



Legislative Report

2018 Child Support Guidelines Review

Child Support Division

December 31, 2018

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I. Executive Summary

The Minnesota Department of Human Services is required by federal and state law to review the state child support guidelines every four years. The last review, in 2014, found that Minnesota’s guidelines are generally followed by the courts, and considered fair by both parents and child support professionals. The review also resulted in recommendations to improve the guidelines. The most notable recommendations were to review the parenting expense adjustment and to update underlying economic data. Since 2014, a new parenting expense adjustment was implemented and the Minnesota Child Support Task Force was created to update the guidelines.

Updating the Economic Basis of the Guidelines

While the underlying economic data used in the child support guidelines has not been updated since 2007, the guidelines are based on sound economic methodology that supports policy goals of Minnesota’s Child Support program. The Child Support Task Force is working on updating the basic support table to reflect changes in the cost of child-rearing.

Case Data Analysis

The guideline deviation rate from the case review is 15.2 percent, which is a 2 percent increase from the 2014 review, but still complies with federal criteria that deviations from the guidelines be “limited.” In addition to reviewing case deviations, the review also examined payments on child support orders by case characteristics, such as whether an order was entered by default, or based on imputed income. Other case characteristics, such as the rate of collection, date of first payment, and ethnicity of obligors were also analyzed. Examination of these characteristics provides a baseline against which future reviews can be compared, resulting in a more thorough review of the guidelines.

Public Input

The Minnesota Child Support Task Force is committed to collecting feedback from the public about the Child Support program. Task force members held multiple public comment meetings throughout the state, and posted an online survey for participants to share feedback about the program, including appropriateness of current guidelines.

Recommendations

The review resulted in the following recommendations:

- Continue to support the work of Minnesota Child Support Task Force, or other entity, in its work on updating the basic support table
- Continue to train county workers to uniformly identify deviation reasons to improve data reliability for future reports
- Review the new parenting expense adjustment, particularly as it relates to deviations, collection rates, support award amounts, and parents’ satisfaction with the guidelines

- Collaborate with the Child Support Division’s Equity Team in future reviews
- Provide a meaningful opportunity for public input during the 2022 review process for both parents and child support professionals.

II. Introduction

This report was prepared and submitted to the commissioner of the Minnesota Department of Human Services. Included in this report are analyses of current child support guidelines and case data, a summary of public input, and recommendations for the guidelines and future case reviews.

Authority

This report is prepared pursuant to both federal and state law; 45 CFR § 302.56(e) requires that each state “review its child support guideline at least every four years.” Minn. Stat. § 518A.77 provides that “no later than 2006 and every four years after that, the Department of Human Services must conduct a review of the child support guidelines.”

Requirements of the Report

The 45 CFR § 302.56(h) mandates that the review must consider the economic data on the cost of raising children, and an analysis of case data relating to application of the guidelines. State agency staff must also analyze case data gathered through random sampling, and must include a comparison of payments on child support orders by case characteristics. This must include whether an order was entered by default, based on imputed income, and/or determined using the low-income adjustment. The analysis must be used to ensure that deviations from the guidelines are limited and are appropriate based on established criteria.

Background

The last review of Minnesota’s child support guidelines was conducted in 2014. The report concluded that the guidelines are generally followed by Minnesota courts and considered fair by professionals and parents. To further improve the guidelines, four recommendations were made:

- County workers should be trained on how to uniformly identify deviation reasons to improve data reliability for future reports
- Deviation reasons should be monitored more closely for further analysis
- A consistent process to update the guidelines on updated economic data should be developed
- Further study is needed for parenting time adjustments with legislative guidance.

Since the 2014 review, the Child Support Division developed more detailed policies and procedures for court-ordered deviation for county child support workers, including sample language to look for in a court order when determining reasons for deviation. The decrease in the percentage of deviations coded

as “other” went from 63 percent in 2014 to 23 percent in this review. This suggests that efforts to train county workers in this area were successful.

Two major legislative changes occurred since the last review of the guidelines. The first is enactment of a new parenting expense adjustment; the second is creation of the Minnesota Child Support Task Force.

New Parenting Expense Adjustment

A theme that emerged from the last quadrennial review was concern that the parenting expense adjustment did not adequately account for costs associated with different amounts of parenting time. To address this, the Minnesota Legislature created a Child Support Work Group of legislators, professionals and parents. The group examined options for a new parenting expense adjustment and made a recommendation which was codified in 2016.¹ The new parenting expense adjustment provides incremental changes in child support for each overnight, rather than using a three-tiered percentage approach. The parenting expense adjustment was effective Aug. 1, 2018. Therefore, impact of the new parenting expense adjustment on the guidelines cannot be meaningfully analyzed in this review, but will be an important focus of the 2022 review.

Minnesota Child Support Task Force

Another result of recommendations of the Child Support Work Group was creation of the Minnesota Child Support Task Force.² The purpose of the task force is to advise the commissioner of the Minnesota Department of Human Services on matters relevant to maintaining effective and efficient child support guidelines that will best serve children, and take into account changing dynamics of families. The task force is charged with addressing seven priority issues, one of them being to update the basic support table. While the task force is working on updating the basic support table, it has not been completed.

III. Economic Analysis

Economic analysis of Minnesota’s child support guidelines centers on the current guidelines as set forth in Minn. Stat. 518A.35. Federal law requires that states review the guidelines every four years, and in doing so, consider economic data on the cost of raising a child. Child support guidelines vary by state because they are a combination of policy and economic decisions. Despite that no set of guidelines are exactly alike, states share the goal of creating guidelines that result in fair, reasonable and equitable child support orders.

¹ Minn. Stat. 518A.36

² Minn. Stat. 518A.79

Minnesota Child Support Guidelines

In 2007, Minnesota transitioned from a percentage-of-obligor'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 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).

USDA Method

The USDA publishes an annual report on estimated costs of raising children. The most recent report was published in 2017 using 2015 data. The report divides expenditures into seven categories: Housing, food, transportation, clothing, health care, child care, education and miscellaneous. A different approach is used in each category to estimate a child's portion of a household's expense in that category. The USDA sums the categories for a final estimate. While most of Minnesota's child support guidelines are based on the USDA method, adjustments were made at certain income levels using the Betson-Engel and Betson-Rothbarth methods of measuring child-rearing costs to bring them in line with the upper and lower bounds of credible estimates.

Betson-Engel and Betson-Rothbarth Methods

Betson-Engel and Betson-Rothbarth are marginal cost methods of measuring the cost of child-rearing as they compare households with children to equally well-off households without children, and attribute the difference in expenditures to children. The Betson-Engel method uses food as the measurement between households, while the Betson-Rothbarth method uses adult goods as its measurement. Betson-Engel tends to produce higher results than Betson-Rothbarth and USDA methods. The Betson-Rothbarth method produces the lowest result compared to the other two methods.

Updating the Basic Support Table: The Minnesota Child Support Task Force

The support guidelines are based on economic data that is more than 17 years old, which warrant an adjustment to account for changes in costs of child-rearing. New legislation in 2016 created the Minnesota Child Support Task Force. It is comprised of a diverse group of stakeholders who are to address many issues relating to the child support program, including the task of updating the basic support guidelines. To assist them, the task force engaged economists Drs. William Comanor and Jane Venohr to prepare two reports from their differing perspectives about Minnesota's guidelines and possible options available to the state. The task force ultimately contracted with Dr. Venohr to assist in updating the basic support guidelines.

Economist's Report

The report from Dr. Venohr examines the current Minnesota guidelines and the approaches used by other states and makes recommendations on how to update Minnesota's guidelines. Besides the major policy and economic decisions regarding which guidelines and economic models to use, the report provides seven additional considerations that impact the guidelines. The task force is working to address the following factors.

- **Adjustments for cost of living in Minnesota.** The underlying data used to determine the costs of raising a child are pulled from either national or regional data. However, costs in Minnesota may differ from regional or national costs, which are generalized in the data. Using data from Minnesota only is likely to be insufficient due to the small sample size. There is a 97.6 percent price parity between Minnesota and the rest of the U.S., making it very close to the national average.
- **Tax assumptions.** Certain tax assumptions are built into the USDA child rearing cost estimates. Because the data includes the gross income and spending of American families subject to taxation, taxes are built into the data. However, the data comes from married households only. The task force may choose to make other assumptions for child support purposes.
- **Price levels.** Data available from the annual USDA Consumer Expenditure Survey uses data which is a number of years old. This is updated with the Consumer Price Index (CPI) to estimate what the cost would be in the current year.
- **Adjustments for more than three children.** Data available for larger families is sparse, so the task force will need to carefully consider how to account for three or more children in the child support table.
- **Exclude highly variable child-rearing expenses.** The child support guidelines and table assume that general data can be used to make assumptions about individual families. However, certain expenses vary widely among families, and generalized data is not helpful in setting support. In Minnesota, child support guidelines already identify child care and health care expenses as highly variable. These expenses are currently kept separate from basic support and set based on the specific expenses of each family.
- **Low-income adjustment and minimum order.** Minnesota currently addresses low income obligors through a self-support reserve and a minimum order. The self-support reserve for custodial and noncustodial parents is also noted as a specific priority issue for the task force in its recommendations for enacting legislation, so must be specifically addressed in the future.
- **Adjustments at high incomes.** With higher incomes, less data is available. Above incomes of \$8,500 per month, costs must be extrapolated. The task force must make decisions about how to estimate costs at higher income levels, and must also determine where Minnesota's table will stop. The guidelines currently stop at a combined parental income of \$15,000 per month. Other states' guidelines typically stop at higher parental income levels.

The report concludes with a recommendation that basic support guidelines be updated to reflect

changes in the cost of raising children since 2001, the year data was collected. The report also recommends that Minnesota update basic support guidelines using either the most recent USDA or Betson-Rothbarth measurements, as they yield similar results and have been reviewed several times in the past 25 years. The full text of the report is available on the Minnesota Child Support Task Force website at <http://mn.gov/dhs/child-support-task-force/>.

Limitations

While the report extensively examines the economic basis of the current guidelines, and provides various options to consider when updating them, there are limitations in developing child support guidelines due to available economic data on the cost of raising children. Regardless of the measurement of child-rearing costs, data is based on intact families, not two separate households. As noted in prior economic analyses of the guidelines, it is more expensive to maintain two households than one.

Areas for Further Study

Recent changes to 45 CFR 302.56(h)(1) will impact the 2022 quadrennial review. Federal law dictates that the next review of Minnesota's guidelines must consider not only the cost of raising a child, but also labor market data by occupation and skill-level for state and local job markets, the impact of guideline policies and amounts on custodial and noncustodial parents who have family incomes below 200 percent of federal poverty guidelines, and factors that influence employment rates among noncustodial parents and compliance with child support orders.

The change in federal law is not mandatory for this review of the guidelines, however, these additional factors are vital to conducting a more robust analysis of how the child support guidelines impact Minnesota families. A more in-depth study will need to be conducted for the next quadrennial review and will provide greater insight on how appropriate the guidelines are for Minnesota.

IV. Case Data Analysis

Federal regulations require that as part of the review of the state's child support guidelines, agency staff must analyze case data gathered through sampling, and must include a comparison of payments on child support orders by case characteristics. This must include whether an order was entered by default, based on imputed income, or determined using the low-income adjustment. The analysis must be used to ensure that deviation from the guidelines are limited and appropriate based on established criteria.³

Background

The case data analysis deviation review focuses on the difference between the current support amount actually ordered and the current support amount suggested by guidelines for the parents' income levels.

³ See 45 CFR 302.56(h)

Deviation from child support guidelines happen for a number of reasons, the two most common are:

- Participants may voluntarily agree to an amount different from the guidelines, and the agreement is submitted to and approved by the court
- A magistrate or judge determined that departure from the guidelines is consistent with the best interest of a child.

The Minnesota income shares model includes the following provisions when, if met, are not considered a deviation from the guidelines:

- Ability to pay
- Self-support reserve adjustment
- Minimum order

These provisions are included to ensure that an ordered support obligation does not exceed an obligor's ability to pay, and the joint child(ren) and obligee receive at least a minimum amount of basic support.

The law establishes circumstances in which the respective provisions apply, as well as the method for calculating and applying the provisions. Determining whether a child support order exceeds an obligor's ability to pay requires applying the following factors:

- Self-support reserve is a dollar amount equal to 120 percent of the Federal Poverty Guidelines for one person.⁴ This is the minimum amount of income that the law requires that a parent be allowed to retain for a parent's own needs after payment of child support obligations.
- Income available for support is calculated by subtracting the self-support reserve amount from an obligor's monthly gross income.
- Presumptive minimum order (basic support only) is the minimum amount of basic support, which, if applicable, an obligor must be ordered to pay. The amount is \$50 per month for one or two children, \$75 per month for three or four children, and \$100 per month for five or more children.

Methodology

Several criteria were used to select cases that were eligible for use in the sample. Only Minnesota court orders that were signed within the last quadrennial review period, between October 1, 2013 and September 30, 2017 were included for the sampling. The court order had to be one of the following types:

- Establishment
- Modification
- Paternity

⁴ For the year 2018, 120 percent of the Federal Poverty Guidelines for one person is \$1,214.00 per month.

In addition, a court order had to address child support, and there needs to be a child support amount ordered, including \$0 orders. Cases currently being served by a tribal authority were excluded from the sample. All criteria for a case is included in the Minnesota child support case management system, PRISM.

These criteria produced 48,808 cases from which to sample. The sampling criteria of ±5 percent margin of error and a 95 percent confidence level was used to arrive at a sample of 382. This sample was stratified by the proportion of case counts for each county in the state and rounded-up to one if a county did not have a full sample. This resulted in 390 court orders, two of which did not address support in the orders and were removed from the analysis, leaving 388 orders.

Findings

Deviations from the Guidelines

Part of the case review required evaluators to compare court orders to what was coded in PRISM. Evaluators identified cases that were incorrectly coded as not a deviation in PRISM, but the court order stated it was a deviation. These cases were corrected to reflect the deviation. There were 23 court orders in the case review with corrected deviations. After making adjustments, state agency staff found an overall deviation rate of 15.2 percent (59 deviations and 329 non-deviations) in the sample. In addition to correctly identifying deviations, evaluators also verified that the correct deviation type was entered in PRISM. If the type was not coded correctly, the correct one was noted in the analysis. The breakdown of deviation types is shown in figure 1. “Parties agree” had the highest deviation rate of 25.4 percent, with “other” and “Standard of living” also above 20 percent. The use of “other” as a deviation reason continues to remain high, but has decreased substantially since the last quadrennial review when it was 63 percent of deviations.

Deviation Reason	% of Deviations
Parties agree	25.4
Other	23.7
Standard of living	22.0
Best interest of child	8.5
Parenting time /custody arrangements	8.5
Extreme hardship for parties	5.1
Tax exemption	5.1
Income disparity	1.7

Figure 1: Percentage of deviations by deviation reason.

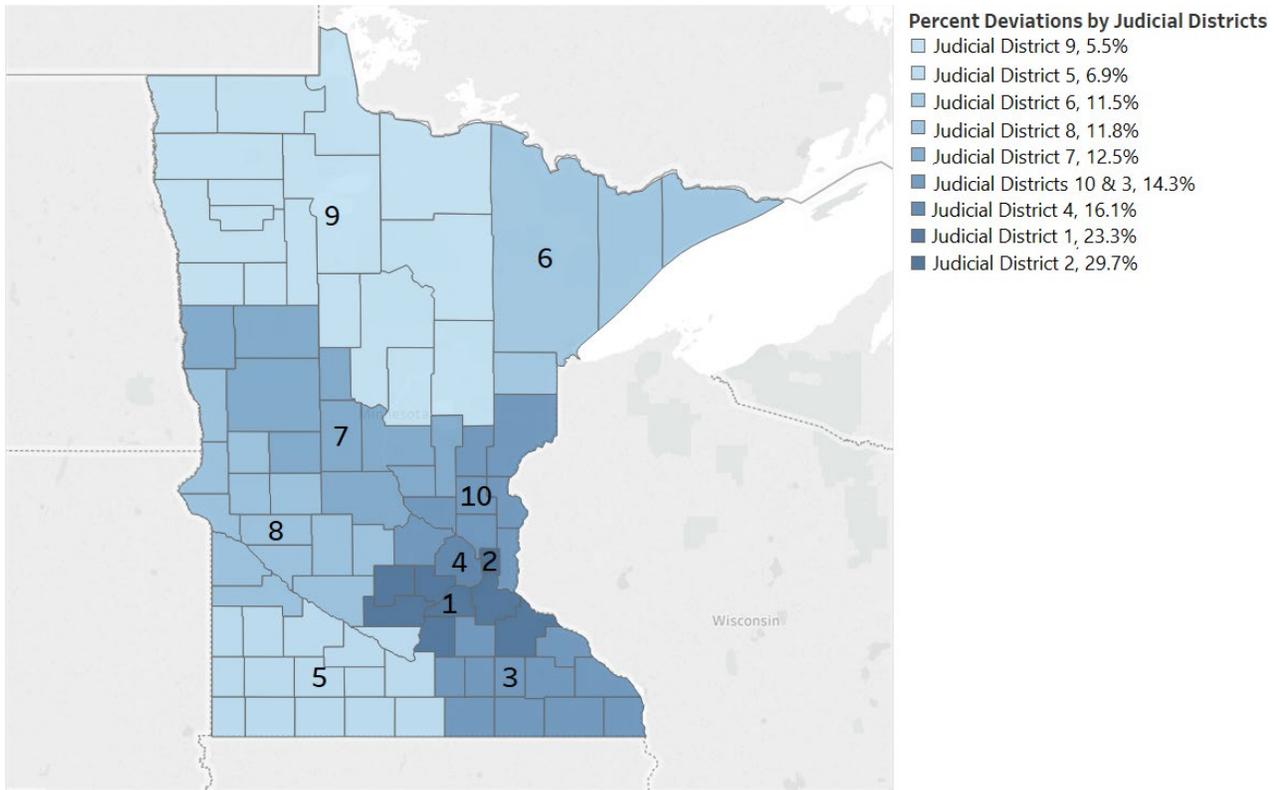
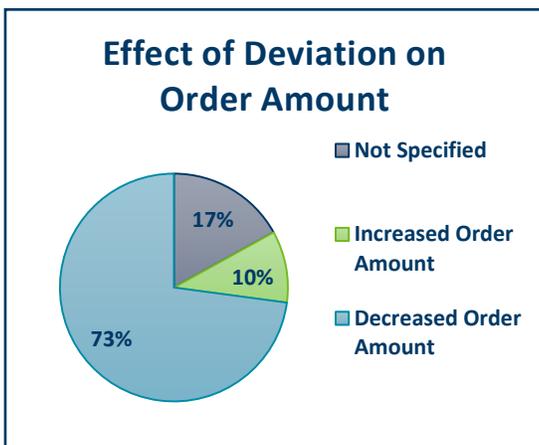


Figure 2: Percent of sampled cases with deviations by judicial district.

The deviation counts for reviewed cases were aggregated by judicial district, shown in figure 2, to identify geographic trends. Ramsey County, judicial district 2, had the greatest deviation rate, at 29.7 percent. Judicial district 1, comprised of McLeod, Carver, Sibley, Le Sueur, Dakota and Goodhue counties, had the state's second greatest deviation rate, at 23.3 percent. The other eight judicial districts had consistent rates of 6 percent to 16 percent.

Reviewers also analyzed whether deviations raised or lowered the child support order. The majority of sampled deviations (72.9 percent) decreased child support order amounts, as shown in Figure 3.



After completing the court order review, several characteristics were analyzed to see how cases influenced or were affected by deviations. Reviewers looked at the percentage of child support collected for current obligations due for federal fiscal years 2014 through 2016. Reviewed cases with deviations had collection rates that were 3.3 percentage points higher on average (81.1 percent compared to 77.8 percent collected on current).

Figure 3: Effect of deviation on order amount

Figure 4 shows both the collections on current rate and the percent of total cases reviewed for each category. The higher collection rate for cases with deviations compared to no deviations, and an overall high rate of collections for deviated cases, suggests that deviations from guidelines are improving collections by making orders more manageable for noncustodial parents.

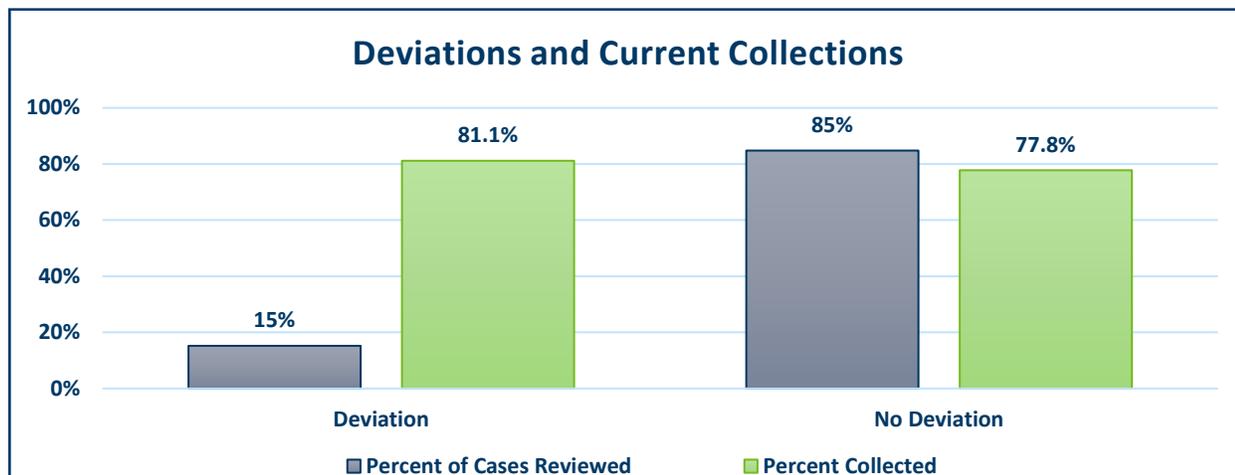


Figure 4: Deviations and current collections

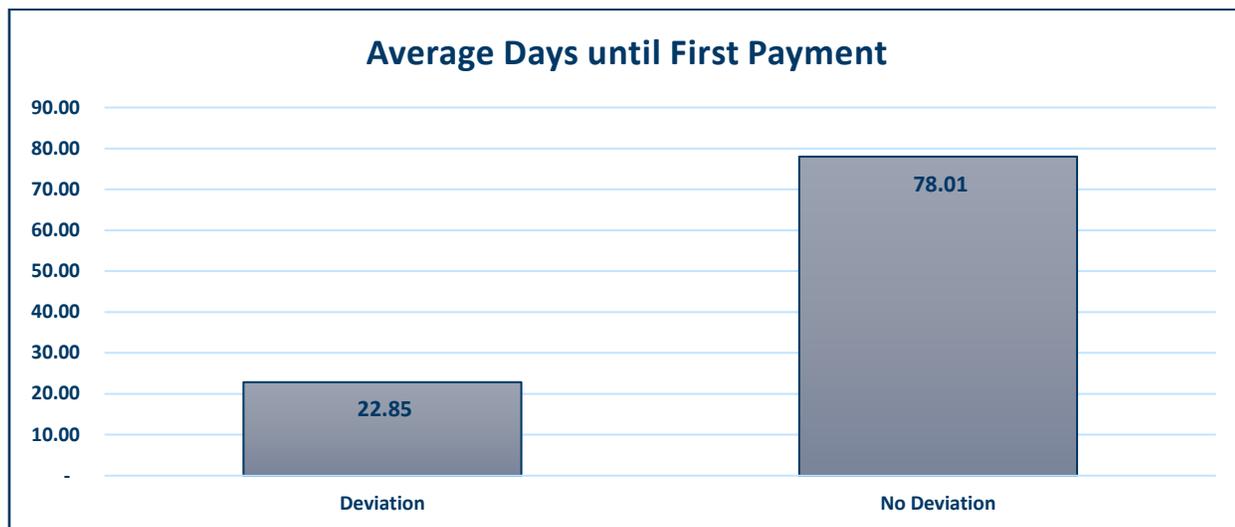


Figure 5: Average number of days until first payment

The date of the first payment that a noncustodial parent made after an order was signed was collected for all cases in the review. The number of days between when an order was signed and the first payment made was calculated for cases with deviations and those without. Figure 5 shows the average number of days for the first payment to be made for each group. Cases that had deviations had an average of 22.85 days until the first payment, compared to 78.01 days for those with no deviation. This may suggest that deviations increase the timeliness of the first payment by making order amounts manageable for noncustodial parents.

Demographics on noncustodial parents were also analyzed against different outcomes. The number of cases with deviations was broken down by noncustodial parent’s ethnicity as entered in PRISM. Figure 6 shows the number of cases reviewed by ethnicity.

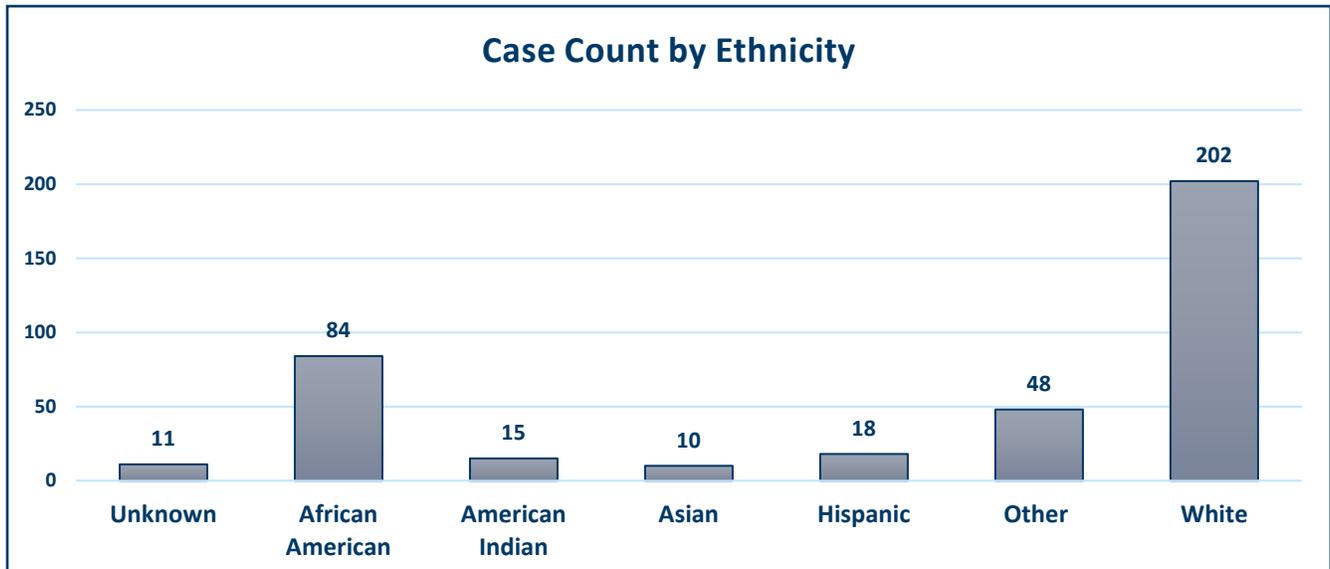


Figure 6: Case count by ethnicity

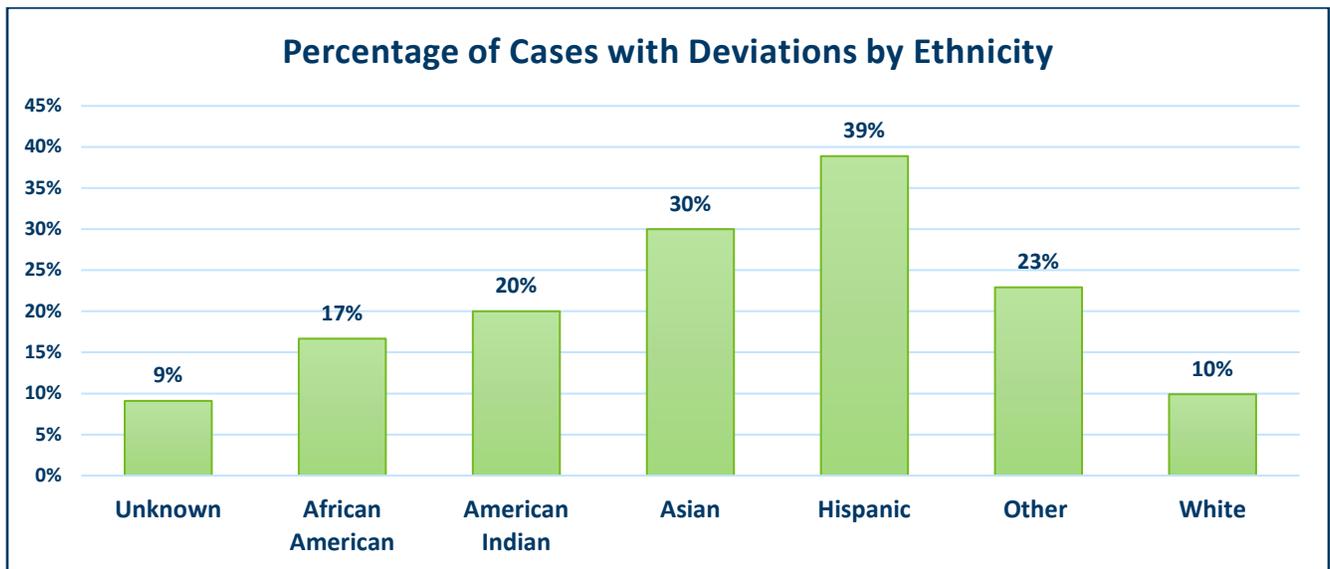


Figure 7: Percentage of cases with deviations by ethnicity

Figure 7 shows the percentage of cases with deviations broken down by ethnicity. Noncustodial parents of Hispanic ethnicity had the highest rate of deviation, with 39 percent of cases reviewed having deviations.

Imputed Income

During the case review, imputed income was analyzed and compared to child support collection rates. In child support, imputed income is defined as an estimation of earning ability of a parent(s) when the actual amount of income cannot be determined. The information used to estimate this is the:

- Individual's prior earnings history
- Individual's education level
- Individual's job skills
- Availability of appropriate jobs within a community for an individual with their qualifications.

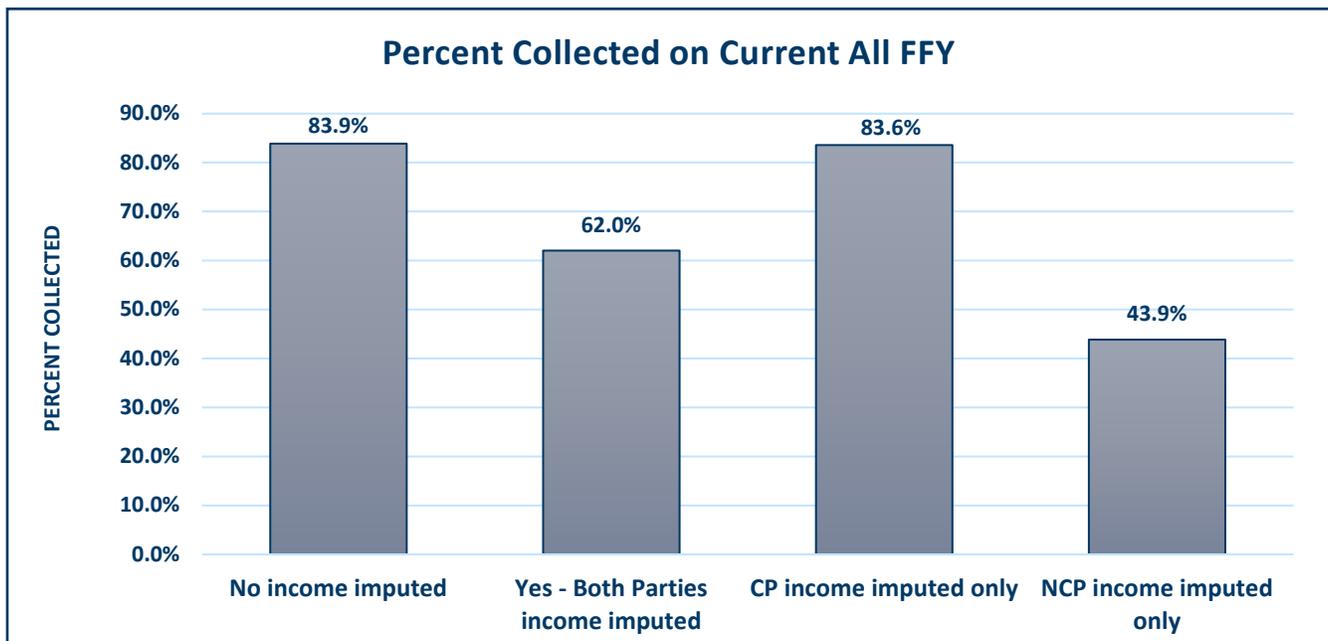


Figure 8: Percent collected by imputed income category

An analysis of collections on current support was calculated among four income categories:

- No imputed income
- Both parties' income imputed
- Custodial parent's' income imputed only
- Noncustodial parent's income imputed only.

In the above analysis, cases without imputed income had the highest collection rate at 83.9 percent. For cases of imputing noncustodial parent's income, this group had the lowest collection rate of 43.9 percent. Figure 8 depicts the differences in collection rates by imputed income types in this analysis. It was found that cases where the noncustodial parent's income was imputed often had lower collection rates. The practice of imputing noncustodial parents' income warrants further investigation.

Default Orders

Court orders were reviewed to determine if they were default orders. These are orders issued by the court without a hearing. The outcome of default orders was analyzed against several case characteristics.

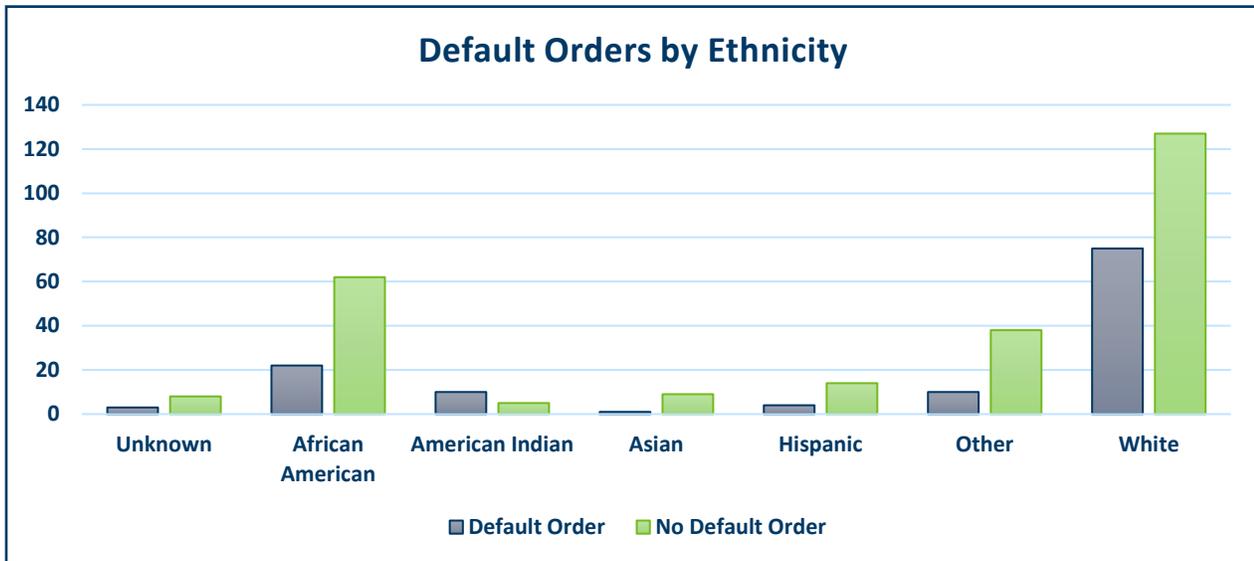


Figure 9: Default orders by ethnicity

Figure 9 shows a breakdown of the number of default orders and non-default orders determined in the review by noncustodial parent’s ethnicity. American Indians had the greatest disparity for default orders, comprising more than half of the sampled cases.

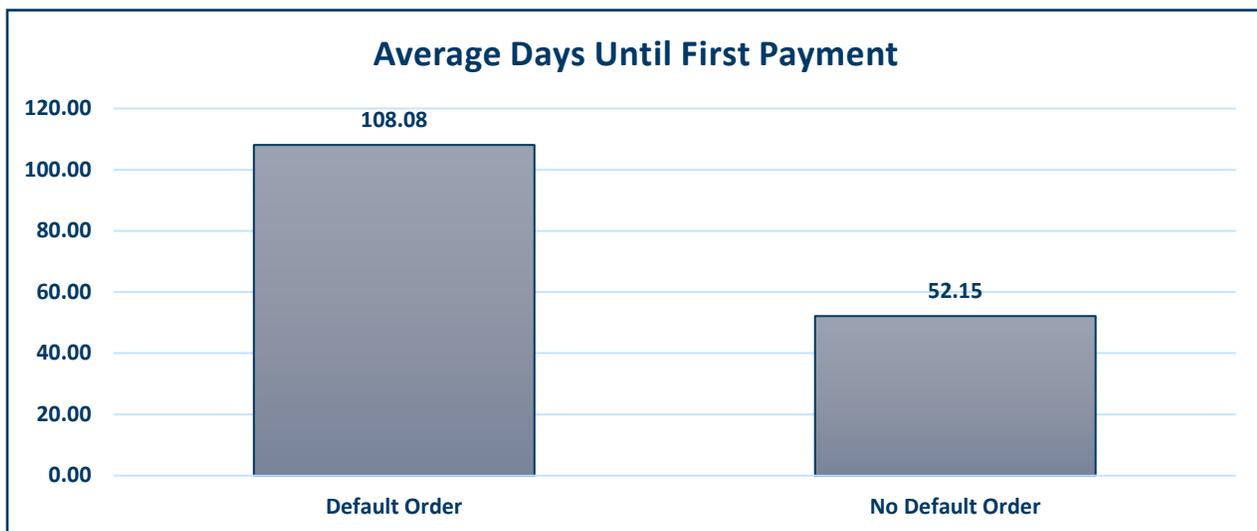


Figure 10: Average number of days until first payment for default orders

The average number of days between an order being signed and the first payment date was calculated for both default and non-default orders. Figure 10 shows that the average number of days until the first payment was received was 108.08 for defaulted orders. This is in comparison to an average of 52.15

days for non-defaulted orders. This could indicate that default orders are a predictor for delinquent first payments. However, due to measurement bias, it is unclear if this is due to inappropriately set orders or a combination of other unmeasured characteristics.

V. Public Input

The Minnesota Child Support Task Force is legislatively mandated to meet at least three times a year, with one meeting devoted to collecting public comment. Since its inception, the task force has decided to dedicate a segment of each meeting for public comment.

On Sept. 19, 2017, the task force met at NorthPoint Health and Wellness Center, Minneapolis, for the purpose of gathering comments from the public. For three days surrounding the meeting, individuals were able to complete a survey through the task force's website and Minnesota Child Support Online, the portal for case participants and employers.

In fall 2017, three task force meetings were held in various locations to accommodate interested individuals who may not otherwise be able to attend the regular meetings in St. Paul. The public comment section was extended from 30 minutes to two hours, and occurred later in the day in an additional effort to accommodate individuals' schedules. The dates and locations of these meetings were:

- Sept. 27, 2017, Brainerd, Minn.
- Oct. 25, 2017, Mankato, Minn.
- Nov. 29, 2017, Coon Rapids, Minn.

As with the first public comment meeting at NorthPoint, individuals were given a span of three days surrounding the dates of meetings to complete a survey via the website.

Online Survey

The survey questions pertaining to current Minnesota child support guidelines were:

- Do you have a court order to pay child support?
- If so, do you feel the amount is too high, too low or appropriate?
- Do you have a court order to receive child support?
- If so, do you feel the amount is too high, too low or appropriate?

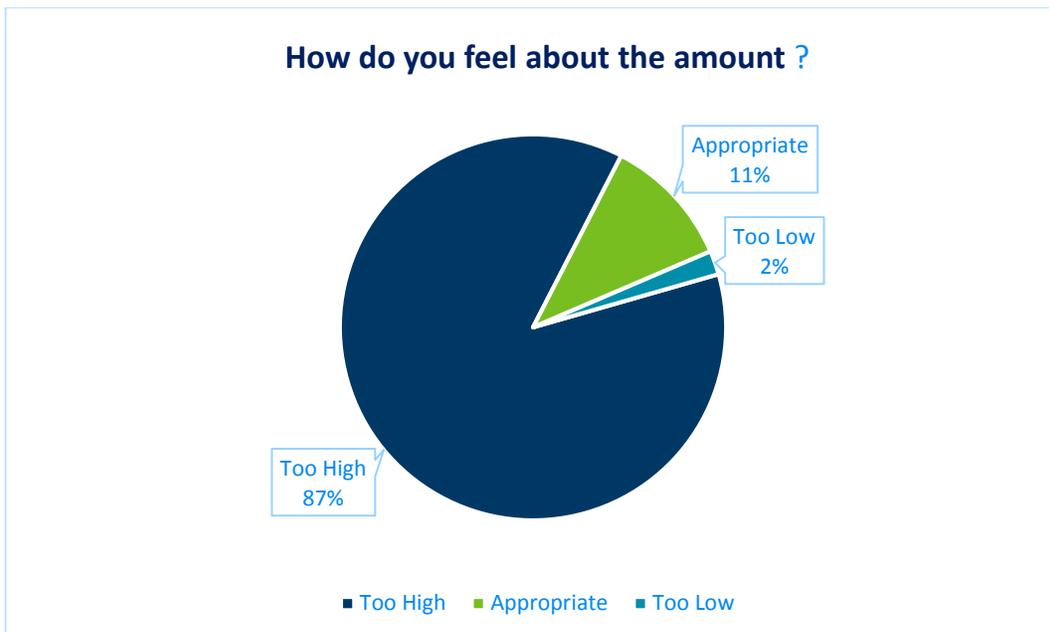
After the last public comment meeting in November 2017, the results of the survey were compiled and are provided below.

Survey Results from Obligor

A total of 580 of 585 participants answered the question “Do you have a court order to pay child support?” Of the participants who answered, 218 (37.3 percent) selected yes, and 362 (61.9 percent) selected no.



Participants were asked a sub-question about how they felt about the amount of child support they were ordered to pay. Of the 217 who answered, 188 (84 percent) answered that it was too high, 24 (11 percent) indicated it was appropriate, and five (2 percent) answered that it was too low.



Participants were asked to explain why they thought the amount was too high, too low, or appropriate for them. A total of 178 participants provided an explanation for their response. While participants expressed a range of reasons for their views, some themes emerged.

Many participants who stated that their support amounts are too high expressed mistrust of the other parent. Some examples include:

“Because my ex-wife is hiding some of her income, so the calculation is not accurate.”

“The money is not being used for the children. Daycare goes unpaid, school lunch accounts are low.”

“She does not need all the child support she is receiving because she spends it on other items.”

Another theme was obligors’ difficulty in paying both the support amount and meeting their own needs. Examples include:

“I cannot afford rent, gas and food for myself even though my income is over \$40K a year.”

“The factor of the support is based off gross pay and not net pay, neither the ability to pay.”

“My take home pay after taxes, child support and health insurance does not allow me to pay mortgage.”

Some respondents expressed concerns about the calculation of child support amounts as well as the guidelines. The relevant comments are below:

“Child support was not properly calculated after [the obligee] had a substantial increase in pay.”

“The guidelines for changing are not easy.”

“I do not understand why it costs me more to raise two children than it does my peers who may make less.”

The rest of the comments from obligors who felt that their support amounts were too high were related to issues with parenting time adjustments, administrative costs to go to court, and lack of incentives to get a better job.

Some obligors felt that their child support amount is appropriate, including comments like:

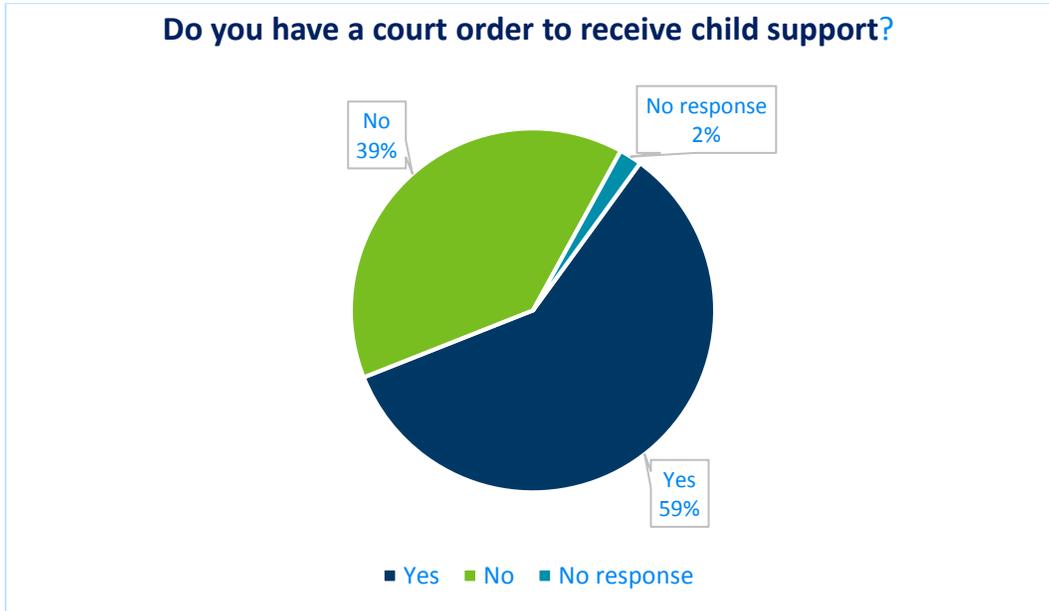
“Jobs come and go but the obligation to my child is always a priority.”

“For many years, it was too high. Now, towards the end of my order it's come into line.”

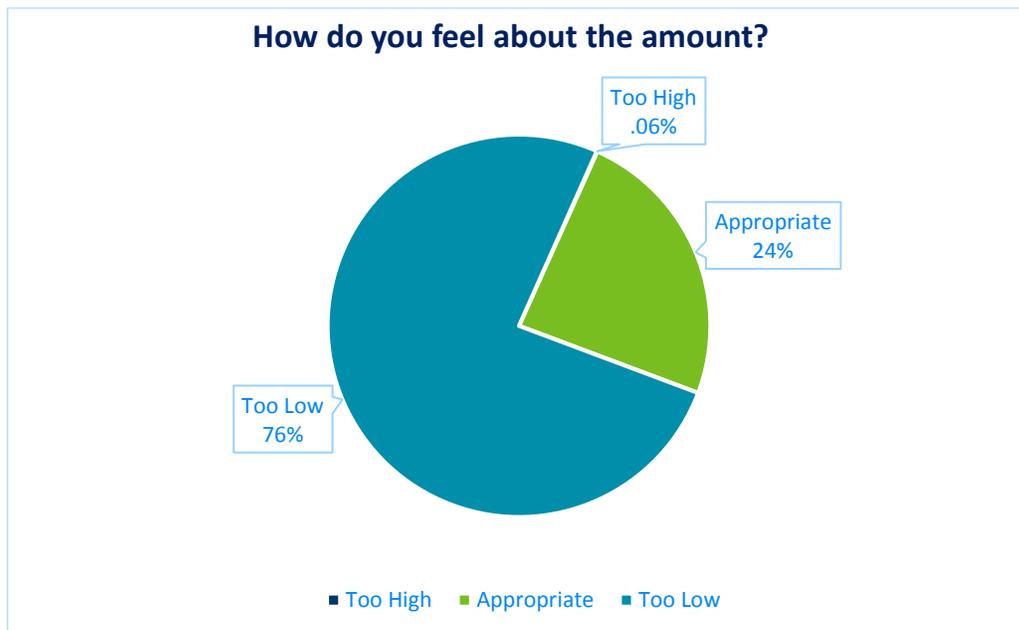
“With both incomes considered, it's justified.”

Survey Results from Obligees

A total of 577 of 585 participants answered the question “Do you have a court order to receive child support?” Of those responding, 347 (59.3 percent) selected yes, and 230 (39.3 percent) selected no.



Participants were asked a sub-question about how they felt about the amount of child support they were ordered to receive. Of the 343 participants who responded, two (.06 percent) indicated it was too high, 81 (24 percent) answered it was appropriate, and 260 (76 percent) indicated it was too low.



Participants were asked to explain why they believed their support amounts were too high, too low, or appropriate for them. A total of 276 participants provided an explanation.

The majority of participants who reported that the support amount they are ordered to receive is too low stated that the amount is not enough to cover their child-rearing expenses. Specific answers include:

“I can barely get by with the money he gives.”

“It costs more than \$50/month to raise a child.”

“For three children, it does not cover much.”

“It does not cover half of my children's monthly expenses.”

“\$50 a month doesn't cover near the amount of food my child even eats.”

Another prevalent theme was the lack of trust between the obligee and the obligor. Examples of the comments include:

“Because the obligor has his own business and did not disclose the correct income.”

“He recently bought himself and his wife a new car, taken trips and bought a house.”

“My ex is self-employed and doesn't report all of his income.”

“[Obligor] has not reported work for years, does not report correct income.”

Respondents also expressed concerns about parenting time adjustments, such as:

“Ex gets credit for court-ordered parenting time that he has not used in years.”

“Child support was based on the non-custodial parenting time, despite him never taking the kids.”

Some participants expressed their concerns about the outdated nature of child support, stating the following:

“It has been the same for years and barely covers anything.”

“Costs go up with age - school supplies, activities, etc., but it hasn't changed in nine years.”

Several obligees were satisfied with the support amount and stated that they felt it was an appropriate amount. Their comments include:

“It supports her basic needs and since he does not help with medical or dental.”

“The court determined the amount based on our incomes, based on [the] current calculator.”

“Of course, I wish it was more, but I feel it's an adequate amount to support my son.”

“I currently have three open cases. Each at \$300, it's fair, it's both our responsibility.”

Conclusion

Survey results show that how participants view support order amounts is strongly impacted by whether they are an obligor or obligee. The obligors who completed the survey tended to feel that ordered support amounts are too high, while the majority of obligees felt that support amounts are too low. It will be helpful to compare these results with future surveys to see if the new parenting expense adjustment affects parents' opinions regarding appropriateness of their court-ordered support amounts.

Limitations

There are several limitations to data provided by the task force survey. Unlike the last survey conducted for the 2014 quadrennial review, it was not designed for the sole purpose of reviewing the guidelines. The goal of the task force public comment process was to engage with individuals impacted by the Child Support program, and to provide it with additional insight into the issues they are required to address. The survey was geared primarily towards parents and other child support case participants who regularly access either Minnesota Child Support Online or the task force website, and not to child support practitioners, who may have different views on child support guidelines.

Areas for Further Study

Recent changes to 45 CFR 302.56(h)(3) will impact the 2022 quadrennial review. Federal law dictates that the next review of Minnesota's guidelines must "provide meaningful opportunity for public input, including input from low-income custodial and noncustodial parents and their representatives." The next review must also contain the views and recommendations of the Child Support Division. In preparation for the next review, an opportunity for public comment must be provided during the guidelines review process and must include representation from certain populations. It will be important to review the results of this survey with the public input received in the 2022 review process.

VI. Report Recommendations

While a number of recommendations from the last quadrennial review have been implemented, the update of underlying economic data of the Minnesota child support guidelines has not yet been completed. The most significant change to the guidelines, the new parenting expense adjustment, is still in its infancy and could not be properly reviewed. The recommendations of this review, therefore, expand on previous recommendations regarding the need to update the basic support table and focus on areas to be reviewed in the future. The recommendations are:

Continue to support the work on updating the basic support table. As noted in the last review in 2014, the underlying economic data is out of date and likely underestimates the cost of raising a child.

- **Continue to train county workers to uniformly identify deviation reasons to improve data reliability for future reports.** The last review of guidelines recommended that county workers be trained to consistently and accurately identify reasons for deviations when entering court order information in PRISM. While the number of reasons identified as "other" decreased

significantly from 2014, case review evaluators corrected deviation reasons in 23 cases. Training efforts should be renewed in this area and the accuracy of deviation reasons should be reviewed in the 2022 quadrennial review.

- **Review the new parenting expense adjustment.** Since this became effective in August 2018, its impact was not able to be analyzed for this review. Future analysis should be conducted to review effects of the new parenting expense adjustment on deviations, collections, amount of basic support awards, and parents' satisfaction with court ordered support amounts.
- **Collaborate with the Child Support Division's Equity Team in future reviews.** To support the Minnesota Department of Human Services' dedication to advancing equity, reducing disparities in human services programs, and improving access to services for communities experiencing inequities, the Child Support Division has established an Equity Team. While this review analyzed the frequency of deviations, use of imputed income, and default orders against case characteristics of ethnicity of obligors, future reviews should include other case demographics to provide a more robust analysis of the guidelines' impact on Minnesota families. The Child Support Division Equity Team should be involved in all stages of the 2022 review.
- **Provide a meaningful opportunity for public input during the next review process for both parents and child support professionals.** Changes in federal regulations require that the next quadrennial review process involve public input. The Child Support Division should, in its continuing commitment to community engagement, make clear and consistent efforts to involve diverse populations in collecting feedback from the public during the next quadrennial review process. Advice and recommendations from Child Support Division staff, county agency staff, and other child support professionals should also be included to provide additional insight into appropriateness of the guidelines.