Child Support Guideline Panel Meeting March 31, 2011

Beginning the Guideline Review Process

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Guideline Panel Website



http://dls.state.va.us/childsupport.htm



Child Support Guidelines Review Panel

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The Panel shall determine the adequacy of the guideline for the determination of appropriate awards for the support of children

§ 20-108.2(H)

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Membership: 2011 Child Support Guidelines Review Panel

Legislative Members

Senator Frederick Quayle (Senate)

Delegate William K. Barlow (House of Delegates)

Delegate G. Manoli Loupassi (House of Delegates)

Delegate Ronald Villanueva (House of Delegates)

Citizen Members

Amy Atkinson (Child Advocate)

Craig Burshem (DCSE Representative)

Jennifer Crown (Custodial Parent)

Lawrence D. Diehl (Member of the Bar)

Hilton W. Graham, II (Custodial Parent)

Reeves W. Mahoney (Member of the Bar)

Paul McLean (Noncustodial Parent)

Jennifer D. Oram-Smith (Member of the Bar)

Michael Woods (Noncustodial Parent)

Judicial Members

The Honorable Wilford Taylor, Jr. (Circuit Court Judge)

The Honorable A. Ellen White (Juvenile & Domestic Relations Court Judge)

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IRGINIA GENERAL ASSEMBLY



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Membership and Study Information

Child Support Guidelines Review Panel

Reference Code § 20-108.2 H

Purpose Review Child Support Guidelines established pursuant to § 20-108.2. The Panel shall determine the adequacy of the guideline for the determination of appropriate awards for the

support of children by considering current research and data on the cost of and expenditures necessary for rearing children, and any other resources it deems relevant to

such review.

Total Membership

15

Senate Members House Members

Name

Frederick M. Quayle. G. M. (Manoli) Loupassi Senate Courts Ronald A. Villanueva

William K. Barlow

Name

Citizen Members

Appointing Authority Name 11 Citizens

Governor

Report Date Quadrennial executive summary by first day of 2005 session and every 4 years thereafter.

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Meetings

Date	Time	Place	Documents
03/31/11		Virginia Capitol Bldg House Room 1	
09/15/10			Agenda Materials Minutes

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Research

- Basis of an Updated Child Support Schedule for North Carolina
- 2008 Update of the Maryland Child Support Guidelines Schedule
- Review of Child Support Guideline Final Report 2002

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Email Address

vaguidelinespanel@dss.virginia.gov



Identifying & Involving Stakeholders

- American Academy of Matrimonial Lawyers, Virginia Chapter
- Association for Children for Enforcement of Support
- Boyd-Graves Conference
- Family Law Consulting
- Fathers for Virginia
- National Center for Family Law, University of Richmond

Identifying & Involving Stakeholders

- Virginia Bar Association Domestic Relations Section
- Virginia Family Law Coalition
- Virginia Poverty Law Center
- Virginia State Bar Family Law Section
- Virginia Trial Lawyers Association Family Law Section
- Voices for Virginia's Children

Identifying & Involving Stakeholders



Other groups or individuals to consider?

Plan for contacting and involving potential stakeholders?

Center for Policy Research

The Department of Social Services has approved a sole-source contract with the Center for Policy Research (CPR) to conduct an economic analysis, make recommendations and create a proposed guideline schedule based on the most current data.

Center for Policy Research

- Leading researcher and technical assistance contractor for nearly every major initiative in the child support program for over 25 years at the federal, state and local levels.
- Jane Venohr, Ph.D., is considered the nation's leading expert on guideline analysis and development.

Center for Policy Research

Over the last few years, Dr. Venohr has worked on guideline projects for:

Alabama

Arizona

California

Illinois

Indiana

lowa

Louisiana

Maine

Maryland

Missouri

New Mexico

North Carolina

Pennsylvania

Rhode Island

South Dakota

Vermont

Wyoming

Policy Questions

Issues we may want CPR to consider in conducting the economic research and formulating proposed guidelines include:





Keep the Income Shares approach or use some other method?

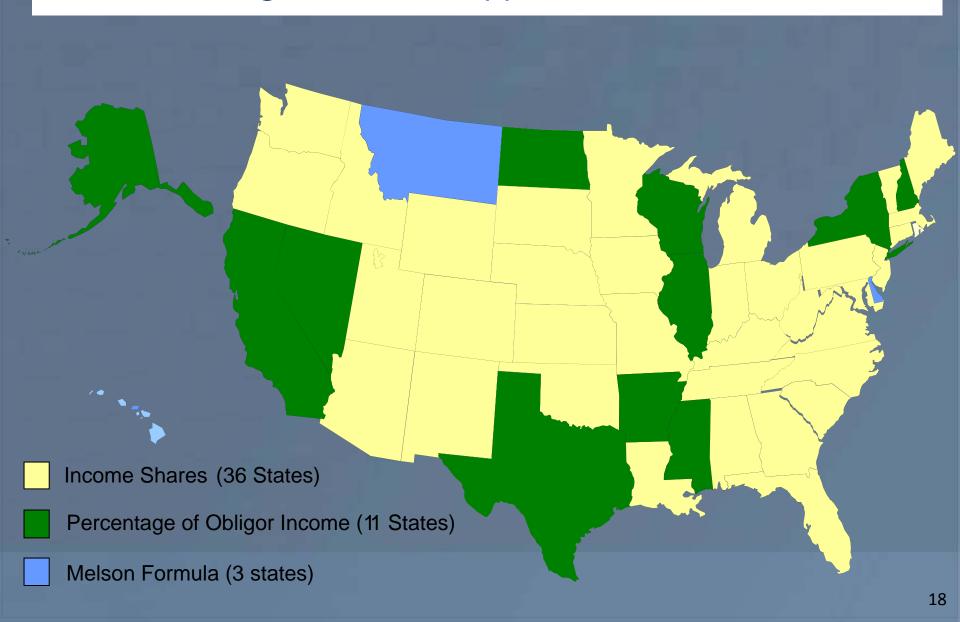
3 basic guideline models:

Income Shares
Percentage of Obligor Income
Melson Formula



Income Shares is the basis of our current guideline schedule and is the most commonly used method throughout the country.

State Usage of Child Support Guidelines Models



Basic Principles of Income Shares:

- Children are entitled to the same level of expenditures they would have received if their parents lived together and combined financial resources.
- ➤ Both parents share in the financial support of their children and responsibility should be divided in proportion to their incomes.

The economic data underlying Income Shares is a measurement of how much families expend on child rearing.

Measurements come from annual estimates reported by Bureau of Labor Statistics' Consumer Expenditures Survey.



Percentage of Obligor Income Method

Bases child support obligations solely on noncustodial parent's income without taking custodial parent's income into account.



Melson Formula

Parents should be allowed to meet their own basic needs first.

Children should also have their basic needs accounted for.

Parents should share income increases with their children.

Policy Questions – Alternate Calculations

Should we consider separate guideline schedules for:

Single-parent families and previously intact families

Different geographical regions to take into account the wide disparity in income and cost of living in various parts of Virginia

Policy Questions - Children's Ages

Assuming that parents spend more on older children, should we consider a sliding scale based on children's ages?





Policy Questions – Self-Support Reserve

- Most states provide a minimum order and a self-support reserve amount (i.e., NC has a \$748/month self-support reserve).
- Ensures the obligated parent has sufficient income after paying his/her obligation to at least live at a subsistence level.
- If the difference between gross income and the self-support reserve is less than the obligation amount, an adjustment is made.

Policy Questions – Phase-in Increase

Revised guidelines may result in significant increases in obligations set under the prior guideline.

In cases where this causes financial hardship, a phase-in increase could be used for a specified time period before the final order becomes effective.

Policy Questions - Modifications



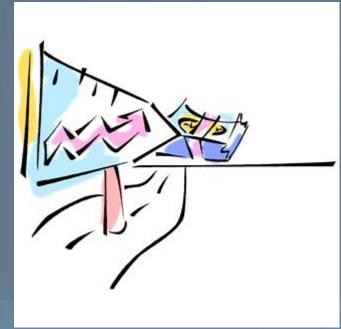
Expedited modification process for noncustodial parents who are laid off

Set minimum percentage for change in income which by itself would justify modification



Policy Questions – Updates

- Built-in mechanism for yearly updates based on annual economic data
- Statutory change to require an update every 4 years
- Other options?



Policy Questions – Location

- Keep the guideline in the Code but update the numbers on a regular basis
- Remove the guideline from the Code
 - Have a general statute about the guideline which states there will be regular updates
 - Post guideline and calculator on website (i.e., Arizona's guideline is posted on its Supreme Court website)

Policy Questions - Miscellaneous

Multiplier/# of days (shared custody)

Complex families (multiple guideline calculations)

Add-ins (child care, additional health care cost)

Policy Questions - Miscellaneous

Visitation & dissolution factor (obligated parent makes direct expenditures when child is in his/her care)

Minimum obligation

Private school expenses

Scheduling 2011 Meetings



The End

