than the existing. Also, there is no difference between B2 and B3 when it’s only one child. The adjustment only applies for multiple children.

Question: Is it a goal for Dr. Venohr to have a worksheet that can be used to plug in different examples?

Dr. Venohr: That isn’t required under her current contract, but can provide if there is room in the budget and within scope.

**Decision** Use B1 adjustment and take ordinary medical out.

During discussion, a member of the public approached the task force table and gave a note to two task force members. A member of the task force later requested that the note be shared with the task force members. The individual addressed the task force about the note, stating that there isn’t a law against giving a note to a member of the task force since there are no ways for the public to communicate with Dr. Venohr. The member of the task force assured the individual that the question would be answered, because the task force’s goal is to have data available and to be transparent.

**Decision:** Tax adjustment will be in the worksheet (not the table).

**Decision:** Adjust the multiplier for 2 or more children

Use Dr. Venohr’s lesser multiplier. Use the equivalence scale outlined in the November report.

## Upcoming Decisions

1. Self-Support Reserve
2. Adjustments- 2<sup>nd</sup> Household, non-joint children, and adjustments for more than three children.
3. Explanation of any tax assumptions within USDA

## Public Comment

Four audience members provided public comments.

1. Diane Anderson, representing herself
2. Birch Hansen, non-custodial parent, representing himself
3. Michael Seeber, non-custodial parent, representing himself
4. Molly Olson, representing the Center for Parental Responsibility

## New Action Items

1. Glossary Document
2. Revised “Visual Guide & Exhibit 2’
3. Revised 2018 Meeting Timeline

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

**Next Meeting:**

Wednesday, January 31, 2018 from 9:00 a.m. - 1:00 p.m.

Room 10

State Office Building, St. Paul, MN.