Minutes

Child Support Schedule Workgroup

Subcommittee: Self-Support Reserve Friday, April 14th, 3:30pm – 5:00pm To access the meeting online and to register: Webinar Registration | Miro Board

Attendance

Members Appearing:

Terry Price	Kaha Arte	Janelle Wilson
Amy Roark	Raymond Allen	Facilitator: Rachelle Jennings
Jennifer Turner	Joy Moore	Note taker: Lucas Camacho

Public Attendees: None

Agenda Details

Due to technical difficulties, meeting did not start until 3:49.

- 1. Welcome (3:49pm 3:59pm)
 - a. Reviewed 3/24/2023 subcommittee minutes.
- 2. Discussion on "Including a formula for low-income parents that accounts for all children" (3:59pm 4:19pm)
 - Idea Amend <u>RCW 26.19.065(2)</u> to state that the paying parent's Basic Support Obligation (BSO) for all biological and legal children should not reduce that parent's income below the Self-Support Reserve (SSR).
 - Each child should be entitled to pro rata share of available income (not less than \$50/mo).
 - Current statute states that the BSO shall not reduce the NCP's net income below 125% of poverty guideline.
 - This works well when a low income parent's only children are children on the case.
 - Amendment would address children from other relationships as the current rules don't give direction on what to do in multiple obligation situations.
 - Worksheet example:
 - Two parents at \$2000 gross income each, 5 kids on 1 worksheet = SSR lowers support to \$481.
 - If we just put 3 children on 1 worksheet, the BSO would remain \$481. The Whole Family Formula wouldn't help in this scenario.
 - If the other 2 children are later established for, they would be assigned additional amounts that would bring NCP's income below the Self-Support Reserve.
 - b. Proposed: Formula for low-income paying parents
 - Calculating a pro rata share
 - Self-Support Reserve is \$1519/mo in 2023. If a paying parent's income is \$2000/mo, the maximum obligation is \$481/mo.
 - For 4 children, this amounts to \$120.25 per child. If 3 are before the court, highest order would be 3 x \$120.25 = \$360.75 under the proposed idea.
 - 2015 workgroup proposed such an idea but it was never acted upon by the legislature.

- Question: Did legislature give a reason for not acting on it?
 - Answer: No.
 - New legislators might lead to a different result
- c. Group appears to agree to the idea will seek formal consensus at next meeting.

3. Report Out on History of SSR in the CSSW (4:19pm - 4:25pm)

- a. Assignee did not have research prepared due to sickness. Will present at a later date.
- b. Question: Can we contact assigned legislators to get their feelings on what we're working on?
 - Answer: No assigned legislators until May, Senator Claire Wilson is a past advocate and possible contact.

4. Report-Out of Other States Doing County-Based SSR or Auto Adjustments (4:25pm – 4:40pm)

- a. No other states do county-based SSR.
- b. Most states use the federal poverty level, but they differ in what percentage of the poverty level they use as the threshold for their SSRs.
- c. Arizona is different they use 80% of monthly full time earnings of the state's minimum wage.
 - If support would reduce the paying parent's income below that threshold, support is set to 0.
- d. A handful of states do a low-income adjustment that caps child support at a certain percentage of the obligor's income.
- e. New Jersey has the highest SSR at 150% of the federal poverty level.
- f. Question: Do low income families need a different formula? Is this specifically what we're trying to solve?
 - Answer: Group appears to agree that the answer is yes.
- g. Question: Can we ask Anneliese Vance-Sherman if one of these alternative models would lead to improved outcomes for low-income families?
 - Answer: Yes, her input as an economist would be helpful towards that end.

5. Report-Out of What Factors Determine What Basic Needs Are (4:40pm – 4:58pm)

- a. What expenses are addressed within the federal poverty guidelines?
- b. The guidelines are a simplified version of the poverty threshold.
 - Threshold varies by household size. All states use the same numbers except for Hawaii and Alaska.
 - Figures based off of the Consumer Price Index for All Urban Consumers (CPI-U)
 - Food
 - Energy
 - Other Commodities
 - Shelter
 - Medical
 - Transportation
- c. First developed in 1960.
- d. Became the standard for federal program eligibility in 1964
- e. Criticisms
 - Poverty guidelines have limitations and underestimate poverty
 - Expenditure info used is outdated
 - Threshold doesn't include increases in real spending
 - Doesn't consider geographic differences in cost of living

- f. Children require more resources than adults
- g. New measurement Supplemental Poverty Measure
 - Takes into account the impact of government programs
 - Regional differences in cost of living
 - Shows poverty rate as much higher than the official measure
 - Uses more recent data
 - Not yet used to determine eligibility for government programs like the poverty guidelines are.
 - Now that we know how FPL is determined, is 125% an appropriate percentage for our support schedule to use?
- h. Please send reports to supportschedule@dshs.wa.gov

6. What's Next? (4:58pm - 5:02pm)

- a. Next subgroup meeting will take place within larger group meeting on April 28th.
- b. Last large group meeting that we will have before final recommendations are due is 5/19.
- c. Recommendations due to the large group on 6/23.
- d. Should the group narrow its focus? Should we meet more often? Think this over between now and the 28th.
- e. Will reach out to Anneliese to ask about different SSR options and the Supplemental Poverty Measure.

Meeting adjourned at 5:02pm