Status Report Economic Table Subcommittee
20 May 2011

1. Discussions have focused on questions that were determined for the subcommittee during previous group meeting (April, 2011). These can be categorized as:
   a. Defining legislative intent surrounding the components of basis support, and how the original table was developed. An important component was finding any evidence of intent to include/exclude any credit for residential time built into the existing table.
   b. Present a graphical comparison of table alternatives vs. the existing table.
   c. Preparation for presentations from external parties concerning the history of the current table and table alternatives.
2. Determining intent and components:
   a. Final reports for SHB 1465 and HB 2888 were reviewed for clues concerning intent. These documents did not add much to the discussion. There was some discussion of a residential credit in HB 2888, but this was stricken from the final bill. The proposed language did not comment on whether any consideration of residential credit was built into the table though.
   b. The report prepared by PSI for the 2005 workgroup speculates that the difference between costs for child rearing as reflected by the current WA table and the PSI estimates could reflect in part an implicit credit for base residential time (15%) that was included in other states' tables. This was purely speculative though, and not documented.
   c. The group is looking forward to discussing the history of the current table with external presenter(s) who were involved in the process.
3. Comparison of table alternatives vs. the existing table:
   a. The spreadsheet prepared by Judge Krabill was modified to include a data series using an age-weighted, combined table based on the current WA table for a single child. In addition, mean monthly expenditure values (adjusted by excluding child care and health care expenditures) for the midpoints of the three income categories in the

latest USDA report where used to provide objective check data for the comparisons. See attached chart and spreadsheet.

b. Additional graphics will be prepared based on requirements and group discussions.

4. Preparation for presentations by external parties:

a. The group discussed including Dr. McCaleb from Florida in the list of external participants. Details for external presentations are ongoing.

b. The following questions have been prepared by the group concerning the history of the current table, and legislative intent:

i. What was the economic basis for the current table? Where did the numbers come from?

ii. Was there any residential credit built into the current numbers?

iii. Why is there a "bump" in the table near the lower end? Does this reflect some economic indicator, or other socio-economic variable, and if so, is the "bump" still in the right place?

iv. What drove the change from three age categories to two categories, and how was the transition from three to two done? Was there some method other than weighting by age employed to collapse the table in this instance?