TASK FORCE ON CHILD SUPPORT GUIDELINES

July 26, 2017 Lori Hoff Kim Hamill

Change

"The secret of change is to focus all of your energy not on fighting the old, but on building the new." Socrates

- "My father used to say don't raise your voice. improve your argument." Desmond Tutu
- "You must be the change you wish to see in the world." Mahatma Gandhi

The perfect package?



What is the Answer?

 The current guidelines can be challenging for low income households

- Minimum wage to \$15 per hour
- Imputing income
- Consistent income best for children



The Children's Stories

- Noddle Story
- Teenage child earns more than imputed noncustodial parent
- Minimum Support Order for \$50.00 per month does not cover half of a child's basic needs
- Stories of difficulties paying for parenting time expenses
- Struggles to pay rent/mortgage and concerned they would loose home
- Forced to live with relatives

Low Income Households

- \$290.00 per month is the average child support order for Mille Lacs County
- 81% of cases in Mille Lacs County have an obligation less than \$500.00 per month.
- Less than 1% of cases in one metro county had court orders with basic support obligations over \$1,000.00 per month

100% of PICS (parental income for support)

- Is it fair to the children when a non custodial parent pays 100% of the support when the custodial parent is on assistance or is disabled
- Is it fair to the children when a custodial parent pays 100% of the support when the non custodial parent has no income, is disabled or does not make payments

Non-Joint Children (Living In the Home)

- Current guidelines only allow for a deduction for up to TWO non joint children in the home.
- Court ordered obligations for all children are considered in current guidelines.
- Is this Fair?

Improvements to Consider



CAP

- Consider a cap or limit on gross income for low income obligors
- Orange County, California study
- Consider
 - 20% of gross for 1 child
 - 25% of gross for 2 children
 - 30% of gross for 3 or more children



Self Support Reserve

- Consider an increase in the self support reserve
- Currently 120% of Federal Poverty Guidelines (\$1206.00) per month
- Task force is charged with looking at self support reserve for both parents.

Multiple Cases

The current guidelines give a deduction for non-joint children's court ordered support, spousal maintenance,

Rush to the Courthouse

and children in the home.

- Round Robin Deductions
- Custodial Parents have varying incomes making income shares model difficult in theses cases
- Previously preference was given to the oldest born child.

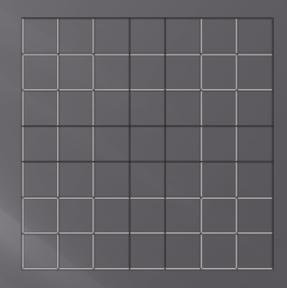
Multiple Cases #2

- Consider a different grid for non-custodial parents with multiple cases
 - A total for four children with each child getting a fourth of the total amount determined for child support
- Custodial Parent Fairness
 - □ Prevents one family from getting the largest sum and three others getting \$50 per month



How Many Different Grids?

- Low Income
- Multiple Children
- Large Family
- High Income



We want something simple so consider how many charts would keep it simple

Deviations

- Keep the ability to deviate
- Difficult to predict the future
- Definition of a family
 - Merriam Webster currently has 8 definitions
 - Complexities of Life

Deviations #2

Merriam Webster defines Family:

- 1: a group of individuals living under one roof and usually under one head.
- $^{\square}$ 2: a group of persons of common ancestry b: a people or group of peoples regarded as deriving from a common stock.
- 3: a group of people united by certain convictions or a common affiliations b: the staff of a high official (such as the President)
- 4: a group of things related by common characteristics: such as a: a closely related series of elements or chemical compounds b: a group of soils with similar chemical and physical properties (such as texture, pH, and mineral content) that comprise a category ranking above the series and below the subgroup in soil classification c: a group of related languages descended from a single ancestral language
- 5a: the basic unit in society traditionally consisting of two parents rearing their children; also any of various social units differing from but regarded as equivalent to the traditional family a single-parent familyb: spouse and children want to spend more time with my family
- 6: a group of related plants or animals forming a category ranking above a genus and below an order and usually comprising several to many generab in livestock breeding (1): the descendants or line of a particular individual especially of some outstanding female (2): an identifiable strain within a breed
- 7: a set of curves or surfaces whose equations differ only in parameters
- $^{\blacksquare}$ 8: a unit of a crime syndicate (such as the Mafia) operating within a geographical area

Conclusions



- Thank you for this opportunity
- Excited to see what this task force designs