
**Juvenile Justice & Family Law
Committee**

HB 2462

Brief Description: Establishing work groups to periodically review and update the child support schedule.

Sponsors: Representatives Moeller, Wallace and Roberts.

Brief Summary of Bill

- Changes the depository for the order summary report from the Administrative Office of the Courts to the Division of Child Support (DCS).
- Requires the DCS to convene a work group no later than April 1, 2006, to continue the work of the 2005 Child Support Guidelines Workgroup.
- Requires the DCS, beginning in 2008 and every four years thereafter, to convene a work group to conduct a review of the existing child support schedule and guidelines.

Hearing Date: 1/18/06

Staff: Kara Durbin (786-7133).

Background:

Division of Child Support:

The Division of Child Support (DCS), which is within the Department of Social and Health Services, is responsible for administering Washington's child support enforcement program. The DCS provides support enforcement services to parents receiving public assistance and to those non-assistance parents who request support enforcement services.

Mechanism for Review:

Current law states that the Legislature shall review the child support schedule every four years to determine whether the support schedule results in appropriate support orders.

While the Legislature has considered modifications to the child support guidelines over the years, the last major, substantive change made to the existing child support schedule and related guidelines occurred in 1991.

Order Summary Report:

The Order Summary Report is a form that was created in 1990 by the Administrative Office of the Courts, pursuant to RCW 26.18.210. The purpose of the form is to collect data necessary for

reviews of the child support schedule. Any party that seeks to establish or modify a child support order is currently required to file the Order Summary Report with the court clerk under RCW 26.09.173 and RCW 26.10.195.

Child Support Work Group:

In March of 2005, the Governor charged the DCS to put together a workgroup of community members to address several issues related to the review of Washington's child support guidelines. The Governor's request was in response to a letter received by the DCS from the Administrator of the Office of Child Support Enforcement (OCSE). OCSE expressed concern that Washington's child support guidelines had not been adequately reviewed and revised in several years, as required by 45 CFR § 302.56. Failure to adequately review the child support guidelines could result in a recommendation by OCSE to disapprove Washington State's child support state plan. Disapproval by OCSE of the child support state plan would result in immediate suspension of all federal payments for the DCS's program, as well as jeopardize a portion of the federal block grant for the Temporary Assistance for Needy Families program.

In response to the Governor's request, DCS established a Child Support Guidelines Workgroup (CSGWG) in April of 2005 to examine a number of issues related to child support, including the adequacy of the current child support schedule. The purpose of the workgroup was to formulate recommendations and report to the Legislature on those recommendations no later than January 15, 2006. The report was to include:

- Recommendations for needed amendments to the state's child support guidelines statutes;
- A process for improving record keeping of orders entered; and
- A better method of ensuring that the state's child support guidelines are reviewed and updated as federally required.

The CSGWG met monthly from April 2005 until December of 2005. In its Child Support Schedule Review Report issued January 16, 2006, the CSGWG made a number of final recommendations to the Legislature:

- 1) Revise the Order Summary Report to include the necessary data elements for future review of the support schedule;
- 2) Revise the mechanism for reviewing the support schedule under current law by requiring DCS to convene a workgroup every four years with a prescribed list of member representation;
- 3) Treat children not before the court using the Whole Family Formula;
- 4) Update the Economic Table using the mid-point between the Rothbarth-Betson and the Engle estimator; and
- 5) Raise the presumptive level for combined net income to be used when calculating the child support obligation.

Summary of Bill:

Order Summary Report:

The format of the Order Summary Report is revised. The report must be included at the top of the first page of the child support worksheets, but it is not to be considered part of the worksheet. The order summary report must contain all necessary data in order for the Division of Child Support (DCS) to perform a quadrennial review of the Washington State Child Support Schedule. On a monthly basis, the clerk of the superior court must transmit all child support worksheets that have

been filed with the court to the DCS. The DCS must store and maintain all of the order summary report data and prepare a report at least every four years.

JLARC Review:

Beginning in 2008, and every four years thereafter, the Joint Legislative Audit and Review Committee (JLARC), or any other entity designated by the Legislature, must prepare a report on the review of the support schedule in accordance with federal law. JLARC must also review the recommendations of the prior work group and provide a report to the Legislature no later than July 1, 2008. The report must include data included in the order summary report collected by the DCS.

Mechanism for Review:

By April 1, 2006, the DCS shall convene a work group to review the current laws, administrative rules and practices surrounding child support. The objective of the work group shall be to continue the work of the 2005 Child Support Guidelines Work Group, and produce findings and recommendations to the Legislature, including recommendations for legislative action, by December 1, 2006.

The work group shall include the following members:

- The director of the Division of Child Support;
- A professor of law specializing in family law;
- A representative from the Washington State Bar Association's Family Law Executive Committee;
- An economist;
- A representative of the tribal community;
- Two representatives from the Superior Court Judges' Association, including a superior court judge and a court commissioner familiar with child support issues;
- A representative from the Administrative Office of the Courts;
- A prosecutor;
- A representative from legal services;
- Two non-custodial parents;
- Four legislators; and
- An administrative law judge.

The director of the DCS shall serve as chair of the work group.

At a minimum, the 2006 work group shall review and make recommendations to the Legislature on the following issues:

1. How the support schedule and guidelines treat children from other relationships, including whether the whole family formula should be applied presumptively;
2. Whether the economic table for calculating child support should include combined income greater than \$5,000;
3. Whether the economic table should start at 125 percent of the federal poverty guidelines, and move upward in \$100 increments;
4. Whether the economic table should distinguish between children under 12 years of age and over 12 years of age;
5. Whether child care costs and ordinary medical costs should be included in the economic table, or treated separately;

6. Whether the estimated cost of child rearing, as reflected in the economic table, should be based on the Rothbarth estimate, the Engle estimator, or some other basis for calculating the cost of child rearing;
7. Whether the self-support reserve should be tied to the federal poverty level;
8. How to treat imputation of income for purposes of calculating the child support obligation, including whether minimum wage should be imputed in the absence of adequate information regarding income;
9. How extraordinary medical expenses should be addressed, either through basic child support obligation or independently;
10. Whether the amount of the presumptive minimum order should be adjusted;
11. Whether gross or net income should be used for purposes of calculating the child support obligation;
12. How to treat overtime income or income from a second job for purposes of calculating the child support obligation;
13. Whether the non-custodial parent's current child support obligation should be limited to 45 percent of net income; and
14. Whether the residential schedule should affect the amount of the child support obligation.

Beginning in 2008, and every four years thereafter, the DCS must convene a work group with similar membership to review the current laws, administrative rules and practices surrounding child support.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.