

Child Support Task Force Minutes

Wednesday, January 25, 2017

9:00 a.m. to 1:00 p.m.

Room 300N, 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, January 25, 2017:

<input checked="" type="checkbox"/> Jimmy Loyd, Chair	<input checked="" type="checkbox"/> Senator Melissa Wiklund	<input type="checkbox"/> Senator Mary Kiffmeyer
<input type="checkbox"/> Representative JoAnn Ward	<input checked="" type="checkbox"/> Representative Peggy Scott	<input checked="" type="checkbox"/> Tammie Campbell
<input checked="" type="checkbox"/> Laura Vang	<input checked="" type="checkbox"/> Jason Smith	<input checked="" type="checkbox"/> Jeffrey Jorgenson
<input checked="" type="checkbox"/> Melissa Rossow	<input checked="" type="checkbox"/> Lisa Kontz	<input checked="" type="checkbox"/> Jodie Metcalf
<input type="checkbox"/> Melinda Hugdahl	<input checked="" type="checkbox"/> Pamela Waggoner	<input checked="" type="checkbox"/> Rachel Sablan (via phone)

Other Meeting Participants: Charlie Petersen, facilitator

DHS Staff: Brynn Rhodes, Bruce Erickson, Jennifer Sommerfeld, Shaneen Moore, Bennett Hoffman, Elizabeth Rusinak Mowers

Other Attendees: Amy Anderson, Presenter

1) Welcome: Agenda review and introductions of the group

2) Review of December meeting minutes:

- Minutes approved:
 - The December meeting [minutes](#) were approved and will be posted on the Child Support Task Force [website](#).
- Action Items:
 - There were several questions that were brought up at the December meeting that Elizabeth followed up with via updates to the website and in a memo sent to the Task Force members.
 - Any additional questions regarding the memo can be brought directly to Elizabeth at Elizabeth.rusinakmowers@state.mn.us and she will facilitate meetings between Task Force members and DHS staff as needed.

3) Updates: none

4) Presentation on interactions between the Self-Support Reserve and the grid:

- Amy Anderson, Ramsey County Attorney (and CPA), presented on the five issues (as she sees them) that come up in the application of the Self-Support Reserve and the grid:
 - The high percentage of income that goes to child support for low income obligors
 - The difficulties in using the tool for people with multiple children
 - The Self-Support Reserve effect where the guideline calculation applies every dollar of additional earnings beyond the self-support reserve (up to a certain point) towards basic support
 - Low income obligors with basic support obligations that are reduced by the self-support reserve do not get a financial “credit” for parenting time nor for non-joint children
 - The disparate treatment of people in similar situations depending on the level of income of the other party
- Amy also offered four possible fixes to these problems:
 - Adjust the guidelines chart at the lower incomes
 - Reduce some of the percentages that are over 20%
 - Reduce percentages for multiple children
 - Adjust percentages on higher incomes
- The rest of Amy’s presentation can be found on the website.

5) Meetings in February and March with economists:

- For the February and March Task Force meetings, the Task Force has contracted with two economists to come and present on the different methods for determining the cost of raising a child and calculating child support obligations. Each economist has been asked to provide their take on the pros and cons of each method and provide recommendations on methods for the group to explore going forward.
 - Dr. William Comanor will present at our February 22nd meeting.
 - Dr. Comanor is an economist and Professor of Economics at the University of California, Santa Barbara. He is also Professor in the Fielding School of Public Health at UCLA, where he teaches courses in Pharmaceutical Economics and

serves as Director of the Research Program on Pharmaceutical Economics and Policy. Dr. Comanor received his Ph.D. in Economics from Harvard University in 1964, and was on the faculties of both Harvard and Stanford Universities before joining the University of California in 1975. During his professional career, Dr. Comanor has studied, lectured, written, and consulted on various issues dealing largely with antitrust, health, pharmaceutical and household economics. His publications include:

- *The Law and Economics of Child Support Payments*, editor, Elgar Publishing, 2004.
- “The Monetary Cost of Raising Children,” (with Mark Sarro and R. Mark Rogers) *Research in Law and Economics*, Vol. 27, 2015
- Dr. Jane Venohr will present at our March 29th meeting.
 - Dr. Venohr, is an Economist and Research Associate with the Center for Policy Research, Denver, CO. In the last 10 years, Dr. Venohr has assisted over 30 states with the review or development of their child support guidelines or the development of formulas for special factors such as shared-parenting time, low-income noncustodial parents, and additional dependents. She has provided expert testimony to several state legislative committees and state supreme court committees. Dr. Venohr’s other areas of research include employment programs for low-income obligated parents, medical child support, child support passthrough and disregard, childcare assistance, and Medicaid. Dr. Venohr has published child support guidelines articles in the *Family Law Quarterly* and the *Journal of the American Academy of Matrimonial Lawyers*. Dr. Venohr also teaches macroeconomics at Colorado Mountain College. She has a Ph.D. in economics from the University of Colorado.
- Task Force members discussed the logistics of the meetings with the economists and agreed on meetings that would last 9 a.m. to 3 p.m.
 - From 9 a.m. to noon the Task Force will hear from the economists and have an opportunity to ask questions
 - From 1 p.m. to 3 p.m. the Task Force will discuss on their own what they have learned from the economists
- The group then spent some time brainstorming questions they have for the economists at this point in time. The following is the list of questions the group generated:
 - Does the data reflect that there is a difference in the cost of raising a child based on income level?
 - What is the value/basis for basing the child support on income level vs. on a flat rate/the cost of raising a child in the US regardless of your income level?
 - Is there a way to adjust the guidelines to account for various multiple family situations?
 - How can we account for extenuating circumstances like a child with special needs or with expensive medical needs?

- How are “extracurricular” activities (like sports or piano lessons) accounted for in the data regarding the cost of raising a child? How can we account for them when creating guidelines for child support?
- Are there other models used in other states that are known for their fairness? Or for being more balance?
- What are the pros/cons of our current method for calculating the cost of raising a child and child support?
- If we were to choose another method for calculating child support based on your recommendation, how would you propose we keep it updated more regularly? Or if we choose a method, would it stay the same for the next 15 years?
- What affect would changing the guidelines have on the new Parenting Expense Adjustment that was just passed in MN and will go into effect in 2018?
- How would the various models that calculate the cost of raising a child affect our current guidelines?
- How does the Self-Support Reserve and/or minimum orders impact the cost of raising a child?
- Can the data regarding the cost of raising a child be broken down by ethnic groups or different demographics?
- When, where and who compiled the data regarding the cost of raising a child? How was it compiled?
- Who was involved in creating the data—what different ethnic groups?
- How were the poverty guidelines which inform the Self-Support Reserve developed? Where did they come from? Is there MN specific data regarding the cost of living in MN? How does that compare to the nation poverty guidelines?

6) Action Items:

- **Action Item:** Elizabeth will send the list of questions for the economists around to the group. The group will prioritize and/or group the questions and then, Elizabeth will send along the questions to the economists for review before their presentations.
- **Action Item:** a member of the public asked a question that a Task Force member asked to be researched and answered regarding money that is collected for someone who is on public assistance: does the state recoup the full amount of public assistance through the collection of child support? And if not, under what authority does the state allow the child support collected to be passed on to the parent rather than kept back to recoup the public assistance expenses incurred by the state? DHS staff will prepare a response for the entire group to see and discuss.

7) Public Comments:

- There was one member of the audience who gave public comments to the group:
 - Molly Olson representing herself as the Founder of the Center for Parental Responsibility

8) Next steps: The group discussed the April and May meetings and decided to keep them on the schedule as is to be able to discuss the reports from the economists and determine how they want to proceed from there.

Meeting Adjourned at 12:25 p.m.

Next Meeting will be held on February 22nd, in room 300N of the State Office Building.