

Chris Steller

From: Sommerfeld, Jennifer J (DHS) <jennifer.sommerfeld@state.mn.us>
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To: Chris Steller
Subject: Final 2019 Minnesota Child Support Task Force Report - LRL Copy
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Please find attached the 2019 Minnesota Child Support Task Force Report.

Pursuant to [Minn. Stat. 518A.79](#), "beginning February 15, 2018, and biennially thereafter, if the task force is extended by the legislature, the commissioner shall prepare and submit to the chairs and ranking minority members of the committees of the house of representatives and the senate with jurisdiction over child support matters a report that summarizes the activities of the task force, issues identified by the task force, methods taken to address the issues, and recommendations for legislative action, if needed."

The February 15, 2018 report was previously submitted.

While not required by statute, the Child Support Division at the Department of Human Services drafted a final report based upon the work of the task force, which was not renewed beyond June 30, 2019. Two copies of the report will be sent via mail.

Please let me know if you have any questions.

Thank you.

Jennifer Sommerfeld

Director of Legislation and External Affairs | Children and Family Services

Minnesota Department of Human Services

mn.gov/dhs

Office: 651.431.3855

Cell: 651.558.6123

Business Area Portfolio: Child Care Services, Child Safety and Permanency, Child Support, Economic Assistance and Employment Supports





Legislative Report

2019 Minnesota Child Support Task Force

Activities and Recommendations

October 31, 2019

For more information contact:

Minnesota Department of Human Services Child

Support Division

P.O. Box 64946

St. Paul, MN 55164

651-430-4400



For accessible formats of this information or assistance with additional equal access to human services, call 651-431-4400, or use your preferred relay service. ADA1 (2-18)

Minnesota Statutes, Chapter 3.197, requires the disclosure of the cost to prepare this report. The estimated cost of preparing this report is \$3,848.

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I. Executive Summary

The Child Support Task Force (task force) was created by the Minnesota Legislature in 2016 following recommendations of a previous Child Support Work Group (work group). It was created to advise the commissioner of the Minnesota Department of Human Services (department) on matters relevant to maintaining effective and efficient child support guidelines that will best serve Minnesota children.

The task force met 29 times between September 2016 and June 2019. Recognizing the profound impact child support has on Minnesota families, it solicited and accepted public comment from hundreds of parents, grandparents, child support professionals, and others in the community.

In addition to detailed child support presentations, task force members reviewed guideline models, economic models and data, information on guidelines from other states, issues relevant to updating child support guidelines, and other issues identified in the authorizing legislation. The task force focused on determining the best way to reflect the current economic climate in updating guidelines to ensure “right-sized” child support orders. This report identifies all issues the task force considered, describes task force deliberations, and provides and explains its decisions and recommendations.

The task force recommends legislative changes to Minnesota’s child support statutes that:

- Update the basic support guidelines set forth in Minn. Stat. 518A.35 as proposed by the task force.
- Apply the self-support reserve to both parents' parental income for determining child support (PICS) in the child support worksheet and create a new deviation factor for when one or both parents' PICS is below the self-support reserve.
- Apply the self-support reserve to PICS rather than gross income.
- Deduct court-ordered support obligations when determining PICS rather than gross income.
- Increase the cap on the deduction for non-joint children, who are not the subject of court orders, from two to six.
- Apply the deduction for non-joint children for whom a parent does not have a court-ordered support obligation to all legally recognized non-joint children, and increase the calculation of the deduction from 50% of the guideline amount to 75%.
- Clarify that the deviation factors set forth in Minn. Stat. 518A.43 apply to cases where a child is residing with a non-parent caretaker.
- Create a deviation factor for out-of-home placement cases where family reunification is the goal.
- Create a permanent advisory body to address remaining priority issues, provide a venue for public input, and develop a process in which the guidelines may be routinely updated.

II. Introduction

This report was prepared and submitted by the commissioner of the Minnesota Department of Human Services (department), with advice from the Child Support Task Force pursuant to Minn. Stat., section 518A.79. Summaries of task force activities, identified issues, methods, and recommendations are included.

History and Context

The Minnesota Legislature created the Child Support Work Group in 2015, Laws of Minnesota 2015, chapter 71, section 121, to address the parenting expense adjustment in Minn. Stat., section 518A.36, and make recommendations on the composition of a permanent Child Support Task Force. With administrative support from the department, the work group met six times in 2015. It published the Child Support Work Group Final Report in January 2016, and made recommendations regarding composition and role of the task force, and additional recommendations regarding issues that should be prioritized.

III. Legislation and Organization

In response to the report of the work group, the legislature passed Minn. Stat., section 518.79, establishing the task force, which was subject to the open meeting law. The task force expired on June 30, 2019.

Purpose

The purpose of the task force was to advise the commissioner of the Minnesota Department of Human Services on matters relevant to maintaining effective and efficient child support guidelines that best serve Minnesota children, and considers the changing dynamics of families.

Membership

The task force consisted of:

- Two members of the Minnesota House of Representatives, one appointed by the speaker of the house and one by the minority leader
- Two members of the Minnesota Senate, one appointed by the majority leader and one by the minority leader
- One representative from the Minnesota County Attorneys Association

- One staff member from the department's Child Support Division
- One representative from a tribe with an approved Title IV-D program appointed by resolution of the Minnesota Indian Affairs Council
- One representative from the Minnesota Family Support Recovery Council
- One child support magistrate, family court referee, or district court judge or retired judge, with experience in child support matters, appointed by the chief justice of the Supreme Court
- Four parents, at least two of whom represent diverse cultural and social communities, appointed by the commissioner with equal representation between custodial and noncustodial parents
- One representative from the Minnesota Legal Services Coalition, and
- One representative from the Family Law Section, Minnesota Bar Association.

See Appendix B for a list of task force members.

Organization

Per enacting legislation, the commissioner's designee convened the first task force meeting. The department administered the task force through the Child Support Division. It was required to annually elect a chair, and meet at least three times per year.

Diversity and Inclusion

Work group members raised concerns regarding diversity and inclusion in work group composition, and recommended steps be taken to ensure diversity of task force members. It was recommended the task force include tribal representation and at least two parents representing diverse cultural backgrounds. Task force members should consult annually with the Cultural and Ethnic Communities Leadership Council (CECLC). Department staff met with the CECLC administrator on Nov. 29, 2016, and the task force administrator attended the Feb. 17, 2017, CECLC meeting. Jimmy Loyd, original chair of the task force, attended a CECLC meeting on Sept. 15, 2017, along with three other members and the task force administrator, to discuss task force work. The task force administrator also attended a CECLC meeting on May 17, 2019, to provide an update on work completed by the task force.

Duties

General duties of the task force included, but were not limited to:

- Serving in an advisory capacity to the commissioner of human services
- Reviewing effects of implementing the parenting expense adjustment enacted by the 2016 legislature
- Preparing for and advising the commissioner on development of the quadrennial review report at least every four years

- Collecting and studying information and data relating to child support awards, and
- Conducting a comprehensive review of child support guidelines, economic conditions, and other matters relevant to maintaining effective and efficient child support guidelines.

In addition, the legislature adopted the following priority issues the task force was required to review, address, and make recommendations on:

- The self-support reserve for custodial and noncustodial parents
- Simultaneous child support orders
- Obligor subject to child support orders in multiple counties
- Parents with multiple families
- Non-nuclear families, such as grandparents, relatives, and foster parents who are caretakers of children
- Standards to apply for modifications, and
- Updating Minn. Stat., section 518A.35, subd. 2, guidelines for basic support.

Report and Recommendations

The task force was required to submit a report summarizing its activities, identifying concerns and methods of addressing issues, and recommending legislative action, if needed. The first report was submitted to the legislature Feb. 15, 2018. This is its final report.

Structure and Administration

As required by statute, the department convened the first task force meeting on Sept. 28, 2016. It was held at the State Office Building, where most meetings were held. The department engaged staff from Management Analysis and Development (MAD), Minnesota Management and Budget (MMB), to facilitate meetings. From September 2016 through December 2017, meetings were facilitated by Charlie Peterson, senior management consultant. Stacy Sjogren, senior management consultant, served as facilitator from January 2018 through June 2019. The department hired two task force administrators: Elizabeth Rusinak-Mowers, serving from October 2016 through March 2017, and Sonya Smith, from May 2017 through February 2018. Jessica Raymond, Child Support Division policy analyst, took over task force administration from March 2018 to June 2019.

With rare exception, meetings were conducted monthly on the last Wednesday of the month. To better accommodate public comment, five meetings were held around the state.

The task force elected Jimmy Loyd, a noncustodial parent member, as its chair and Tammie Campbell, former custodial parent member, as vice chair in September 2016. Loyd and Campbell guided meeting agendas and at times addressed members of the public or the press. Campbell resigned from the task force on May 31, 2017. Because the term for chair was annual, Loyd and Rahya Iliff, custodial parent member, were elected in November 2017. Loyd resigned in November 2018 and Iliff served as chair from December 2018 through June 2019.

Beginning Jan. 1, 2018, the task force was subject to Minn. Stat., chapter 13E, the open meeting law. Though not required by law at the outset, administration of task force meetings were conducted in the spirit of the open meeting law. Task force meetings were open to the public, and a public comment period was offered at every meeting. Materials including agendas, minutes, presentations, consultative reports, etc., were on the task force website.

By agreement of task force members, decision making was conducted by consensus, with the possibility for super majority vote, if consensus was not possible.

In early 2017, the department, with consultation from the task force, contracted with two economists to inform task force work. Two reports were commissioned from Dr. Jane Venohr and Dr. William Comanor to offer differing perspectives on broad issues regarding child support guidelines and the cost of raising a child. Dr. Venohr was retained following a Request for Proposal (RFP) process to provide continuing guidance and consultation on more detailed issues. Because of the complexity of issues and variety of thoughts, the task force also consulted with economists R. Mark Rogers and Don Bieniewicz.

The task force also invited Amy Anderson, assistant Ramsey County attorney, also a certified public accountant, to consult in development of the basic support table, particularly the creation of a low-income adjustment, and the extension of the table from combined monthly incomes of \$15,000 to \$30,000.

In addition to consultation with economists and other subject matter experts, the task force and the department prioritized public comment. This was received in multiple formats to allow the public to engage in a way that is most convenient. Opportunities included public comment periods at regular meetings, five extended public comment forums in the metro area and greater Minnesota, email submission of comments to the department, and an online survey one day before, the day of, and one day after each public comment forum.

IV. Current Minnesota Child Support Guidelines

Federal law mandates that states have child support guidelines courts must use to set child support amounts.¹ Minnesota's first guidelines were established in 1983. Those guidelines set child support by assessing a percentage of the obligated parent's net income. By 2005, demographic changes and a changing view of families led to a desire for new guidelines to better reflect the financial role of both parents in raising a child.

Minnesota's Basic Support Table

In 2007, Minnesota transitioned from a percentage of the obligated parent's income guidelines model, where only the obligated parent's income is considered when calculating child support obligations, to an income shares model, where both parents' incomes are taken into account. The policy behind this change was founded on the premise that both parents share financial responsibility for their children, and that children are entitled to the

¹ See 42 USC, section 667.

same level of expenditure they would have received if they lived with both parents as a family. Accordingly, numbers in the guidelines table represent the total estimated cost of raising children for both parties.

The majority of the economic model underlying child support guidelines is based on a 2001 study of data from the Consumer Expenditure Survey on the cost of child-rearing conducted by the U.S. Department of Agriculture (USDA).

Minnesota's Calculation of Support

A child support order consists of the following types of ongoing support:

- Basic child support is an amount paid to help pay for a child's daily living expenses, including but not limited to housing, food, clothing, transportation and education.
- Medical support is the provision of health care coverage for a child, a monthly amount paid to the other parent providing health care coverage; a contribution towards public coverage and/or share of unreimbursed and uninsured medical expenses incurred by a child. The method to collect unreimbursed and uninsured medical expenses is in Minn. Stat., section 518A.41, subd. 17.
- Child care support is paid by one parent to the parent who incurs the cost of their child's care while the parents attend work or school. Child care support expenses are divided between the parents based on their proportional share of income calculated to determine child support, also adjusted by the amount of estimated federal and state child care tax credits.

Each type of support is calculated separately. When added together it is the total child support obligation. The income of both parents is used to calculate child support. Gross income is used, with adjustments for non-joint children in the home, Social Security benefits paid on behalf of a child, and other court-ordered support. A court might impute income to a parent based on their earning potential, even if the parent is not earning income.

Basic support is calculated in two steps:

1. **Percentage of combined income** – each parent is assigned a percentage of combined income used to calculate support amounts.² These percentage shares are used in calculating each type of child support, not just basic support.
2. **Combined guidelines basic support** – combined incomes of the parties, together with the number of joint children, are used to determine a basic support amount, as provided in a statutory table. The combined basic support amount increases with income and number of children.

To calculate an initial base support amount, the basic support from the statutory guidelines table is multiplied by the obligated parent's percentage of combined income. Medical and child care support is determined by

² For example, if parent A earns \$3,000 per month, and parent B earns \$2,000, their combined income is \$5,000 per month, with parent A's income representing 60% of combined income, and parent B's income representing 40%.

multiplying each parent's percentage of combined income by the family's actual costs. The child care support obligation includes an adjustment to account for tax benefits received by the parent who pays for child care.

The basic support amount may be reduced by a parenting expense adjustment, intended to reflect the presumption that a parent incurs costs for their child during parenting time. The parenting expense adjustment is calculated using each parent's court-ordered overnights or overnight equivalents, and their relative support obligations.

After support is calculated, Minnesota uses a self-support reserve to determine if the obligated parent has the ability to pay the entire child support obligation. The self-support reserve is intended to recognize that obligors need to have income available to support themselves. The reserve is set at 120% of the federal poverty guidelines (FPG) amount for a household of one. If an obligated parent's child support obligation plus the self-support reserve exceeds their income, the child support obligation is reduced. If a child support obligor's income is less than the self-support reserve, a minimum order is typically set by the court. Minimum order amounts are \$50 for one or two children, \$75 for three or four children, and \$100 for five or more children. In some cases, the court will set the order at \$0 or reserve child support as an issue for future determination.

V. Summary of Task Force Meetings and Activities

Introduction

There have been 29 full task force meetings since its creation in 2016, as well as five meetings of two small work groups that met during the 2018 legislative session. The department provided the legislature with a report on task force activities in February 2018.³ The report:

- Summarized activities of the task force from September 2016 through December 2017
- Set forth and explained the task force's decisions regarding the update to the basic support table
- Recommended a legislative change to Minn. Stat., section 518A.39, the statute governing the modification of orders or decrees

Since the February 2018 report, the task force has developed recommendations to update the basic support table, and addressed issues related to the self-support reserve, parents with multiple families, and support for non-nuclear families.

³ For the full text of the 2018 task force report and other materials, see the Minnesota Child Support Task Force website at <https://mn.gov/dhs/general-public/about-dhs/advisory-councils-task-forces/child-support-task-force.jsp>

January 2018 – May 2018: Tax Adjustment and the Self-Support Reserve Small Work Groups

At its Jan. 31, 2018, meeting, the task force finalized a timeline for making the remaining decisions needed to update the basic support table, and set the 2018 meeting schedule, including an approach for continuing work during the legislative session. One of the task force chairs proposed that small work groups meet during the legislative session to examine specific issues and report back to the full task force when it reconvened May 30, 2018. The task force agreed that the purpose of the small group meetings would be to discuss issues and evaluate options, but not to make any binding decisions. Two small groups were formed, one was assigned to explore various tax adjustment options, and the other was assigned to examine issues related to the self-support reserve.

The tax adjustment group met three times from February 2018 – April 2018. With the help of Venohr and department staff, the group examined the approaches of other states that provide an adjustment for taxes in calculating child support. The group confirmed that in light of decisions already made by the task force, Minnesota could potentially provide an adjustment for taxes by implementing:

- An adjustment within the table
- An adjustment in the worksheet
- A deviation factor, or
- A standardized net income approach.

The self-support reserve group met twice from March 2018 – April 2018. At these meetings, department staff provided an overview of the current self-support reserve; the group examined potential changes such as:

- Increasing the amount of the self-support reserve to 165% FPG
- Applying the self-support reserve to both parents, and
- Using a percentage of the obligated parent's income as a cap.

When the task force reconvened in May 2018, both small groups reported what they learned. The task force voted against a few of the options that the tax adjustment small group had vetted, but made no decision on how best to deal with taxes in child support calculations. No vote was taken on issues related to the self-support reserve.

June 2018 – December 2018: Self-Support Reserve, Adjustments for Low and High Incomes

At the June 27, 2018, meeting the task force discussed the interrelated nature of the self-support reserve, tax adjustments, adjustments for low incomes and minimum orders, and determined these issues must be examined together. It invited Amy Anderson, assistant Ramsey County attorney, who had previously given a presentation on known issues with the current Minnesota basic support table, to share thoughts on the best way to proceed. The task force was interested in Anderson's views not only as a subject matter expert on current child support guidelines, but also because of her professional experience as a certified public accountant and tax preparer. Anderson stated she believed the first step is to develop an adjustment for combined incomes of \$6,000 and below in the new table from Dr. Venohr, and decide what the minimum order amounts and the

self-support should be. Only after that work was done did Anderson think it was appropriate to determine whether an additional adjustment for taxes would be necessary.

Anderson identified the following issues with both the current and Venohr's updated basic support tables:

- Basic support amounts constitute a high percentage of income for low-income parents, especially for those with multiple children, and
- All available income above the self-support reserve goes to the support obligation at certain low-income levels.

The task force solicited Anderson's help in developing a low-income adjustment and new minimum order amounts, and ultimately adopted them at the Nov. 28, 2018, meeting. At subsequent meetings, it reviewed the interplay between the low-income adjustment and the self-support reserve at various levels with Venohr, who attended the Oct. 4, 2018, meeting, and Anderson. The task force evaluated the self-support reserve using both the current and updated guidelines at:

- 120% of FPG, or \$1,214 per month for 2018
- 135% of FPG, or \$1,366 per month for 2018
- 145% of FPG, or \$1,467 per month for 2018
- 165% of FPG, or \$1,669 per month for 2018, and
- 200% of FPG, or \$2,023 per month for 2018.

The group considered the effect that the self-support reserve would have on other obligations such as medical and child care supports, as well as how the parenting expense adjustment would impact the presumptive basic support obligations.

The task force also examined the possibility of applying the self-support reserve to the income of both parents and weighed the pros and cons of methods used by other states that consider the subsistence needs of the non-obligated parent. The options evaluated included:

- Showing the subtraction of the self-support reserve in the child support calculation worksheet for both parents' incomes and providing it for informational purposes to the court
- Creating a requirement that the non-obligated parent's subsistence needs be considered before reducing the obligated parent's support amount due to the self-support reserve
- Creating a presumption that the self-support reserve will reduce the obligated parent's support obligation when applicable, but the presumption may be rebutted by evidence the reduction will harm the other parent and children, and
- Creating a prohibition against reducing obligated parent's support amount due to the self-support reserve when the other parent's income is below the self-support reserve.

The task force ultimately voted on a hybrid approach of these options and crafted proposed statutory language to effectuate the desired changes to the self-support reserve and deviation statutes. For the task force's proposed legislative changes, see section VIII: Implementation Language.

At the Nov. 28, 2018, meeting the task force set aside a portion of the meeting to discuss concerns about use of the phrases “custodial” and “noncustodial” parents, as members of both the public and task force expressed that these labels had the potential to be inaccurate and offensive. The task force acknowledged that despite many efforts to find more palatable terminology, there has long been a tension between the attempt to shift away from using labels that focus on a custody designation while also ensuring that the laws surrounding child support, public assistance and taxes make sense. The task force was unable to come to a decision about what terminology should be used when it is necessary to distinguish between the parents, but did commit to try using other phrases in lieu of “custodial” and “noncustodial” parents during meetings. Other phrases considered included:

- Non-residential parent and residential parent
- Obligated parent and other parent
- Obligor and obligee
- Parent with whom the child does not reside and parent with whom the child resides
- Paying parent and receiving parent, and
- Payer and payee or recipient.

At the Dec. 19, 2018, meeting department staff from the Economic Assistance and Employment Supports and Child Care Assistance Program areas presented on Minnesota public assistance programs to supplement the task force’s understanding of resources available to low-income families. Presenters gave an overview of each program’s standards for eligibility, work requirements, and the number of families participating in the programs. The task force engaged in a dialog with department staff, examining the effect that receipt of child support has on participating families’ eligibility.

Also at the December 19 meeting, the task force shifted its focus to the high-income end of the basic support table and discussed the possibility of extending the table beyond the current maximum of combined incomes of \$15,000 per month. Specific advantages inherent to such an extension included providing greater uniformity to court-ordered support obligations for families with higher incomes, and bringing the table in line with current wages, which have increased since the table was last updated.

At both the November and December meetings, members discussed whether the task force should meet during the 2019 legislative session, as the four legislators on the task force would likely be unable to attend. Given the number of issues to be addressed, and that the task force was to expire June 30, 2019, it decided to meet during the legislative session. To better accommodate members’ schedules, the facilitator developed a process in which any member who was unable to attend meetings in person could vote on decisions via email to the administrator prior to meetings, or select an alternate to attend and vote by proxy.

February 2019 – April 2019: Multiple Families

After completing the update of the basic support table, the task force moved onto the priority issue of addressing child support cases involving parents with multiple families. At the Feb. 27, 2019, meeting department staff presented on how Minnesota currently provides deductions for parents with non-joint children. A non-joint child is defined as the legal child of one, but not both of the parents in the support

proceeding, not including stepchildren.⁴ The presentation highlighted that current Minnesota law, which provides two different deductions for non-joint children, can produce significantly different results for similarly situated parents with non-joint children, depending on whether a parent has a court-ordered support obligation. Identified inconsistencies in deductions for non-joint children include the deduction for:

- Non-joint children in the home is capped at two, whereas the deduction for a parent with court-ordered support obligations is unlimited and based on actual support amounts
- Court-ordered support obligations and non-joint children in the home do not include other legally recognized non-joint children for whom a parent may also be providing support, and
- Court-ordered support obligations reduces the amount of income from which the self-support reserve is subtracted, whereas deductions for non-joint children in the home do not.

In addition to recommending corrections for the above inequities, the task force also analyzed the option of providing the same deduction for all non-joint children, regardless of whether a parent has a court-ordered obligation. It evaluated the methods of other states that do this. Members also analyzed the advantages and disadvantages to moving away from the practice of having two different deductions for non-joint children, in addition to expanding the deduction for non-joint children in the home to all legally recognized non-joint children.⁵

The task force also analyzed the impact of calculating the deduction for non-joint children without court orders using the methods of various states. Minnesota is unique in calculating the deduction at 50% of the guideline amount at the income for the parent with non-joint children; most states use 75% of the guideline amount.

April 2019 – June 2019: Non-nuclear Families and Low-income Adjustment

At the Apr. 24, 2019, meeting the task force also began examining issues unique to non-nuclear families, which the statute that created the task force defines as grandparents, parents, relatives, and foster parents who are caretakers of children. The task force considered alternatives to the current way support is calculated when a child is residing with a non-parent caretaker. Members discussed the current method and whether Minnesota should consider diverting from the current practice of not considering the caretaker's income in calculating support. Members also expressed a desire to learn more about other states' approaches to:

- Calculating parents' support obligations when child is residing with a non-parent caretaker
- Calculating and pursuing child support in foster care cases, and
- Administrative redirection of existing child support orders.

⁴ See Minn. Stat., section 518A.39, subd. 12.

⁵ The deduction for non-joint children for whom a parent does not have a court-ordered support obligation is currently limited to non-joint children who primarily reside in the parent's household. See Minn. Stat., section 518A.33.

At the May 29, 2019, meeting the task force continued its discussion of non-nuclear families, focusing particularly on whether there should be a deviation factor for out-of-home placement cases where family reunification is the goal.⁶ Venohr, in an April 2018 brief to the task force, recommended that it consider creating a deviation factor for these cases, as studies indicate that the pursuit and collection of child support often impedes the parents' ability to reunify with their child. Members also reviewed the statutory language of other states that provide this type of deviation factor, and discussed the merits of adopting similar legislation, while also acknowledging that such legislation could result in a loss of funds to reimburse the government for the cost of foster care.

Also at the May 29 meeting, Venohr attended via phone to discuss an issue she identified with the low-income adjustment in the new basic support table. While reviewing the portion of the table adjusted for low-incomes, Venohr noted that when the obligor's income is \$6,000 or less, there are instances when the support obligation increases when the obligee's income increases. She clarified that the issue is due to a mathematical mechanism in the low-income adjustment, not because Minnesota uses an income-shares model. Venohr proposed that the task force consider adopting a "shaded area approach" used by North Carolina, which would apply when the obligor's income falls within the shaded area of the table (\$6,000 or less). Under this approach, two child support calculations would be done if the obligor's income was within that range, one using both parents' incomes and one using only the obligor's income; the lesser amount would be the presumptive support obligation.

The task force continued its discussion of this issue at the June 12, 2019, meeting where department staff provided graphs demonstrating that when an obligor's gross monthly income is in the range of \$1,500 (above the self-support reserve), and \$3,500 per month, the support obligation can increase as the obligee's income increases. Department staff also shared examples of how the parenting expense adjustment interacts with the low-income adjustment and shaded area approach.

Task force members discussed the issue and shaded area approach with Venohr, who attended by phone, as well as Anderson, who developed the low-income adjustment.⁷ Anderson explained that the increased support amounts occur because the support amounts for obligors with gross monthly income of \$3,500 or less were decreased as a matter of policy to make payments more manageable for low-income families. The adjustment also takes into account that as the obligee has more income, they are not likely to receive or be eligible for public assistance; without these resources, more support is required. Regarding the shaded area approach used by North Carolina, Anderson pointed out that its basic support table results in much higher support obligations. Anderson stated that the new basic support table with the low-income adjustment results in lower, and therefore more reasonable, basic support obligations for low-income obligors than the current table. The majority of members agreed that the low-income adjustment developed by Anderson supports the policy goal of

⁶ The phrase "out-of-home placement" refers to cases in which children have been removed from their homes due to involvement with either the child welfare or juvenile justice system.

⁷ See Appendix C for an explanation of how the low-income adjustment was developed by Amy Anderson.

ensuring that court orders are right-sized, and the decision of whether to adopt a shaded area approach was not necessary.

Also at the June 12 meeting, a discussion of issues related to non-nuclear families continued. It further analyzed various methods of calculating support for cases where a child is in the custody of a non-parent caretaker, including:

- Minnesota's current method of 100% of the guideline amount for each parent's individual Parental Income for Determining Child Support (PICS)
- Tennessee's method, which uses the parents' combined PICS, and
- Minnesota's current method, but decreased to 75% of the guideline amount for each parent's individual PICS.

Members discussed the support obligation amounts using various methods and noted that the Tennessee method results in a higher support amount for low-income parents than the current Minnesota method. The possibility of creating a new deviation factor for cases where children are residing with non-parent caretakers was also discussed, or clarify in statute that the current deviation factors apply to non-parent caretakers as well as parents.

The decision made at the May 29, 2019, meeting to create a deviation factor for out-of-home placement cases where family reunification is the goal was also re-visited. The task force clarified that the deviation is meant to address cases in which the:

- Child is in foster care and the child support obligation is assigned to the state
- Parent(s) have a voluntary or court-ordered reunification plan, and
- Parent(s) do not have the ability to pay expenses related to a reunification plan and child support to reimburse the government.

Members discussed the option of adding specific language to the deviation factor for out-of-home placement cases to clarify that expenses associated with a parent's reunification plan may be considered. It also discussed that while a new deviation factor will be helpful, to better serve these families there should be an overall shift in current Minnesota policy and statute to prioritize family reunification over reimbursing the government for the cost of foster care.

Public Comment Meetings and Contribution to Quadrennial Review

The task force is required to hold one meeting annually dedicated to public comment. In addition to these meetings, occurring Sept. 17, 2017, in Minneapolis, and Oct. 4, 2018, in St. Cloud, it has a public comment segment at the end of every official meeting. Responses to a questionnaire developed by the task force in fall 2017 were also used in the 2018 Quadrennial Review of the Minnesota Guidelines, and provide insight into how

the guidelines and child support program are serving Minnesota families.⁸ Department staff presented the findings and recommendation of the 2018 Quadrennial Review at the Oct. 31, 2018, meeting.

VI. Decisions

The decisions below provide the basis for recommendations made by the task force, the result of either consensus or super-majority vote.

Updating the Basic Support Table

The bulk of time and attention was devoted to updating the basic support guidelines in Minn. Stat., section 518A.35, subd. 2. In her initial report to the task force, Venohr identified 11 factors that needed to be discussed to develop updated basic support guidelines. The decisions on those factors are below.

The Guidelines Model

The task force evaluated the following options for the basic support guidelines model: The income shares model, percentage of obligated parents' income model, Melson formula, cost shares model, or development of a new/hybrid model. Many meetings were devoted to discussing the advantages and disadvantages unique to each model; on Sept. 27, 2017, members voted unanimously to continue using the income shares model. The consensus was that the income shares model is the most equitable as it takes into consideration the incomes of both parents when calculating basic support obligations. Other compelling considerations were maintaining the status quo so the parenting expense adjustment effective Aug. 1, 2018, could continue to be used, along with the disadvantages of additional major investments of time and money needed to switch models, as well as to determine a new parenting expense adjustment.

The Economic Basis

The task force deliberated on which economic basis to use in updating the basic support guidelines. It was presented with a variety of economic models relating to the measurement of child-rearing expenditures, including measurements from the USDA, which forms the majority of the economic basis of the current guidelines, as well as the Betson-Rothbarth and Comanor methodologies. On Oct. 25, 2017, nine of the 12 task force members voted to continue to use the USDA measurement of child-rearing expenditures. The remaining three members voted to use Dr. Comanor's method. It was the consensus that though the USDA would form the basis of the guidelines, this would be a starting point only and adjustments would be made.

⁸ The full text of the Quadrennial Review is at <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-7832A-ENG>.

Price Levels

On Oct. 25, 2017, the task force voted to use data from the 2017 Consumer Price Index, as it is the most recent data available, and most accurately reflects current costs of child-rearing.

Adjustment for State Cost of Living and Exclusion of Highly Variable Child-Rearing Expenses

The task force voted Apr. 26, 2017, that because the cost of living in Minnesota is very close to the national average, no adjustment was needed. It was also decided that members would recommend highly variable child-rearing expenses, such as medical and child care, continue to be calculated as separate support obligations if changes to the guidelines are enacted.

Adjustments for Time Sharing

The task force voted to continue to use the parenting expense adjustment that were effective Aug. 1, 2018, in Minn. Stat., section 518A.36.

Related to this decision, members also decided that it would be beneficial for Minn. Stat., section 518A.39, governing the standard for modification of child support orders, to be amended. In its first report, recommended section 518A.39 be modified so it is clear that individuals whose support obligations may decrease or increase due solely to implementation of the new parenting expense adjustment are not barred from doing so, if the potential change in support meets statutory modification thresholds of plus or minus 25% and \$75. Legislation clarifying the statute was enacted in 2018.⁹

Adjustments for Two or More Children

The task force voted to adopt the options for multipliers for two and three children, as presented in Venohr's November 2017 report. The multiplier chosen for one to two children is a Betson-Rothbarth adjustment, a smaller amount than the multiplier used by the USDA. The second multiplier for two to three children is a USDA amount that is applied to the Betson-Rothbarth figure for two children. The result is an amount for three children that is less than the USDA numbers for three children. The multipliers suggested by the USDA for four, five and six children, discussed in the November 2017 report, were not chosen. At a later meeting, members voted to adopt Anderson's multipliers for four, five and six children. The multiplier for three to four children (8%) is smaller than the multiplier suggested by the USDA; the multiplier is further reduced for each additional child. In the lower income adjustment range, multiplier amounts are not exact, as the focus was on adjusting support amounts incrementally.

⁹ See Minn. Stat., section 518A.39.

Families that Spend More or Less of Their Income

The issue of families that spend more or less of their income is one that must only be addressed when the guidelines are based on Betson-Engel or Betson-Rothbarth measurements. Since the task force voted to use USDA measurements, based on expenditures made with after-tax income, no decision was required.

Tax Assumptions and Adjustments

An additional adjustment for taxes was not required because members elected to use USDA measurements. However, the task force agreed to explore the possibility of providing a standardized tax adjustment. A number of options used by other states were examined. Due to complexity of the issue, as well as the major changes to the federal tax code, it did not recommend a particular tax adjustment. Members did agree to recommend that if an adjustment for taxes is enacted by the legislature, it should not be addressed in the basic support table. It was recommended that this be included in the child support worksheet to increase transparency.

Low-income Adjustment and Minimum Order

On Nov. 28, 2018, the task force voted to adopt a low-income adjustment in the table for combined monthly incomes of \$6,000 and below, as well as a range of minimum order amounts that begins at \$50 per month for one child, and incrementally increase to \$100 for six or more children. The low-income adjustment was developed as a matter of policy to correct issues that affect low-income obligors under current guidelines, basic support obligations that constitute high percentages of obligors' incomes and that all additional income above the self-support reserve goes towards the support obligation. The low-income adjustment also increases the amount of support available to contribute to other obligations, such as medical and child care support.

Adjustments at High Incomes

At the Dec. 19, 2018, meeting members debated whether to extend the table beyond the current cap of \$15,000. Advantages considered include providing more uniformity for high income cases, as well as recognizing that salaries and wages have increased since the table was last updated. The majority voted to extend the table to \$30,000 per month.

Self-support Reserve

The task force was assigned to address the issue of the self-support reserve, as well as the possibility of providing it to both parents; decisions on this priority are below.

Application to Both Parents

The task force voted early to apply the self-support reserve to both parents rather than continuing to apply it only to the obligated parent's income, in concept. After the conceptual vote, members examined a variety of methods in which this could be implemented, ranging from the self-support reserve deduction appearing in the worksheet for both parents for merely informational purposes, to creating a strict prohibition against reducing

the obligated parent's support amount when the custodial parent's income is below the self-support reserve. It eventually voted in favor of a hybrid approach, deciding that the self-support reserve should be applied to both parents' incomes and appear in a more detailed manner in the worksheet, as this will increase transparency for all parties and the court. It also voted in favor of creating a new deviation factor that allows, but does not require, the court to consider deviation from the presumptive child support obligation, if one or both parents are below the self-support reserve.

Amount of Self-support Reserve

Members examined the self-support reserve at various levels of the FPG and its impact on the current basic support table and proposed table with the low-income adjustment. A range from 120% of the FPG, the current amount in Minnesota, to 200% of FPG was examined. The majority of members voted to continue to use 120% of FPG as the low-income adjustment in the table, making the presumptive basic support obligation a more manageable amount, reducing obligations for low-income obligors from 25% of income to less than 16% under the new proposal. An additional consideration was that the highest self-support reserve nationally is New York, at 135% of the FPG. To raise the amount to that, or beyond, would be difficult to justify economically, as Minnesota's cost of living is not comparable to New York.

Multiple Families

Another priority topic assigned to the task force was to examine and make recommendations on issues related to multiple families. While it did not have time to analyze all facets of this complex topic, the following decisions regarding adjustments for non-joint children were made.

Self-support Reserve Deducted from PICS

At the Feb. 27, 2019, meeting the task force voted in favor of deducting the self-support reserve from PICS, rather than from gross income, to correct inconsistent outcomes for similarly situated families. Under current Minnesota law, the self-support reserve is subtracted from a parent's gross income, while court-ordered support obligations are excluded from gross income; deductions for non-joint children in the home are subtracted when determining parental income for support. One consequence of this is if there are two parents with incomes very near the self-support reserve, with identical circumstances except that one has a court-ordered support obligation for a non-joint child and the other has a non-joint child in the household. Only the former will receive a reduction in the support obligation. By subtracting the self-support reserve from the PICS, both parents receive protection of the self-support reserve.

Court-ordered Support Obligations Deducted when Calculating PICS

While discussing the interplay of the self-support reserve and the two types of deductions for non-joint children, the task force also decided that court-ordered support obligations should be deducted from monthly income when determining PICS, rather than excluded from gross income. This change would not have an impact on the calculation of child support, or a resulting obligation, however, it would be more logical and less confusing for all parties if both deductions for non-joint children occur at the same time.

Deductions for Non-joint Children

On Apr. 24, 2019, the task force voted in favor of continuing to use two separate deductions for non-joint children, depending on whether there is a court-ordered support obligation. Considerations to continue this practice rather than using a uniform deduction based on a parent's income and number of non-joint children were that court-ordered support obligations include other obligations such as child care and medical support. Court-ordered amounts may vary significantly based on the actual circumstances of a non-joint child's other parent; deducting the actual court-ordered amounts yields the most accurate depiction of a parent's income available to support the joint child for whom support is being calculated.

At the same meeting, members voted in favor of a number of changes to the deduction for non-joint children for whom a parent does not have a court-ordered obligation for child support. They voted in favor of increasing the limit on deductions from two children to six, as this is where the basic support table ends, increasing the calculation from 50% of the guideline amount for a parent's income to 75%, as this is the approach utilized by most states and tends to equalize the support available for all children.

It also voted in favor of expanding the deduction for non-joint children from those who "reside primarily" in the parent's home to all legally recognized non-joint children for whom a parent does not have a court-ordered support obligation. Legally recognized non-joint children are those for whom the parents have a properly filed and signed recognition of parentage, a court-ordered adjudication, or a child was born during the parents' marriage and their names are on the birth certificate.¹⁰ One important policy consideration the task force discussed when contemplating this change is that the expanded definition will capture legally recognized non-joint children who are overlooked by current statute.

Non-nuclear Families

Another assignment was to examine and make recommendations on issues related to non-nuclear families. The decisions on this priority issue are below.

Calculation of Support when Children Reside with Non-parent Caretaker

The task force voted to continue Minnesota's current practice of not considering a caretaker's income when children are residing with a non-parent. Caretakers in these cases are not legally obligated to take care of children was the rationale for maintaining the status quo.

Members voted in favor of continuing to use Minnesota's current method for calculating support when children are residing with a non-parent caretaker. They also voted in favor of clarifying that deviation factors in Minn. Stat. 518A.43 apply to non-parent caretaker cases, as current statute only refers to the parents and children.

¹⁰ See Minn. Stat., section 257.54.

Deviation Factor for Out-of-home Placement Cases

A deviation factor was created for out-of-home placement cases where family reunification is the goal, by majority vote. It was found that successful family reunification can be impeded by collection of child support in these cases, and that as a matter of policy, reunification should be prioritized over reimbursement of the government for children's cost of care.

VII. Report Recommendations

The task force recommends legislative changes to Minnesota's child support statutes that:

- **Update the basic support guidelines in Minn. Stat. 518A.35 as proposed by the task force.** The current guidelines are based on economic data that is more than 18 years old. The proposed basic support table developed by the task force brings Minnesota's guidelines in line with the current cost of child-rearing, provides a low-income adjustment that makes basic support obligations more manageable for low-income obligors, and creates greater uniformity for families at higher incomes by extending beyond the current limit of \$15,000 per month for combined monthly PICS. For more information about Minnesota's current basic support table, see pages 10-11.
- **Apply the self-support reserve to both parents' income in the child support worksheet, and create a new deviation factor for when one or both parents' PICS is below the self-support reserve.** Current guidelines only take into consideration the obligated parent's subsistence needs when calculating support. Applying the self-support reserve deduction to both parents' incomes not only provides additional information to the court, it also increases transparency for parents, and acknowledges as a matter of policy that both parents have basic needs that must be met. Creation of the deviation factor when one or both of the parents are below the self-support reserve provides the court with greater flexibility to determine a support amount appropriate to the facts of each case. For more information about the self-support reserve, see page 12.
- **Apply the self-support reserve to PICS rather than gross income.** Current guidelines subtract the self-support reserve from a parent's gross income, rather than the income for determining child support. This can result in disparate outcomes for obligors in identical circumstances, depending on whether a parent has a court order for their non-joint child. Subtracting the self-support reserve from the PICS instead of gross income would remedy this inequity. For further discussion of this issue, see page 22.
- **Deduct court-ordered support obligations when determining PICS.** Current guidelines subtract a parent's deductions for non-joint children at different steps in the child support calculation, depending on whether there is a court-ordered support obligation. The task force recommends a legislative change to have deductions occur at the same time to ease confusion for both parents and child support practitioners. For further discussion of this issue, see page 22.

- **Increase the cap on the deduction for non-joint children who are not the subject of court orders from two to six.** Minnesota’s deduction for non-joint children in the home is currently limited to two, regardless of how many more children a parent may actually be supporting in their household. By contrast, there is no limit to the amount of court-ordered support obligations that a parent may deduct from their income. Changing the cap from two to six non-joint children will help correct the inconsistent treatment of non-joint children in how support is calculated. For further discussion of this issue, see page 23.
- **Apply non-joint child deduction to all legally recognized non-joint children for whom a parent does not have a court order, and increase the calculation of the deduction from 50% of the guideline amount to 75%.** Current guidelines do not provide a deduction for all non-joint legal children that a parent may be supporting without a court order. To correct this, the task force recommends extending the deduction to all legally recognized non-joint children so support will be more fairly allocated. Similarly, the increase in the deduction for non-joint children without court orders from 50% to 75% will equalize support available for all children for whom a parent is legally responsible to support. For further discussion of this issue, see page 23.
- **Clarify that deviation factors in Minn. Stat. 518A.43 apply to cases where a child is residing with a non-parent caretaker.** The task force recommends maintaining the current method of calculating support in cases where children are residing with a non-parent caretaker. A statutory change to Minn. Stat. 518A.43 will clarify that deviation factors apply to these cases so that the court has the ability to tailor support obligations to the unique facts of a case. For further discussion of this issue, see page 23.
- **Create a deviation factor for out-of-home placement cases where family reunification is the goal.** Current guidelines do not provide a specific deviation factor for cases in which children have been removed from their homes due to involvement with either the child welfare or juvenile justice systems. The establishment and collection of child support to reimburse the government for children’s cost of care often presents a barrier for families working toward reunification. Creation of a deviation factor for these cases will provide relief for families and better enable them to reach the goal of reunification. Recognizing that this is only one small step in helping these families, the task force recommends making substantial changes to policy and statutes to prioritize family reunification over reimbursement of the government in these cases. For further discussion of this issue, see page 24.
- **Create a permanent advisory body to address remaining priority issues, provide a venue for public input, and develop a process in which the guidelines may be routinely updated.** While the task force worked diligently to address issues of updating the basic support table, the self-support reserve, multiple families and non-nuclear families, there is still work to be done. The task force recommends creation of a permanent advisory body to address the remaining issues of obligors with orders in multiple counties, simultaneous orders, and standards applicable for modifications. The advisory body would also be charged with developing a way to continually update the child support guidelines with changing costs of raising children and family dynamics, and providing a forum for public comment.

VIII. Implementation language

518A.42 Ability to Pay; Self-Support Adjustment

Subdivision 1. Ability to pay.

(a) It is a rebuttable presumption that a child support order should not exceed the obligor's ability to pay. To determine the amount of child support the obligor has the ability to pay, the court shall follow the procedure set out in this section.

(b) The court shall calculate ~~the obligor's~~ each parent's income available for support by subtracting a monthly self-support reserve equal to 120 percent of the federal poverty guidelines for one person from ~~the obligor's~~ each parent's gross income PICS. If the obligor's income available for support calculated under this paragraph is equal to or greater than the obligor's support obligation calculated under section 518A.34, the court shall order child support under section 518A.34.

(c) If the obligor's income available for support calculated under paragraph (b) is more than the minimum support amount under subdivision 2, but less than the guideline amount under section 518A.34, then the court shall apply a reduction to the child support obligation in the following order, until the support order is equal to the obligor's income available for support:

- (1) medical support obligation;
- (2) child care support obligation; and
- (3) basic support obligation.

(d) If the obligor's income available for support calculated under paragraph (b) is equal to or less than the minimum support amount under subdivision 2 or if the obligor's ~~gross income~~ PICS is less than 120 percent of the federal poverty guidelines for one person, the minimum support amount under subdivision 2 applies.

(e) If one or both of the parent's PICS is less than 120 percent of federal poverty guidelines for one person, the court may consider the factors set forth at 518A.43 subd. 1 to determine if a deviation from the presumptive child support obligation is appropriate.

518A.43 Deviations From Child Support Guidelines

Subdivision 1. General factors.

Among other reasons, deviation from the presumptive child support obligation computed under section 518A.34 is intended to encourage prompt and regular payments of child support and to prevent either parent or the joint children from living in poverty. In addition to the child support guidelines and other factors used to calculate the child support obligation under section 518A.34, the court must take into consideration the following factors in

setting or modifying child support or in determining whether to deviate upward or downward from the presumptive child support obligation:

- (1) all earnings, income, circumstances, and resources of each parent, including real and personal property, but excluding income from excess employment of the obligor or obligee that meets the criteria of section 518A.29, paragraph (b);
- (2) the extraordinary financial needs and resources, physical and emotional condition, and educational needs of the child to be supported;
- (3) the standard of living the child would enjoy if the parents were currently living together, but recognizing that the parents now have separate households;
- (4) whether the child resides in a foreign country for more than one year that has a substantially higher or lower cost of living than this country;
- (5) which parent receives the income taxation dependency exemption and the financial benefit the parent receives from it;
- (6) the parents' debts as provided in subdivision 2; and
- (7) the obligor's total payments for court-ordered child support exceed the limitations set forth in section 571.922; and
- (8) whether one or both of the parent's PICS is less than 120 percent of the federal poverty guidelines for one person.

IX. Appendices

- A. Minnesota Child Support Task Force membership
- B. Updated basic support table as proposed by the task force
- C. Explanation of the updated basic support table
- D. Task force minority report
- E. Department of Human Services Response to minority report

Appendix A: Minnesota Child Support Task Force Membership

Four members representing parents:

- Rahya Iliff, effective Oct. 25, 2017, (replacing former member Tammie Campbell)
- Joseph Russell, effective Feb. 27, 2019, (replacing former member Jimmy Loyd)
- Jason Smith
- Mia Wilson, effective Oct. 25, 2017, (replacing former member Laura Vang)

One member representing the Minnesota Department of Human Services:

- Shaneen Moore, director, Child Support Division, effective Mar. 7, 2018, (replacing former member Jeffrey Jorgenson)
- Julie Erickson, supervisor, Child Support Division, alternate

One member representing the Minnesota County Attorney's Association:

- Melissa Rossow, assistant Ramsey County attorney
- Rachelle Drakeford, assistant Hennepin County attorney, alternate

One member representing the Minnesota Family Support Recovery Council:

- Lisa Kontz, assistant Dakota County attorney
- Sandy Thorne, supervisor, Clay County, alternate

One member representing Minnesota Court Administration:

- Jodie Metcalf, child support magistrate

One member representing the Minnesota Legal Services Coalition:

- Beth Assell, attorney, effective Nov. 28, 2018, (replacing former member Melinda Hugdahl)

One member representing Minnesota Native American Tribal Child Support Programs:

Rachel Sablan, director, Mille Lacs Band of Ojibwe Child Support Program

One member representing the Minnesota State Bar Association, Family Law section:

Victoria Taylor, attorney, effective Aug. 29, 2018, (replacing former member Pamela Waggoner)

Two members from the Minnesota House of Representatives:

- Representative Laurie Pryor, effective Feb. 22, 2017, (replacing former member Rep. JoAnn Ward)
- Representative Peggy Scott

Two members from the Minnesota Senate:

- Senator Mary Kiffmeyer
- Senator Melissa Wiklund

Appendix B: Updated Basic Support Table as Proposed by the Task Force

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
\$0 to \$1,299	\$50	\$60	\$70	\$80	\$90	\$100
1,300 to 1,399	60	70	80	90	100	110
1,400 to 1,499	70	80	90	110	120	130
1,500 to 1,599	80	90	110	130	140	150
1,600 to 1,699	90	110	130	150	160	170
1,700 to 1,700	110	130	155	175	185	195
1,800 to 1,899	130	150	180	200	210	220
1,900 to 1,999	150	175	205	235	245	255
2,000 to 2,099	170	200	235	270	285	295
2,100 to 2,199	190	225	265	305	325	335
2,200 to 2,299	215	255	300	345	367	379
2,300 to 2,399	240	285	335	385	409	423
2,400 to 2,499	265	315	370	425	451	467
2,500 to 2,599	290	350	408	465	493	511
2,600 to 2,699	315	385	446	505	535	555

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
2,700 to 2,799	340	420	484	545	577	599
2,800 to 2,899	365	455	522	585	619	643
2,900 to 2,999	390	490	560	625	661	687
3,000 to 3,099	415	525	598	665	703	731
3,100 to 3,199	440	560	636	705	745	775
3,200 to 3,299	465	595	674	745	787	819
3,300 to 3,399	485	630	712	785	829	863
3,400 to 3,499	505	665	750	825	871	907
3,500 to 3,599	525	695	784	861	910	948
3,600 to 3,699	545	725	818	897	949	989
3,700 to 3,799	565	755	852	933	988	1,030
3,800 to 3,899	585	785	886	969	1,027	1,071
3,900 to 3,999	605	815	920	1,005	1,065	1,111
4,000 to 4,099	625	845	954	1,041	1,103	1,151
4,100 to 4,199	645	875	988	1,077	1,142	1,191
4,200 to 4,299	665	905	1,022	1,113	1,180	1,230
4,300 to 4,399	685	935	1,056	1,149	1,218	1,269

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
4,400 to 4,499	705	965	1,090	1,185	1,256	1,308
4,500 to 4,599	724	993	1,122	1,219	1,292	1,345
4,600 to 4,699	743	1,021	1,154	1,253	1,328	1,382
4,700 to 4,799	762	1,049	1,186	1,287	1,364	1,419
4,800 to 4,899	781	1,077	1,218	1,321	1,400	1,456
4,900 to 4,999	800	1,105	1,250	1,354	1,435	1,493
5,000 to 5,099	818	1,132	1,281	1,387	1,470	1,529
5,100 to 5,199	835	1,159	1,312	1,420	1,505	1,565
5,200 to 5,299	852	1,186	1,343	1,453	1,540	1,601
5,300 to 5,399	869	1,213	1,374	1,486	1,575	1,638
5,400 to 5,499	886	1,240	1,405	1,519	1,610	1,674
5,500 to 5,599	903	1,264	1,434	1,550	1,643	1,708
5,600 to 5,699	920	1,288	1,463	1,581	1,676	1,743
5,700 to 5,799	937	1,312	1,492	1,612	1,709	1,777
5,800 to 5,899	954	1,336	1,521	1,643	1,742	1,811
5,900 to 5,999	971	1,360	1,550	1,674	1,775	1,846
6,000 to 6,099	988	1,383	1,577	1,703	1,805	1,877

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
6,100 to 6,199	993	1,391	1,586	1,713	1,815	1,887
6,200 to 6,299	999	1,399	1,594	1,722	1,825	1,898
6,300 to 6,399	1,005	1,406	1,603	1,732	1,836	1,909
6,400 to 6,499	1,010	1,414	1,612	1,741	1,846	1,920
6,500 to 6,599	1,016	1,422	1,621	1,751	1,856	1,931
6,600 to 6,699	1,021	1,430	1,630	1,761	1,866	1,941
6,700 to 6,799	1,027	1,438	1,639	1,770	1,876	1,951
6,800 to 6,899	1,032	1,445	1,648	1,780	1,887	1,962
6,900 to 6,999	1,038	1,453	1,657	1,790	1,897	1,973
7,000 to 7,099	1,044	1,462	1,666	1,800	1,908	1,984
7,100 to 7,199	1,050	1,470	1,676	1,810	1,918	1,995
7,200 to 7,299	1,056	1,479	1,686	1,821	1,930	2,007
7,300 to 7,399	1,063	1,488	1,696	1,832	1,942	2,019
7,400 to 7,499	1,069	1,496	1,706	1,843	1,953	2,032
7,500 to 7,599	1,075	1,505	1,716	1,854	1,965	2,043
7,600 to 7,699	1,081	1,514	1,725	1,863	1,975	2,054
7,700 to 7,799	1,087	1,522	1,735	1,874	1,986	2,066

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
7,800 to 7,899	1,093	1,531	1,745	1,885	1,998	2,078
7,900 to 7,999	1,099	1,540	1,755	1,896	2,009	2,090
8,000 to 8,099	1,106	1,548	1,765	1,907	2,021	2,102
8,100 to 8,199	1,112	1,557	1,775	1,917	2,032	2,114
8,200 to 8,299	1,118	1,566	1,785	1,928	2,044	2,126
8,300 to 8,399	1,124	1,574	1,795	1,939	2,055	2,137
8,400 to 8,499	1,131	1,583	1,804	1,949	2,066	2,149
8,500 to 8,599	1,137	1,592	1,814	1,960	2,078	2,161
8,600 to 8,699	1,143	1,600	1,824	1,970	2,089	2,173
8,700 to 8,799	1,149	1,609	1,834	1,981	2,100	2,185
8,800 to 8,899	1,155	1,618	1,844	1,992	2,112	2,197
8,900 to 8,999	1,162	1,626	1,854	2,003	2,124	2,209
9,000 to 9,099	1,168	1,635	1,864	2,014	2,135	2,221
9,100 to 9,199	1,174	1,644	1,874	2,024	2,146	2,232
9,200 to 9,299	1,180	1,652	1,884	2,035	2,158	2,244
9,300 to 9,399	1,186	1,661	1,893	2,045	2,168	2,255
9,400 to 9,499	1,193	1,670	1,903	2,056	2,179	2,267

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
9,500 to 9,599	1,199	1,678	1,913	2,066	2,190	2,278
9,600 to 9,699	1,205	1,687	1,923	2,077	2,202	2,290
9,700 to 9,799	1,211	1,696	1,933	2,088	2,214	2,302
9,800 to 9,899	1,217	1,704	1,943	2,099	2,225	2,314
9,900 to 9,999	1,224	1,713	1,953	2,110	2,237	2,326
10,000 to 10,099	1,230	1,722	1,963	2,121	2,248	2,338
10,100 to 10,199	1,236	1,730	1,973	2,131	2,259	2,350
10,200 to 10,299	1,242	1,739	1,983	2,142	2,270	2,361
10,300 to 10,399	1,248	1,748	1,992	2,152	2,281	2,373
10,400 to 10,499	1,254	1,756	2,002	2,163	2,292	2,384
10,500 to 10,599	1,261	1,765	2,012	2,173	2,304	2,396
10,600 to 10,699	1,267	1,774	2,022	2,184	2,316	2,409
10,700 to 10,799	1,273	1,782	2,032	2,195	2,327	2,420
10,800 to 10,899	1,279	1,791	2,042	2,206	2,338	2,432
10,900 to 10,999	1,285	1,800	2,052	2,217	2,349	2,444
11,000 to 11,099	1,292	1,808	2,061	2,226	2,360	2,455
11,100 to 11,199	1,298	1,817	2,071	2,237	2,372	2,467

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
11,200 to 11,299	1,304	1,826	2,081	2,248	2,384	2,479
11,300 to 11,399	1,310	1,834	2,091	2,259	2,395	2,491
11,400 to 11,499	1,316	1,843	2,101	2,270	2,406	2,503
11,500 to 11,599	1,323	1,852	2,111	2,280	2,417	2,514
11,600 to 11,699	1,329	1,860	2,121	2,291	2,428	2,526
11,700 to 11,799	1,335	1,869	2,131	2,302	2,439	2,537
11,800 to 11,899	1,341	1,878	2,141	2,313	2,451	2,549
11,900 to 11,999	1,347	1,886	2,150	2,323	2,463	2,561
12,000 to 12,099	1,354	1,895	2,160	2,333	2,474	2,573
12,100 to 12,199	1,360	1,904	2,170	2,344	2,485	2,585
12,200 to 12,299	1,366	1,912	2,180	2,355	2,497	2,597
12,300 to 12,399	1,372	1,921	2,190	2,366	2,509	2,609
12,400 to 12,499	1,378	1,930	2,200	2,377	2,520	2,621
12,500 to 12,599	1,385	1,938	2,210	2,387	2,531	2,633
12,600 to 12,699	1,391	1,947	2,220	2,397	2,542	2,644
12,700 to 12,799	1,397	1,956	2,230	2,408	2,553	2,656
12,800 to 12,899	1,403	1,964	2,240	2,419	2,565	2,668

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
12,900 to 12,999	1,409	1,973	2,250	2,430	2,576	2,680
13,000 to 13,099	1,416	1,982	2,259	2,440	2,587	2,691
13,100 to 13,199	1,422	1,990	2,269	2,451	2,599	2,703
13,200 to 13,299	1,428	1,999	2,279	2,462	2,610	2,715
13,300 to 13,399	1,434	2,008	2,289	2,473	2,622	2,727
13,400 to 13,499	1,440	2,016	2,299	2,484	2,633	2,739
13,500 to 13,599	1,446	2,025	2,309	2,494	2,644	2,751
13,600 to 13,699	1,453	2,034	2,318	2,504	2,655	2,762
13,700 to 13,799	1,459	2,042	2,328	2,515	2,666	2,773
13,800 to 13,899	1,465	2,051	2,338	2,526	2,677	2,784
13,900 to 13,999	1,471	2,060	2,348	2,537	2,688	2,795
14,000 to 14,099	1,477	2,068	2,358	2,547	2,699	2,807
14,100 to 14,199	1,484	2,077	2,368	2,558	2,711	2,819
14,200 to 14,299	1,490	2,086	2,378	2,569	2,722	2,831
14,300 to 14,399	1,496	2,094	2,388	2,580	2,734	2,843
14,400 to 14,499	1,502	2,103	2,398	2,590	2,746	2,855
14,500 to 14,599	1,508	2,111	2,407	2,600	2,757	2,867

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
14,600 to 14,699	1,515	2,120	2,417	2,611	2,768	2,879
14,700 to 14,799	1,521	2,129	2,427	2,622	2,780	2,891
14,800 to 14,899	1,527	2,138	2,437	2,633	2,792	2,903
14,900 to 14,999	1,533	2,146	2,447	2,643	2,802	2,914
15,000 to 15,099	1,539	2,155	2,457	2,654	2,813	2,926
15,100 to 15,199	1,545	2,163	2,466	2,664	2,825	2,937
15,200 to 15,299	1,551	2,171	2,476	2,675	2,836	2,949
15,300 to 15,399	1,557	2,180	2,486	2,685	2,847	2,961
15,400 to 15,499	1,563	2,188	2,495	2,695	2,858	2,973
15,500 to 15,599	1,569	2,197	2,505	2,706	2,869	2,985
15,600 to 15,699	1,575	2,205	2,514	2,716	2,880	2,996
15,700 to 15,799	1,581	2,214	2,524	2,727	2,891	3,008
15,800 to 15,899	1,587	2,222	2,534	2,737	2,902	3,019
15,900 to 15,999	1,593	2,230	2,543	2,747	2,913	3,030
16,000 to 16,099	1,599	2,239	2,553	2,758	2,924	3,042
16,100 to 16,199	1,605	2,247	2,562	2,768	2,935	3,053
16,200 to 16,299	1,611	2,256	2,572	2,779	2,946	3,065

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
16,300 to 16,399	1,617	2,264	2,582	2,789	2,957	3,076
16,400 to 16,499	1,623	2,272	2,591	2,799	2,968	3,088
16,500 to 16,599	1,629	2,281	2,601	2,810	2,979	3,099
16,600 to 16,699	1,635	2,289	2,610	2,820	2,990	3,110
16,700 to 16,799	1,641	2,298	2,620	2,830	3,001	3,121
16,800 to 16,899	1,647	2,306	2,629	2,840	3,011	3,132
16,900 to 16,999	1,653	2,315	2,639	2,851	3,022	3,143
17,000 to 17,099	1,659	2,323	2,649	2,861	3,033	3,155
17,100 to 17,199	1,665	2,331	2,658	2,871	3,044	3,167
17,200 to 17,299	1,671	2,340	2,668	2,882	3,055	3,178
17,300 to 17,399	1,677	2,348	2,677	2,892	3,066	3,189
17,400 to 17,499	1,683	2,357	2,687	2,902	3,077	3,201
17,500 to 17,599	1,689	2,365	2,696	2,912	3,088	3,212
17,600 to 17,699	1,695	2,373	2,705	2,922	3,098	3,223
17,700 to 17,799	1,701	2,382	2,715	2,932	3,109	3,234
17,800 to 17,899	1,707	2,390	2,724	2,942	3,119	3,245
17,900 to 17,999	1,713	2,399	2,734	2,953	3,130	3,256

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
18,000 to 18,099	1,719	2,407	2,744	2,963	3,141	3,268
18,100 to 18,199	1,725	2,415	2,753	2,973	3,152	3,279
18,200 to 18,299	1,731	2,424	2,763	2,984	3,163	3,290
18,300 to 18,399	1,737	2,432	2,772	2,994	3,174	3,301
18,400 to 18,499	1,743	2,441	2,782	3,004	3,185	3,313
18,500 to 18,599	1,749	2,449	2,791	3,014	3,196	3,324
18,600 to 18,699	1,755	2,457	2,801	3,024	3,206	3,335
18,700 to 18,799	1,761	2,466	2,811	3,035	3,217	3,346
18,800 to 18,899	1,767	2,474	2,820	3,045	3,227	3,357
18,900 to 18,999	1,773	2,483	2,830	3,056	3,238	3,368
19,000 to 19,099	1,779	2,491	2,840	3,066	3,249	3,380
19,100 to 19,199	1,785	2,499	2,849	3,076	3,260	3,392
19,200 to 19,299	1,791	2,508	2,859	3,087	3,271	3,403
19,300 to 19,399	1,797	2,516	2,868	3,097	3,282	3,414
19,400 to 19,499	1,803	2,525	2,878	3,107	3,293	3,426
19,500 to 19,599	1,809	2,533	2,887	3,117	3,304	3,437
19,600 to 19,699	1,815	2,541	2,896	3,127	3,315	3,448

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
19,700 to 19,799	1,821	2,550	2,906	3,138	3,326	3,459
19,800 to 19,899	1,827	2,558	2,915	3,148	3,337	3,470
19,900 to 19,999	1,833	2,567	2,925	3,159	3,348	3,481
20,000 to 20,099	1,839	2,575	2,935	3,170	3,359	3,492
20,100 to 20,199	1,845	2,583	2,944	3,180	3,370	3,504
20,200 to 20,299	1,851	2,592	2,954	3,191	3,381	3,515
20,300 to 20,399	1,857	2,600	2,963	3,201	3,392	3,526
20,400 to 20,499	1,863	2,609	2,973	3,211	3,403	3,538
20,500 to 20,599	1,869	2,617	2,983	3,221	3,414	3,549
20,600 to 20,699	1,875	2,625	2,992	3,231	3,425	3,561
20,700 to 20,799	1,881	2,634	3,002	3,241	3,436	3,572
20,800 to 20,899	1,887	2,642	3,011	3,251	3,446	3,583
20,900 to 20,999	1,893	2,651	3,021	3,262	3,457	3,594
21,000 to 21,099	1,899	2,659	3,031	3,272	3,468	3,606
21,100 to 21,199	1,905	2,667	3,040	3,282	3,479	3,618
21,200 to 21,299	1,911	2,676	3,050	3,293	3,490	3,629
21,300 to 21,399	1,917	2,684	3,059	3,303	3,501	3,640

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
21,400 to 21,499	1,923	2,693	3,069	3,313	3,512	3,652
21,500 to 21,599	1,929	2,701	3,078	3,323	3,523	3,663
21,600 to 21,699	1,935	2,709	3,088	3,334	3,534	3,674
21,700 to 21,799	1,941	2,718	3,098	3,345	3,545	3,686
21,800 to 21,899	1,947	2,726	3,107	3,355	3,556	3,697
21,900 to 21,999	1,953	2,735	3,117	3,366	3,567	3,708
22,000 to 22,099	1,959	2,743	3,127	3,376	3,578	3,720
22,100 to 22,199	1,965	2,751	3,136	3,386	3,589	3,732
22,200 to 22,299	1,971	2,760	3,146	3,397	3,600	3,743
22,300 to 22,399	1,977	2,768	3,155	3,407	3,611	3,754
22,400 to 22,499	1,983	2,777	3,165	3,417	3,622	3,766
22,500 to 22,599	1,989	2,785	3,174	3,427	3,633	3,777
22,600 to 22,699	1,995	2,793	3,183	3,437	3,644	3,788
22,700 to 22,799	2,001	2,802	3,193	3,447	3,655	3,800
22,800 to 22,899	2,007	2,810	3,203	3,458	3,666	3,811
22,900 to 22,999	2,013	2,819	3,213	3,469	3,677	3,823
23,000 to 23,099	2,019	2,827	3,223	3,480	3,688	3,835

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
23,100 to 23,199	2,025	2,835	3,232	3,490	3,699	3,847
23,200 to 23,299	2,031	2,844	3,242	3,501	3,710	3,858
23,300 to 23,399	2,037	2,852	3,251	3,511	3,721	3,869
23,400 to 23,499	2,043	2,861	3,261	3,521	3,732	3,881
23,500 to 23,599	2,049	2,869	3,270	3,531	3,743	3,892
23,600 to 23,699	2,055	2,877	3,279	3,541	3,754	3,903
23,700 to 23,799	2,061	2,886	3,289	3,551	3,765	3,914
23,800 to 23,899	2,067	2,894	3,298	3,561	3,775	3,925
23,900 to 23,999	2,073	2,903	3,308	3,572	3,786	3,936
24,000 to 24,099	2,079	2,911	3,318	3,582	3,797	3,948
24,100 to 24,199	2,085	2,919	3,327	3,592	3,808	3,960
24,200 to 24,299	2,091	2,928	3,337	3,603	3,819	3,971
24,300 to 24,399	2,097	2,936	3,346	3,613	3,830	3,982
24,400 to 24,499	2,103	2,945	3,356	3,623	3,841	3,994
24,500 to 24,599	2,109	2,953	3,365	3,633	3,852	4,005
24,600 to 24,699	2,115	2,961	3,375	3,644	3,863	4,016
24,700 to 24,799	2,121	2,970	3,385	3,655	3,874	4,028

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
24,800 to 24,899	2,127	2,978	3,394	3,665	3,884	4,039
24,900 to 24,999	2,133	2,987	3,404	3,676	3,895	4,050
25,000 to 25,099	2,139	2,995	3,414	3,686	3,906	4,062
25,100 to 25,199	2,145	3,003	3,423	3,696	3,917	4,074
25,200 to 25,299	2,151	3,012	3,433	3,707	3,928	4,085
25,300 to 25,399	2,157	3,020	3,442	3,717	3,939	4,096
25,400 to 25,499	2,163	3,029	3,452	3,727	3,950	4,108
25,500 to 25,599	2,169	3,037	3,461	3,737	3,961	4,119
25,600 to 25,699	2,175	3,045	3,471	3,747	3,972	4,130
25,700 to 25,799	2,181	3,054	3,481	3,758	3,983	4,141
25,800 to 25,899	2,187	3,062	3,490	3,768	3,994	4,152
25,900 to 25,999	2,193	3,071	3,500	3,779	4,005	4,164
26,000 to 26,099	2,199	3,079	3,510	3,790	4,016	4,176
26,100 to 26,199	2,205	3,087	3,519	3,800	4,027	4,188
26,200 to 26,299	2,211	3,096	3,529	3,811	4,038	4,199
26,300 to 26,399	2,217	3,104	3,538	3,821	4,049	4,210
26,400 to 26,499	2,223	3,113	3,548	3,831	4,060	4,222

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
26,500 to 26,599	2,229	3,121	3,557	3,841	4,071	4,233
26,600 to 26,699	2,235	3,129	3,566	3,851	4,082	4,244
26,700 to 26,799	2,241	3,138	3,576	3,861	4,093	4,255
26,800 to 26,899	2,247	3,146	3,586	3,872	4,104	4,267
26,900 to 26,999	2,253	3,155	3,596	3,883	4,115	4,278
27,000 to 27,099	2,259	3,163	3,606	3,893	4,126	4,290
27,100 to 27,199	2,265	3,171	3,615	3,903	4,137	4,302
27,200 to 27,299	2,271	3,180	3,625	3,914	4,148	4,313
27,300 to 27,399	2,277	3,188	3,634	3,924	4,159	4,324
27,400 to 27,499	2,283	3,197	3,644	3,934	4,170	4,336
27,500 to 27,599	2,289	3,205	3,654	3,945	4,181	4,347
27,600 to 27,699	2,295	3,213	3,664	3,956	4,192	4,359
27,700 to 27,799	2,301	3,222	3,674	3,967	4,204	4,371
27,800 to 27,899	2,307	3,230	3,683	3,977	4,215	4,382
27,900 to 27,999	2,313	3,239	3,693	3,988	4,226	4,393
28,000 to 28,099	2,319	3,247	3,703	3,998	4,237	4,405
28,100 to 28,199	2,325	3,255	3,712	4,008	4,248	4,417

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
28,200 to 28,299	2,331	3,264	3,722	4,019	4,259	4,428
28,300 to 28,399	2,337	3,272	3,731	4,029	4,270	4,439
28,400 to 28,499	2,343	3,281	3,741	4,039	4,281	4,451
28,500 to 28,599	2,349	3,289	3,750	4,049	4,292	4,462
28,600 to 28,699	2,355	3,297	3,759	4,059	4,303	4,473
28,700 to 28,799	2,361	3,306	3,769	4,069	4,314	4,485
28,800 to 28,899	2,367	3,314	3,778	4,079	4,324	4,496
28,900 to 28,999	2,373	3,323	3,788	4,090	4,335	4,507
29,000 to 29,099	2,379	3,331	3,798	4,100	4,346	4,519
29,100 to 29,199	2,385	3,339	3,807	4,110	4,357	4,531
29,200 to 29,299	2,391	3,348	3,817	4,121	4,368	4,542
29,300 to 29,399	2,397	3,356	3,826	4,131	4,379	4,553
29,400 to 29,499	2,403	3,365	3,836	4,141	4,390	4,565
29,500 to 29,599	2,409	3,373	3,845	4,151	4,401	4,576
29,600 to 29,699	2,415	3,381	3,854	4,161	4,412	4,587
29,700 to 29,799	2,421	3,390	3,864	4,172	4,423	4,598
29,800 to 29,899	2,427	3,398	3,874	4,182	4,433	4,609

Combined PICS	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
29,900 to 29,999	2,433	3,407	3,884	4,193	4,444	4,620
30,000 and over	2,439	3,415	3,894	4,204	4,455	4,631

Appendix C: Description of Updated Basic Support Table

The purpose of this appendix is to explain adjustments made to the basic support table for low- and high-income parents, as well as for families with four, five or six joint children. As part of her work for the Minnesota Child Support Task Force, Dr. Jane Venohr presented various options for a basic support table. In her report dated Jan. 23, 2018, she presented a table referred to as option B.4, based on USDA numbers using specific multipliers to adjust for additional children (140% for two and 114% for three).

In her Jan. 23, 2018, report, Venohr indicated the task force may want to make a low-income adjustment to the B.4 table, similar to the one when the current Minnesota guidelines were adopted. The task force invited Amy Anderson, an assistant Ramsey County attorney, who worked in child support for 23 years, to design a low-income adjustment. Anderson is also a CPA and had previously presented concerns related to the current support table regarding low-income parents.

Option B.4 remains the foundation for the table recommended by the task force. The basic support amounts for families with combined incomes of \$6,000-\$15,000, and one to three joint children, come from this table. Anderson proposed, and the task force voted to accept, the following adjustments.

Low-income Adjustment

The low-income adjustment made the following changes to the B.4 table:

The first combined parental income range of the table was adjusted to include the current self-support reserve amount of \$1,249. This is the income range where the minimum basic support amount applies.

The minimum basic support amount stayed at \$50 for one child and increased by \$10 for each additional child to a maximum of \$100 for six children.

The option B.4 table resulted in basic support amounts that were all 25.55% of an obligor's gross monthly income, up to \$3,199 for one child. Those basic support amounts were reduced significantly to only reach 15% of an obligor's gross monthly income, up to \$3,500. This represents the primary low-income adjustment.

For the combined parental income range of \$3,500 to \$6,000, a gradual increase was calculated to reach the amounts in the B-4 table at \$6,000. The combined parental income of \$6,000 is where the table has the maximum percentage of an obligor's income going to support. The percentage of income paid as basic support gradually reduces from there.

The low-income adjustments for obligations for two and three children are close to the original multipliers Venohr used in the B.4 table for two and three children (140% for two and 114% for three). However, the multipliers are not exactly the same at these income levels because the obligations are too low to be adjusted in accordance with the multipliers in the B.4 table.

Extension of Table for Four, Five or Six Children

The table was extended to provide guidelines of basic support obligations for families with four, five or six children using multipliers of 108%, 106% and 104%, respectively. These multipliers are less than the current table and less than the recommendation of Venohr, based on information from the National Research Council.

High-income Adjustment

The table was extended from a combined parental income of \$15,000 to \$30,000. The amounts were calculated using the same additional amount of basic support per \$100 as option B.4 at \$15,000. For example, from \$14,900 to \$15,000 of income, basic support increased by \$6 for every \$100 of income. After \$15,000 the increases are the same. Also, the same multipliers for additional children were used. This continued the downward trend of the basic support amount as a percentage of income that started at \$6,000, reflecting that at higher incomes a smaller percentage of income is needed for support of children.

Appendix D: Task Force Minority Report

Minority Report

2019 Minnesota Child Support Task Force

I. Introduction

This minority report is prepared and submitted by several members of the 2019 Minnesota Child Support Task Force. Many key factors, data and changes in the dynamics of families were not considered by the task force. This minority report is to help people understand the issues regarding child support orders that inadequately reflect the economic data. Many policy and economic changes proposed by the majority of the task force do not accurately reflect child rearing expenses of two separate households and are not based on reliable economic data for these ever-changing households.

The state child support program is authorized and directed from the federal Title IV-D Child support Collection and Enforcement agency and laws. The intent of the federal Title IV-D program is to ensure the “basic needs” of the child are provided for, so that the child(ren) do not qualify for public assistance or to pay back public assistance provided to a custodial parent when the other parent isn’t involved.

The task force was given economic presentations from two economists: Dr. Jane Venohr and Dr. William Comanor. The majority of the task force voted on an “either/or” economic basis from these two economists, rather than applying all economic theories accordingly. Majority members ignored the economic information presented by Dr. William Comanor. The goal of the task force was to update the Basic Support Table to reflect the current economic data on child costs to ensure the basic needs of a child.

It is important to point out that the majority of the members of the task force are employed fulltime and are partially or fully funded through federal funds under Social Security Title IV-D (federal incentives to states to collect child support) and usually voted in favor of the custodial parent issues. This demonstrated a conflict of interest and notable bias in favor of one parent at the detriment of the other parent, despite the majority of IV-D cases consisting of two involved co-parents. Most of the time, issues that were brought up by the paying parents (Obligor) were not even discussed or taken into consideration.

The majority of cases in state IV-D child support system involve two custodial parents who are or who want to be equally sharing the responsibility of raising their children, and the majority have never been or never would qualify for any public assistance. The state agency’s jurisdiction over these purely private cases must be questioned since all authority for the state program is derived from the federal IV-D law and regulations. The Minnesota State Title IV-D Child Support Agency appears to forget the program does have limits, and they do not have free reign jurisdiction over all families and all children.

The Title IV-D child support program was never meant to be a public collection and enforcement agency for purely private cases that would never be at risk of falling on public assistance.

The majority of the members of the task force, voted in favor of supporting one parent financially, at the expense and heavy burden of the other parent. Or, other times, the majority of the task force members seem to believe that “income equalization” is a goal of the IV-D program, when that has never been part of the federal law. Additionally, the task force too often made recommendations in favor of the state child support agency. It seems obvious that is why the task force voted to increase child support amounts and raise the income cap. They want more people from the “never public assistance” paying cases at the high end of income to have higher levels of child support to ensure they will continue to collect more overall child support to make up for the losses if they reduce child support at the lower levels of income.

If there is any doubt about whether the MN Child Support Agency is acting under the authorization of the Federal Title IV-D program and the Social Security Act, and if there is any doubt that it is NOT the role of the state child support office to represent the children, see the Minnesota Application for IV-D Child Support Services, and the Signature clause on page 2-5, as follows:

I authorize the child support agency, under the provisions of Title IV-D of the Social Security Act, to sign support checks in my name and take legal actions relating to child support on behalf of the child(ren) I am applying for.

I understand that the County Attorney's Office represents only the county and the State of Minnesota, and does not represent either parent, the child(ren) or other custodian of the child(ren).

We recommend a task force that has a fair representation of people who support the Obligor's viewpoint, more members from the public, more legislators, and less people from government programs funded by the collection of child support. People who work for government programs should only serve as an advisory body and provide the information that is requested. The task force should be led by legislators.

II. Public Comment

There was a public comment time for 30 minutes at the end of each task force meeting. Each individual was only given three minutes to comment, even though time allowed for further discussion. Early in the process the public was given up to 5 minutes at the monthly meetings, but that was cut back to 3 minutes. Task force meetings were held during the day when the public is working. The public who attended these meetings should be respected of their personal time commitment and allowed longer time to speak. The extended public comment forums were held on Wednesdays. Historically, these are times when Obligors receive their one day a week parenting time with their children making it difficult for many to attend.

III. Federal Law

The Minnesota Child Support Agency gets their authority from Federal Title IV-D law and regulations. This also means there are limitations to the program. The Federal Title IV-D Child Support Agency was established to implement the Federal laws with the help of state agencies, which also must be directed and clarified in state law consistent with federal law. State agencies have convinced unknowing state legislators to continue to expand the authority and expense of the state agency without just cause.

Federal law only mandates states have child support guidelines for Social Security Title IV-D Grants to States for Aid and Services to Needy Families with Children and for Child-Welfare Services. Federal law does **not** mandate “lifestyle” policies enacted by the State of Minnesota.¹ Nor does federal IV-D law ever require or mention anything about goals or requirements for income equalization between the two households. Nor did Congress ever record anything that would indicate they intended this government program to include two involved parents who are financially self-sufficient, meeting all the needs of their children, and not relying on government public assistance/government welfare programs.

State IV-D Child Support is governed by Federal Child Support Law. The state agency does not have the authority to expand the program under the premise of IV-D. The expansion of the child support program is purely a state policy issue and is not mandated by the federal government. Child support should not be used as hidden alimony or lifestyle support as it currently is being used. The federal law does not require the states to ensure the child has “a lifestyle or standard of living the child is accustomed to.” Child support guideline laws were historically enacted to provide for the basic need of children.

¹ See 42 U.S. Code Subchapter IV-TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES.

IV. The Economic Basis

There is no economic data or model that accurately reflects the child expenses for two household families. Federal law requires that states use economic data to determine basic child support. Economic models reviewed for updating the basic support guidelines rely on data from the Consumer Expenditure Survey. This data is based solely on a married couple with children and does not accurately reflect the child expenses of families with two separate households.

The USDA model is based off data from a married couple with children, it does not consider that in a two separate household family with children, there are two distinct households, each with their own costs to maintain that household regardless of parenting time or whether the children are there or not. For example, in the USDA model, housing cost consists of 29% of the total child expenditures. However, in two household families, the housing expense is incurred by each household, regardless of parenting time. Only the housing expense for the Obligee is considered when calculating child support. There is no calculation to provide expenses to the Obligor for his or her housing expense for the children. **There are no models or data that recognize the expenses for divorced or separated families.**

The USDA model assumes that in households with incomes between \$59,200 and \$107,400, have an increase in out of pocket costs on average of \$1,081 per month for a child. In this assumption, there must be an increase in wages to cover this cost. Simply put, parents do not receive an increase at their place of employment to cover the costs of raising a child as the USDA models show. As Dr. Comanor's method explains, there is a shift in expenses within the household and there is not an out of pocket increase as current child support guidelines theory assumes.

Another flaw of the USDA model is it utilizes opportunity costs. An opportunity cost is "the loss of potential gain from other alternatives when one alternative is chosen." For example, the USDA model calculates a cost when a home office is turned into a bedroom for a child. While there is no actual cost associated with this, the USDA wrongly applies an opportunity cost (the loss of potential income for not utilizing the home office, for example) as an expense allocated to the children. These opportunity costs do not accurately reflect actual expenses for the children in two household families.

The differences between the USDA model and Dr. Comanor's economic analysis and model on how to determine the expenses of the children vary widely.² The USDA model inaccurately includes imputed costs. Dr. Comanor uses an economic model that closely estimates what families with children actually spend in regard to economic expenditures in households. Most families shift expenses within the household to cover the costs associated with children. Parents change their own spending and living habits to accommodate the expenses for their children. This is because there is not an increase in income available to the family just because they have children. Expenditures like transportation (which consist of 15% of the USDA) do not drastically change. There always was a vehicle, with repair costs and insurance costs, that always had an unused back seat. One could argue that there are more trips for child related activities to show an increase in costs, however there are less trips for the parents to offset this increase.

There are many issues and problems when using an "out of pocket" model like the USDA to determine the child expenses. As stated above, the USDA model is only for married couple with children. When applied to the basic child support guidelines, it is the Obligor that incurs these "out of pocket" expenses for the children and is also required to maintain the "lifestyle" the child would have if the parents were still together. To reiterate, housing expense consists of 29% of the USDA model, the Obligor must maintain their half of this expense, regardless of parenting time, in addition to covering the expense included in the basic child support calculation.

The task force reviewed an Orange County California study³ which collected information and data regarding the Obligor's ability to pay child support. Orange County California reviewed cases where the child support amount was being paid, the amount of child support needed to support children and at what amounts child support was paid on time. Their research found that the child support orders should not exceed 17 -19% of the person's **Net Income**. This child support amount includes support for medical and childcare expenses. However, the state of Minnesota's child support guidelines has total child support orders well above this threshold. Basic child support (Not including Medical or Child Care) in Minnesota alone is around 16% of **Gross Income** which far exceeds the findings of the study in ability to pay.

The economic data provided to the study group by Dr. William Comanor, or cost shares as presented by the economic data provided by R Mark Rogers and Don Bieniewicz, or the figures as determined by state Foster Care regarding the cost to support the basic needs of a child, or some combination of the these must be considered. At the very least, if the USDA data is used, housing should be removed. The task force voted on using USDA with adjustments. During the course of the task force, little-to-no effort was made to discuss all necessary “adjustments” (particularly downward) for joint combined incomes over \$4000/month or for parents who had 35% parenting time or more, in which cases, the table to determine child support appears too high.

We recommend the State of Minnesota take into consideration the true economic basis for a two-household family when determining the expenses for the children. We recommend that housing expenses are excluded from the basic child support model to accurately reflect that each individual household is responsible for maintaining their own housing expense regardless of parenting time.

² William S. Comanor, Report of the Minnesota Child Support Task Force, 2017

https://mn.gov/dhs/assets/2017-02-22-Dr-Comanor-Report-to-the-Minnesota-Child-Support-Task-Force_tcm1053-280776.pdf

³ Steven Eldred, *How Do Child Support Order Amounts Affect Payments and Compliance?*, 2011

<http://www.css.ocgov.com/civica/filebank/blobdload.asp?BlobID=27829>

V. Adjustments at High Incomes

There is no economic data to support an economic basis for increase in the basic support table to monthly combined incomes of \$30,000. In fact, the USDA model does not have data for combined monthly incomes above \$17,000. Simply put, we do not know what parents whose combined monthly income is above \$17,000 spend on their children. Child support was created to cover the basic needs of the child, not to cover the “lifestyle” of higher income homes. Federal law requires that child support be based off economic data and without any economic data above \$17,000 in combined monthly income, it is ill advised for the table to be increased to this amount.

We recommend that since there is no economic data regarding child expenses above \$17,000 in monthly income, that the basic child support table for incomes above \$17,000 not be adopted.

VI. Deviation Factor for Out-of-Home Placement Cases.

The task force voted to create a deviation factor for out-of-home placement cases in the foster care system where family reunification is the goal. Family reunification with non-custodial parents should also be the goal in most family court cases. Currently, this is not happening. There is no deviation factor

for non-custodial parents trying to reunify with their children. If the collection of child support in cases of foster care is impeding reunification, as discussed in the task force, then reunification with parents, regardless of the type of case should be prioritized over the reimbursement of the government for the children's cost of care.

We recommend that since reunification with parents should be the goal of our current child custody policies, that this deviation factor be applied to all parents, regardless if it is a custody case or foster care case.

VII. Parenting Expense Adjustment

The method used to calculate the parenting expense adjustment mainly uses overnight parenting time to determine the percentage of time each parent has with the children. The issue with using overnight stays to calculate the parenting expense adjustment is that overnights have the least amount of expenses and the housing expenses are covered by both parents simultaneously regardless which parent has custody.

The current task force did not consider fixing the problem created by the 2016 legislative changes to child support that went into effect in August of 2018, which resulted in excessive increases in child support for the obligor who had multiple children, in the same family, and 35% or more parenting time. The 2016 change were intended to remove the "cliff." While the "cliff" was mitigated by the 2016 legislation, fundamental inequities still exist in the table for parents who have 35% or more parenting time.

We recommend that the parenting expense adjustment should give more consideration to "awake" parenting time since the child utilizes more expenses during the day. The total time the child is with each parent should be calculated when determining the parenting expense adjustment.

VIII. Low Income Adjustment

The USDA model for the expenditures on children for families reflects very high expenditures for low income wage earners. Child support calculations for low income wage earners have historically been a higher percentage of income making the ability to pay next to impossible. This change is crucial for low income wage earners ability to pay child support and maintain healthy homes.

The issue with the new Basic Support Table that is being recommended by the task force, is an increase in child support orders for the Obligor when the Obligor's income stays the same and the Obligee's income increases. This occurs when the Obligor's income is at or below \$6000.00 per month. The issue is that the Obligor's basic child support amount increases when the Obligee's income increases. They do not have any additional money to pay the higher child support amounts.

Many states use an income shares model that takes into consideration the income of both parents. Minnesota enacted an Income Shares model, in order to have a reasonable process to calculate child support and guidelines that would better reflect the financial role of both parents in raising their children. The Income Shares model is used so both parents would be financially responsible to support the children. The purpose of using an Income Shares model is if the Obligee earned more money, than the Obligor's child support amount would be less. The current Minnesota calculator does not consistently apply this policy and needs to be further adjusted.

Minnesota's child support laws are created around the premise that the child should maintain the same standard of living as if the parents were living together. The issue here is that when the obligee's income increases so does the obligor's basic child support amount. Without a change in income, the obligor's income available to maintain the same standard of living is decreased, while the obligee's income for the standard of living is increased. The State of Minnesota cannot enact a policy that would decrease the standard of living for a non-custodial parent while the standard of living for the custodial parent increases. This goes against the basic premises of Minnesota's Child Support laws and legislative intent.

We recommend that child support orders do not increase simply because the income of the Obligee increases.

IX. Self-Support Reserve

Federal Law requires state's child support guidelines must consider the basic subsistence needs of the obligated parent who has a limited ability to pay by incorporating a low-income adjustment, such as a self-support reserve. The purpose of the Self Support Reserve is to make sure the Obligor has the ability to pay for the basic living expenses.

Minnesota has a self-support reserve law that is currently in Statute 518A.42 - ABILITY TO PAY; SELF-SUPPORT ADJUSTMENT. Subdivision 1. Ability to pay. (a) It is a rebuttable presumption that a child support order should not exceed the obligor's ability to pay. (b).....subtracting a monthly self-support reserve equal to 120 percent of the federal poverty guidelines for one person from the obligor's gross income.

A small group of task force members met for several weeks and studied the self-support issue. They made a recommendation to change the self-support reserve to 165% of Federal Poverty Guidelines. The idea was to base the self-support reserve on current state of Minnesota minimum wage laws. We agree with using 165% of the Federal Poverty Guidelines for the self-support reserve.

To determine the amount of the self-support reserve, Minnesota has already determined what minimum wage should be to account for the basic needs of an individual. We should look at the state's minimum wage law to figure out the amount of income a person needs to pay for basic living expenses. If you use Gross Income for the Obligor, then you need to take into consideration the amount of taxes the Obligor pays and deduct the amount of taxes to figure out how much money the Obligor has to pay for the living expenses.

We recommend reviewing Minnesota wage law and its correlation with the self-support reserve. That this self-support reserve also allows the Obligor to pay for his or her living expenses plus the expenses of the child, when the child is with them.

X. Annual Net Household Resources

As a task force total resources for each individual parent was largely ignored. Below is a table that demonstrates the Annual Net Household Resources (after Federal Taxes but before Child Support) of both the Obligee and Obligor Parent. (Table1) It shows that the Obligee Parent has significantly more financial resources than those of the Obligor. The Minnesota Child Support Program has failed to recognize the financial benefit to the Obligee of the Federal Tax Code which includes the IRS Earned Income Credit (EIC) and the IRS Child Tax Credit (CTC) along with the beneficial IRS Head of Household Filing Status. Essentially, the Federal Tax Code over the years has created a separate Child Support system and the Federal IV-D Program has failed to recognize this and to make appropriate downward adjustments for Obligor's Child Support payments.

The second and third table below incorporates into the first document the additional impact of both the current Minnesota Child Support Calculation (Table 2), and the calculation that would be used if the new Child Support Tables as proposed by Minnesota DHS were to be incorporated (Table 3). The results show that after establishing Child Support on the Obligor, the Obligee has nearly twice the financial resources of the Obligor at the lower income levels and significantly higher resources even at State Median Income levels.

Table 1:

Annual Net Household Resources (after Federal Taxes):

Both Incomes	Obligee	Obligor
\$16,640	\$19,905	\$14,655
\$20,000	\$22,686	\$17,236
\$30,000	\$29,291	\$24,766
\$40,000	\$35,449	\$32,221
\$44,500	\$38,771	\$35,520
\$50,000	\$42,876	\$39,551

Table 2:

Annual Net Household Resources (after Federal Taxes and using Current MN Child Support Tables):

Both Gross Incomes		Obligee		Obligor		MN Child Support
\$16,640		\$21,561		\$12,999		\$1,656
\$20,000		\$26,238		\$13,684		\$3,552
\$30,000		\$33,935		\$20,122		\$4,644
\$40,000		\$40,669		\$27,001		\$5,220
\$44,500		\$44,279		\$30,012		\$5,508
\$50,000		\$48,804		\$33,623		\$5,928

Table 3:

Annual Net Household Resources (after Federal Taxes and using Proposed MN Child Support Tables):

Both Gross Incomes		Obligee		Obligor		MN Child Support
\$16,640		\$20,625		\$13,935		\$ 720
\$20,000		\$23,766		\$16,156		\$1,080
\$30,000		\$32,771		\$21,286		\$3,480
\$40,000		\$41,269		\$26,401		\$5,820
\$44,500		\$45,551		\$28,740		\$6,780
\$50,000		\$50,616		\$31,811		\$7,740

We consider these situations to be entirely unacceptable as it fails to recognize the Best Interest of Children by failing to allow Obligor's sufficient financial resources to actively participate as a parent in their Children's lives. Simply stated, The State of Minnesota is preventing the Obligor from receiving a sufficient Living Income. At the lowest income levels, the State is participating in pushing the Obligor's household to the edge of poverty.

2019 Minnesota Child Support Task Force

Minority Members

Jason M. Smith
Obligor

340 Harrison Avenue
North Mankato, MN 56003
763-300-7730
Jasonmsmith13@hotmail.com

Joseph Russell
Obligor

Representative Peggy Scott
Legislative Representative (House)

District 35B
335 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd
St. Paul, MN 55155
651-296-4231
Rep.Peggy.Scott@house.mn

Mary Kiffmeyer
Legislative Representative (Senate)

State Senator SD30
95 University Avenue
St Paul, MN 55155
651-296-5655
Sen.Mary.Kiffmeyer@senate.mn

Minority Report – Supplemental Input

Input from other members of the public as provided for Minority Report

July 2019

1. USDA so-called “data” --- derived from consumer surveys, therefore is not accurate or reliable enough to determine actual costs of the basic needs of a child
2. Lack of inclusion of overwhelming widespread dissatisfaction in public testimony
3. Problem with income shared model – goes opposite of common sense
4. When mom gets a job, dad’s child support goes up
5. Real cost to raise child not determined ... see foster care example
6. Private cases issue – child support collection, only program without eligibility standards
7. Lifestyle support no justified – this is a welfare program that has been erroneously “mainstreamed” to middle and upper class
8. Ineffectiveness and lack of improvement of collections percentages from low income subset has clearly demonstrated the IV-D child support program is ineffective and not practical
9. Child support calculated on gross income is not fair or realistic – task force members who are part of the IV-d agency said during task force meetings that gross income was used “because it was easier” for the agency ... NOT because it was more fair or because it was more accurate to calculate actual costs
10. There was an early agreement to adhere to “consensus” (everyone agrees or we don’t move forward), but that was quickly abandoned and instead it became a task force by “majority rules” and the task force was dominated by those employed by the IV-D agency.

11. A staggering admission by Jody Metcalf's public statement in Mankato "we know child support is too high" – this renders the program illegal.
12. Not one dollar in child support has ever been accounted for by mothers – there is NO requirement for any of the child support paid to actually be spent on the child
13. Drivers license suspensions are unconstitutional unlawful and unintended consequences do not make sense – it is ineffective and punitive...it even makes it impossible for a parent to fulfill their parenting time – this negatively impacts the child.
14. NO assessment of how program is working nor any way to meaningfully challenge the program if changes are needed ... no needs or performance assessment
15. No acknowledgement that both parents' relationship with the child and time with the child is more critical than money – no acknowledgement by MN Supreme Court Case (Larry Nelson case) that parenting time IS child support.
16. A change in public policy is needed to recognize equal shared parenting is best for most children.
17. A recognition that child support has been set too high but no talk about reimbursing excess collections
18. No talk about collected but not distributed child support.
19. Make up of the task force members not appropriate for meaningful self examination or analysis. The public has NO confidence in the DHS ability to police itself.
20. Report did not make even mention of key controlling authorities and compliance with them or problems complying
21. NO mention of a "balance sheet" of "executive summary" of financial performance of the program.

Solutions/Recommendations

- A. Housing Cost: If MN uses USDA, it would be more economically accurate to remove all housing from the expected child support because both parents are equally responsible for their own housing. If MN insists on including housing, there is NO WAY one child adds costs 29% of the housing budget, as the USDA data indicates.
- B. Transportation Cost: If MN uses UDSA, consider removing or reducing the transportation costs. It is highly likely the transportation costs are highly inflated. There is no evidence that families with an additional child spend more on transportation. (They likely just use their car time differently).
- C. Clothing Costs: including clothing in child support does not make sense. Most of them time when there are two households, each parent usually has a set of clothing in each household.

D. Need to ensure that the USDA table is clearly understood – anytime spending was more than people earned, the USDA table must be adjusted. This was not clearly analyzed by the task force.

E. Cap Child Support Obligations:

i. No child support obligation should ever exceed the amount that the state has determined is needed for basic needs in foster care.

ii. Consider this: if, for example, the self-support reserve for ONE ADULT is 165% of federal poverty guideline (\$12,590/year) equaling \$20,609/year:

1. that means the policy would be to allow one adult \$20,609 to financially pay for their basic needs (at 165% of poverty guideline). Divide that total by month, and it is \$1717/month (gross before taxes or other required withholdings) for the basic needs of one adult.

2. If an adult is supposed to live off \$1717 a month, NO child should need more than that for their “basic needs” (only requirement for child support according to federal IV-D law). If both parents are equally responsible financially for their children, then NO child support should ever be more than half that, \$858/month INCLUDING childcare and medical. A child’s basic needs should never exceed an adult’s basic needs.

iii. No child support for the obligor should ever be over 19% of obligors net income, (including childcare and medical) as per Orange County study

1. Increases for multiple child should be extremely minimal

F. Revisit information by economist Comanor. The details learned from economist Dr. William Comanor should be revisited and taken more seriously.

G. Self Support Reserve for Obligee must also consider public assistance obligee gets as income. If MN gives both parents a self-support reserve, then the parent receiving all public assistance should incorporate all public assistance as income

i. HOWEVER, the moms’ receipt of public assistance should NOT increase the dads obligation, unless it is to pay back public assistance ... and unless the fit available dad is first offered to care for the child in lieu of the child being on public assistance

H. Obligee incomes increases should not increase obligor’s child support.

i. If MN imputes income to the (usually mom Obligee), the (usually dad obligor) should not have higher child support based on moms imputed income

ii. The MN table must be adjusted so that when moms’ income (as Obligee) increases, it does NOT mean a child support increase for dad (as obligor), when his income stays the same

I. Make it clear in every court order

i. You don't pay child support to be able to see your child, you pay child support because you won't/don't/are unable to parent your child and you are expecting the other parent to do it.

ii. Child support is for basic needs only

iii. Never public assistance cases do not have to use full IV-D services and they can exchange money between them privately until and unless the Obligee goes on public assistance.

J. Reduce use of full IV-D services for never public assistance cases. Change MN law so that the county agencies DO NOT encourage full IV-D services, but rather discourage full IV-D services in favor of non IV-D wage withholding only for private never public assistance cases. Plus, remind people there are many ways to exchange funds these days, privately, without the use of either expensive government service.

K. Expenses not covered by child support and are the sole obligation of the parent wanting the expense, or equally divide if the parents agree on the expense: Be clear in statute what child support does NOT include and what costs must be handled differently and separately:

i. Extracurricular, piano lessons, sports, etc.

L. Eliminate lifestyle support (or standard of living). Remove the Minnesota statute that says child support must compensate for the "lifestyle the child is accustomed to." NO person is guaranteed any lifestyle.

i. Legislature should delete: 518A.43 Subd 1 (3) the standard of living the child would enjoy if the parents were currently living together, but recognizing that the parents now have separate households;

ii. PROBLEM: although this says "but recognizing that the parents now have separate households" that is not clear what it means and wholly ignored by those who have put the child support table together

iii. Because those words are in statute "the standard of living the child should enjoy if the parents were currently living together" is in statute, it gives the impression that "lifestyle" support is the public policy ...this must be removed. Members of the task force repeatedly made statements that would indicate they believed the IV-D agency was responsible to maintain a standard of living for a child. This must stop.

iv. It is economically IMPOSSIBLE to maintain the same standard of living after divorce and separation in one household, much less two households. You can't have the same standard of living when the same income is now paying for not one (often unaffordable) household, but two households.

v. Title IV-D law does NOT require lifestyle support, nor does it require maintaining or creating any standard of living for anyone.

M. Support private agreements for non-welfare cases. Make is clear in statute that parties who have never been on public assistance and who do not have any expectation of being on public assistance can

at any time agree to their own LOWER support amount that they believe adequately covers the child's basic needs, without deviation hurdles.

N. Legislative Sub-Committee on Child Support. Start a legislative sub-committee for child support that includes legislators not just with the background on these issues gained through involvement in task force and/or legislation (which is important) but also needed are those with specific expertise who are willing to become expert on these issues and tackle this out-of-control child support issue. SO many of the SAME problems have gone on for SO long for SO many Minnesotan's because "fixes" to child support just keep getting delayed and delayed. The SAME problems have been complained about for 20 straight years with little to no meaningful or substantial change.

i. This committee should include:

1. EQUAL number of R and DFL legislators, who:

a. representing each parent

2. At least 2 accountants, tax experts, or financial planners, or actuaries or math experts/professionals on each side (know and can work with spreadsheets, and more complex formulas, etc.)

3. Others to be determined and discussed more thoroughly

4. Citizens, citizens groups representing affected parents

O. SIMPLIFY CHILD SUPPORT. It has clearly become WAY TOO COMPLICATED. There is no reason that child support can't be simplified. It has become way too complicated, it was clearly even difficult for this task force to understand, much less unravel.

P. Federal IV-D Waiver. Get a waiver or clarification from the Federal Title IV-D agency to ensure it is clear (also make it clear in MN statute) that "never public assistance" cases who are not at any risk of falling on public assistance DO NOT have to be in the state IV-D program, collected through the state.

i. Also lacking, no one who enters the program is told that their private data will be shared with 42 different government agencies.

ii. Also needed, get a waiver or clarification that Minnesota can incorporate means testing for Title IV-D services, so that the state child support agency no longer becomes a public collection service for purely private cases that will likely never be on public assistance.

Q. Parenting Time Adjustment: Clarify how "overnights" are calculated for parenting time adjustment. It does say in statute that calculations other than overnights can be used – but there is no clarity in statute and therefore no consistency between judges and counties. Also, revisit the parenting time adjustments for those with 35% parenting or more, and reconsider the economic analysis for how these were derived to reduce excessive expectations of one parent more than the other.

R. CHIPS law. Change so that if mom gets charged with CHIPS case and kids are temporarily taken away that the dad, whether joint custodial parent or non-custodial parent gets FIRST CHANCE to get the children fulltime, unless there has been a finding of unfitness for the dad.

S. While this is a long list it does not represent all the needed changes in the Minnesota child support guideline chart, laws, or policies.

Appendix E: Department of Humans Services Response to Minority Report

The Department of Human Services (DHS) prepared the 2019 Minnesota Child Support Task Force Report to convey the activities and recommendations of the Child Support Task Force. DHS has included a minority report so members of the task force who did not agree on all task force recommendations could voice their dissent. The minority report was drafted in its entirety by the signing members and attached to the task force report without consultation with or editing by DHS.

This response seeks to correct factual errors contained in the minority report. This response does not express DHS's position as to policy, economics, or the characterization of the IV-D program, the task force members, or Minnesota families as articulated in the minority report.

The minority report states that the Minnesota child support program overreaches its federal authority. Specifically, it implies that child support guidelines are limited to providing for the "basic needs" of children and explicitly states that the goals of the program are exclusively related to public assistance and limiting government liability for paying for children.

The Minnesota IV-D program is in compliance with federal law. The following regulations apply related to the statements made in the minority report:

- Federal law requires that IV-D services be available to all families, regardless of their status as public assistance recipients. 42 CFR § 302.33 makes clear that in addition to receipt of public assistance, any individual must be able to access services by making application to the agency. The only permissible difference in services for families receiving public assistance versus not receiving public assistance is that there are fees associated with non-public assistance services.
- Federal regulations do not require that the guidelines address the "basic needs" of children. Among other things, 42 CFR § 302.56 requires that a child support order be based on the noncustodial parent's earnings, income and other evidence of ability to pay. The guidelines also must be based on specific descriptive and numeric criteria. No federal laws require or suggest that support be limited to basic subsistence needs of children.
- 42 CFR § 302.56 mandates that there be one set of guidelines for setting child support orders and those guidelines must be available to all persons in the state. Therefore, it would be impermissible for Minnesota to exclude from child support guidelines or provide alternative guidelines for non-public assistance or non-IV-D families.

The minority report states that "The majority of cases in state IV-D child support system involve two custodial parents who are or who want to be equally sharing the responsibility of raising their children, and ***the majority have never been or never would qualify for any public assistance.***" This statement is inaccurate. Approximately 27 percent of the recipients on cases in our system do not and never have ***received*** public assistance. DHS has no available data to measure whether someone does not or has ever qualified for public assistance or not.

In addition to factual errors, DHS is unable to verify any statements regarding the impacts of the parenting expense adjustment on child support or the resources of the parties as depicted in the minority report. The minority report does not include references or data to support any assertions it makes. For example, no

no information is provided to explain how the resources charts in the minority report were calculated – how many children are supported, how much parenting time is involved, what impact parenting time has on the calculations, and how taxes and tax credits are calculated.

DHS appreciates the time and effort put forth by all members of the task force, including those members who took the extra time to prepare the minority report. During the nearly three years of meetings, parents and organizations were represented by a well-informed, curious, and open-minded group of people seeking to do right by the families in Minnesota who are impacted by child support. We are thankful for the significant amount of time and energy they put into work of the task force.