

Review of the Virginia Child Support Guidelines

Presentation to:

Child Support Guidelines Review Panel

Fulfilling Federal Data Requirements

(Aug. 9, 2025)

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303-837-1555



Federal Requirements of Reviews (45 C.F.R 302.56 (e) and (h))

(e) The State must **review, and revise, if appropriate**, the child support guidelines established under paragraph (a) of this section **at least once every four years to ensure that their application results in the determination of appropriate child support order amounts**. The State shall publish on the internet and make accessible to the public all reports of the guidelines reviewing body, the membership of the reviewing body, the effective date of the guidelines, and the date of the next quadrennial review.

Panel's Charge

(h) As part of the review of a State's child support guidelines required under paragraph (e) of this section, a State must:

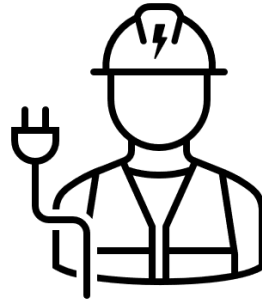
- (1) **Consider economic data on the cost of raising children, labor market data (such as unemployment rates, employment rates, hours worked, and earnings) by occupation and skill-level for the State and local job markets, the impact of guidelines policies and amounts on custodial and noncustodial parents who have family incomes below 200 percent of the Federal poverty level, and factors that influence employment rates among noncustodial parents and compliance with child support orders;**
- (2) **Analyze case data, gathered through sampling or other methods, on the application of and deviations from the child support guidelines, as well as the rates of default and imputed child support orders and orders determined using the low-income adjustment required under paragraph (c)(1)(ii) of this section. The analysis must also include a comparison of payments on child support orders by case characteristics, including whether the order was entered by default, based on imputed income, or determined using the low-income adjustment required under paragraph (c)(1)(ii). The analysis of the data must be used in the State's review of the child support guidelines to ensure that deviations from the guidelines are limited and guideline amounts are appropriate based on criteria established by the State under paragraph (g); and**
- (3) **Provide a meaningful opportunity for public input, including input from low-income custodial and noncustodial parents and their representatives. The State must also obtain the views and advice of the State child support agency funded under title IV–D of the Act.**

CPR's Charge:
provide the
federally-
required data

Task Plan to Fulfill Federal Requirements of Reviews

Requirements	Responsibility
Consider economic data on the cost of raising children	Completed by CPR (July 2024 preliminary report)
Consider labor market data	CPR (today)
Consider case file data on application of and deviation from the guidelines	CPR (today)
Impact of guidelines policies on parents with low income	Completed by CPR (July 2024 preliminary report)
Factors that influence employment rates and compliance	CPR (today)
Rates of default, imputation, and application of low-income adjustment	CPR (today)
Comparison of payments by case characteristics including default, imputation, and application of the low-income adjustment	

Requirement	Responsibility
Provide meaningful opportunity for public input, including input from low-income parties	Representation on Panel and Public Comment
Obtain the views and advice of the IV-D agency	DSS representation on Panel
Review, and revise, if appropriate, the child support guidelines	Panel Recommends, Legislative changes
Publish report on internet, membership of reviewing body, & effective date of the guidelines & next review	DSS



Findings from Labor Market Data

Federal Requirement

45 C.F.R. §302.56 (h) As part of the review of a State's child support guidelines required under paragraph (e) of this section, a State must:

(1) Consider economic data on the cost of raising children, labor market data (such as unemployment rates, employment rates, hours worked, and earnings) by occupation and skill-level for the State and local job markets, the impact of guidelines policies and amounts on custodial and noncustodial parents who have family incomes below 200 percent of the Federal poverty level, and factors that influence employment rates among noncustodial parents and compliance with child support orders;

Some Federal concerns:

- Focus of 2016-added rules is low-income families in IV-D caseload
 - Encourage work and regular payment
- Quits if order is too high or wage assignment
- “deleterious effects... including unmanageable debt, reduced low-wage employment, increased underground activities, crime, incarceration, recidivism, and reduced contact with their children” (OCSS*)

*U.S. Department of Health and Human Services. Office of Child Support Services (Dec. 20, 2016). “Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs: Final Rule.” 81 Federal Register 244, p. 93520. Retrieved from <https://www.gpo.gov/fdsys/pkg/FR-2016-12-20/pdf/2016-29598.pdf>.

Factors that Influence Employment Rates and Compliance

Consistent Finding across Studies: Strong and positive correlation between income and payment

National Data on Income and Employment Barriers of Nonresident Parents

- 18% income below poverty
- 35% income below 200% poverty
- 60% of low-income nonresident parents have high school degree or less
- National evaluation of payer-parent work programs
 - 64% had at least one employment barrier
 - Top 3 barriers:
 - transportation (30%);
 - criminal records (30%),
 - lack of steady place to live (20%)

Insights from 2021 WI Study*

- *child support enforcement system generally works well for fathers with earnings of at least \$20,000 per year if they have no employer change*
- *those who do not pay have unstable employment or earnings and many were incarcerated*

*Cancian, Maria, Kim, Yoona, and Meyer, Daniel. (Sept. 2021.) *Who Is Not Paying Child Support?* <https://www.irp.wisc.edu/wp/wp-content/uploads/2021/11/CSRPA-2020-2022-T2.pdf>

Data Sources: U.S. Congressional Research Service. (Oct. 2021). Demographic and Socioeconomic Characteristics of Nonresident Parents. Retrieved from <https://crsreports.congress.gov/product/pdf/R/R46942>. Canican, Maria, Meyer, Daniel, & Wood, Robert. (Dec. 2018). Characteristics of Participants in the Child Support Noncustodial Parent Employment Demonstration (CSPED) Evaluation, at 20. Retrieved from <https://www.irp.wisc.edu/wp/wp-content/uploads/2019/05/CSPED-Final-Characteristics-of-Participants-Report-2019-Compliant.pdf>.

Labor Force Participation and Unemployment Rates

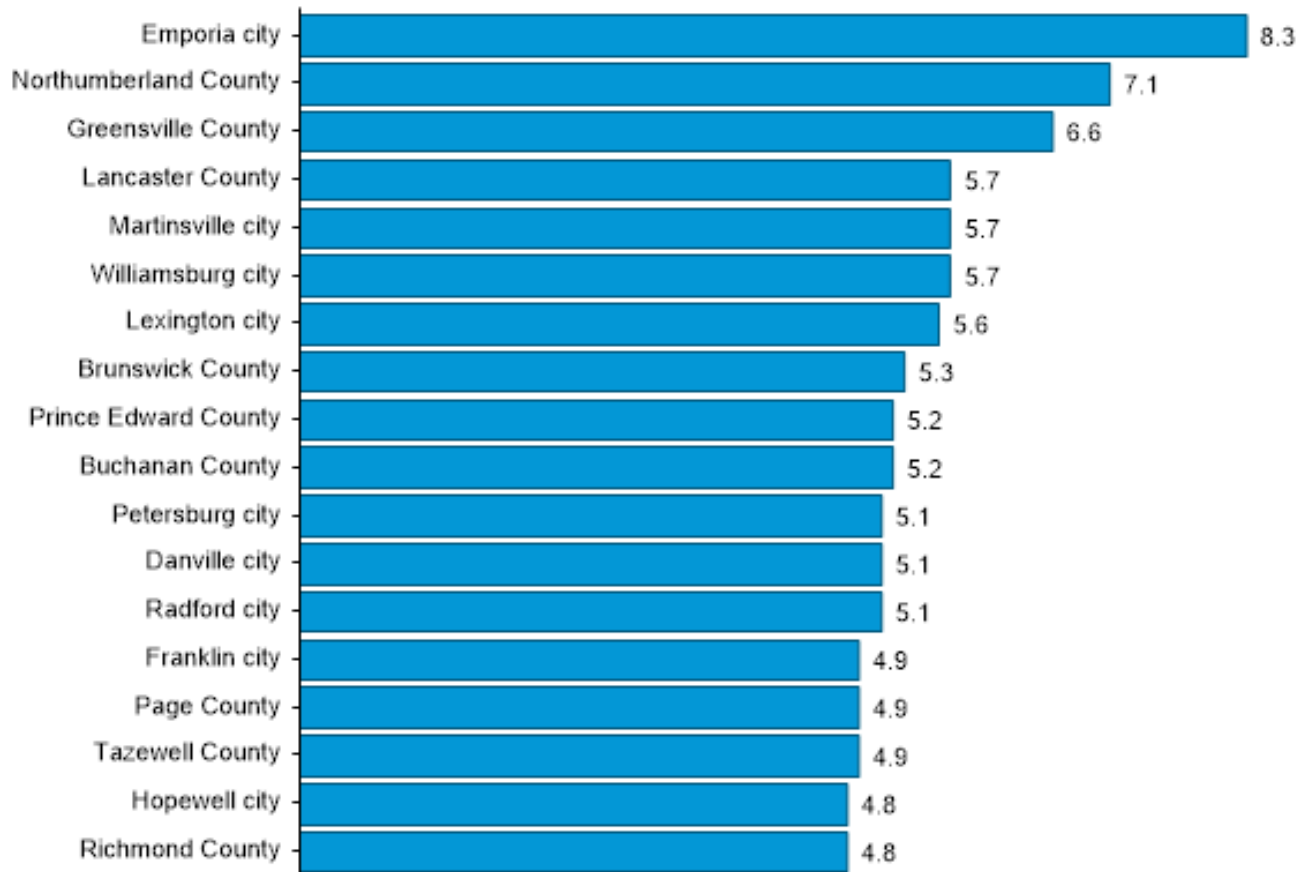
VA Population (2020 Census): 8,631,393
VA Labor Force (June 2025): 4,558,145

	US	VA
Labor Force Participation Rate (June (2025)	62.3%	65.0%
Unemployment Rate (June 2025)	4.1%	3.5%

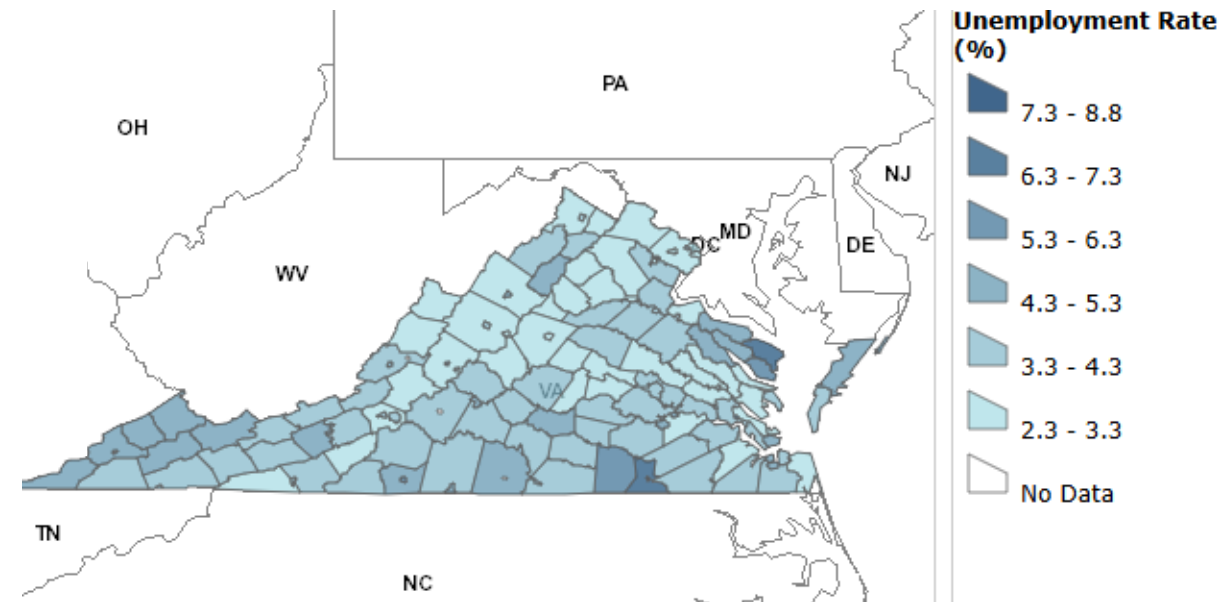
April 2025 Unemployment Rates by MSA <i>(Percent - not seasonally adjusted)</i> <i>(April 2024 - April 2025 percentage point)</i>		
Virginia	3.3	(0.9)
Arlington-Alexandria-Reston, VA-WV Metropolitan Division, VA part	3.1	(0.9)
Kingsport-Bristol, TN-VA, VA part	3.7	(1.0)
Virginia Beach-Chesapeake-Norfolk, VA-NC, VA part	3.5	(0.9)
Winchester, VA-WV, VA part	3.0	(0.7)
Blacksburg-Christiansburg-Radford, VA	3.4	(1.0)
Charlottesville, VA	2.9	(0.8)
Harrisonburg, VA	3.1	(0.9)
Lynchburg, VA	3.6	(0.9)
Richmond, VA	3.3	(0.7)
Roanoke, VA	3.3	(0.8)
Staunton-Stuarts Draft, VA	3.1	(0.9)

Data Sources: Virginia Works Department of Workforce Development and Advancement <https://virginiaworks.gov/virginia-works-releases-june-employment-data/>

Unemployment Rates (March 2025)



Lowest Unemployment Rates:



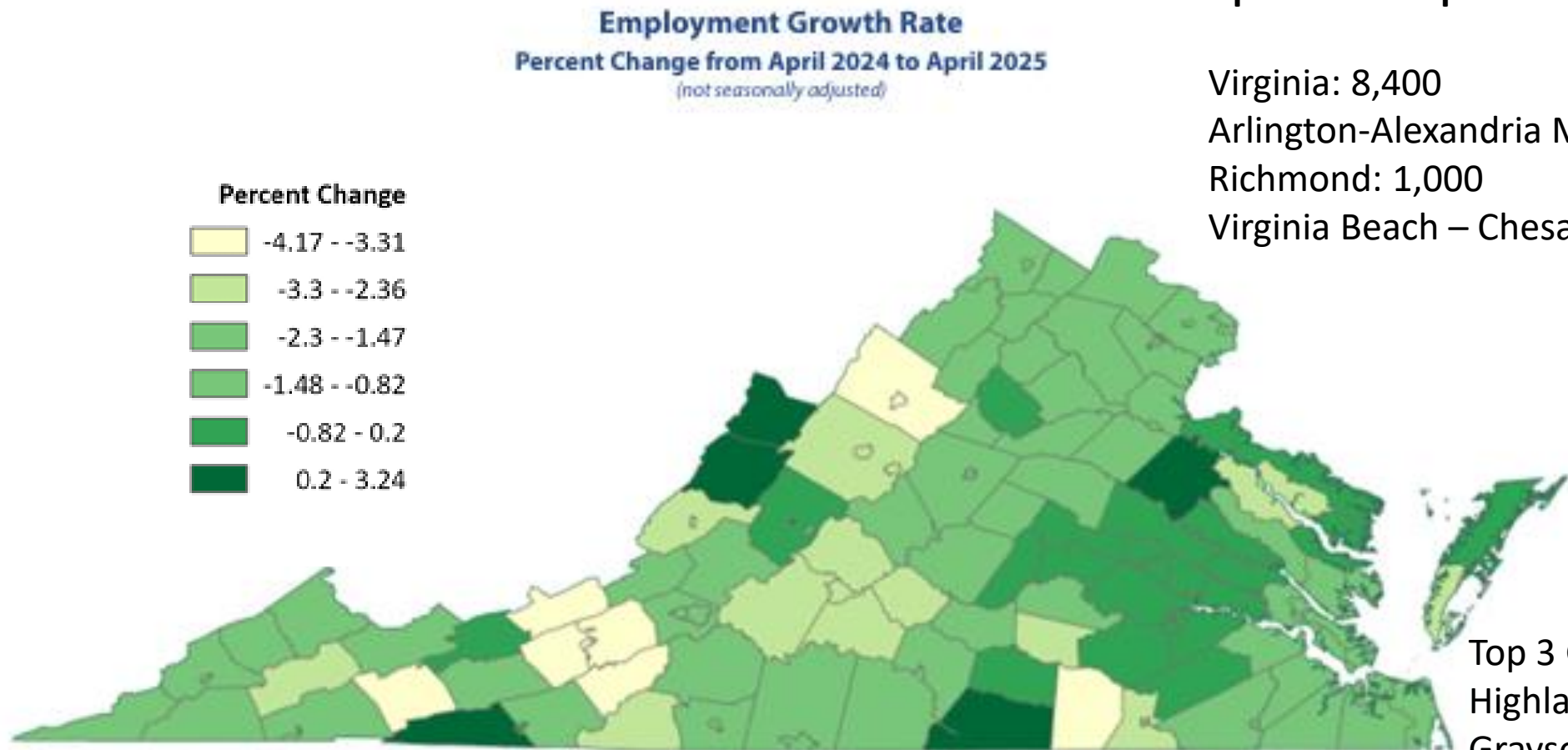
Data Sources: Virginia Works Department of Workforce Development and Advancement <https://virginiaworks.gov/virginia-works-releases-june-employment-data/> ;

<https://www.careeronestop.org/Toolkit/StateAndLocal/Unemployment.aspx?soccode=537062&location=Virginia&dataview=map&national=False>

Employment Growth/Decline (source: <https://virginiaworks.gov/wp-content/uploads/2025/05/April2025-VASnapshot-PR.pdf>)

April 2024 – April 2025 Job Losses

Virginia: 8,400
Arlington-Alexandria MSA: 4,700
Richmond: 1,000
Virginia Beach – Chesapeake-Norfolk MSA: 2,600



Source: Virginia Works - Economic Information & Analytics, May 2025

Top 3 Growth Areas
Highland County: 3.24%
Grayson County: 2.28%
Mecklenburg County: 1.44%

Employment Opportunities (source: <https://viriniaworks.gov/virinias-job-openings-sharply-up-in-may/>)

Virginia job openings and hires, January 2001 to May 2025 (in thousands)

In May 2025, there were 251,000 job openings in Virginia, seasonally adjusted, up 63,000 from April's 2025's revised job openings number. With the increase, job openings remained 40 percent higher than May 2020.



Churn rate: Sum of hires and total separation rate (May 2025):
VA: 7.2
US: 6.7

Source: Virginia Works analysis of Bureau of Labor Statistics (BLS), Job Openings and Labor Turnover Survey (JOLTS) data. Seasonally adjusted. Shaded areas represent economic recessions.

VA Wages

(source: <https://virginiaworks.gov/oews/>)

Virginia Minimum Wage = \$12.41/hr
Table below is from 2024

2024 Median Wage by Region:
Lowest: West Piedmont (\$19.96)
Highest: Alexandria/Arlington (39.24)

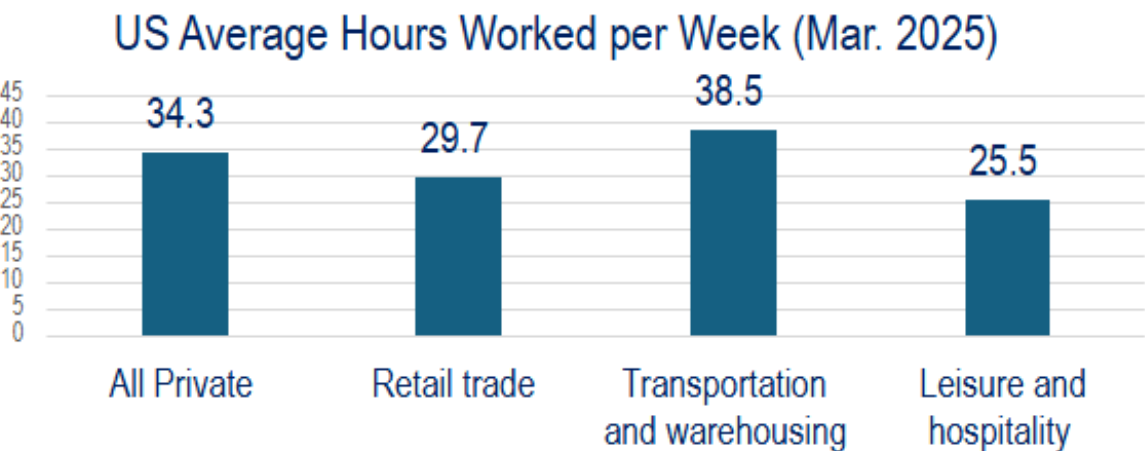
Figure 2: Top 5 Detailed Occupations by Employment

Detailed Occupation	Employment	Mean Hourly Wage	Median Hourly Wage	Mean Annual Wage	Median Annual Wage
Fast Food and Counter Workers	103,390	\$14.85	\$13.97	\$30,890	\$29,060
Retail Salespersons	101,260	\$17.48	\$15.75	\$36,350	\$32,760
General and Operations Managers	99,710	\$67.35	\$58.43	\$140,090	\$121,530
Cashiers	84,500	\$15.03	\$14.35	\$31,260	\$29,840
Software Developers	83,290	\$68.38	\$64.65	\$142,230	\$134,470

Average Hours Worked and Hours Worked per Year

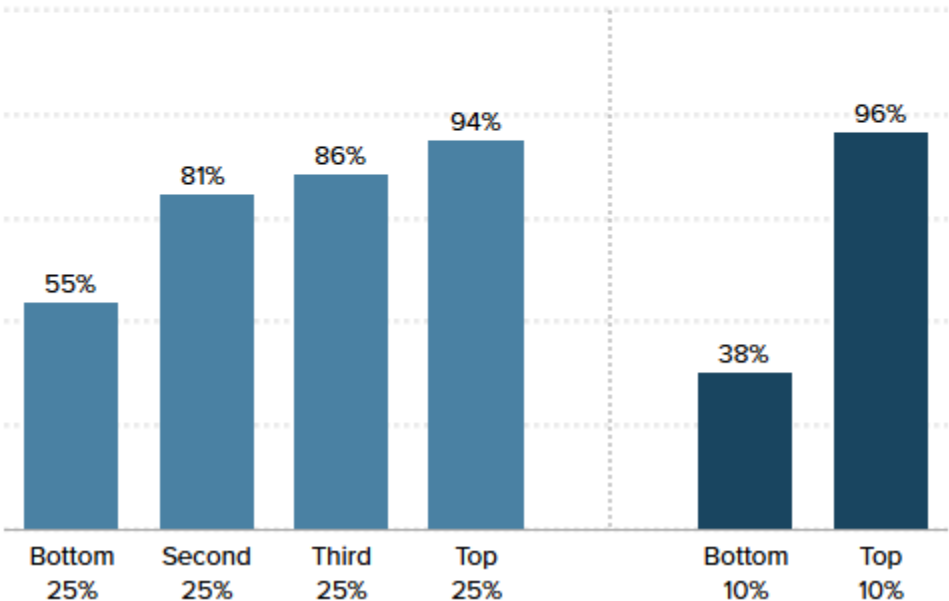
Average Weekly Hours of All Employees: Total Private in Virginia (June 2025): 34.6

40 hrs per week → \$2,151/mo → \$384 for 1 child
35 hrs per week → \$1,882/mo → \$340 for 1 child



High-wage workers have paid sick days; most low-wage workers do not

Share of private-sector workers with access to paid sick days, by wage group, 2022



Data Sources: U.S. Dept. of Labor and <https://fred.stlouisfed.org/series/SMU51000000500000002>

Example of Reference to Labor Market Information in State Guidelines

Louisiana §315.11. Voluntarily unemployed or underemployed party

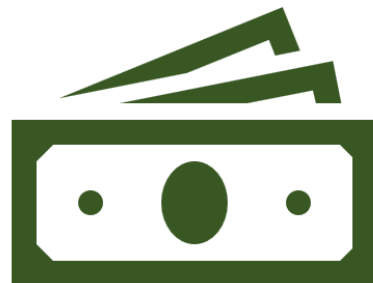
A.(1) If a party is voluntarily unemployed or underemployed, child support shall be calculated based on a determination of income earning potential, unless the party is physically or mentally incapacitated, or is caring for a child of the parties under the age of five years. In determining the party's income earning potential, the court may consider the most recently **published Louisiana Occupational Employment Wage Survey**. In determining whether to impute income to a party, the court's considerations shall include, to the extent known, all of the following:

- (a) Assets owned or held by the party.
- (b) Residence.
- (c) Employment and earnings history.
- (d) Job skills.
- (e) Educational attainment.
- (f) Literacy.
- (g) Age and health.
- (h) Criminal record and other employment barriers.
- (i) Record of seeking work.
- (j) The local job market.
- (k) The availability of employers willing to hire the noncustodial parent.
- (l) Prevailing earnings level in the local community.
- (m) Other relevant background factors in the case.

(2) Upon an express finding by the court that evidence of a party's actual income or income earning potential is totally absent, there is a rebuttable presumption that the party can earn a weekly gross amount equal **to thirty-two hours at a minimum wage**, according to the laws of the party's state of domicile or federal law, whichever is higher.

B. The amount of the basic child support obligation calculated in accordance with Subsection A of this Section shall not exceed the amount which the party paying support would have owed had a determination of the other party's income earning potential not been made.

C. A party shall not be deemed voluntarily unemployed or underemployed if either:



Findings from the Analysis of Case File Data

Federal Requirements for Analysis of Case File Data

Federal Requirements for Analysis of Case File Data

- Application of the guidelines and deviations from the guidelines
- Rates of:
 - Income imputation
 - Application of the low-income adjustment
 - Defaults
- Analysis of payments

Most states obtain data from their automated system, so limited to IV-D cases

Virginia Case File Data

- Limited available data from automated system (likely to improve in future due to system modernization)
- 3 data sources for this review
 - 13,733 orders established/modified in FFY2022
 - Deviations, low-income adjustment, and other descriptive data
 - Cases tracked by establishment workers statewide from March 17 to April 18, 2025
 - 249 unduplicated
 - Income imputation and payment data
 - Payment data on reviewed cases tracked over a year
 - Random extract of 300 administrative orders from automated system
 - Non-zero orders, open cases
 - Default/Sheriff Service of Process, low-income and payment data

Findings from the 13,733 Orders

8% Current TANF, 5% Foster care

67% New orders, 33% with Modification Requests

84% of payer-parents are male

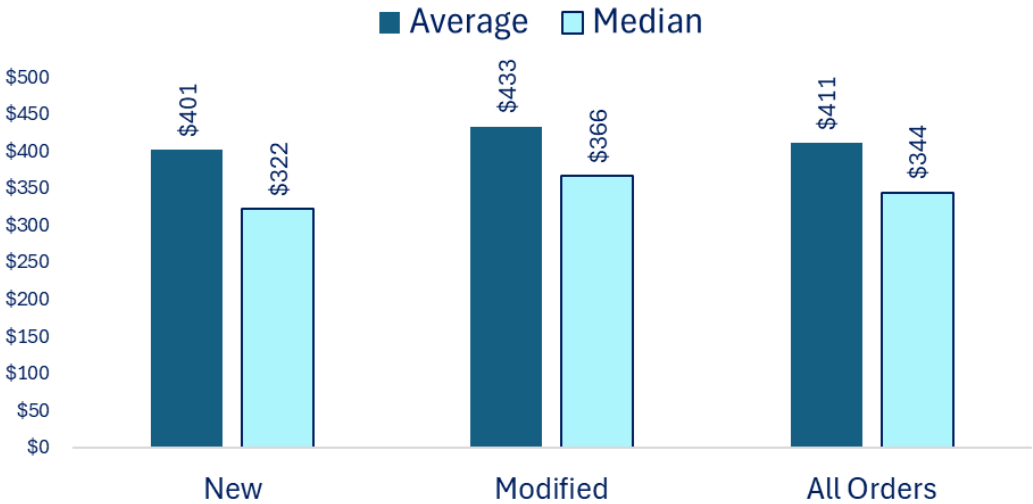
Median age of payer-parent = 36 years

Median age of custodian person = 37 years

7% had a driver's license suspension date (earliest was 1998)

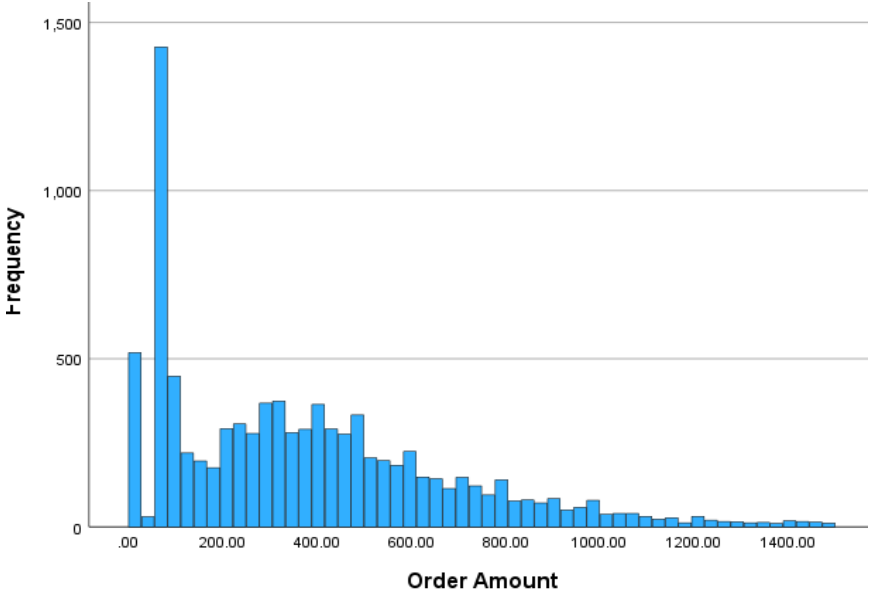
9% had incarceration noted

Monthly Orders

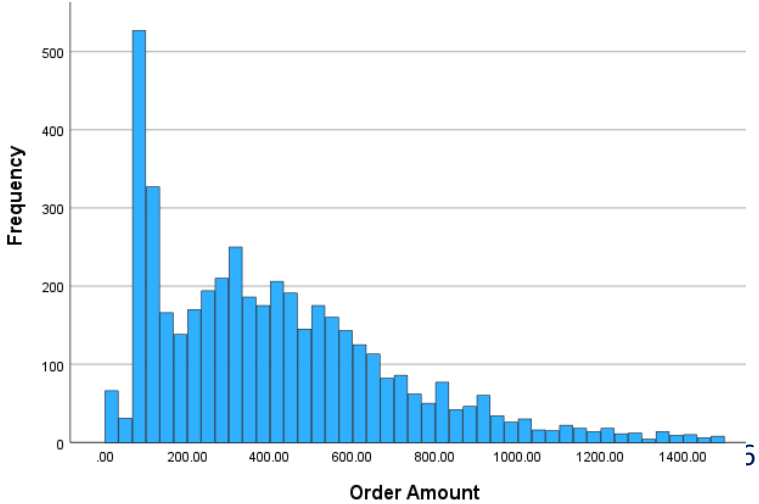


Histograms (distributions) of Order Amounts

New



Modification Requests

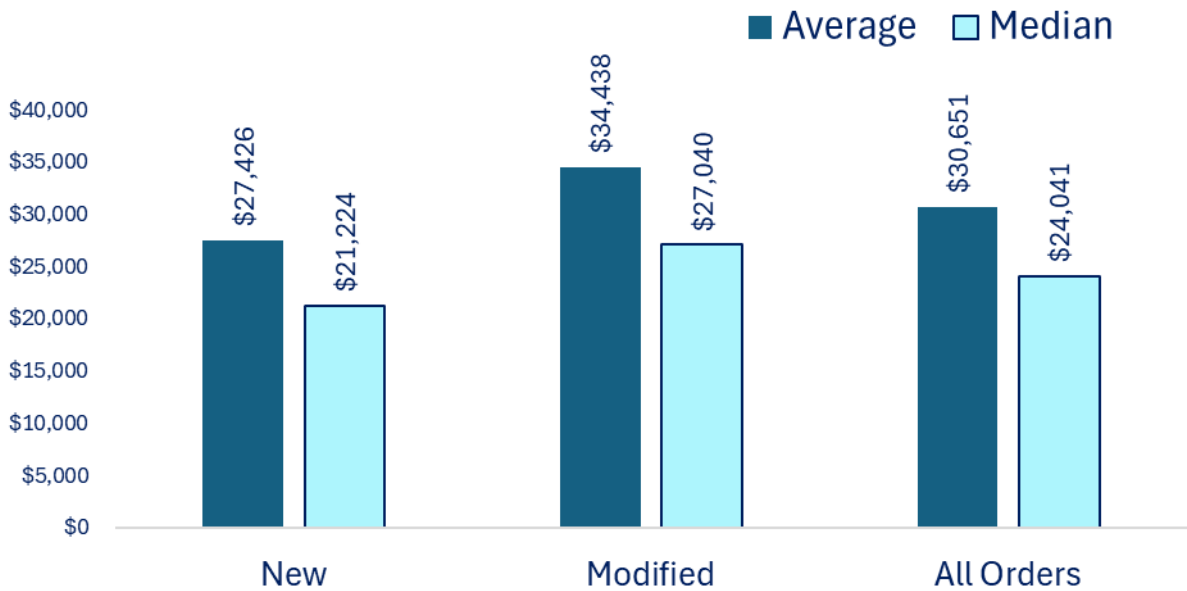


Findings from the 13,733 Orders: Annual Income of Payer Parent

Income available for payer-parents

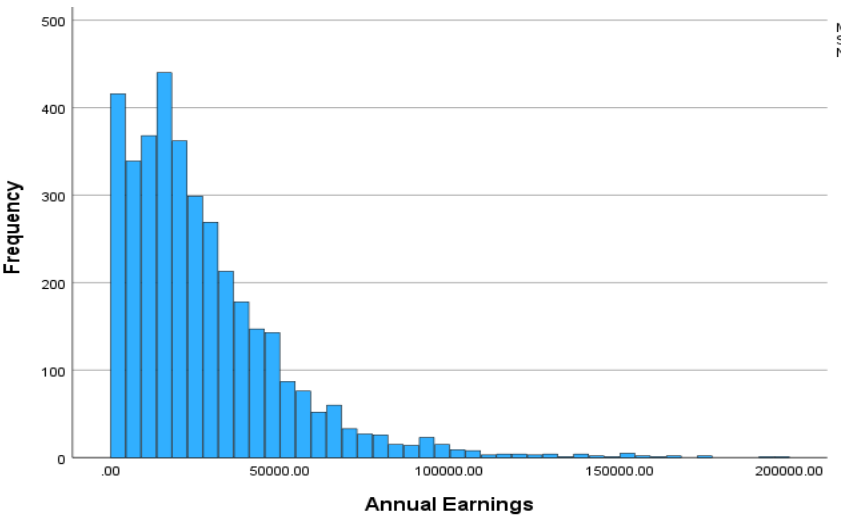
- New: 40%
- Modification Requests: 69%

Graphs only include non-zero incomes

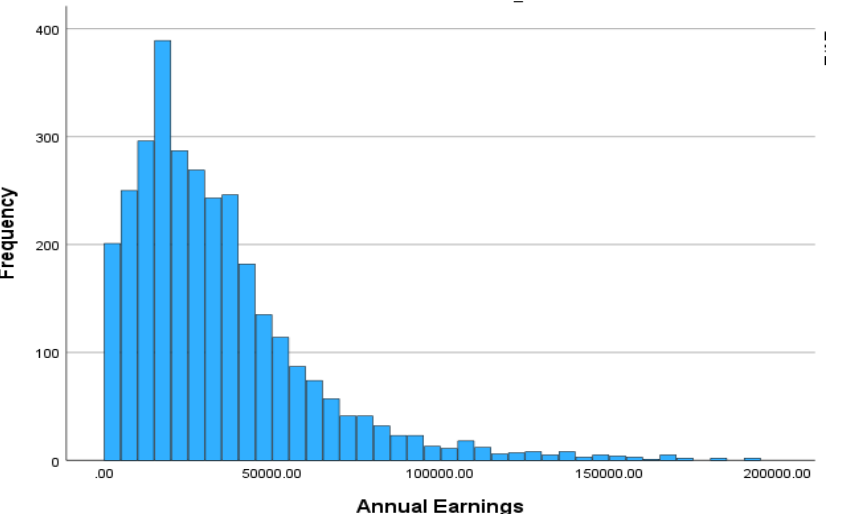


Histograms (distributions) of Non-Zero Incomes

New



Modification Requests



Deviations

VA Guidelines § 20-108.1. B

In order to rebut the presumption, the court shall make written findings in the order... shall give a justification of why the order varies from the guidelines, and shall be determined by relevant evidence pertaining to the following factors affecting the obligation, the ability of each party to provide child support, and the best interests of the child:

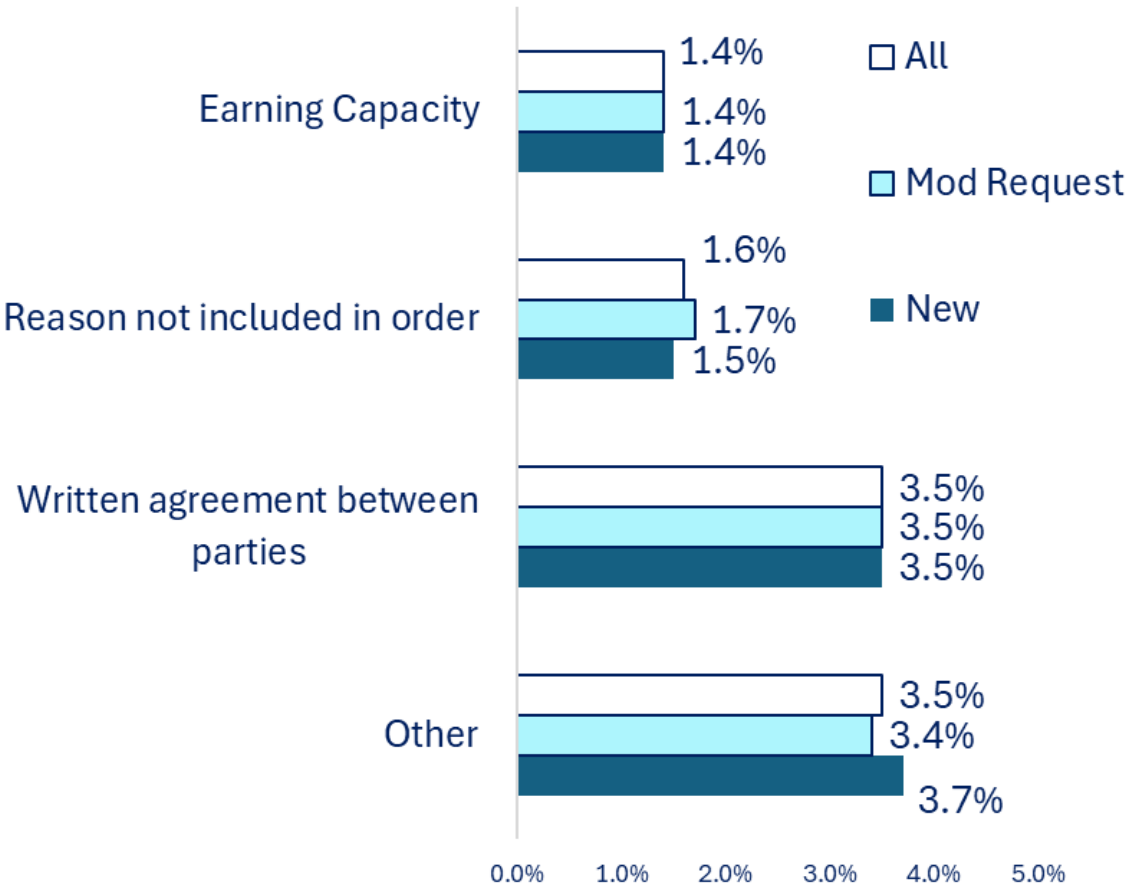
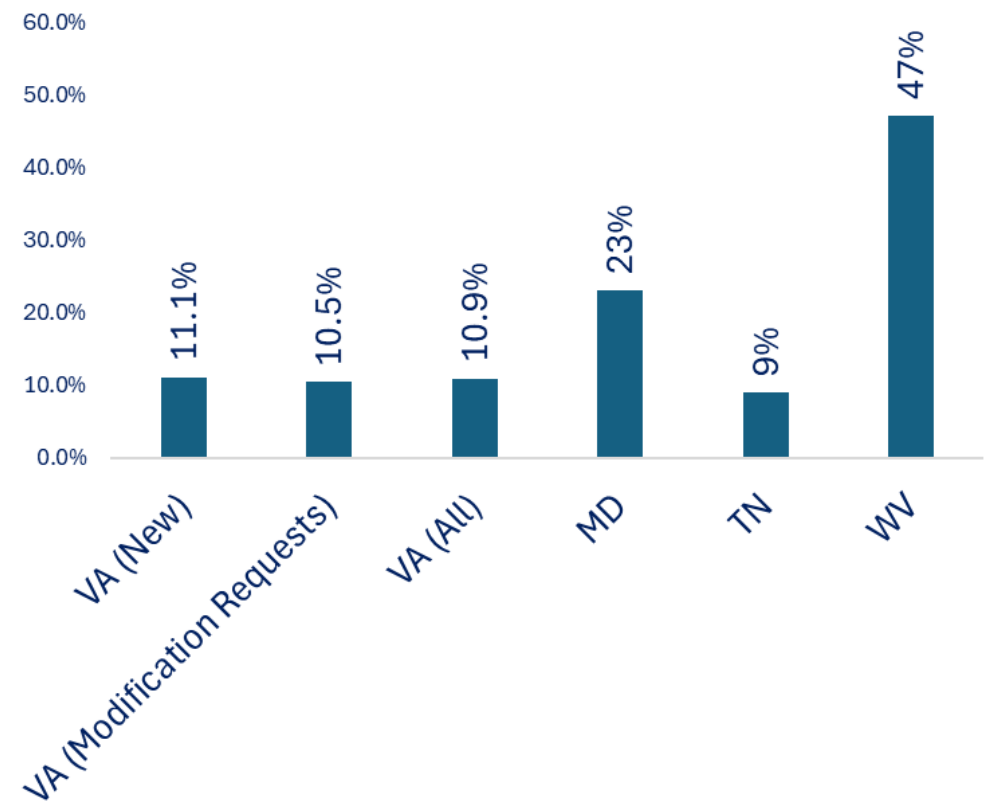
1. Actual monetary support for other family members or former family members;
2. Arrangements regarding custody of the children, including the cost of visitation travel;
3. Imputed income to a party who is voluntarily unemployed or voluntarily underemployed, provided that... (iii) a party's current incarceration,
4. Any child care costs incurred on behalf of the child or children due to the attendance of a custodial parent in an educational or vocational program likely to maintain or increase the party's earning potential;
5. Debts of either party arising during the marriage for the benefit of the child;
6. Direct payments ordered by the court for maintaining life insurance coverage pursuant to subsection D, education expenses, or other court-ordered direct payments for the benefit of the child;
7. Extraordinary capital gains such as capital gains resulting from the sale of the marital abode;
8. Any special needs of a child resulting from any physical, emotional, or medical condition;
9. Independent financial resources of the child or children;
10. Standard of living for the child or children established during the marriage;
11. Earning capacity, obligations, financial resources, and special needs of each parent;
12. Provisions made with regard to the marital property under § [20-107.3](#), where said property earns income or has an income-earning potential;
13. Tax consequences to the parties including claims for exemptions, child tax credit, and child care credit for dependent children;
14. A written agreement, stipulation, consent order, or decree between the parties that includes the amount of child support; and
15. Such other factors as are necessary to consider the equities for the parents and children.

Federal Requirement (45 C.F.R. § 302.56)

(g)... would be unjust or inappropriate in a particular case will be sufficient to rebut the presumption in that case... **under criteria established by the State.** Such criteria must take into consideration the best interests of the child.

(h) The analysis of the data must be used in the State's review of the child support guidelines to ensure that deviations from the guidelines are limited and guideline amounts are appropriate based on criteria established by the State under paragraph (g)

Deviations (Findings from the 13,733 Orders)



Income Imputation

VA Guidelines § 20-108.1.B.3

Imputed income to a party who is voluntarily unemployed or voluntarily underemployed, provided that (i) income may not be imputed to a custodial parent when a child is not in school, child care services are not available, and the cost of such child care services are not included in the computation; (ii) any consideration of imputed income based on a change in a party's employment shall be evaluated with consideration of the good faith and reasonableness of employment decisions made by the party, including to attend and complete an educational or vocational program likely to maintain or increase the party's earning potential; and (iii) **a party's current incarceration**, as defined in § [8.01-195.10](#), for 180 or more consecutive days shall not be deemed voluntary unemployment or voluntary underemployment. In addition, notwithstanding subsection F, a party's incarceration for 180 or more consecutive days shall be a material change in circumstances upon which a modification of child support may be based;

Ch. 6: 2.G of the Program Manual discusses deviation from the child support guidelines.

a. When either parent is found to be voluntarily unemployed or fails to provide financial information upon request, it may be appropriate to impute income to that parent.

1) Imputing income to a parent is determining what that parent reasonably could be expected to earn. The Division deems a parent voluntarily unemployed when he or she quits a job without good cause or is fired for cause.

2) **When either parent fails to provide financial information upon request, impute income to establish current support for an ongoing obligation by using an average of any earning information on file for the last year (all earnings on file for the last 12 months divided by 12). If there is no earning information on file for the last year, count zero income for the parent when computing the obligation."**

Federal Requirement (45 C.F.R. § 302.56)

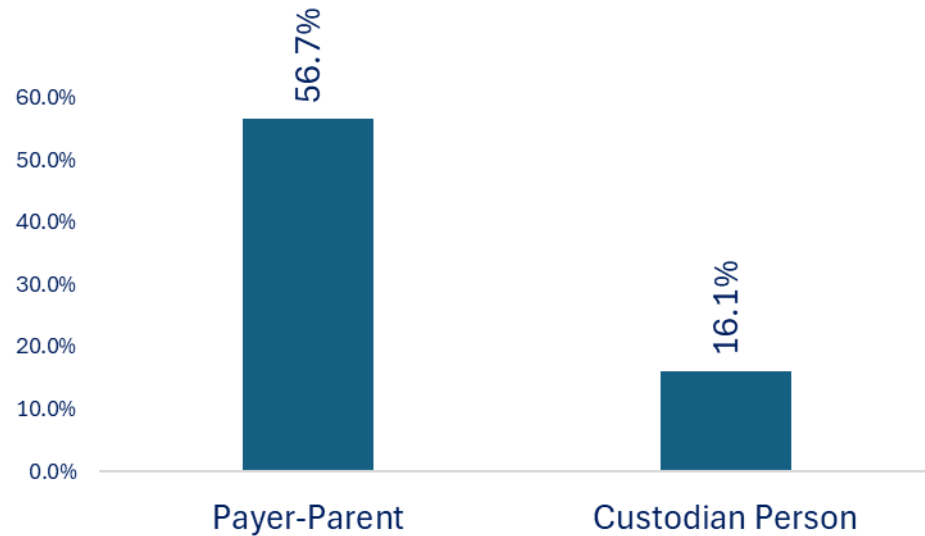
(c) The child support guidelines established under paragraph (a) of this section must at a minimum:

(1) Provide that the child support order is based on the noncustodial parent's earnings, income, and other evidence of ability to pay that:

(iii) If imputation of income is authorized, takes into consideration the specific circumstances of the noncustodial parent (and at the State's discretion, the custodial parent) to the extent known, including such factors as the noncustodial parent's assets, residence, employment and earnings history, job skills, educational attainment, literacy, age, health, criminal record and other employment barriers, and record of seeking work, as well as the local job market, the availability of employers willing to hire the noncustodial parent, prevailing earnings level in the local community, and other relevant background factors in the case.

(3) Provide that incarceration may not be treated as voluntary unemployment in establishing or modifying support orders;

Income Imputation (n= 247)



Income imputed at \$0

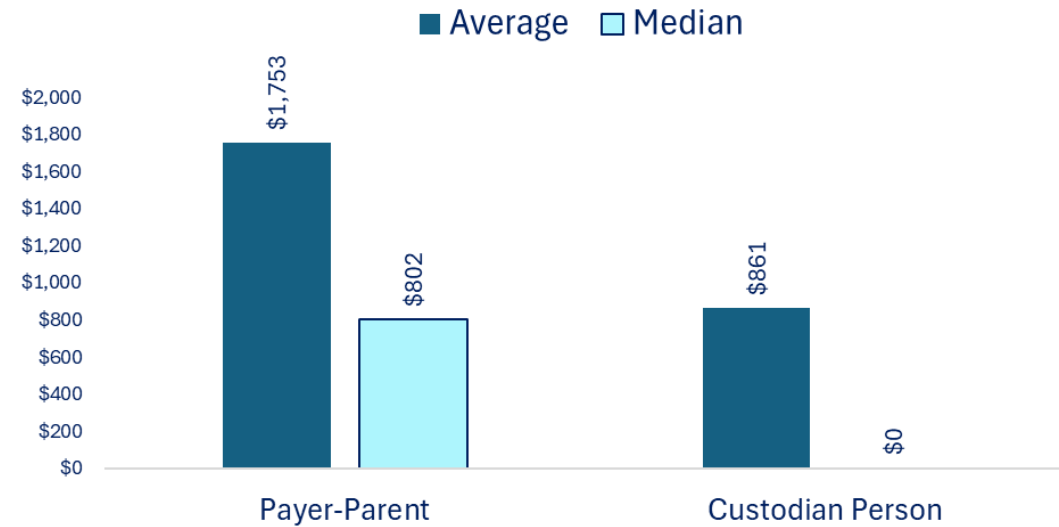
- Payer-parent: 27%
- Custodian person: 53%

No common imputed amount (e.g., income was not imputed at minimum wage with any regularly)

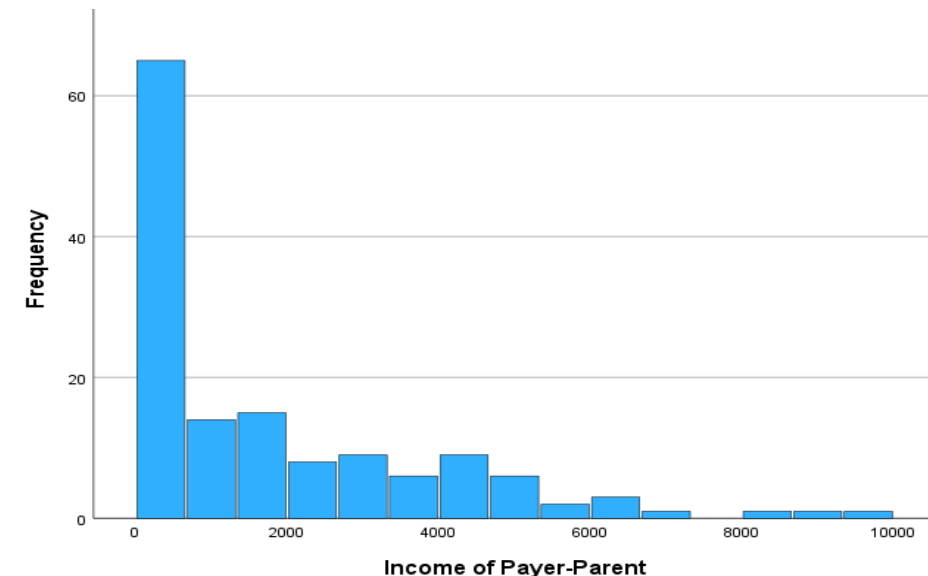
Hours Imputed when Noted

- Payer-parent: 93% imputed at 40 hours per week
- Custodian person: 100% imputed at 40 hours per week
- Only 3 cases used another amount (30 hours, 32 hours)

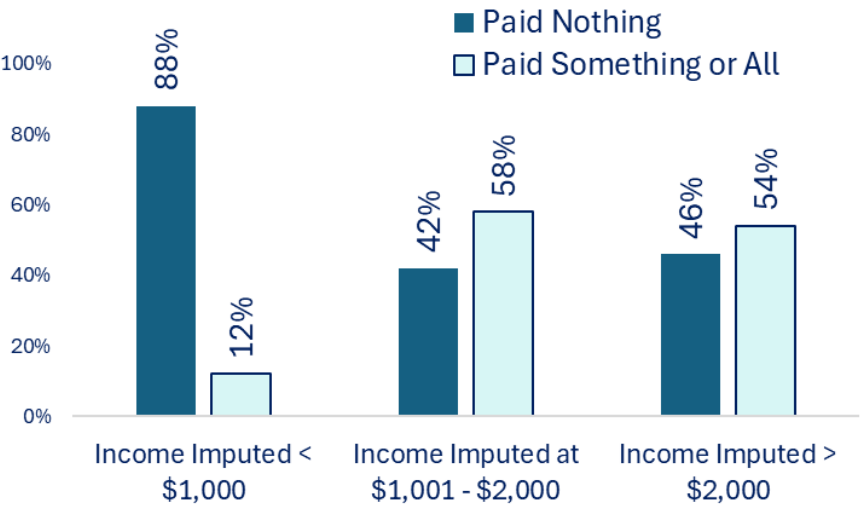
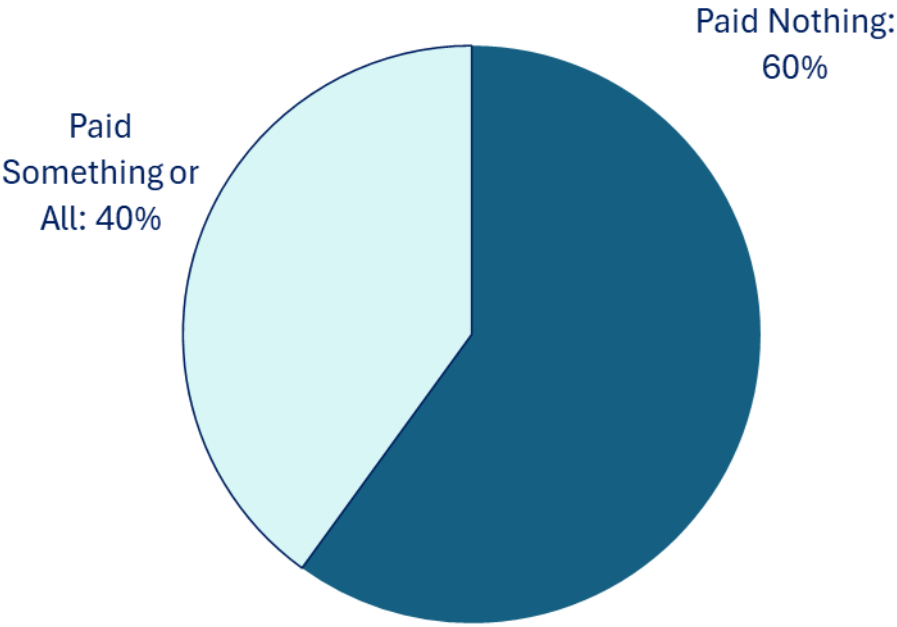
Amount of Income Imputed



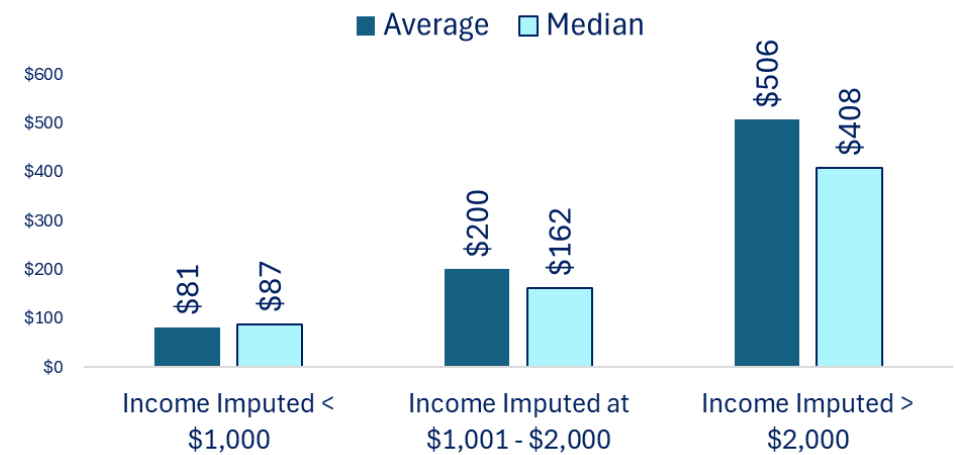
Distribution (Histogram) of Imputed Income



Payments among Payer-Parents with Non-Zero Imputed Income (n = 102)



Average Monthly Payment when Paid



VA Low-Income Adjustment

VA Guidelines § 20-108.2. B

If the gross income of the obligor is equal to or less than 150 percent of the federal poverty level..., then the court, upon hearing evidence that there is no ability to pay the presumptive statutory minimum, **may set an obligation below...** does not ...impairs the custodial parent's ability to maintain minimal adequate housing and provide other basic necessities for the child. Exemptions from this presumptive minimum monthly child support obligation shall include:

- parents unable to pay child support because they lack sufficient assets from which to pay child support and who, in addition, are institutionalized in a psychiatric facility;
- are imprisoned for life with no chance of parole;
- are medically verified to be totally and permanently disabled with no evidence of potential for paying child support, including recipients of Supplemental Security Income (SSI); or
- are otherwise involuntarily unable to produce income. “

Schedule amounts at \$500 and below are adjusted for low income

MONTHLY GROSS INCOME	ONE CHILD	TWO CHILDREN	THREE CHILDREN	FOUR CHILDREN	FIVE CHILDREN	SIX CHILDREN
0-350	68	104	126	141	155	169
400	78	119	144	161	177	192
450	88	133	162	181	199	216
500	97	148	179	200	220	239

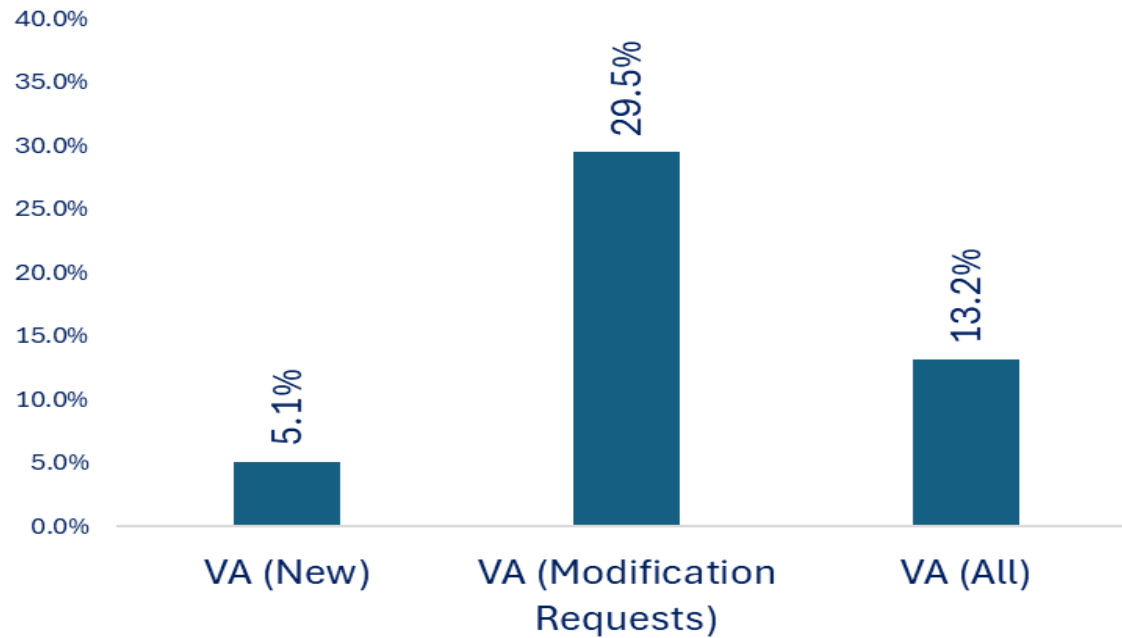
Federal Requirement (45 C.F.R. § 302.56)

(c) The child support guidelines established under paragraph (a) of this section must at a minimum:

- (1) Provide that the child support order is based on the noncustodial parent’s earnings, income, and other evidence of ability to pay that:
 - (i) Takes into consideration all earnings and income of the noncustodial parent (and at the State’s discretion, the custodial parent);
 - (ii) Takes into consideration the basic subsistence needs of the noncustodial parent (and at the State’s discretion, the custodial parent and children) who has a limited ability to pay by incorporating a low-income adjustment, such as a self- support reserve or some other method determined by the State;

Low-Income Adjustment

\$68 order is proxy (13,733 Orders)



\$68 order is proxy for low-income adjustment (N = 249)

Only 1 order (from the random sample of 300 orders) is set at \$68/month, paid 38% of amount due in one year



Analysis of Default

National research finds that just under 1/2 of orders with imputed income are set by default

Federal requirement in Modernization Rule (2016)

- Does not define default;
- Interchanges default and imputation;
- Implies default is when parent doesn't show for hearing and doesn't provide income information; and
- Premises that imputed and default orders should occur in limited situations.

VA

- Default not tracked by automated system
- Federal context of "default" does not align squarely with VA process
- In VA (and several other states), a parent may not show if they agree with the notice

Administrative Support Order

DCSE prepares notice

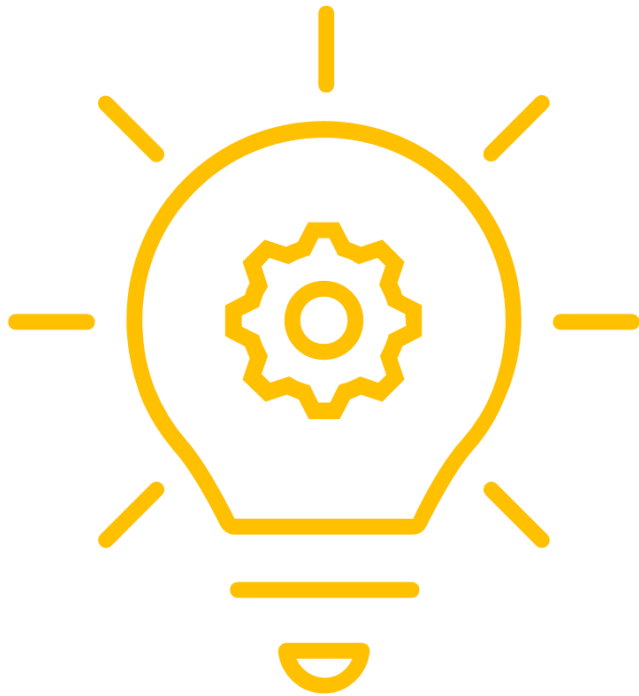
Sheriff serves

Parent has 10 days to
object and ask for
hearing

No Objection,
Administrative
Support Order

Analysis of Default/Service of Process

- Assumption: Those served by sheriff more likely to be defaults than those with waiver of service or service by certified mail
- 89% served among 300 non-zero orders served by sheriff posting (remaining were personal service or to member of household)
- Monthly Order
 - Average: \$330 per month
 - Median: \$256 per month
- Percentage Paid
 - Average: 41.0%
 - Median: 29.0%
- In contrast, in FFY2023 (based on federal OCSS report)
 - VA collected 63.6% of current support due



Conclusions, Next Steps and Questions

Conclusions and Next Steps from Researcher Perspective

- **VA has met all federal data requirements**
- **Labor market information**
 - Encourage using information from <https://virginiaworks.com/> when imputing wages
 - Consideration of availability of local jobs matched to parent, recognize variation in unemployment rates and recent job losses vary across regions
- **Deviations**
 - VA deviation rate tracks lower or in range of other states
 - Encourage better tracking of reason for deviation for future reviews
- **Low-Income Adjustment, Income Imputation, and Default**
 - Consider adding data fields on automated system for future reviews including whether there was a deviation for income below 150% of poverty
 - Low-income adjustment: need better data on whether it is being used, few orders set at \$68/mo
 - Income imputation: is common but it's often at \$0, whereas, the federal concern is income imputed beyond what a parent actually earns
 - Default: In future, how to meet federal requirement given VA process (put square peg in round hole)
 - Research question for next review:
 - Does \$0 income yield \$0 order?
 - Is \$0 income/\$0 order the outcome of default/no show/payer-parent doesn't provide income information?