



Review of Child Support Guidelines

Proposed Final Report
Joint Legislative Audit & Review Committee
January 5, 2010
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What is Child Support?

- Legal obligation to pay support for child who does not reside with both parents
- Support obligation may be established either through court order or DSHS administrative order
- Legislature has adopted guidelines for establishing support obligations
- State law also includes reasons for deviating from the support obligation established through the guidelines

Federal Law Affects State Guidelines



- States must review guidelines every four years, including:
 - Economic data on the cost of raising children
 - Analysis of actual child support case data for frequency of, and reasons for, deviations
- Deviations are to be limited

2007 Legislature Provided Guidance for Future Reviews



- The Legislature established in statute a process for workgroup reviews every four years
- The Legislature designated specific issues for the 2007 workgroup to consider
- The Legislature also directed JLARC to prepare this report for the use of future workgroups

Results of JLARC Review



- 2007 Workgroup made, and Legislature adopted, recommendations on nine issues but was unable to agree on three main issues
 1. Appropriate method for estimating child-rearing costs
 2. Effect of residential schedule on support obligation
 3. Effect of the existence of children from other relationships on support obligation
- JLARC found much literature focused on these same issues
- Current data used by DSHS is inadequate to analyze deviations from guidelines

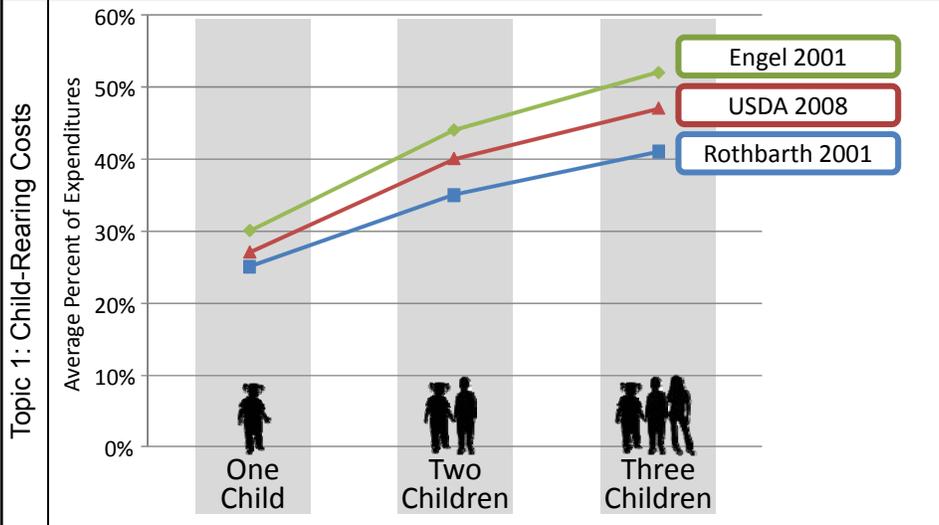
Topic 1: No Consensus on Method of Estimating Child-Rearing Costs



Topic 1: Child-Rearing Costs

- Research identified three main methods
 - Two methods (Engel, Rothbarth) use an indirect approach to determining costs by comparing expenditures between families with, and without, children
 - The third method (USDA) uses a direct approach by considering the actual expenditures made by families in various categories

Direct (USDA) Method Yields Estimates Between the Two Indirect Approaches



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Topics 2 & 3: Most States Address These Issues in Guidelines



- Topics 2 & 3
- Topic 2: Residential Schedules
 - 35 states provide guidance on this issue in their guidelines
 - Topic 3: Children from other relationships
 - Over 30 states' guidelines contain some type of required adjustment to support amounts
 - Washington treats both issues as deviations
 - No guidance in guidelines
 - Whether and how to address these issues left to court and administrative officers' discretion

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Federal and State Law Requires a Review of Deviations Every Four Years



Deviation Review

- Federal law provides that
 - The review is to “ensure that deviations from the guidelines are limited”
 - Deviations may only be for reasons set forth in state law
- Washington law also requires DSHS to review both court and administrative deviations at least every four years

Current Data is Inadequate to Analyze Deviations From Guidelines



Deviation Review

- State law directs DSHS to obtain data through use of “order summary report forms”
- This data source is neither reliable nor complete
- DSHS has actual court and administrative orders which contain more reliable data
- JLARC’s recommendations focus on utilizing the more reliable data source

Recommendations



The first recommendation is directed to DSHS:

- Use data from child support orders, rather than summary order reports, as a more reliable source for deviation reviews

The second recommendation is directed to the Legislature:

- Provide necessary statutory changes to require use of child support orders as data source for deviation reviews

Agency Responses



- DSHS **concurs** with both recommendations but states they believe the Legislature must implement Recommendation #2 before DSHS can comply with Recommendation #1.
- OFM **concurs** with both recommendations.

Contact Information



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