

HOUSE BILL REPORT

HB 1009

As Reported by House Committee On:

Judiciary
Appropriations

Title: An act relating to establishing work groups to periodically review and update the child support schedule.

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

Sponsors: Representatives Moeller, Wallace, Linville, Wood and Dickerson.

Brief History:

Committee Activity:

Judiciary: 1/16/07, 1/23/07 [DPS];

Appropriations: 2/6/07, 2/21/07 [DP2S(w/o sub JUDI)].

Brief Summary of Second Substitute Bill

- Requires the Division of Child Support (DCS) to: (a) convene a work group to continue the work of the 2005 work group; and (b) convene a work group every four years, starting in 2011, to review the child support guidelines.
- Requires the Joint Legislative Audit and Review Committee to analyze child support data, review the application of child support guidelines and the recommendations of the work group, and review other information by July 2, 2010.
- Requires the summary report on child support orders and modifications to be sent to the DCS rather than the Administrative Office of the Courts.

HOUSE COMMITTEE ON JUDICIARY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass.
Signed by 11 members: Representatives Lantz, Chair; Goodman, Vice Chair; Rodne, Ranking

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Minority Member; Warnick, Assistant Ranking Minority Member; Ahern, Flannigan, Kirby, Moeller, Pedersen, Ross and Williams.

Staff: Trudes Tango (786-7384).

Background:

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 requires the Legislature to review the child support schedule, which contains guidelines and the economic table, 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, there has not been a major substantive change made to the methods for calculating child support or to the economic table.

Order Summary Report

The order summary report is a form created by the Administrative Office of the Courts (AOC). A party seeking to establish or modify a child support order must file an order summary report with the court clerk, and the clerk must send those forms to the AOC. The purpose of the form is to collect data necessary for reviews of the child support schedule.

Child Support Work Group

In March of 2005, the Governor charged the DCS to convene a workgroup to review the state child support guidelines. The Governor's request was in response to a letter received by the DCS from the federal Office of Child Support Enforcement (OCSE). The OCSE expressed concern that Washington's child support guidelines had not been adequately reviewed in several years as required by federal law. Failure to adequately review the child support guidelines could result in a recommendation by the OCSE to disapprove Washington's child support state plan. Disapproval could result in suspension of federal payments for the DCS's program, as well as jeopardize some of the federal money the state receives for the Temporary Assistance for Needy Families program.

In response to the Governor's request, the DCS established a Child Support Guidelines Workgroup. The workgroup met monthly from April 2005 until December 2005. It issued a report on January 16, 2006, and made a number of final recommendations to the Legislature.

Summary of Substitute 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 data the DCS needs to perform a

quadrennial review of the child support schedule. On a monthly basis, the clerk of the court must transmit all child support worksheets and order summary reports 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.

Mechanism for Review

By August 1, 2007, the DCS must convene a work group to continue the work of the 2005 work group and produce recommendations to the Legislature by December 1, 2008. The work group must review and make recommendations to the Legislature on specific issues. The 21-member work group shall consist of:

- (a) the Director of the DCS;
- (b) a professor of law specializing in family law;
- (c) a representative from the Washington State Bar Association's Family Law

Executive Committee;

- (d) an economist;
- (e) a representative of the tribal community;
- (f) two representatives from the Superior Court Judges' Association, including a superior court judge and a court commissioner familiar with child support issues;
- (g) a representative from the AOC;
- (h) a prosecutor;
- (i) a representative from legal services;
- (j) three non-custodial parents;
- (k) three custodial parents;
- (l) four legislators; and
- (m) an administrative law judge.

Beginning in 2011, and every four years thereafter, the DCS must convene a work group with similar membership to review the laws, administrative rules and practices surrounding child support. The Governor shall appoint the chair of the workgroup. Reports to the Legislature are due October 1, 2011, and every four years thereafter.

Joint Legislative Audit Review Committee

Beginning in 2010, and every four years thereafter, the Joint Legislative Audit and Review Committee (JLARC) must review and analyze data collected from the order summary reports, review the recommendations made by the work groups, review data on the costs of child rearing, and review data on the application of the child support guidelines. The JLARC must report to the Legislature by July 1, 2010, and every four years thereafter.

Substitute Bill Compared to Original Bill:

The substitute bill made the following changes:

- requires the 2007 work group to report to the Legislature in December 2008, rather than December 2007;
- clarifies that the DCS is the entity that must convene the work groups beginning in 2011;
- directs the Governor to appoint the chair of future work groups, rather than have the group elect a chair;

- requires that appointments to the 2011 work group be made by December 2010, rather than 30 days after the bill passes; and
- requires the JLARC to conduct its analysis beginning in 2010, rather than 2011, and removes language that gave the JLARC discretion whether or not to do the review.

Appropriation: None.

Fiscal Note: Requested on January 11, 2007.

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

Staff Summary of Public Testimony:

(In support) There are several key issues that the 2005 work group addressed and that still need to be addressed. The work group needs to look at what the actual cost of child rearing is and also look at raising the mandatory minimum support obligation for lower income parents. There shouldn't just be an across-the-board increase. Parents want a mechanism for accountability so they can see how their support payments are being spent. Parents selected for the work group should represent advocacy groups.

(Concerns) There was consensus from the 2005 work group on some issues. The DCS wants fair uniform calculations across the state so that parents have predictability. Not all courts compile and send the summary order report to the Administrative Office of the Courts, therefore we don't have adequate data to make changes yet. We need time to collect data across the state. The order summary reports collected by the DCS under the bill will be the foundation for reviewing the child support schedule. The dates in the bill could be changed to give the work group more time before reporting to the Legislature and to stagger the work group's review with the JLARC review. There is a fiscal impact for the DCS, but the costs are not included in the Governor's budget.

Persons Testifying: (In support) Representative Moeller, prime sponsor; Greg Howe, Washington Civil Rights Council.

(Concerns) David Stillman, Department of Social and Health Services, Division of Child Support.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Judiciary. Signed by 34 members: Representatives Sommers, Chair; Dunshee, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Haler, Assistant Ranking Minority Member; Anderson, Buri, Chandler, Cody, Conway, Darneille, Dunn, Ericks,

Fromhold, Grant, Haigh, Hinkle, Hunt, Hunter, Kagi, Kenney, Kessler, Kretz, Linville, McDermott, McDonald, McIntire, Morrell, Pettigrew, Priest, Schual-Berke, Seaquist, P. Sullivan and Walsh.

Staff: Amy Skei (786-7140).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Judiciary:

The substitute bill by the Appropriations Committee changes the Joint Legislative Audit and Review Committee (JLARC) study to a one-time study, rather than an ongoing repeating requirement.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) None.

(Opposed) It is important to keep in mind that federal law requires the review of a child support schedule every four years. Washington state has not met that responsibility. The law currently provides that the Legislature is to review and make changes to the child support schedule. This bill will benefit children and families. The changes in the funding for this substitute bill help with the Department's logistic concerns related to the bill's timing. This bill is not included in the Governor's budget.

Persons Testifying: (Opposed) David Stillman, Department of Social and Health Services, Division of Child Support.

Persons Signed In To Testify But Not Testifying: None.