

Review of the Georgia Child Support Guidelines

Presentation to Georgia Child Support Guidelines Commission

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Jane Venohr, Ph.D. Economist/Research Associate

jvenohr@centerforpolicyresearch.org

303-837-1555



Purpose: CPR's Technical Assistance

- **Help Georgia meet these federal review requirements of a state guidelines:**
 - Review economic data on the cost of raising children
 - Review case file data on:
 - Guidelines deviations;
 - Rates of default, income imputation, and application of low-income adjustment; and
 - Analysis of payment data; and
 - Review labor market data.
- **Develop updated child support obligation table for Commission to consider**
 - Develop new economic estimates comparable to those underlying current table
- **Comment on workgroup reports**
 - Low-Income Deviation Workgroup
 - Parenting Time Deviation Study Committee
- **Prepare technical report**

<https://csc.georgiacourts.gov/business-of-the-child-support-commission/>

Low-Income Deviation Report

- ➔ 2018 Low-Income Deviation Study Committee Report (Issued 12/04/2020)
- ➔ 50 State Data LID Deviation Survey
- ➔ LID Judges Survey
- ➔ LID Public Survey

Parenting Time Deviation Report

- ➔ 2018 Parenting Time Deviation Study Committee Cover Letter (issued 4/29/2022)
- ➔ 2018 Parenting Time Deviation Study Committee Report (issued 4/29/2022)
- ➔ 50 State Data Parenting Time Deviation Survey

Updated Child Support Obligation Table

- For Commission to consider
- 10 different studies of child-rearing expenditures that form the basis of state guidelines
 - Studies vary in data years
 - Methodology used to separate child’s share of expenditures from total household expenditures
 - Methodology is needed because child’s share isn’t always clear (e.g., electricity)

	Economic Methodology	Study Publication Year	Expenditure Data Collected
GA	Average of “Engel” and “Rothbarth”	2002	1996-99
32 states including AL, NC, SC & TN	Rothbarth	<ul style="list-style-type: none"> • 5 studies over time: earliest 1990 • most recent 2021 	1980-86 (earliest) 2013-2019 (most current)
7 states including FL	Engel	1984	1972-73
4 states	van der Gaag	1981	earlier
8 states	Miscellaneous or none	Most current 2017 (USDA)	2011-2015
None	Updated Engel	2022	2013-2019

Outline

- Federal Requirements (5 minutes)
- Findings from case file data and labor market data (10 minutes)
- Economic data on cost of raising children and
 - Using it to prepare an updated table; and
 - Assess impact of updated table(30 minutes)
- Low-Income Adjustment and Shared-Parenting (10 mins)
- Discussion (5 minutes)
- Clarifying questions along the way are welcomed



Federal Requirements of State Guidelines Reviews and Guidelines

Timelines

1987: Federal regulation requires states to have advisory guidelines

1989: Federal regulation requires states to have rebuttable presumptive guidelines

- Review guidelines at least every 4 years
- Consider economic data on the cost of raising children and revise if appropriate
- Examine case file data or other data on guidelines deviations

2016: Major expansion of federal requirements

- Expanded requirements of guidelines
 - consider subsistence needs of parent
 - consider actual circumstances when imputing income, and
 - don't treat incarceration as voluntary unemployment
- Expanded data analysis requirements of guidelines reviews
- Rolling state timeline based on review cycle that could span two review cycles

2017: Georgia Legislature adopts changes to meet 2016 requirements

2018: Georgia Guidelines Commission meets

2022: Georgia's Quadrennial Review

How Georgia Meets Expanded Requirements of State Guidelines

Federal Requirement Added in 2016 (45 C.F.R. 302.56)	GA Provision (O.C.G.A. § 19-6-15)	Typical Approach of Other States
<p>(c)(1)(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.</p>	<p>(f)(3) Imputed income. When establishing the amount of child support, if a parent fails to produce reliable evidence of income, such as tax returns for prior years, check stubs, or other information for determining current ability to pay child support or ability to pay child support in prior years, and the court or the jury has no other reliable evidence of the parent's income or income potential, gross income for the current year may be imputed. When imputing income, the court or the jury shall take into account the specific circumstances of the parent to the extent known, including such factors as the 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 parent, prevailing earnings level in the local community, and other relevant background factors in the case.</p>	<p>Federal language verbatim</p>
<p>(c)(3) Provide that incarceration may not be treated as voluntary unemployment in establishing or modifying support orders; and</p>	<p>(f)(4)(D) If a parent is incarcerated, the court or the jury shall not assume an ability for earning capacity based upon pre-incarceration wages or other employment related income, but income may be imputed based upon the actual income and assets available to such incarcerated parent.</p>	<p>Federal language verbatim</p>
<p>(c)(1)(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; and</p>	<p>(2) Specific Deviations (B) Low income. (i) If the noncustodial parent can provide evidence sufficient to demonstrate no earning capacity or that his or her pro rata share of the presumptive amount of child support would create an extreme economic hardship for such parent, the court or the jury may consider a low-income deviation. ... (iii) For the purpose of calculating a low-income deviation, the noncustodial parent's minimum child support for one child shall be not less than \$100.00 per month, and such amount shall be increased by at least \$50.00 for each additional child for the same case for which child support is being ordered.</p>	<ul style="list-style-type: none"> • Almost all states provide rebuttal presumptive adjustment • About 40 states provide a self-support reserve

Responsibility for Each Review Requirement Listed in 45 C.F.R 302.56 (e) and (h)

Requirement	How Addressed	Requirement Added in 2016	How Addressed
Consider economic data on the cost of raising children	CPR presents today	Consider labor market data	CPR presents today
Consider case file data on application of and deviation from the guidelines	CPR presents today	Impact of guidelines policies on parents with low income	CPR presents today
Keep deviations at minimum	Commission, Courts, and Legislature	Factors that influence employment rates and compliance	CPR presents today
Review, and revise, if appropriate, the child support guidelines	Commission, Legislature	Rates of default, imputation, and application of low-income adjustment	
		Comparison of payments by case characteristics including default, imputation, and application of the low-income adjustment	
		Provide meaningful opportunity for public input, including input from low-income parties	Court
		Obtain the views and advice of the IV-D agency	
		Publish report on internet, membership of reviewing body, and effective date of the guidelines and next review	



Findings from Analysis of Case File Data

Analysis of Case File Data: 2 Sample Periods Compared

- Collected from court files
- Random selection of counties
 - Reflect diversity of state
- All orders entered in sampling period (about October of each sample year)
- Payment data matched to DCSS cases

2021 Sample (16 counties)

County of the Order	Private Cases (n= 277)	DCSS Cases (n= 195)
Appling	1%	5%
Clayton	13%	20%
Early	1%	6%
Echols	0%	0%
Elbert	2%	2%
Fannin	3%	1%
Fayette	1%	4%
Forsyth	15%	1%
Glascok	0%	1%
Glynn	7%	7%
Houston	22%	21%
Paulding	13%	12%
Rockdale	9%	7%
Stewart	0%	1%
Troup	5%	6%
Ware	7%	7%

2017 Sample (12 counties supplemented with DCSS automated system data)

	Private Cases (n = 101)	DCSS Cases (n = 89)
• Brooks		
• Chatham	0%	5%
• Chattahoochee	41%	62%
• Dawson	2%	0%
• Evans	1%	1%
• Hancock	2%	3%
• Heard	0%	2%
• Henry	1%	1%
• Oconee	45%	17%
• Pickens	1%	1%
• Putnam	1%	2%
• Worth	4%	3%
	3%	2%

Selected Findings from Analysis of Case File Data (1 of 8)

- Most orders (over 80%) are for 1 & 2 children
 - Important to assessing impact of guidelines changes
- Most (77%) private orders are divorce
- Most (79%) DCSS are paternity/child support

	2021 Sample		2017 Sample	
	Private Cases (n=277)	DCSS Cases (n=195)	Private Cases (n=101)	DCSS Cases (n=89)
Number of Children on Order				
One Child	54%	76%	56%	65%
Two Children	36%	17%	32%	30%
Three Children	8%	5%	9%	5%
Four or more children	2%	2%	0%	0%
Custodian Person Is the Mother or Father to the Child?				
Yes	98%	86%	99%	93%
No	2%	14%	1%	7%
Obligated Parent				
Male/Father	82%	86%	75%	92%
Female/Mother	18%	12%	20%	8%
Shared	0%	2%	2%	0%
Split	0%	0%	3%	0%
Case Type				
Add Child				
Change Custody	0%	2%		
Child Support	3%	0%		
Consent Order	1%	0%		
Divorce Decree	0%	0%		
Legitimation	77%	0%	N.A.	N.A.
Modification	9%	0%		
Modification	6%	3%		
Paternity/CS	0%	79%		
Rev/Mod	0%	13%		
Temporary	3%	4%		

Selected Findings from Analysis of Case File Data (2 of 8)

INCOMES OF THE PARTIES

- Average and median incomes of parents are about the same as last review
 - Except custodians with private cases have more income on average
- DCSS cases concentrated in range of \$1,001 - \$2000 because many have income imputed at full-time, minimum wage earnings (\$1,257 gross per month)

	2021 Sample		2017 Sample	
	Private Cases (n=276)	DCSS Cases (n=195)	Private Cases (n=97)	DCSS Cases (n=85)
Custodial Person's Monthly Income*				
Average	\$3,544	\$2,029	\$2,535	\$1,701
Median	\$2,662	\$1,709	\$1,820	\$1,262
Minimum	\$0	\$0	\$0	\$0
Maximum	\$31,250	\$10,290	\$15,689	\$5,671
Custodial Person's Monthly Income*				
\$0	2%	1%	2%	4%
\$1-\$1,000	4%	6%	3%	2%
\$1,001 - \$2,000	30%	56%	49%	73%
\$2,001- \$3,000	21%	22%	22%	9%
\$3,001- \$4,000	16%	10%	8%	8%
\$4,001 - \$5,000	8%	4%	7%	2%
More than \$5,000	19%	2%	9%	1%

	2021 Sample		2017 Sample	
	Private Cases (n=277)	DCSS Cases (n=195)	Private Cases (n=97)	DCSS Cases (n=85)
Noncustodial Parent's Monthly Income*				
Average	\$4,600	\$2,206	\$4,334	\$2,878
Median	\$3,500	\$1,740	\$3,333	\$1,697
Minimum	\$1,088	\$631	\$ 0	\$946
Maximum	\$50,000	\$8,333	\$47,080	\$50,000
Noncustodial Parent's Monthly Income*				
\$0	0%	0%	2%	0%
\$1-\$1,000	0%	7%	1%	2%
\$1,001 - \$2,000	26%	52%	21%	58%
\$2,001- \$3,000	15%	19%	24%	17%
\$3,001- \$4,000	16%	12%	11%	12%
\$4,001 - \$5,000	14%	5%	16%	2%
More than \$5,000	29%	5%	25%	8%

Selected Findings from Analysis of Case File Data (3 of 8)

COMBINED INCOME

More high income among private orders

Obligated parent's share is getting closer to 50% on average

1% have incomes greater than \$30,000

	2021 Sample		2017 Sample	
	Private Cases (n=277)	DCSS Cases (n=195)	Private Cases (n=97)	DCSS Cases (n=85)
Combined Income*				
Average	\$8,131	\$4,234	\$6,663	\$4,422
Median	\$6,536	\$3,697	\$5,391	\$2,973
Minimum	\$1,257	\$1,262	\$0	\$0
Maximum	\$65,000	\$14,059	\$52,629	\$53,231
Combined Income*				
\$0	0%	0%	5%	3%
\$1-\$2,000	2%	6%	0%	5%
\$2,001 - \$4,000	16%	51%	27%	64%
\$4,001- \$6,000	29%	26%	24%	14%
\$6,001- \$8,000	16%	13%	19%	6%
\$8,001 - \$10,000	12%	3%	13%	3%
More than \$10,000	25%	2%	12%	6%

	2021 Sample		2017 Sample	
	Private Cases (n=277)	DCSS Cases (n=195)	Private Cases (n=97)	DCSS Cases (n=85)
Noncustodial Parent's Share of Combined Income*				
Average	52%	56%	61%	57%
Median	50%	56%	61%	51%
Minimum	16%	7%	20%	36%
Maximum	100%	100%	90%	100%

Selected Findings from Analysis of Case File Data (4 of 8)

ORDER AMOUNTS

- No significant change
- Few \$0 orders in DCSS cases compared to other states

	2021 Sample		2017 Sample	
	Private Cases (n=277)	DCSS Cases (n=195)	Private Cases (n=98)	DCSS Cases (n=86)
Current Support Order				
Average	\$537	\$409	\$494	\$423
Median	\$470	\$374	\$437	\$364
Minimum	\$0	\$0	\$0	\$0
Maximum	\$4,825	\$1,702	\$1,600	\$2,151
Amount of current support				
\$0/mo	23%	1%	15%	3%
\$1-200/mo	4%	12%	8%	9%
\$201- 300/mo	7%	26%	13%	27%
\$301-400/mo	10%	19%	12%	27%
\$401-500/mo	12%	16%	8%	7%
\$501-600/mo	10%	12%	10%	6%
\$601-700/mo	5%	4%	8%	8%
More than \$700/mo	29%	9%	25%	13%

Selected Findings from Analysis of Case File Data (5 of 8)

Federally-Required Fields

- Income imputation rate
 - Federal perspective: keep low particularly in IV-D caseload
 - GA rates
 - DCSS obligated parents: 48%
 - DCSS custodial persons: 51%
- Default rates
 - Federal perspective keep low
 - GA default rate is low
 - 1% private
 - 6% DCSS

	2021 Sample		2017 Sample	
	Private Cases (n=277)	DCSS Cases (n=195)	Private Cases (n=101)	DCSS Cases (n=89)
Income Imputed to Noncustodial Parent				
No	87%	52%	97%	89%
Yes	13%	48%	3%	11%
• <i>Minimum Wage</i>	10%	35%	1%	1%
• <i>Lower than Minimum Wage</i>	1%	6%	2%	9%
• <i>Higher than Minimum Wage</i>	2%	7%	0%	1%
Income Imputed to Custodial Person				
No	86%	49%	86%	74%
Yes	14%	51%	14%	26%
• <i>Minimum Wage</i>	10%	37%	3%	7%
• <i>Lower than Minimum Wage</i>	2%	5%	2%	9%
• <i>Higher than Minimum Wage</i>	2%	8%	9%	10%
Default Order				
Yes	0%	6%	0%	12%
No	100%	94%	100%	88%

Concern when compared to labor market data

- Many low-wage jobs do not offer 40 hours per week
- Many do not have employment 52 weeks per year
 - High churn, particularly in industries with lots of low-wage jobs (e.g., hospitality)
 - Do not offer paid time off, which exacerbates churn issues

Selected Findings from Analysis of Case File Data (6 of 8)

Payment Data

	DCSS Data with Payment Information (N=184)			
	Sample size	Percentage Making Any Payments	Average Dollars Paid	Compliance Rate
All Orders	N=184	77%	\$269	59%
Noncustodial Parent's Monthly Income*	N=179			
\$1-\$1,000	12	75%	\$77	68%
\$1,001 - \$2,000	92	63%	\$154	47%
\$2,001- \$3,000	37	92%	\$343	72%
\$3,001- \$4,000	20	100%	\$393	73%
\$4,001 - \$5,000	8	100%	\$631	84%
More than \$5,000	10	100%	\$844	90%
Income Imputed to Obligor*	N=179			
Yes, at Minimum Wage (\$1,257-\$1,261/month) (61	52%	\$111	37%
Yes, at Amount less than minimum wage	10	70%	\$52	34%
Yes, at amount more than minimum wage	12	92%	\$299	69%
No	96	93%	\$399	78%
Default	N=184			
Yes	9	89%	\$392	99%
No	175	76%	\$262	57%

Selected Findings from Analysis of Case File Data (7 of 8)

DEVIATION RATES

- All: 32%
- DCSS: 11%
- Private: 47%

3 TOP REASONS:

- Other
- Parenting time: 13% of all private
- Low Income: 4% of all DCSS

“Other” may include some parenting time and low income

- DCSS: 5% of all DCSS have deviation for “other”
- Private: 26% of all Private have deviation for “other”

	2021 Sample		2017 Sample	
	Private Cases	DCSS Cases	Private Cases	DCSS Cases
Deviation from Guidelines Amount?	(N= 277)	(N=195)	(N=101)	(N=83)
Yes	47%	11%	47%	35%
No	53%	89%	53%	65%
Reason for Guidelines Deviation*	(n=129)	(n=21)	(n=39)	(n=29)
Other	55%	43%	49%	93%
Parenting time	27%	0%	23%	0%
Health-related Insurance	5%	14%	0%	0%
Visitation-related travel expenses	8%	5%	10%	0%
Extraordinary educational expenses	1%	5%	8%	0%
Life Insurance	1%	0%	8%	0%
Special expenses for child rearing	2%	0%	5%	0%
Mortgage	0%	0%	5%	0%
Alimony	2%	0%	0%	0%
Low income	3%	33%	0%	0%
High income	1%	0%	0%	0%
Direction of the Deviation	(n=129)	(n=21)	(39)	(29)
Upward	19%	14%	21%	7%
Downward	81%	86%	79%	93%
Amount of Deviation for those with Other Deviations	(n= 129)	(n=21)		
Average	\$361	\$110	Not available	Not available
Median	\$277	\$104		
Minimum	\$2	\$4		
Maximum	\$1,710	\$297		

Deviation Rate	
Combined Monthly Income	2021 sample of private orders
Less than \$10,000	(n=208) 44%
\$10,000 - \$30,000	(n=66) 53%
More than \$30,000	(n=3) 100%

Findings from the Analysis of Labor Market Information (1/2)

June 2022 Data

- Unemployment: 2.9% (GA) 3.6% (US)
 - Highest: 8.0% in Clay County; 8 counties with above 5%
 - Lowest: 2.5% Gainesville MSA
- Labor force participation rate: 62.3% (GA) 62.1% (US- July 2022)
 - GA: 64% (August 2017)

National data:

- 35% of nonresidential parents not living with at least one of their children had incomes below 200% poverty
 - Less likely to work f-t, year round
- Pandemic reduced labor force participation:
 - Care for children and others, concerns about work, are these valid reasons not to impute income?
- 55% work at hourly wage
- 1/3 of 10 percentile with lowest pay have paid sick time (8 days on average); and 40% have vacation time (11 days on average)

CONCLUSION: 40 hr per week, 52 weeks per year is not realistic assumption for low-paying occupations

Findings from the Analysis of Labor Market Information (2/2)

- 2022 State minimum wage: \$7.25/hr
- Many jobs requiring HS degree pay slightly more
- Do they offer 40-hour work weeks?
- Do they hire workers with history of incarceration?

Average Hours Worked per Week (May 2022)

- Georgia all private: 35.1 hours
- GA construction: 41.5 hours
- GA Trade, transportation and utilities: 33.9 hours
- GA Leisure and Hospitality: 27.2 hours

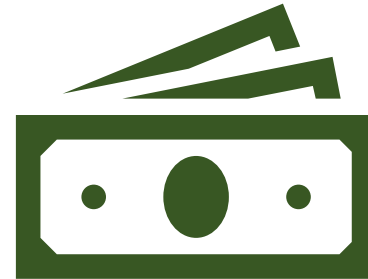
Selected Employment Projects for Georgia Workers with High School Degree

	Labor Force Exits	Occupational Transfers	Annual Openings	Annual Wage
Customer Service Representatives	5,190	8,680	15,910	\$36,600
Office Clerks, General	3,960	4,310	9,280	\$36,700
Secretaries & Administrative Assistants, Legal, Medical & Executive	3,290	3,610	7,440	\$36,400
Sales Representatives, Wholesale & Manufacturing, Executive Technical & Scientific Products	1,310	3,000	6,010	\$75,400
Supervisors of Food Preparation & Serving Workers	1,480	3,380	5,740	\$36,200
Supervisors of Office & Administrative Support Workers	1,680	2,760	5,300	\$60,300
Light Truck on Delivery Services Drivers	1,450	2,400	5,010	\$41,400
Maintenance & Repair Workers, General	1,480	2,440	4,890	\$41,600
Supervisors of Retail Sales Workers	1,510	2,960	4,880	\$47,100
Security Guards	1,580	2,310	4,750	\$32,400

Lowest Paying Jobs in 2020 according to GA Dept. of Labor

- Amusement and recreation attendant \$21,614
- Host/Hostess (food/beverage): \$21,802
- Fast food/counter workers: \$22,679
- Fast food cooks: \$22,706
- Childcare workers: \$22,989

Note: DOL annualizes assuming 40-hour workweek



Analysis of Economic Data on the Cost of Raising Children

Existing Table of Child Support Obligations

- Based on a 2001 study of child-rearing expenditures using national data adjusted (1996-99) for:
 - 2005 price levels;
 - Average expenditures to net income ratios (1996-99);
 - 2005 Federal and state income taxes and FICA; and
 - Exclude childcare expenses and most of the child's healthcare expenses (1996-99 levels) because the actual amount expended for these items are considered on a case-by-case basis

Exhibit 1: Excerpt from the Schedule of Basic Support Obligations			
Combined Adjusted Gross Income	One Child	Two Children	Three Children
3050.00	629	893	1036
3100.00	638	906	1051
3150.00	647	919	1066
3200.00	655	930	1079
3250.00	663	941	1092
3300.00	671	952	1104
3350.00	679	963	1117
3400.00	687	974	1130
3450.00	694	985	1143
3500.00	702	996	1155
3550.00	710	1008	1168
3600.00	718	1019	1181
3650.00	726	1030	1194

Studies of Child-Rearing Expenditures

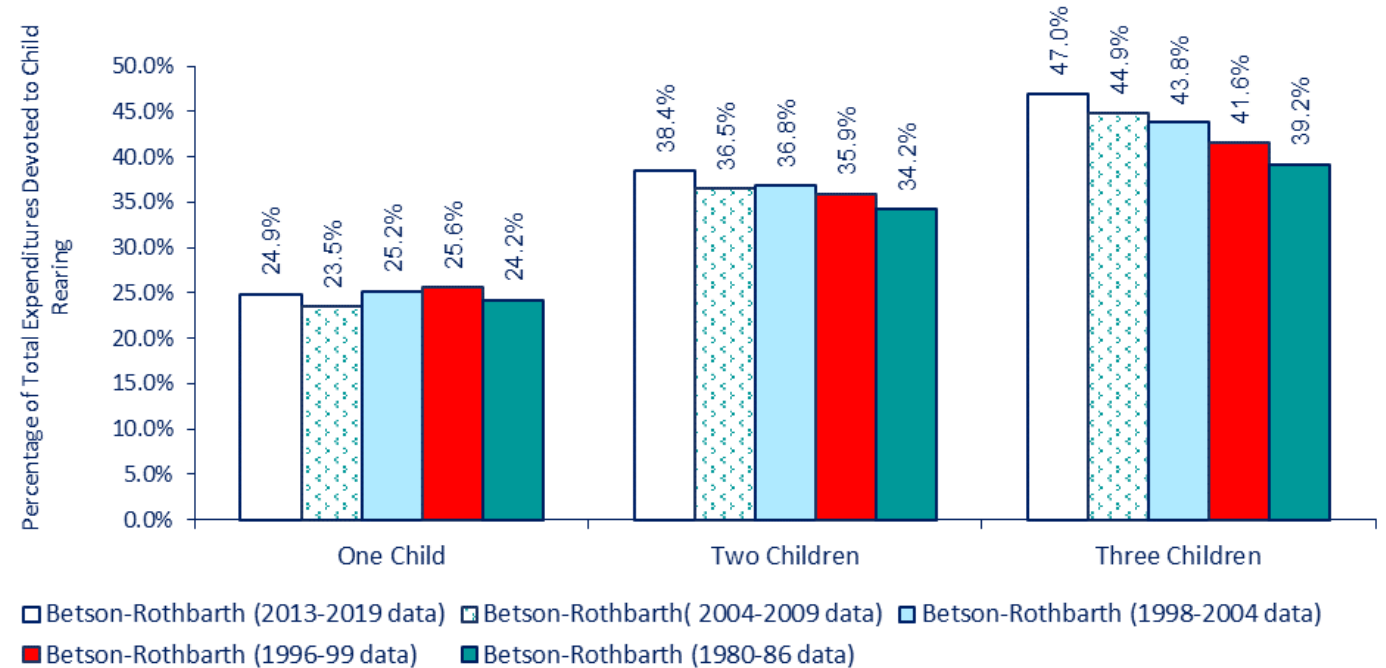
- **There are 10 different studies of child-rearing expenditures that form the basis of state guidelines**
 - They vary in data years and methodology
 - All measure expenditures rather than the cost of the child's basic needs
- **Most (31 states) use measurements of child-rearing expenditures developed by Professor David Betson using the "Rothbarth" methodology**
 - Which compares expenditures between equally well-off households and deems the difference to be child-rearing expenditures
 - Engel methodology: uses food shares to determine equally well-off households
 - Rothbarth methodology: uses adult goods (clothing)
- **The Betson-Rothbarth (BR) study has been updated 4 times (5 studies total)**
- **There are only three, new studies of child-rearing expenditures since GA last reviewed its guidelines**
 - The BR5 study released in 2021 is used by 6 states (AZ, AL, IA, MO, PA, SD)
 - Betson-Engel estimates developed under this project
 - Florida State Study released in 2021 that is not used by any state

All Studies Rely on the Consumer Expenditure Survey

- <https://www.bls.gov/cex/>
- Conducted by the U.S. Bureau of Labor Statistics
- Primary purpose: shape market basket used to track inflation
- Ongoing survey
- About 5,000 households each quarter
- Hundreds of items
- Each household stays in for 4 quarters (earlier years: 5 quarters)
- Designed to be nationally representative
 - Also 4 regions: NE, South, Midwest and West

Betson-Rothbarth Studies over Time

- There are small changes to the BR measurements over time
 - One-child decreases may be sampling error
 - Increase for 2+ children appears to be a reduction in “economies of scale” from having more children
- Insufficient number of families with 4+ children to produce reliable estimates so National Academy of Science equivalence scales are used to adjust for 4+ children
- BR measures child-rearing expenditures as a percentage of total expenditures so must be converted to gross-income table



Betson, David M. (2010). “Appendix A: Parental Expenditures on Children.” in Judicial Council of California, *Review of Statewide Uniform Child Support Guideline*. San Fran-cisco, California. Retrieved from: <http://www.courts.ca.gov/partners/documents/2011SRL6aGuidelineReview.pdf>

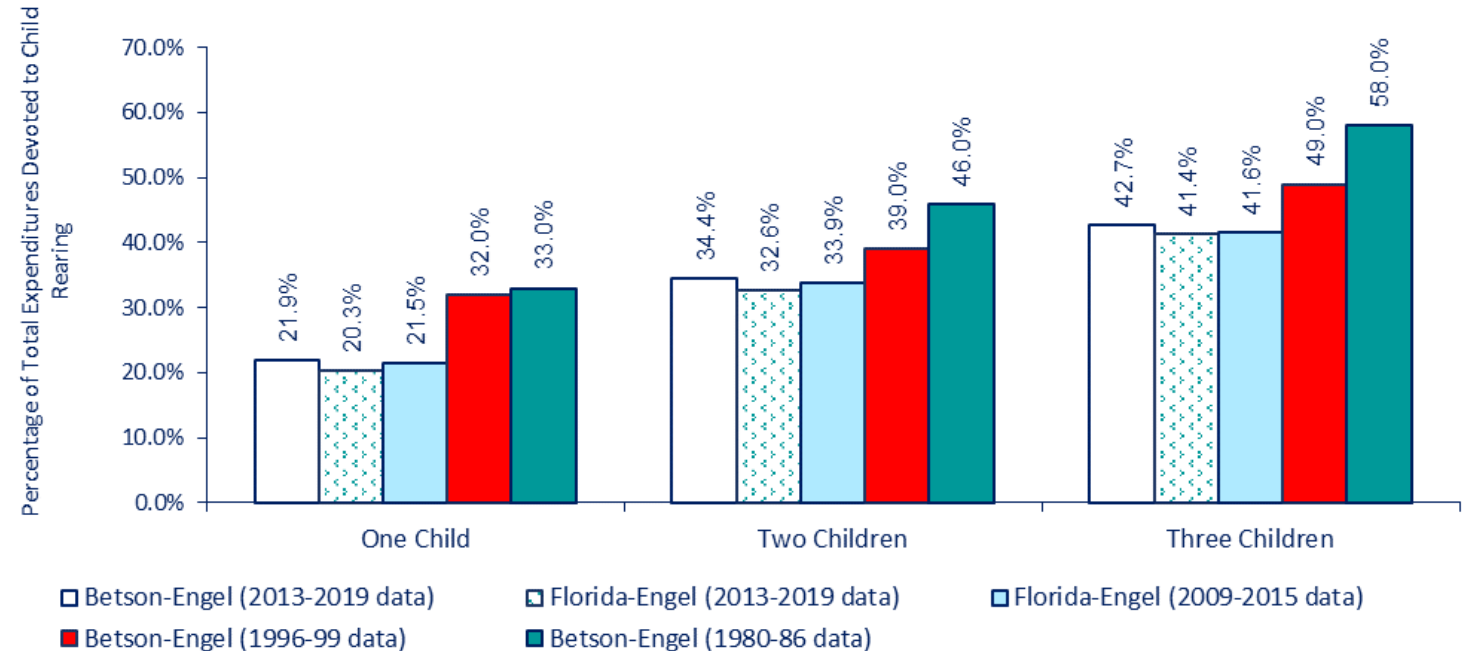
Betson, David M. (March 3, 2021 revised). “Appendix A Parental Expenditures on Children.” in Venohr, Jane and Matyasic, Savahanna, *Review of Arizona Child Support Guidelines: Findings from the Analysis of Case File Data and Updating the Child Support Schedule*. Report to the Arizona Supreme Court Administrative Office of the Courts <https://www.azcourts.gov/Portals/74/FCIC-CSGR/SupplementalPacket-030121-FCIC-CSGRS.pdf?ver=2021-02-26-161844-187>

Engel Studies over Time

- Engel has decreased
- Engel now lower than Rothbarth

Problems with Engel Approach

- Change in how expenditures on food is asked in underlying survey
- Lack of theoretical basis for claim that the food share is an inverse indicator of the well-being of the family
- Presence of substitution effects
- Sensitive to subsamples (different results when limit sample to those with adult clothing purchases)



Norribin, Stefan C., et al. (Nov. 2021). Review and Update of Florida's Child Support Guidelines. Retrieved from <http://edr.state.fl.us/Content/special-research-projects/child-support/ChildSupportGuidelinesFinalReport2021.pdf>.

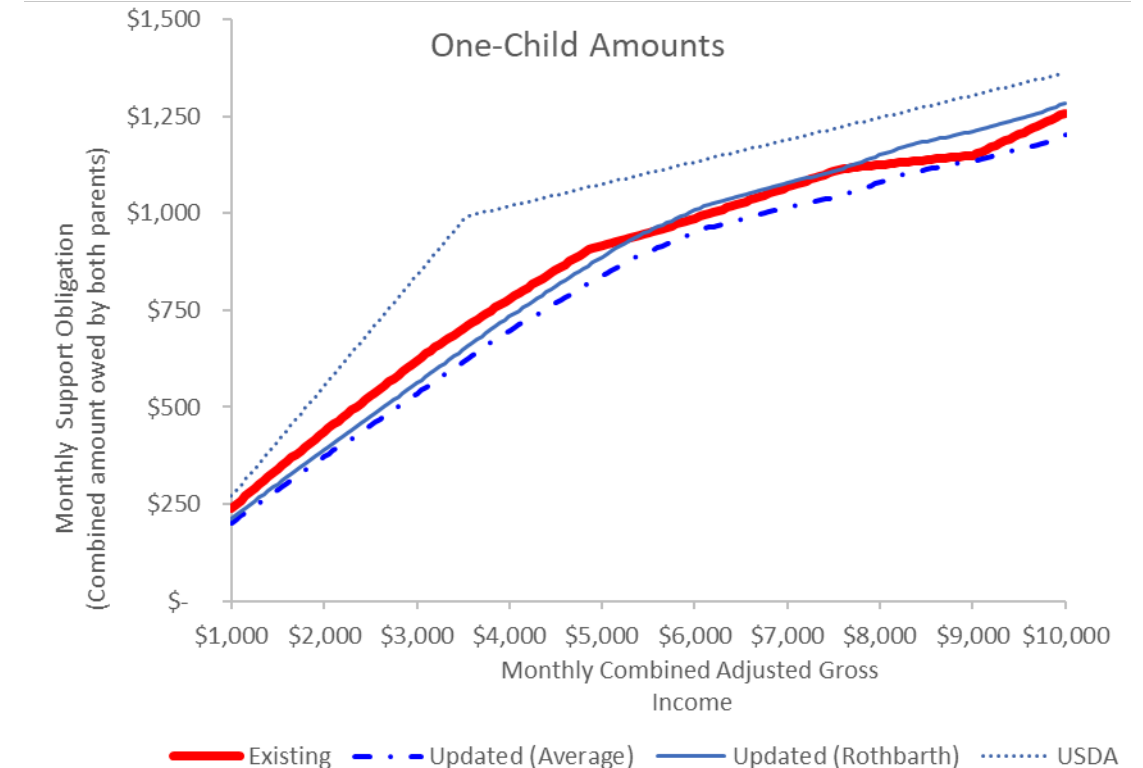
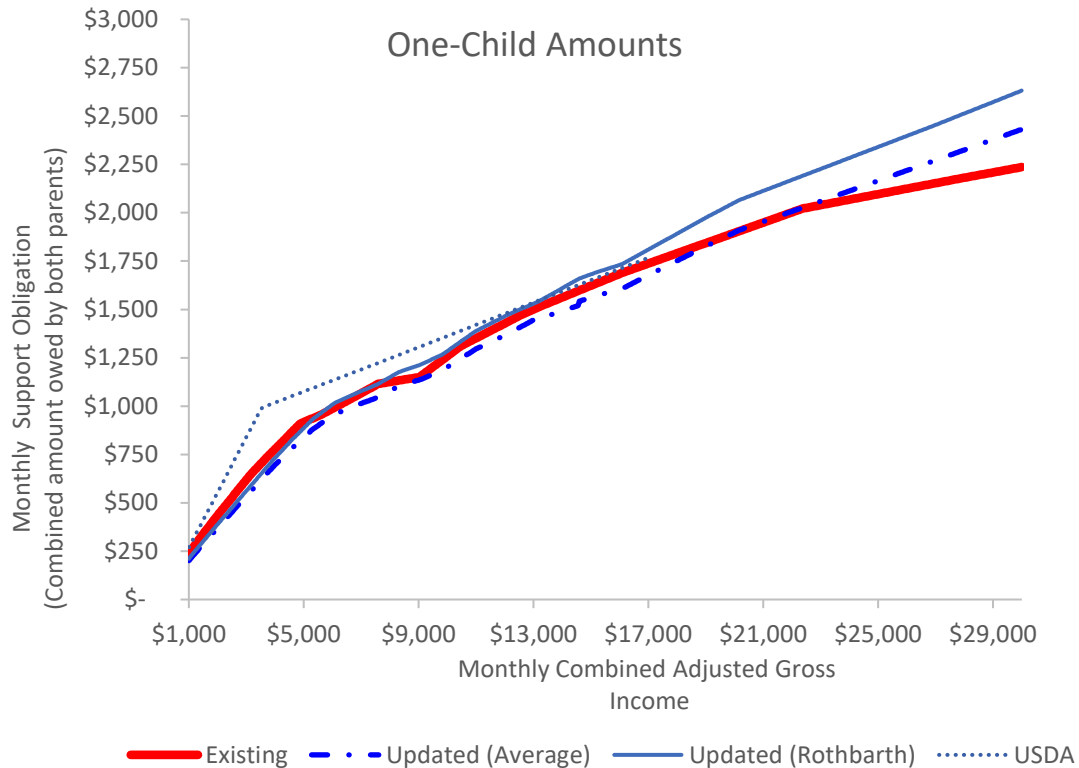
Assumptions and Data Used to Develop Table

There are 9 factors

1. Guidelines model
2. Economic study and underlying Consumer Expenditure Survey years
3. Price levels
4. Exclude childcare expenses, health insurance premiums, and extraordinary out-of-pocket medical expenses
5. (Optional) Adjust for Georgia's lower prices/cost of living
6. Relate expenditures (which is the basis of the measurements) to after-tax income
7. Relate expenditures to gross income of the parties
8. Extend table to include highest combined income considered in expenditures data
9. (Optional) Provide for consideration of the parent's basic subsistence needs

Comparison of Existing to Updated Table: One Child

Blow up at low incomes



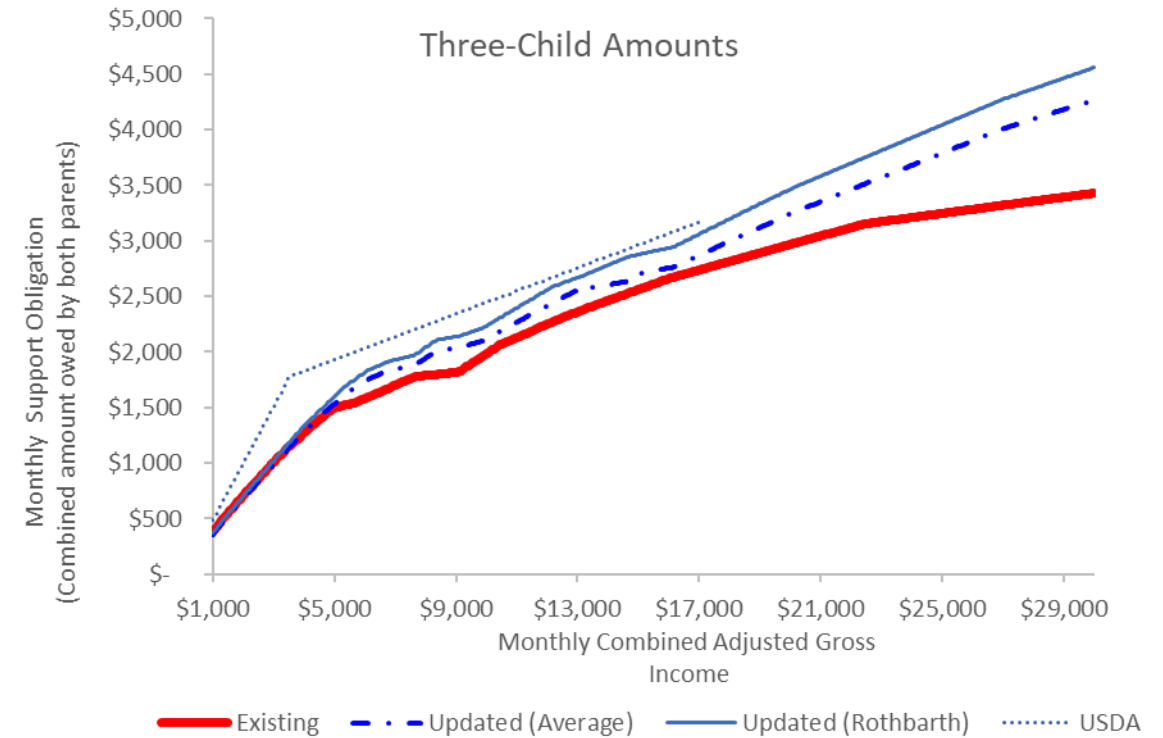
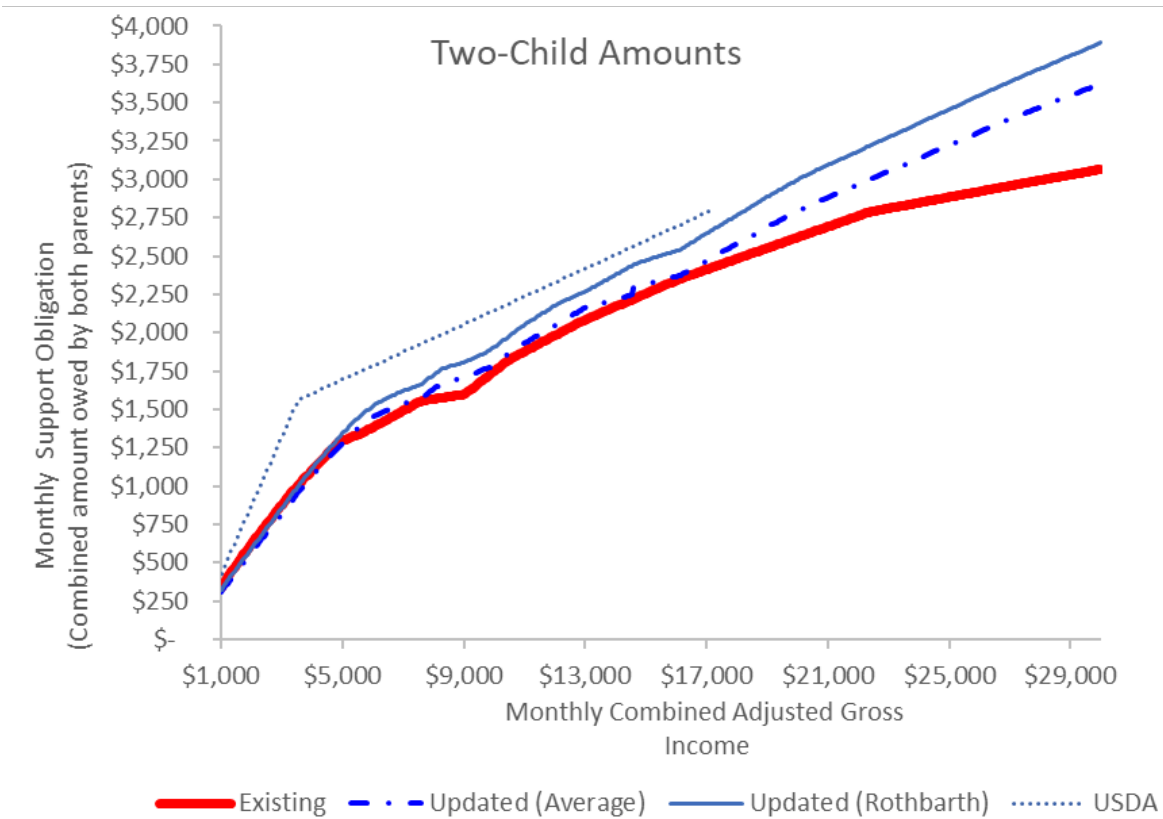
- On average, adapting Updated Rothbarth would produce increases
- Small decreases at low incomes
- Some states are retaining existing amount when proposed amount is less

Magnitude of Proposed Changes: 1 and 2 Children

	One Child						Two Children					
	\$ Change			% Change			\$ Change			% Change		
	Rothbarth	Rothbarth (no decreases)	Average	Rothbarth	Rothbarth (no decreases)	Average	Rothbarth	Rothbarth (no decreases)	Average	Rothbarth	Rothbarth (no decreases)	Average
Average	\$106	\$113	-\$10	4.5%	5.8%	-2.6%	\$300	\$302	\$147	11.6%	12.0%	4.9%
Median	\$57	\$57	-\$41	3.8%	3.8%	-3.5%	\$211	\$211	\$74	10.1%	10.1%	4.0%
Minimum	-\$59	\$0	-\$88	-13.8%	0.0%	-18.0%	-\$30	\$0	-\$59	-8.5%	0.0%	-12.2%
Maximum	\$395	395	195	17.7%	17.7%	8.7%	\$825	\$825	\$558	26.9%	26.9%	18.2%

- Maximum decrease under Rothbarth
 - 1 child (\$59)
 - 2 children (\$30)
- Some states are opting for Rothbarth but using Existing when less
 - Justification: inflation and USDA amounts would be more

Comparison of Existing to Updated Table: 2 & 3 Children



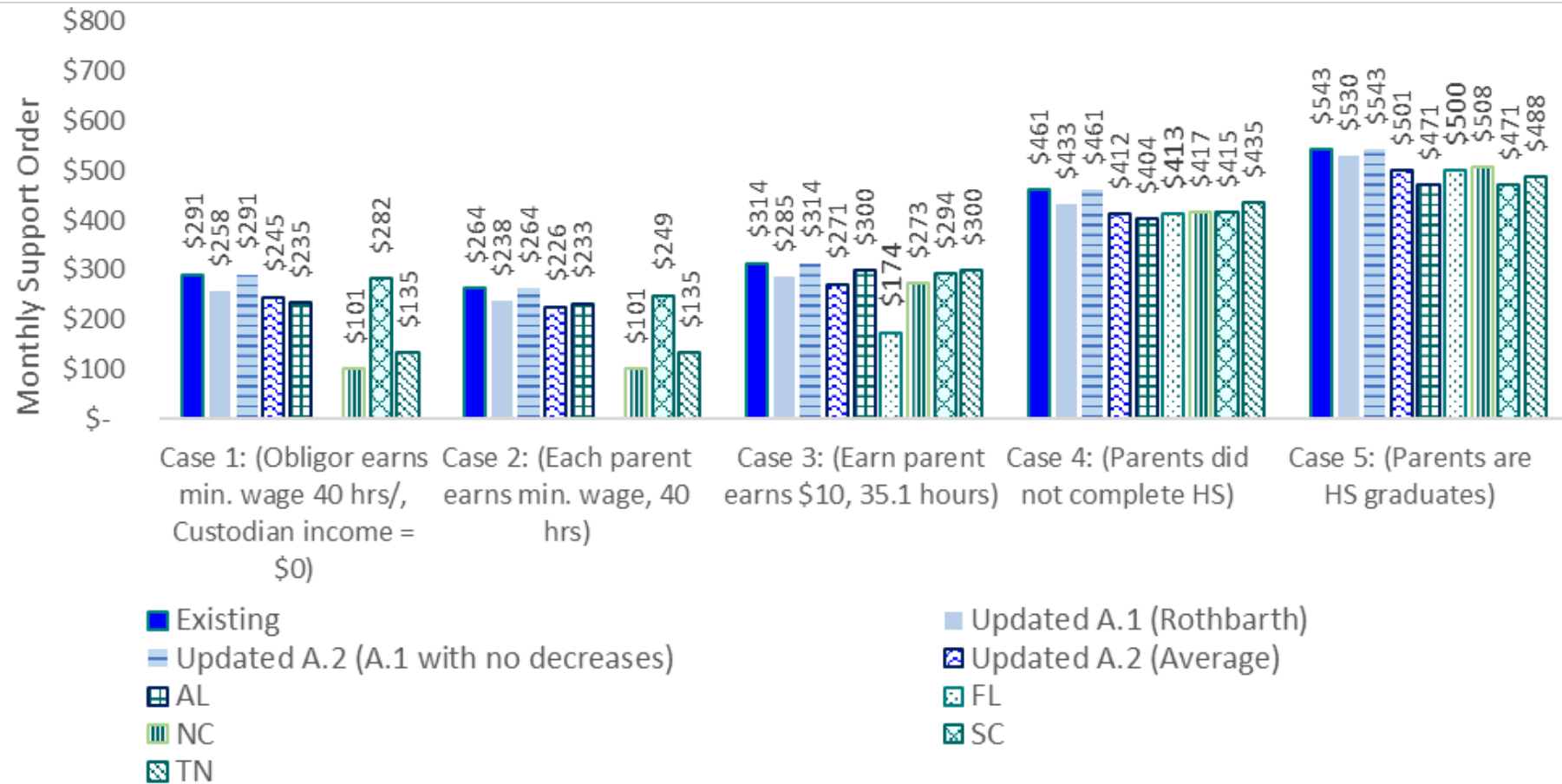
Comparisons Using Case Scenarios

Case Scenario	Gross Monthly Income of Obligated Parent	Gross Monthly Income of Receiving Party
1. Obligated parent earns \$7.25 per hour, 40 hours per week, Custodian has no income	\$1,257	\$0
2. Each parent earns \$7.25 per hour, 40 hours per week	\$1,257	\$1,257
3. Each parent earns \$10.00 per hour (approximate Georgia pay for low-wage occupations) and works 35.1 hours per week (average Georgia hours)	\$1,521	\$1,521
4. Parent's earnings are equivalent to median earnings of Georgia workers with less than a high school education	\$2,348	\$1,584
5. Parent's earnings are equivalent to median earnings of Georgia workers whose highest educational attainment is a high school degree or GED	\$2,983	\$2,092
6. Parent's earnings are equivalent to median earnings of Georgia workers whose highest educational attainment is some college or an associate's degree	\$3,732	\$2,526
7. Parent's earnings are equivalent to median earnings of Georgia workers whose highest educational attainment is a college degree	\$5,763	\$3,814
8. Parent's earnings are equivalent to median earnings of Georgia workers whose highest educational attainment is graduate degree	\$7,224	\$5,083
9. High income case: combined gross income of \$20,000 per month, parents have equal incomes	\$10,000	\$10,000
10. High income case: combined gross income of \$25,000 per month, obligated parent has more income	\$15,000	\$10,000

Other States

	GA	AL	FL	NC	SC	TN
Last Guidelines review	2018	2021,	2021	Current	Current	2020
Base of Guideline Income	gross	gross	net	gross	gross	gross
Underlying Economic Study	BR2/BE2 ^a	BR5	Espenshade/Engel	BR4	BR3	BR2
Years of Consumer Expenditure Survey	1996-99	2013-2019	1972-73	2004-2009	1998-2004	1996-99
Adjusted for State Income or Prices	No	Yes	No	No	Yes	No
Year of Price Levels Considered	2005	2021	1992	2018	2009	2003
Low-Income Adjustment is Rebuttal Presumptive or Deviation	Deviation	Rebuttable Presumptive	Rebuttable Presumptive	Rebuttable Presumptive	Rebuttable Presumptive	Rebuttable Presumptive
Type of Low-Income Adjustment	Reduced orders for incomes below poverty	SSR incorporated into worksheet	SSR, 90% of Difference	SSR incorporated in table & shaded	SSR incorporated in table & shaded	SSR incorporated in table & shaded
Self-Support Reserve (SSR) Amount	N.A.	\$981 gross/mo	Fed. Poverty Guidelines for one person	\$1,012 net/mo	\$748 gross/mo	\$957 gross/mo
Minimum order	\$100 +\$50 for ea. Add'l child	\$50	Court discretion	\$50	\$100	\$100

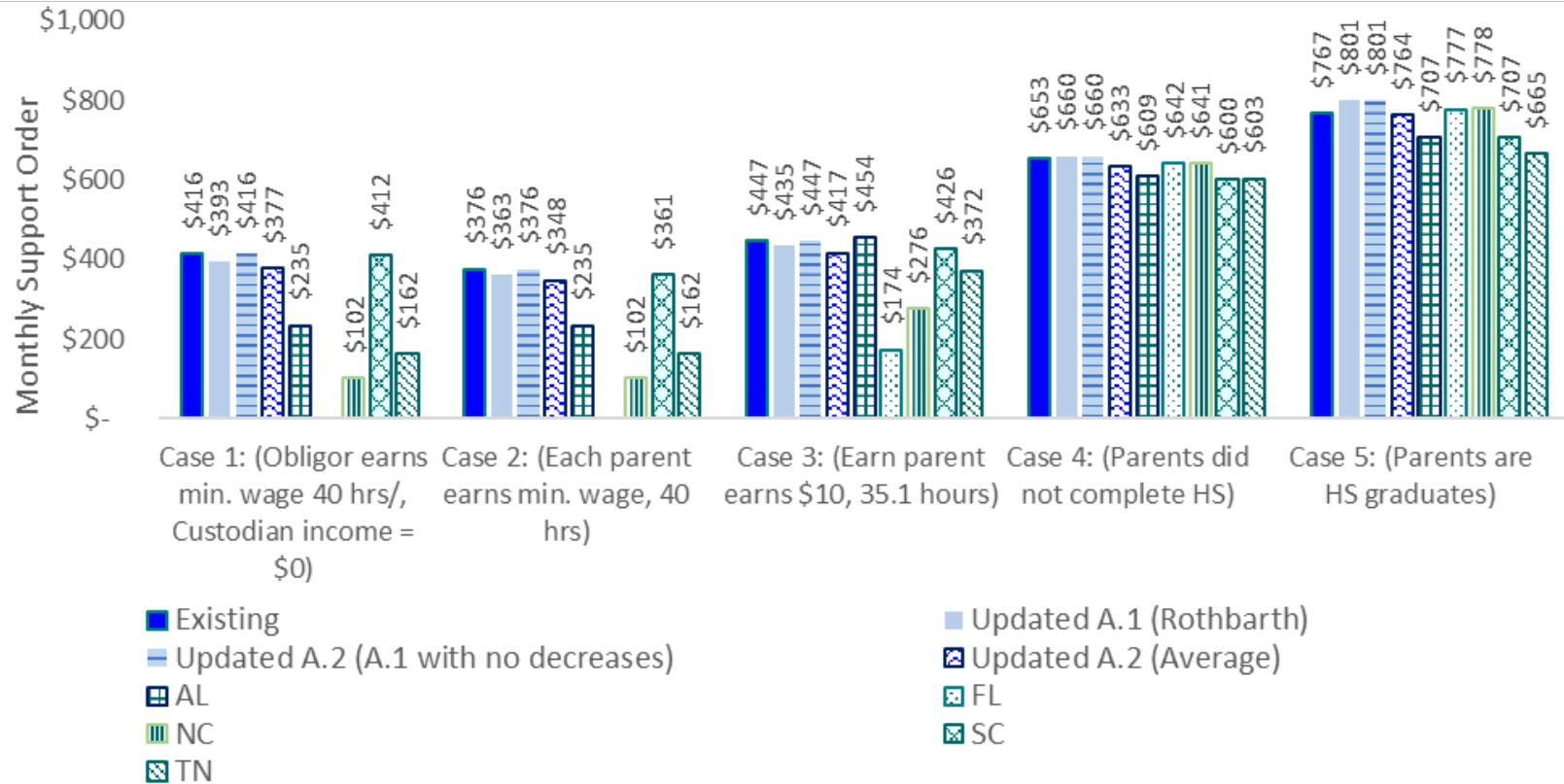
Comparison for 1 Child: Scenarios 1-5



Findings

- Small decreases from update
- Decrease never more than \$33
- Low-income adjustment applies to Cases 1 & 2 in AL, FL, NC and TN

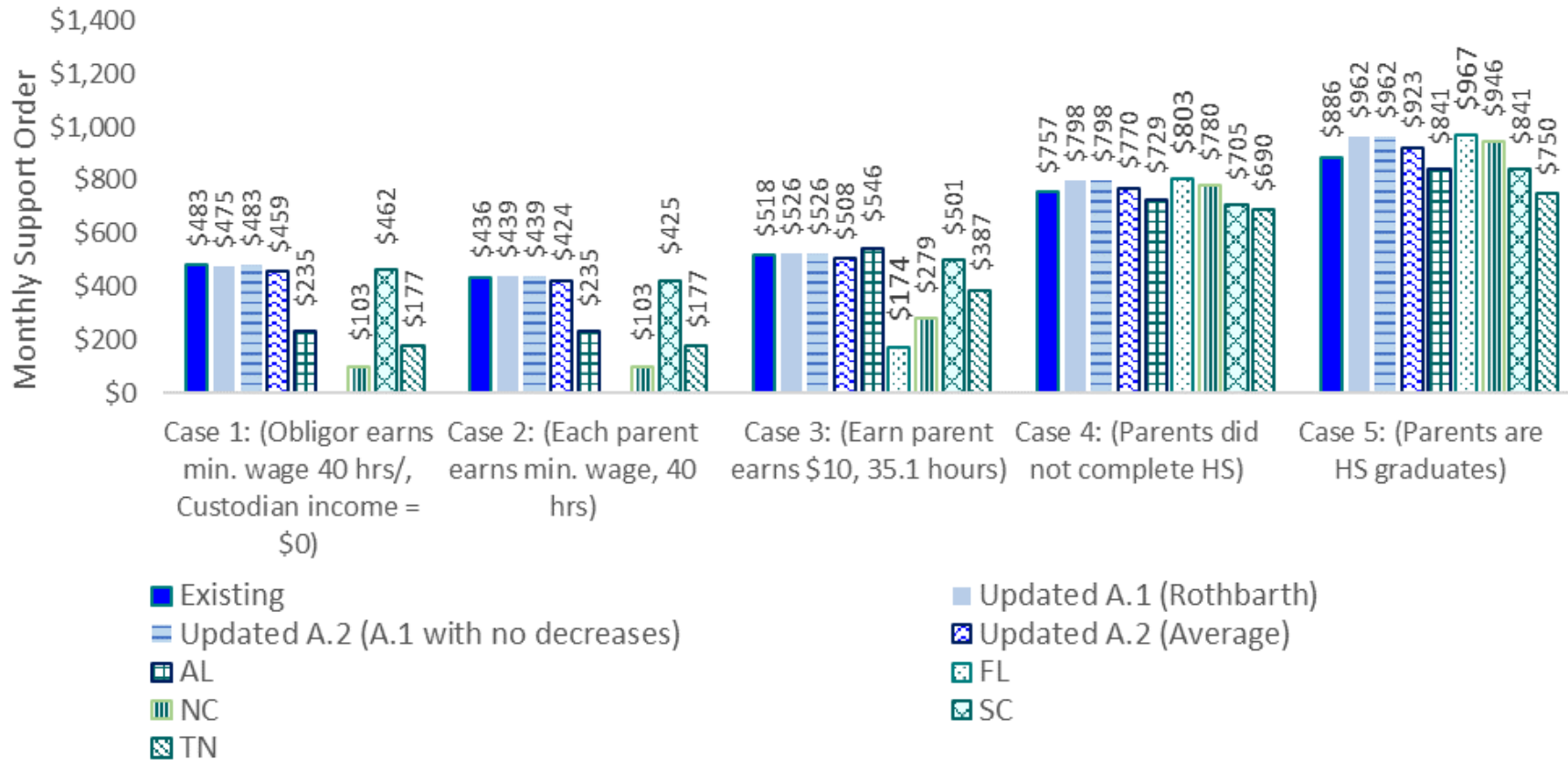
Comparison for 2 Children: Scenarios 1-5



Findings

- Small decreases for Cases 1-3
- Decrease never more than \$23
- Low-income adjustment applies to Cases 1-3 under FL, NC and TN

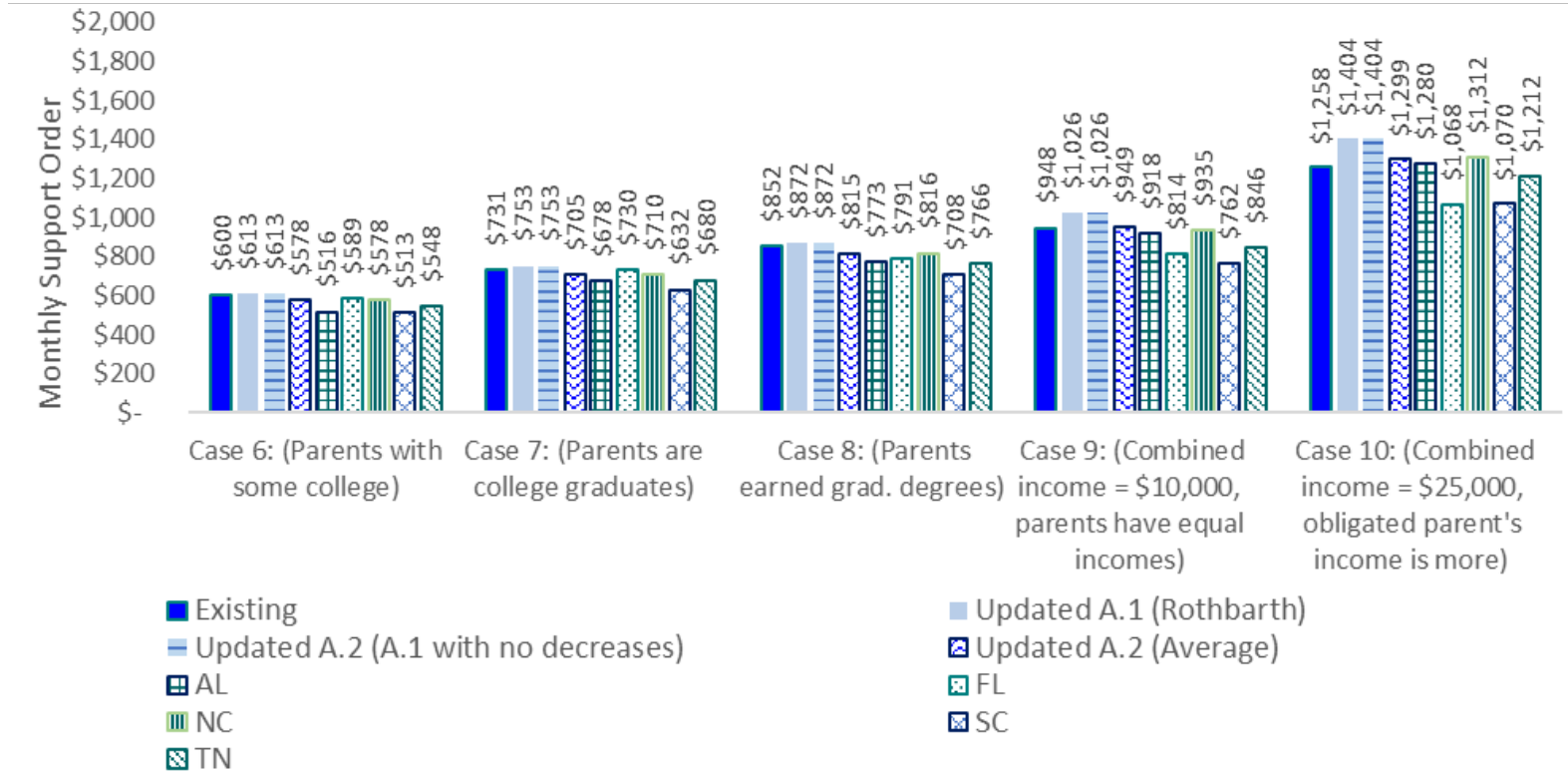
Comparison for 3 Children: Scenarios 1-5



Findings

- Small decreases for Case 1
- Decrease never more than \$8
- Low-income adjustment applies to Cases 1-3 under FL, NC and TN
- Low-Income adjustment applies to Cases 1-2 under AL

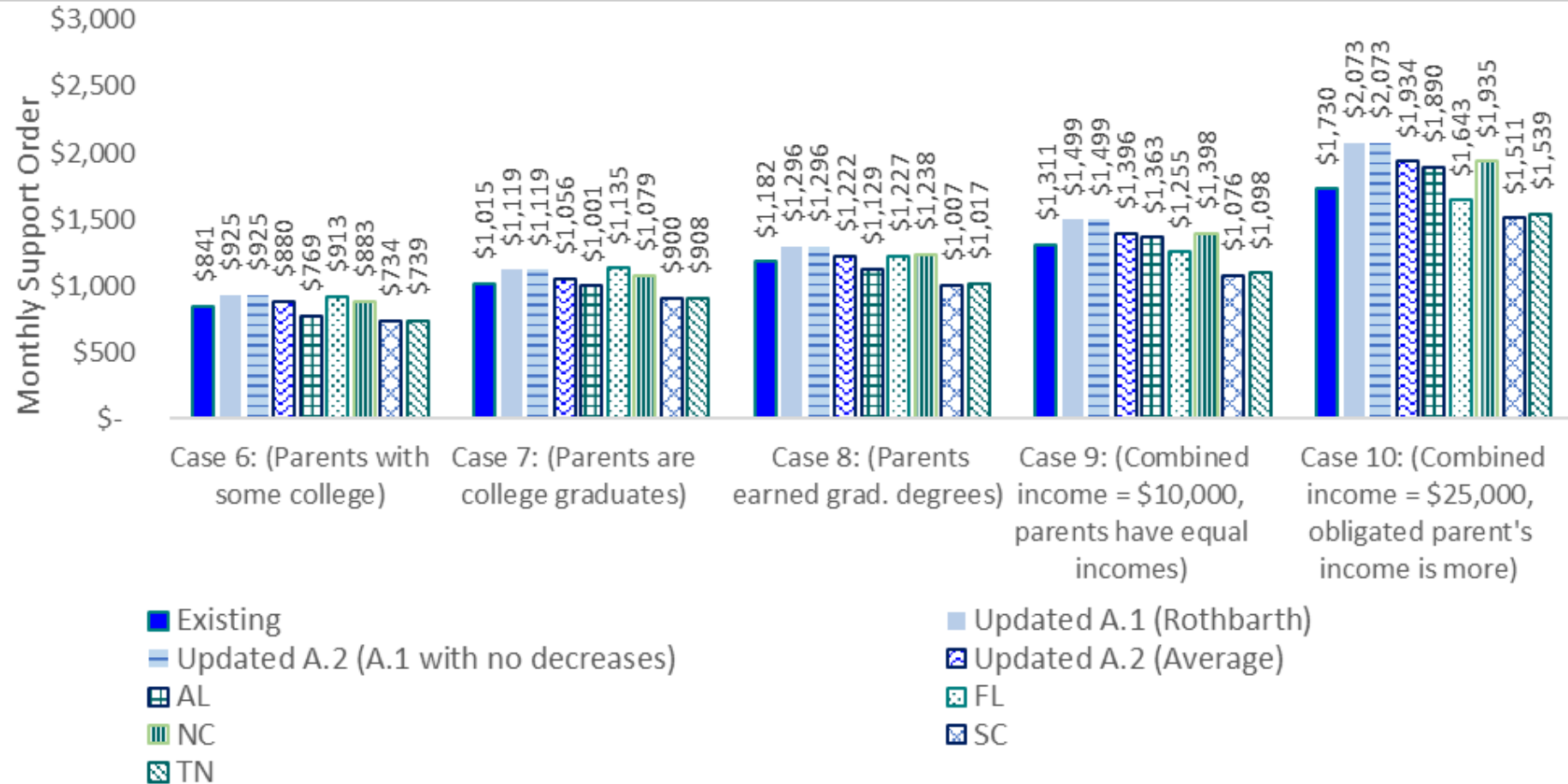
Comparison for 1 Child: Scenarios 6-10



Findings

- All increases under Rothbarth
- Increases become larger with more income

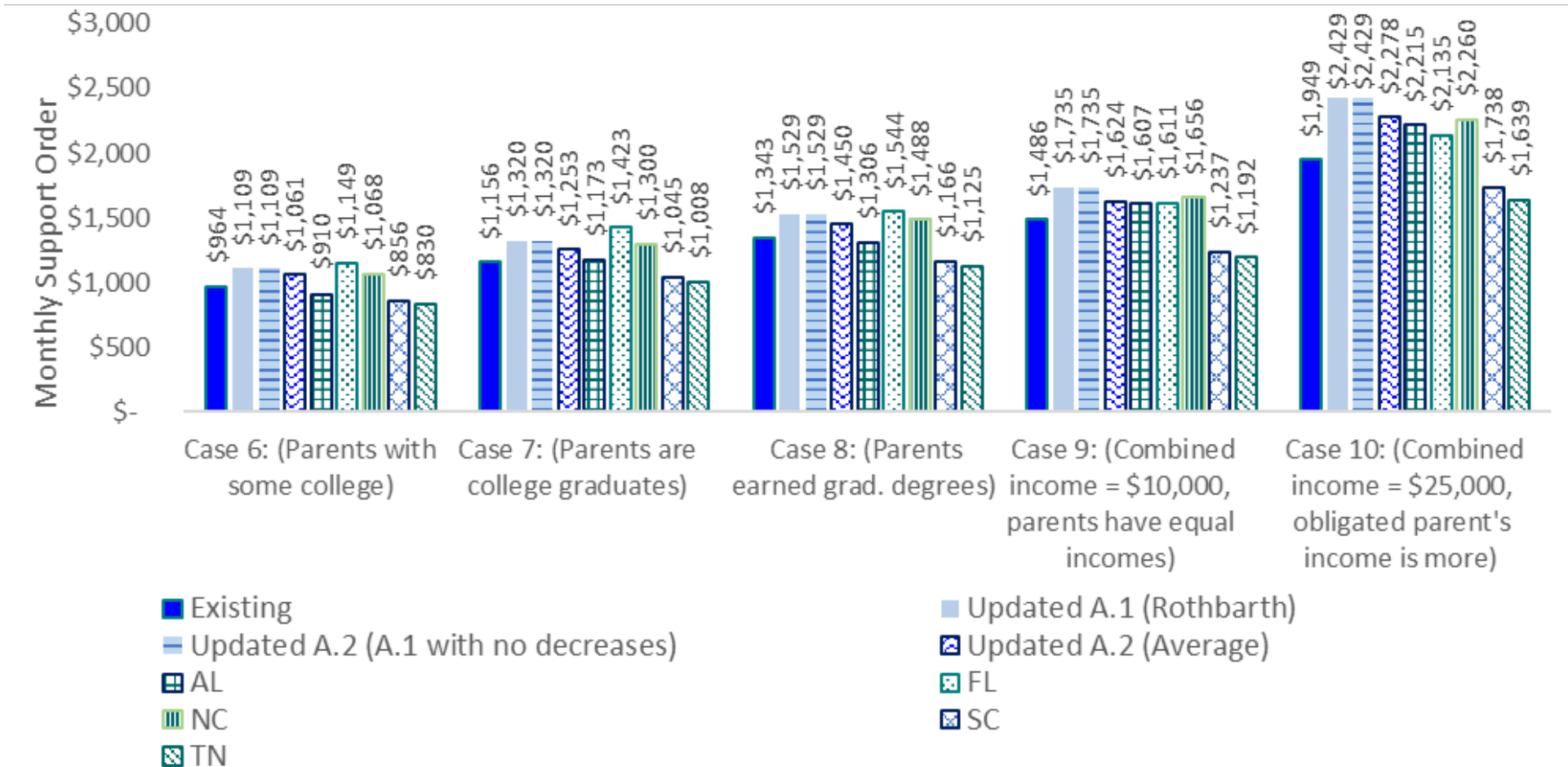
Comparison for 2 Children: Scenarios 6-10



Findings

- All increases under either update
- Increases become larger with more income

Comparison for 3 Children: Scenarios 6-10



Findings

- All increases under either update
- Increases become larger with more income

Factor #1: Income Shares Model

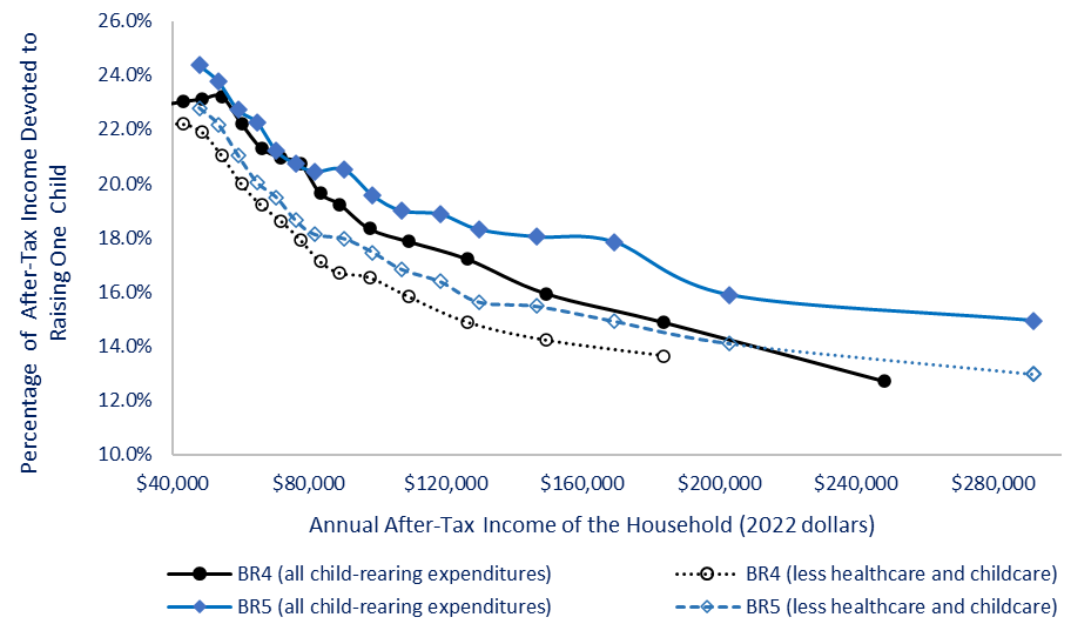
- Presumes that the child is entitled to the same level of expenditures that the child would have received had the parents and child lived in the same household and the child and combined financial resources; and presumes each parent is responsible for their prorated share of expenditures
- 41 states use the incomes model
- Requires the use of expenditures data from households in intact families
- Criticisms are that not all children experienced living in intact families
 - Counter-argument: Low-income, married couples and low-income, single parent spend the same amount on children: about \$9,000 to \$10,000 per year (Source: USDA 2017)

Factor #3: Price Levels

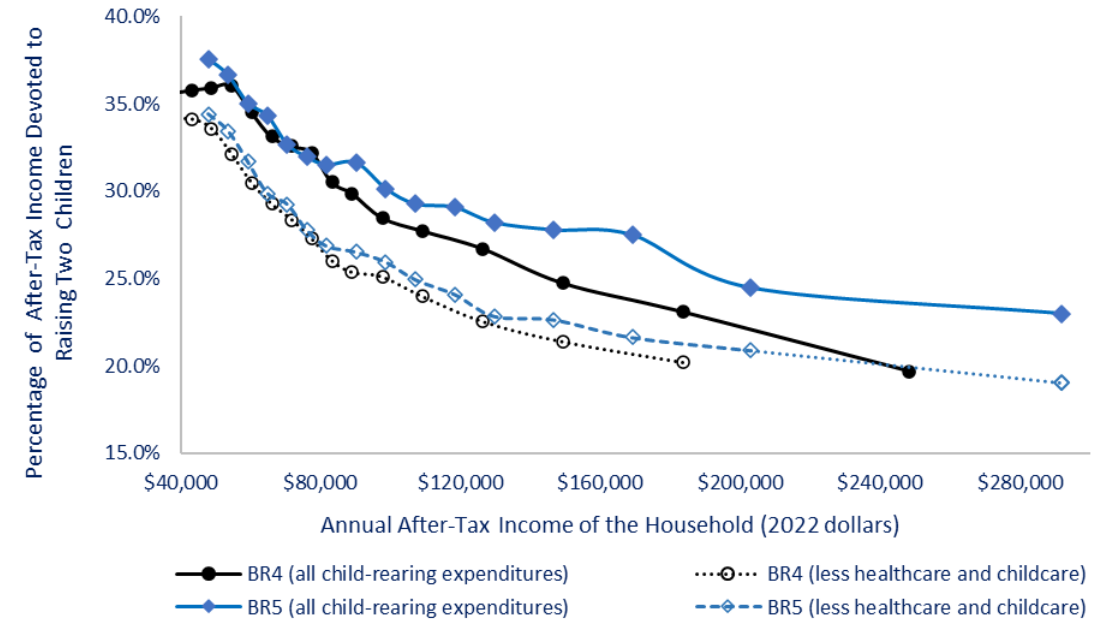
- Updated table is based on July 2022 prices
- Prices have increased 49.0 %
- Does not produce a 49.0% across the board increase because incomes have also increased
- Price increases have a larger impact on table amounts for more children and higher incomes

Factor #4: Excluding Childcare Expenses and Most of the Child's Healthcare Expense

One Child



Two Children



Impact on Proposed Table Changes: Unequal impact because at some incomes, average spending on childcare or healthcare has increased, so families have had to spend less on other items

Alternative Assumptions. All but the first \$250 per child per year in medical expenses is excluded. The \$250 is to cover ordinary medical receipts. Some states exclude all healthcare expenses from the table and a subset of those states add another amount back as a line item in the worksheet in to cover ordinary medical expenses

Factor #5: Adjust for Georgia Prices?

- The measurements rely on national data
- Comparable data does not exist at the state level and prohibitive to gather
- Some states adjust for price parity or their low income
 - AL and SC adjust, NC and TN do not
 - Adjustment would lower table amounts
 - Price parity is an index where 100% is the U.S. average
 - Price parities less than 100% indicate a lower cost of living in that region

	US	GA	AL	FL	NC	SC	TN
Adjusted for State Income or Prices	N.A.	No	Yes	No	No	Yes	No
2020 Price Parity	100.0	94.5	89.3	100.7	91.8	91.6	92.2

Source: U.S. Bureau of Economic Analysis. (2021). *2020 Regional Price Parities by State (US = 100)*. Retrieved from <https://www.bea.gov/data/prices-inflation/regional-price-parities-state-and-metro-area>

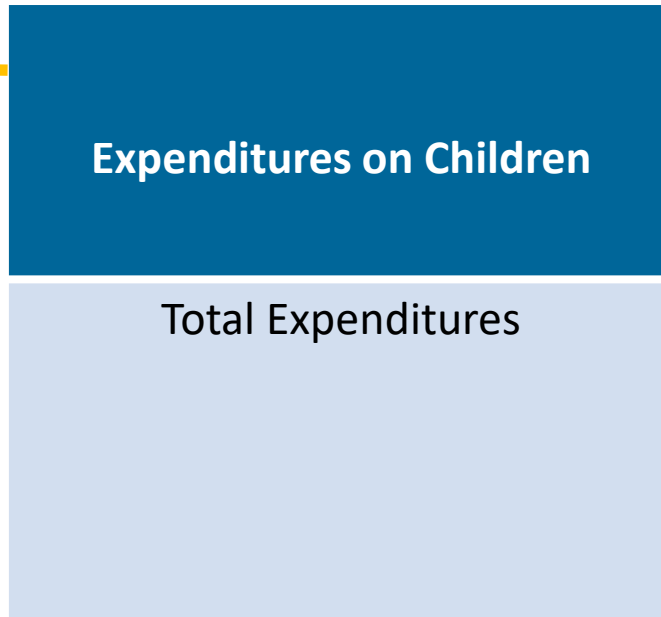
Alternative: Some states realign the national measurements of child-rearing expenditures using income data.

Factor #6: Convert BR measurements from Expenditures to Net Income

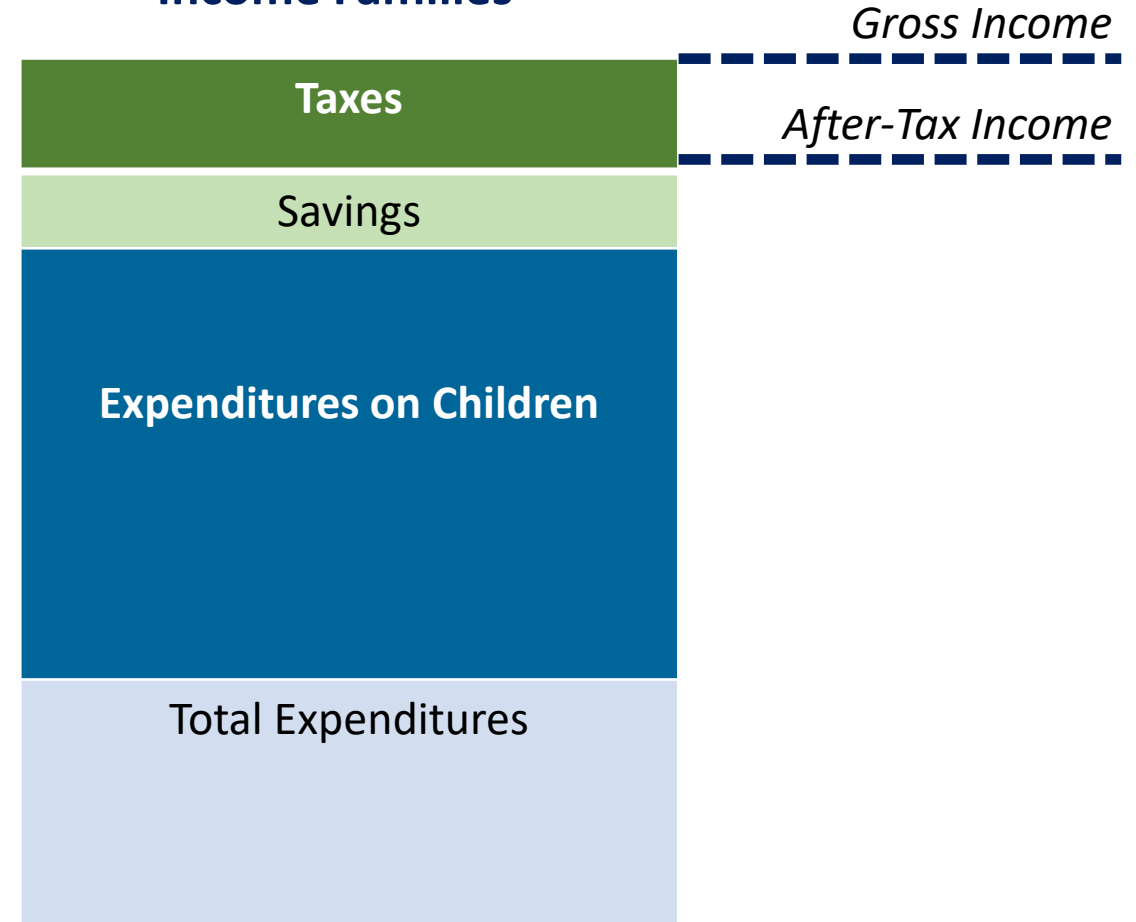
- Use average expenditures to net income ratios from same CE sample, Cap expenditures so it doesn't exceed after-tax income for low incomes
- *Alternative:* Assume all net income is spent. DC uses this approach. Raises table amounts

Lower to Middle Income Families

After-Tax Income



Upper-Middle to Upper Income Families



Factor #7: Convert from Net to Gross Income

- Back out to gross income by using prevailing federal and state income tax rates and FICA
 - Existing table: 2005 withholding formula
 - Updated table: 2022 withholding formula
- Assume single taxpayer status

Impact: Most alternative assumptions would increase table amounts

Alternatives. Use net-income based table or use a different tax assumption (e.g., taxing at rate of married couple would increase after-tax income and increase the table amounts)

Factor #8: Amount at High Income

Highest income of existing table is \$30,000 gross per month. Too few families in CE to estimate child-rearing expenditures beyond \$30,000

New BR data can take table up to \$40,000 gross per month

Factor #9: Incorporate Low-Income Adjustment?

Federal requirement (45 C.F.R. 302.56)

(c)(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...

Conclusions of the Low-Income Deviation Study Committee

1. Create a workgroup to improve the instructions/layout of the LID in the child support calculator.
2. Await the 2022 Quadrennial Review of the BCSO table and consider lowering the BCSO table amounts

Alternative: Self-Support Reserve in Worksheet

	Plaintiff	Defendant	Combined	
Line 1: Monthly gross income	\$1,200	\$1,000	\$2,200	
Line 2: Monthly adjusted gross income	\$1,200	\$1,000	\$2,200	
Line 3: Percentage share of income (each parent's income on Line 2 divided by Combined Income)	55%	45%	100%	
Line 4: Basic child support obligation			\$414	
Line 5: Preliminary child support obligation (Multiple Line 3 by Line 4)	\$228	\$186		
Self-Support Reserve Test				
Line 6: Income available after Self-support reserve (Line 2 minus \$981, if less than \$0, enter \$0)	\$219			
Line 7: Income available for support (85% of Line 6, if less than \$50, enter \$50 minimum order)	\$ 186			
Line 8: Recommended child support order (Lessor Lines 5 and 7)	\$186			

AL sets its SSR at the \$981 per month (2021 fed. poverty guidelines for 1 person multiplied by Alabama price parity)

Alternative: Self-Support Reserve in Table

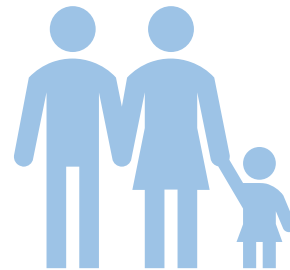
Example: North Carolina

Self-Support Reserve: Supporting Parents with Low Incomes

The guidelines include a self-support reserve that ensures that obligors have sufficient income to maintain a minimum standard of living based on the 2018 federal poverty level for one person (\$1,012.00 per month) for obligors with an adjustment gross income of less than \$1,108 the Guidelines require, absent a deviation, the establishment of a minimum support order (\$50). For obligors with adjusted gross incomes above \$1,097, the Schedule of Basic Support Obligations incorporates a further adjustment to maintain the self-support reserve for the obligor.

If the obligor's adjusted gross income falls within the shaded area of the Schedule and Worksheet A is used, the basic child support obligation and the obligor's total child support obligation are computed using only the obligor's income. In these cases, childcare and health insurance premiums should not be used to calculate the child support obligation. However, payment of these costs or other extraordinary expenses by either parent may be a basis for deviation. This approach prevents disproportionate increases in the child support obligation with moderate increases in income and protects the integrity of the self-support reserve. In all other cases, the basic child support obligation is computed using the combined adjusted gross incomes of both parents.

Combined Adjusted Gross Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children
1150	50	50	50	50	50	50
1200	66	67	68	68	69	70
1250	101	102	103	104	105	106
1300	135	137	138	140	141	143
1350	170	172	173	175	177	179
1400	204	207	209	211	213	216
1450	239	241	244	247	249	252
1500	273	276	279	282	285	289
1550	295	311	315	318	322	325
1600	304	346	350	354	358	361
1650	313	381	385	390	394	398
1700	321	416	421	425	430	434
1750	330	451	456	461	466	471
1800	338	486	491	496	502	507
1850	347	520	526	531	537	543
1900	355	549	560	566	572	578
1950	364	562	594	601	607	614
2000	372	575	629	636	642	649
2050	381	588	663	670	677	685
2100	389	601	697	705	713	720
2150	398	614	732	740	748	756
2200	406	627	766	775	783	791
2250	415	641	784	809	818	827
2300	423	654	800	844	853	862
2350	432	667	816	879	888	898
2400	440	680	831	914	923	933
2450	449	693	847	947	959	969
2500	457	706	863	964	994	1004
2550	466	719	879	982	1029	1040
2600	474	732	895	1000	1064	1075
2650	483	745	911	1018	1099	1111
2700	491	758	927	1036	1134	1146
2750	500	771	943	1054	1159	1182
2800	508	785	959	1071	1178	1217
2850	517	798	975	1089	1198	1253
2900	525	811	991	1107	1218	1288
2950	534	824	1007	1125	1237	1324
3000	542	837	1023	1142	1257	1359
3050	551	850	1039	1160	1276	1387
3100	560	863	1055	1178	1296	1409



Parenting-Time Adjustment

Recommendations of PTA Study Committee (1/3)

1. The parenting time deviation stated in the Georgia statute needs to be changed.
2. Any award/amount/calculation of child support should take into account parents' time with child(ren) in the form of a **presumptive adjustment to child support and not a deviation**.
3. The proposed adjustment to account for the parents' time with child(ren) should not be mandatory, but presumptive, subject to rebuttal.
4. The Commission must consider "the best interest of Georgia's children and take into account the changing dynamics of family life" in reviewing the child support guidelines.... Presuming a parent who spends more time with his/her child will contribute more for the child's expenses, the awards should be adjusted, through worksheet calculations, to offset some of the costs and savings associated with time spent with each parent.
5. A parenting time calculator, such as Minnesota's, should be created for Georgia...
6. Any calculation of parenting time should be considered over a two-year period to encompass and average out uneven times due to alternated parenting time in any one year.
7. The simplest way to calculate the parenting time adjustment may not be in the best interest of the child.

Recommendations of PTA Study Committee (2/3)

8. We recognize that there are three types of expenses for children included in the BCSO:

1. Variable expenses (expenses incurred in both households when exercising parenting time, such as food, transportation, and some entertainment);
2. Fixed expenses (expenses which may or may not be incurred in both households when exercising parenting time, such as larger housing, utilities, household care items, household furnishings); and
3. Controlled expenses (clothing, personal care, entertainment).

These expenses should be considered when making the public policy decision about the methodology to be considered for the parenting time adjustment.

9. **The Commission should ask Dr. Venohr to identify the portions/percentages of Georgia's BCSOs attributed to different types of child-rearing expenses.... And [recommend a formula].**

10. Any parenting time adjustment should ensure that the greater time parent has a self-support reserve after the possible parenting time adjustment.

11. In cases with largely disparate incomes, it is possible the lower income parent would receive child support even if they are the lesser time parent.

Recommendations of PTA Study Committee (3/3)

12. The court or jury may, if supported by evidence and in the best interest of the child(ren), enter a child support order which does not apply the parenting time adjustment formula...
13. In determining the parenting time adjustment, the court shall consider the existence of alternative parenting time schedules which might result in significant parenting time but not always in the “overnight” manner.
14. The statutory modification needs to avoid the concept of a “standard” parenting time.
15. The final amount of child support after application of the parenting time adjustment shall be presumptive and the court or jury may deviate from the presumptive amount of child support in compliance with 19-6-15(i) in the best interest of the child.
16. Dr. Jane Venohr should consider these factors when making her recommendations to the Commission upon her review.
17. The Commission should ask Dr. Venohr to address the following issue: The current guidelines state a “portion of the basic child support obligation is intended to cover average amounts of special expenses incurred in the rearing of a child”⁹ and requires a 7% threshold test be applied before allowing the court/parties to include and divide expenses rising above 7% of the BCSO...
18. Following the implementation of any change to the child support guidelines to account for a parenting time adjustment, the Commission needs to ensure that there is a concerted effort to educate...

Expenditure Categories in Betson Estimates

Average Spending of Units with Children by Net Income

	Bottom Third	Middle Third	Top Third	Total
Net Income	\$36,891	\$75,139	\$154,974	\$88,862
Total Outlays	\$40,932	\$61,423	\$102,012	\$68,080
Budget Share (% of Total Outlays)				
Housing	42.8%	42.9%	45.2%	43.5%
Transportation	16.4%	16.6%	14.2%	15.8%
Food	23.1%	18.4%	15.9%	19.1%
Entertainment	4.1%	4.9%	5.9%	5.0%
Health Care	5.6%	8.8%	7.6%	7.4%
Apparel	2.7%	2.2%	2.4%	2.4%
Tobacco and Alcohol	1.6%	1.2%	1.1%	1.3%
Education and Reading	1.0%	1.4%	2.8%	1.7%
Personal Care	.5%	.6%	.7%	.6%
All other	1.2%	3.0%	4.2%	3.2%

- Housing, food, and transportation are largest shares
- Shares vary by income
- WV is proposing an increase its “duplicated” expenses from 50% to 60% so its multiplier would be 1.6 instead of 1.5
- 7% comes from entertainment (reweighing to exclude healthcare and tobacco and alcohol)

Variable/Fixed/Duplicated Assumptions in States

These states had adjustments that discern between these types of expenses in their parenting-time adjustment

	Variable	Fixed Duplicated	Fixed Non Duplicated	Source	Notes
Arizona	38% (Food home and away and household operations and utilities)	28% (furnishings and shelter), but rounded up to 30% initially	34% (all other expenses)	1995 analysis by Professor Shockey, University of Arizona using 1991 CE.	No longer adhered to. Converted to sliding scale that has been modified several times since originally adapted in the late 1990s.
Indiana	35% (food and transportation)	50% (shelter)	15% (clothing, education, school books and supplies, ordinary uninsured health care and personal care)	6% uninsured healthcare expenses (Espenshade)	Fixed, non-duplicated are called “controlled” expenses
Missouri	30%	38%	32%	Looked at other states, and designed to create gradual change	Converted to a sliding scale similar to Arizona
New Jersey	37% (food and transportation)	37% (housing)	25% (clothing, personal care, entertainment and miscellaneous)	USDA (early 1990s—year unknown)	
Melli and Brown (1994)	Estimated 40-50% (Food, recreation, and some transportation)	Estimated at 25-33% (Utilities, household furnishing, pay and study space, toys and play equipment)	Estimated 25% (clothing, medical care, child care, and school expenses)	Unknown (possibly Espenshade)	

Types of Parenting-Time Formulas

Formula	States
Cross-Credit with 1.5 Multiplier	19 states (AK, CO, DC, IL, ID, FL, LA, ME, MD, NE, NC, NM, RI, SC, SD, VT, WV, WY, WI)
Cross-Credit with No or Alternative Multiplier	4 states (MT, NV, OK, VA)
Simple Percentage or Sliding Scale Adjustment	7 states (AZ, DE, IA, KS, KY (eff late 2022) OH, UT)
Consideration of Transferable and Fixed Expenses	3 states (IN, MO, NJ)
Non-Linear Formulas	3 states (MI, MN, OR)
Per Diem Adjustment	4 states (HI, PA*, ND, TN)
Unique Formula	2 states (CA, MA)
States with a Formula	42 states
States without a Formula	9 states (AL, AR, CT, GA, MS, NH, NY, TX, WA)

Formula is a policy decision

Only 3 states use concept of transferable and fixed expenses

- IN encourages parenting plans
- GA and NJ provide for deviation when almost equal

Oldham, Thomas and Jane Venohr. (May 2021). "The Relationship between Child Support and Parenting Time." *Family Law Quarterly*. Volume 43, Number 2.

IN Considers Variable, Fixed & Controlled Expenses

Exhibit 5: Indiana Parenting-Time Worksheet	
Line:	
1PT	Enter Annual Number of Overnights
2PT	Enter Weekly Basic Child Support Obligation – BCSO (Enter Line 4 from Child Support Worksheet)
3PT	Enter Total Parenting Time Expenses as a Percentage of the BCSO (Enter Appropriate TOTAL Entry from Table PT)
4PT	Enter Duplicated Expenses as a Percentage of the BCSO (Enter Appropriate DUPLICATED Entry from Table PT)
5PT	Parent’s Share of Combined Weekly Income (Enter Line 2 from Child Support Worksheet)
6PT	Average Weekly Total Expenses during Parenting Time (Multiply Line 2PT times Line 3PT)
7PT	Average Weekly Duplicated Expenses (Multiply Line 2PT times Line 4PT)
8PT	Parent’s Share of Duplicated Expenses (Multiply Line 5PT times Line 7PT)
9PT	Allowable Expenses during Parenting Time (Line 6PT – Line 8PT)
	Enter Line 9PT on Line 7 of the Child Support Worksheet as the Parenting Time Credit

Exhibit 6: Excerpt of Indiana Percentage Adjustments			
ANNUAL OVERNIGHTS			DUPLICATED
FROM	TO	TOTAL	
1	51	0	0
52	55	0.062	0.011
56	60	0.07	0.014
61	65	0.08	0.02
66	70	0.093	0.028
...
151	155	0.623	0.476
156	160	0.634	0.483
161	165	0.644	0.488
166	170	0.652	0.491
171	175	0.66	0.494
176	180	0.666	0.495
181	183	0.675	0.5

- Complicated Formula
 - Requires automated calculator
- Mathematically Appropriate
- Starts with 52 overnights
- Difficult to Explain

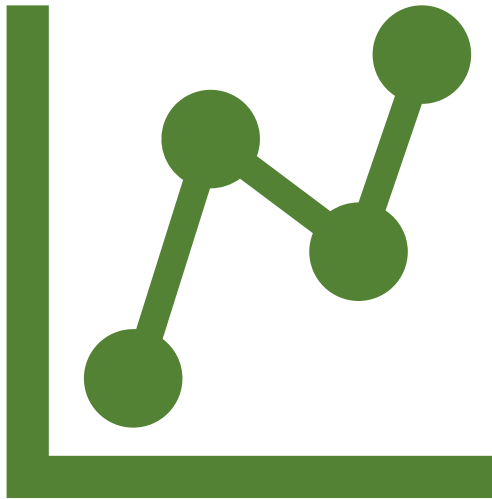
Most Common Adjustment: Cross-Credit

Alabama is considering cross-credit

1	MONTHLY GROSS INCOME	\$ 2,000	\$ 4,000	\$ 6,000
2	MONTHLY ADJUSTED GROSS INCOME (Line 1 – Line 1a – Line 1b)	\$ 2,000	\$ 4,000	\$ 6,000
3	PERCENTAGE SHARE OF INCOME (Income on Line 2 divided by Combined Income)	33%	67%	100%
4	BASIC CHILD-SUPPORT OBLIGATION (Apply Line 2 Combined to Schedule of Basic Child-Support Obligations)			\$ 851
New Line 5	SHARED-PARENTING TIME OBLIGATION (150% of Basic Obligation (1.5 X Line 4))			\$ 1,277
New Line 6	EACH PARENT'S SHARE OF SHARED-PARENTING OBLIGATION (Line 3 x New Line 5)	\$ 421	\$ 855	
New Line 7	EACH PARENT'S TIMESHARING SHARE	50%	50%	100%
New Line 8	AMOUNT RETAINED FOR PARENT'S TIME WITH CHILD (New Line 6 X New Line 7)	\$ 210.50	\$ 427.50	
New Line 9	EACH PARENT'S TIME-ADJUSTED OBLIGATION (New Line 6 minus New Line 8)	\$ 210.50	\$ 427.50	
New Line 7	RECOMMENDED CHILD SUPPORT ORDER (Subtract amount on Line 6 from higher amount, put in column of parent with higher amount)		\$ 217	

Considerations in Adapting a Parenting-Time Adjustment

1. Criteria for applying the adjustment (e.g., court-ordered shared custody arrangement, agreed-to-by-parents, actual)
2. Should the adjustment be applied at judicial discretion or presumptively?
3. Definition of “days” or “overnights” and addressing non-traditional work schedules
4. Is there a need to use the term, “overnight” or define “overnight” if there are orders for “days” or blocks of time (e.g., 12 hour blocks)?
5. Actual formula
6. Threshold of overnights for applying
7. Whether formula produces \$0 order when parents have equal incomes and timesharing is 50%/50%
8. Should the criterion for applying the adjustment be exactly 50-50 or about 50-50?
9. Some states provide a criterion about actual sharing of expenses or specifying that expenses should be shared.
10. Some states specify separate calculations for equal incomes and non-equal incomes.
11. Worksheet or no worksheet?
12. Whether parent can receive parenting-time adjustment AND low-income adjustment?
13. Whether to apply adjustment only if custodial household’s income is above a certain threshold?
14. Modification if timesharing does not occur as considered in the order.
15. Should split custody be addressed also?



Next Steps

Conclusions, Questions and Next Steps

- This presentation demonstrates that Georgia has considered all federal data requirements
- Commission
 - Questions?
- Next Steps for CPR
 - Prepare final report
 - Other?
- Timelines



Appendix: Federal Regulations

Federal Requirements of State Guidelines (Verbatim 1/3, new requirements in red)

45 C.F.R § 302.56

- (a) Within 1 year after completion of the State's next quadrennial review of its child support guidelines, that commences more than 1 year after publication of the final rule, in accordance with § 302.56(e), as a condition of approval of its State plan, the State must establish one set of child support guidelines by law or by judicial or administrative action for setting and modifying child support order amounts within the State that meet the requirements in this section.
- (b) The State must have procedures for making the guidelines available to all persons in the State.
- (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; and
 - (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.
 - (2) Address how the parents will provide for the child's health care needs through private or public health care coverage and/or through cash medical support;
 - (3) Provide that incarceration may not be treated as voluntary unemployment in establishing or modifying support orders; and
 - (4) Be based on specific descriptive and numeric criteria and result in a computation of the child support obligation

Federal Requirements of State Guidelines (Verbatim 2/3)

45 C.F.R § 302.56

- (d) The State must include a copy of the child support guidelines in its State plan.
- (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.
- (f) The State must provide that there will be a rebuttable presumption, in any judicial or administrative proceeding for the establishment and modification of a child support order, that the amount of the order which would result from the application of the child support guidelines established under paragraph (a) of this section is the correct amount of child support to be ordered.
- (g) A written finding or specific finding on the record of a judicial or administrative proceeding for the establishment or modification of a child support order that the application of the child support guidelines established under paragraph (a) of this section would be unjust or inappropriate in a particular case will be sufficient to rebut the presumption in that case, as determined under criteria established by the State. Such criteria must take into consideration the best interests of the child. Findings that rebut the child support guidelines shall state the amount of support that would have been required under the guidelines and include a justification of why the order varies from the guidelines.

Federal Requirements of Guidelines Reviews Verbatim 3/3, Summary Follows

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.

(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.