# Review of Child Support Guidelines

Report 10-1

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JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

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# **REPORT SUMMARY**

# **What is Child Support?**

Child support is a legally enforceable means for providing economic support for a child who does not live with both parents because:

- The child's married parents separate or divorce;
- The child's parents have never been married; or
- The child is in the custody of another such as foster care.

Child support may be awarded through the court system or through administrative proceedings with the Department of Social and Health Services (DSHS), Division of Child Support.

Since 1989, the federal government has required all states to have statewide guidelines governing the calculation of child support. Federal law also requires that the states review their guidelines every four years ("quadrennial review"). The review must consider economic data on the cost of raising children. States also must analyze child support case data for deviations from their guidelines to ensure that deviations are limited. Although the focus of these reviews is on the calculation of child support orders, the state must first make critical decisions about what goals those orders are meant to achieve. Failure to perform adequate reviews may result in the loss of certain federal funds.

### Why a JLARC Report?

In 2005, the federal government expressed concern regarding the completeness of Washington's reviews of its guidelines. In a 2007 response, Washington established in statute a process for its reviews to be conducted by workgroups (2SHB 1009). The first review under the statute was conducted in 2007, and the next review is scheduled for 2011. The law requires the 2011 and subsequent workgroups to consider this JLARC report.

The Legislature directed JLARC to:

- Review the efforts of the 2007 child support workgroup;
- Summarize research on the cost of raising children; and
- Analyze the current child support data collected by DSHS in order to review child support orders that deviate from the state's guideline.

### The 2007 Child Support Workgroup

The 2007 child support workgroup reached consensus on a number of the issues that the Legislature directed it to consider. In 2009, the Legislature enacted the recommendations from the workgroup with only minor changes (ESHB 1794).

The workgroup was not able to reach consensus on three key topics. A review of the research literature identified these same three topics as primary areas of concern to researchers and other states as well.

## **Review of Child Support Research Focuses on Three Key Topics**

This JLARC study summarizes the research on three key topics related to the cost of raising children and establishing child support amounts:

- What method is used to estimate child-rearing costs?
   Research indicates there are three methods commonly used by states to estimate child-rearing costs although all have some accuracy limitations.
- 2) How does the residential schedule affect the support obligation?

  Washington treats the residential schedule as a reason for deviation while 35 states use a variety of approaches to incorporate guidance on this topic into their guidelines.
- 3) How does the existence of children from other relationships affect the support obligation? Similar to the above topic, over 30 states provide direction within their guidelines, while Washington treats children from other relationships as a reason for deviation.

As mentioned above, these are the same three key topics where Washington's 2007 workgroup was not able to reach consensus. The results from JLARC's summary of the literature may be beneficial as the Legislature and future workgroups work to resolve these issues.

# **Current Data Collection on Child Support Deviations is Inadequate**

Federal law requires states to review actual child support awards to determine the frequency of deviations from state guidelines. In Washington, state statute directs DSHS to collect information for this review from "child support order summary report forms." The data collected from these forms is inadequate for reaching valid conclusions about deviations from state guidelines or for conducting the federally required review of deviations. However, the actual court and DSHS administratively issued child support **orders** do contain all the information that would allow the state to conduct such reviews in the future. The two recommendations below are intended to shift data collection on deviations to these orders as more reliable sources.

#### **Recommendation 1**

The workgroups convened under RCW 26.19.05 should use data obtained directly from court and administrative orders to conduct the federally required quadrennial review.

#### **Recommendation 2**

The Legislature should eliminate all statutory references to the Child Support Summary Order Report.