Minutes

Child Support Schedule Workgroup Subcommittee: Self-Support Reserve and Adding Worksheet Deductions Thursday, May 11, 2023 3:15 pm – 4:20 pm Teams Webinar | Miro Board

Attendance

Members Appearing:

| Amy Roark | Joy Moore | Kaha Arte |
|---------------|-------------|--------------------------------|
| Raymond Allen | Terry Price | Facilitator: Rachelle Jennings |
| | | Notetaker: Lucas Camacho |

Public Attendees: None

Agenda Details

- 1. Welcome
- 2. Ice Breaker
- 3. Focus Area 1: SSR Calculation
 - a. Status of Research of Cost to Support a Single Person Household (Ray & Amy)
 - i. Ray briefly researched this topic with Terry. They discussed creating a two-tier system that would create a different SSR calculation for people in the 6 most populated counties in WA.
 - 1. The 6 most populous counties are King, Pierce, Snohomish, Thurston, Clark, and Spokane.
 - 2. People in these counties would be placed in a separate tier that would raise their SSR to 150% of the federal poverty guidelines due to the higher costs of living in those regions.
 - 3. Smaller counties like Grant are less expensive, so we could keep such counties' SSR calculations at the current 125% threshold.
 - 4. What happens if NCP moves from a county in one tier to a county in another?
 - ii. Amy's research found that the cost to rent a single person household in WA is approximately \$1200 for someone renting a single-person apartment/studio. The cost of food has risen sharply over the past few years. Her numbers are specific to Clark County and address:
 - 1. Housing
 - 2. Transportation
 - a. Insurance
 - b. Public Transport
 - 3. Food
 - 4. Health Insurance
 - iii. Kaha linked Out of Reach: | National Low Income Housing Coalition (nlihc.org)
 - 1. This site shows that the fair market price to rent a 1 bedroom apartment in WA is \$1350/mo.
 - iv. Kaha The Self-Sufficiency Standard for Washington State 2020
 - 1. Page 7 of this PDF shows the significant differences in costs between counties.

- a. For example, the self-sufficiency standard for one adult is approximately \$40000/yr in King County, \$30000 in Clark County, and \$20000 in Spokane County.
- 2. This study's data is from 2020, so some costs have likely been subject to inflation since then.
- v. **Question:** Is DCS able to sort data by NCP location?
 - 1. **Answer:** We might be able to pull this. Analyzing orders by county might work.
 - 2. <u>Child Support Program SFY 2022 ESA Briefing Book</u>
 - a. This document shows how many clients DCS has in each county.
- vi. Can we leave this at the agency's discretion? Would legislators approve that?
- vii. The group decided to table this topic for now in order to dedicate time to the other agenda items.
- b. Status of Research as to why Arizona chose 80% threshold (Joy)
 - i. Joy provided two links:
 - 1. <u>Final Report and Recommendations Committee for an Interim Review of the Child</u> <u>Support Guidelines - December 2017</u>
 - 2. How Do Child Support Order Amounts Affect Payments and Compliance?
 - 3. Per her findings, it appears AZ chose their 80% threshold based on a CA study that found that orders that charged more than 20% of an individual's income led to lower compliance rates.
 - 4. **Question:** Do we have data regarding the relationship between NCP income level vs compliance? Is there a threshold after which we see payments decline?
 - a. **Answer:** Rachelle will ask Thomas from BICS (Behavioral Intervention for Child Support Services Demonstration Program) if such data exists before the next subcommittee meeting.
- c. Discussion
 - i. Amy provided the following link: <u>Judicial Council of California Review of the Statewide Uniform</u> <u>Child Support Guideline 2021</u>
 - 1. This report discusses California's provisions for low income adjustments and analyzes other states' models and alternatives.

4. Focus Area 2: Worksheet Deductions

- a. Review <u>Draft Language for Paid Family Leave RCW Change</u> (Joy)
 - i. Edits RCW 26.19.071 (5)(i) to account for state insurance premiums for FMLA actually paid and specifies that items deducted from gross income under that subsection shall not be a reason to deviate from the standard calculation.
 - ii. As it stands, there is no specific percentage of income that this addition affects.
 - 1. Per Brady, 0.8% of each employee's gross wages are deducted, up to the 2023 Social Security cap of \$160,200.
 - 2. **Q:** If it's less than 1%, is it worth including?
 - a. A: The group sees no harm in including this provision.
 - iii. **Q:** What's the status of our discussion regarding deducting maintenance?
 - 1. A: Ian is still working on getting data to measure the potential impact.
 - iv. The group agreed to bring this recommendation to the larger workgroup.
- b. Review Draft Language for Revision to RCW 26.09.325 (Ray & Brady)
 - i. Brady is still working on drafting these changes.
 - 1. So far, it is similar to our existing abatement policy that affects incarcerated NCPs.
 - ii. Ray provided <u>a Study</u> that he's using to help guide the language.

- iii. The group agreed to bring this recommendation to the larger workgroup
- iv. Question: To clarify, this proposal would only apply to court-ordered treatment?
 - 1. Answer: Yes.

5. Educational Expenses

- a. Summary
 - i. The Basic Support Obligation does not currently include mandatory educational expenses, such as tuition, books, payments, activity costs such as sports, uniforms, band, yearbooks, etc.
 - ii. Proposed adding language that allows for these to be added as line items on the worksheets, essentially expanding line 11 regarding education expenses
 - iii. Should "required electronics" (tablets, laptops, chargers, etc.) be included as well?
 - iv. Brady will think of how to word this to so that SEOs can complete the worksheets
- b. Further Discussion Sought
 - i. Do we want to move forward with this?
 - 1. The group agrees to move forward with this as well.

6. Decisions, Tasks, and Next Steps

- a. Homework
 - i. Rachelle will contact Thomas from BICS to try and obtain info on the relationship between NCP income level and order compliance.
 - ii. Brady and Ray will continue working on drafting language for RCW 26.09.325.
 - iii. Brady will think of how to word the educational expenses proposal to allow SEOs to complete the worksheets.
- b. Next Meeting
 - i. The subcommittee will convene during the workgroup meeting on Friday, May 19th.