# Virginia Child Support Guidelines Review Panel September 10, 2024 10:00 a.m. – 12:00 p.m.

5600 Cox Road, Glen Allen, VA 23060 - York River Conference Room (111B)

# **Meeting Minutes**

#### **Members Present:**

Lauren Roaseau

Christian Paasch

Alana Tucker, Director of Division of Child Support Enforcement The Honorable Tanya Bullock, Chair Delegate Katrina E. Callsen The Honorable Bryan Meals H. Van Smith, Esq. Lindsay Hartz, Esq. Nupur Bal, Esq. Erica Baez, Esq.

#### **Members Not Present:**

Senator Scott A. Surovell Delegate Karrie K. Delaney Delegate James A. (Jay) Leftwich, Jr.

#### **Panel Staff Members Present:**

Brenda Clark, Judicial Liaison Taylor Ashe, Panel Administrator Josh Ours, Director of Legal Operations, HQ Virginia Office of the Attorney General

#### **Others Present:**

Jane Venohr, Ph.D. Economist/Research Associate, Center for Policy Research (CPR) Shannon Woods, Special Assistant to the DCSE Director Felicia Walker, Executive Assistant

# I. Welcome All

The Panel came to order at 10:00 a.m. Taylor Ashe welcomed the Panel. The Panel members introduced themselves.

### II. Overview of the Division of Child Support Enforcement Brenda Clark

Brenda Clark gave a presentation regarding the organizational structure, services, and functions of the Virginia Division of Child Support Enforcement (DCSE) and legal services provided to DCSE by the Office of the Attorney General's Child Support Section.

### **Overview of Child Support Programs**

Federal Framework:

Federal law establishes requirements for state and tribal child support programs.

# **Division of Child Support Enforcement (DCSE):**

VDSS administers child support enforcement, including enforcing orders and collecting payments, under Virginia Code § 63.21900.

#### **Administrative Authority:**

DCSE can:

Issue administrative support orders (ASOs) Initiate reviews and enforcement actions.

#### **Organizational Structure:**

8 directors oversee various areas including Program Initiatives, Operations, and Quality Assurance.

#### DCSE Performance (SFY 2023):

Managed over 265,000 cases, serving approximately 360,000 children, and collecting over \$616 million.

#### **DCSE Services:**

Establish paternity and child support orders.

Collect and disburse payments.

Locate noncustodial parents.

Assist states through UIFSA.

#### **Parent Location Resources:**

FPLS, NDNH, FCR, Offset Program, PPD, FIDM.

### **Calculating Obligations:**

Based on Virginia Code § 20108.2(B) using the income shares method.

# **Modifying Obligations:**

DCSE reviews orders every three years or upon material changes.

#### **Enforcement Mechanisms:**

Includes income withholding, tax intercepts, and asset seizure.

#### **DCSE Court Actions:**

Initiated when administrative remedies are unavailable.

#### **Legal Services Unit:**

Comprised of OAG Section Chief, Directors, and Assistant Attorneys General.

In 2023, represented DCSE in over 67,000 hearings.

#### **Family Engagement Services:**

Support parents in overcoming barriers to providing support.

# III. Panel Information

**Taylor Ashe** 

Taylor Ashe presented Background and Issues Regarding Child Support Guidelines, including updates on recent changes relevant to this Panel's focus. Further review of the updated information will be conducted in the upcoming meetings.

# **Background:**

Virginia's child support guidelines were established in 1988 in response to federal requirements.

#### **Guideline Basis:**

Federal law permits states to choose their guideline models, which must consider noncustodial parent's earnings and income and child's health care needs.

# **Economic Methodologies:**

Various estimates for childrearing costs have influenced guideline models, including:

Percentage of Obligor Income: Based solely on noncustodial parent's income.

Melson Formula: Prioritizes parents' basic needs and sharing income increases with children.

Income Shares Model: Ensures children receive expenditures equivalent to if parents lived together; used by Virginia.

### **Income Shares Principles:**

Equal financial responsibility for both parents based on income.

Guidelines should treat all children equally, regardless of parents' marital status.

Guidelines should not disincentivize work or remarriage.

#### Panel Membership and Charge:

Composed of 4 legislators, judicial representatives, DCSE, Virginia State Bar members, custodial and noncustodial parents, and a child advocate.

Required to review guidelines every four years to ensure adequacy.

#### **Panel Reports:**

Recent panels have updated child support obligations and provided guidance on mixed custody cases. The current panel's report is due by the end of 2025.

2016 Federal Rule Requirements:

Focus on increasing parent compliance, accurate obligations based on ability to pay, and reducing unpaid arrears.

New requirements for panels to analyze comprehensive economic data and provide public input.

### **Next Steps:**

Discussion on additional ideas for panel consideration.

Schedule future meetings and establish agendas.

#### IV. Nomination and Election of Panel Chairperson

**Taylor Ashe** 

The Honorable Tanya Bullock motioned for herself to be nominated as Madam Chair, the motion was seconded by The Honorable Bryan Meals, and the nomination was unanimous. Madam Chair's responsibilities were effective immediately. Taylor Ashe provided the Panel with information regarding the role of the Chair.

#### Role of the Chair

The Chair is expected to foster a collaborative environment, facilitating discussions and encouraging participation from all panel members.

Responsibilities include calling for motions and decisions, representing the panel's voice to Taylor, and acting as the primary point of contact (POC) for the group.

The Chair will lead meetings and ensure an inclusive atmosphere.

#### **Time Commitment:**

The anticipated time commitment outside of meetings is approximately 5 to 6 hours per month.

The frequency of panel meetings was discussed, with options of meeting every six weeks or once a month. The chosen schedule will impact the overall time requirement for the Chair.

# V. Information Regarding Virtual Attendance Policy

**Josh Ours** 

Josh Ours introduced himself and introduced the Panel to the Remote Participation and All Virtual Meetings Policy - Va. Code § 2.2-3708.3.

# **Policy Requirement**

Annual adoption of remote participation and all virtual meetings policy.

Must be voted on in a public meeting.

Policy to be uniformly applied without exceptions.

Must detail:

- Circumstances for all virtual meetings and remote participation.
- Request process and documentation.
- Limitations on usage per year (not exceeding statutory limits).

### **Remote Participation**

Allowed for members unable to attend in person under specific conditions, including:

- Disability or medical conditions (counts toward quorum).
- Caregiving duties (counts toward quorum).
- Residence over 60 miles from meeting (does not count toward quorum).
- Personal matters (limited to 2 meetings or 25% of total meetings per year).

Meeting minutes must document approval/disapproval reasons and specifics of remote locations and personal matters.

# **All-Virtual Meetings**

Requires adoption of an all-virtual meeting policy and proper public notice.

Must provide public access via electronic means.

Must recess if public access fails.

All meeting materials should be available electronically to the public simultaneously.

Public comments must be facilitated electronically.

#### **Restrictions include:**

Limited to 2 meetings or 50% of meetings per year.

No consecutive all-virtual meetings allowed.

### VI. Presentation on Economic Data

Jane Venohr, Ph.D.

Dr. Jane Venohr, Center for Policy Research (CPR), provided the panel with a review of the Virginia Child Support guidelines.

### I. CPR's role and objectives

Provide technical assistance to meet federal data requirements

Conduct an analysis of economic data on cost of childrearing.

Review case file data, and labor market data

Prepare an updated schedule based on economic data

# II. Federal Requirements of State Guidelines Reviews

The state must review, and revise if appropriate the child support guidelines at least once every four years to ensure that their application results in the determination of appropriate child support order amounts.

- 1) The state must consider economic data on the cost of raising children, as well as the labor market data by occupation and skill level for the state and local job markets and consider and the rate of noncustodial compliance among noncustodial parents who have family incomes below 200 percent of the Federal poverty level.
- 2) The state must analyze case data that is gathered through sampling or other methods on the deviations from the child support guidelines, as well as rates of default and imputed child support orders. The analysis must include a comparison of payments on child support order by case characteristics. The data must be used in the states review of the child support guidelines to ensure that the deviation from the guidelines is limited and appropriate based on criteria established by the state.
- 3) The state must provide a meaningful opportunity for public input and include 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 the IVD of the act.

#### III. Plan to Fulfill Federal Requirements of Reviews

#### **CPR Responsibilities will be the following:**

The consideration economic data on the cost of raising children, will be the responsibility of the CPR July preliminary report.

Consideration of labor market data

Consideration of case file data on application of and deviation from the guidelines.

Recognize the impact of guidelines policies on parents with low income.

Recognize and report the rates of default, imputation, and application of low-income adjustment.

# The Panel's and DSS Responsibilities will be the following:

To Provide a meaningful opportunity for public input, to include input from low-income parties.

Obtain the views and advice of the IV-D agency.

Review and revise the child support guidelines.

Publish, and report on the internet the membership of reviewing body, and the effective date of the guidelines and the next review.

### IV. Analysis of Economic data of the cost of raising children

The existing schedule is based on economic data from 2013 for incomes of \$500.00 gross income per month or more.

This schedule relies on a 2010 economic study of how much families typically spend on children, and this is based on expenditures data from 2004-2009.

The schedule also considers the 2013 price levels at 35.1% inflation, as well as 2004-2009 data used to take out childcare and healthcare expenses which are determined on a case-by-case basis.

For incomes of \$500.00 or lower the amount was based on a policy decision.

#### V. The impact of preliminary update to schedule

The average increase across all income ranges is 24% for one child, 22% for two children, and 29% for three or more children.

There are some nominal decreases (\$5.00) at incomes below \$800.00 per month due to expenditures exceeding income.

# VI. Comparison to other states

Virginia is lower than most bordering states.

Updating Virginia would bring it in line with the majority.

Some states have more generous low-income adjustments

#### **VII. Next Steps**

The Panel was encouraged to review the data that was presented.

DSS was instructed to get CPR case file data

CPR was instructed to analyze case file data and labor market data and possible prepare an alternative updated schedule.

### VI. Administrative Matters

All

A. Panel Emails: Taylor Ashe confirmed he would provide the Panel all of the emails sent to the Panel email address, along with staff responses.

- B. Travel Reimbursement: Taylor Ashe urged the panel to submit their reimbursements to him directly and assured the panel that he would make sure the reimbursements were submitted and processed timely.
- C. Future Meetings: Confirmed the meeting frequency (every six weeks) and finalize time expectations. Communicate the decision to the group and establish a meeting schedule.

# VII. Adjourn

All

The Panel adjourned at 12:01 p.m.

#### **Action items for Panel Members:**

1. Review the presentation materials and preliminary report provided by Dr. Jane Venohr and provide feedback or questions as necessary.

#### **Action items for Staff:**

- 1. Panel Admin will reach out to Madam Chair and confirm a schedule for future meetings on the sixweek timeframe. That schedule will be sent to all Panel Members in advance.
- 2. Panel Admin will forward all materials, including notes and presentations, to Panel Members and upload them to the Division of Legislative Studies website here upon approval by Madam Chair. Panel Admin will notify members when all materials are available.
- 3. Panel Admin will confirm the steps for reimbursement and distribute that process out for all Panel members.
- 4. Panel Admin will prepare a draft policy on virtual attendance for consideration by the Panel before the next Panel meeting.
- 5. Panel Admin will collect emails received to the Panel email address and include staff responses for Member review before the next Panel meeting.