

# Child Support Guidelines Advisory Council

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JULY 27, 2012  
10:00 AM

**WELCOME  
2013 COUNCIL!**

# Child Support Guidelines Advisory Council

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**JULY 27, 2012**

**INTRODUCTION  
AND  
BACKGROUND**

# Guidelines Council Background

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- **What are the Child Support Guidelines?**
  - Federally required state standard used to determine child support obligations
    - ✦ Mandatory statewide
    - ✦ Presumed to result in the correct obligation amount
      - Subject to deviation when in the child's best interest
  - Two primary guidelines components
    - ✦ Schedule of obligations (RC 3119.021)
      - Grid square table (income by number of children)
    - ✦ Child Support Worksheet (RC 3119.022 and 3119.023)
      - Similar to a tax calculation – gross income less deductions and credits used to apply to the schedule of obligations table

# Guidelines Council Background

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- **Why a Guidelines Council?**
  - Guidelines review required every four years
    - ✦ . . . *to ensure that their application results in the determination of appropriate child support award amounts . . .* (42 USC 667)
  - Review of the schedule and worksheets
    - ✦ To determine whether the guidelines adequately provide for the needs of children subject to child support orders
  - Deviation Study
    - ✦ To determine if the presumption that the guidelines are the correct amount is being complied with

# Guidelines Council Background

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- **There have been 5 CSGACs**
  - 1993, 1997, 2001, 2005, and 2009
  - Each Council has recommended to the Department, and the Department to the Legislature, that the schedule of obligations found in the Revised Code should be updated to reflect increases in the cost of living
  - The schedule of obligations found at RC 3119.021 has not been updated since its original adoption in **1992**

# Guidelines Council Background

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- **The 2005 and 2009 Councils reached consensus on the following issues**
  - **Schedule of obligations**
    - ✦ Needs updated to reflect the increased cost of raising children since the original and current schedule introduced in 1992)
    - ✦ Should be based on U.S. Department of Agriculture data on the cost of raising children
    - ✦ Should be removed from the Ohio Revised Code and automatically updated in an administrative rule by the Department

# Guidelines Council Background

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- **2005 and 2009 Council Consensus on Key Issues**
  - Credit for standard parenting time orders
  - Need for credit method for extended parenting time orders
  - Need for updates to factors used in deviating from guideline child support amount
  - Adjustment to income imputation laws (recently adopted in SB 337)
  - Coordination of multiple orders for the same parents (recently adopted in SB 337)

# Guidelines Council Background

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- **ODJFS asks the 2013 Council to**
  - Review research claims that support obligations in excess of 20% of gross income predict a greater accumulation of arrears than obligations that are less than 20% of gross income
  - Determine whether the council accept these claims as accurate or reliable
  - If yes, what are the public policy implications?
    - ✦ Schedule adjustment?
    - ✦ Worksheet adjustment?
    - ✦ Other adjustment?

# Guidelines Council Background

- **Research Materials**

- Turetsky - Realistic child support policies for low income fathers (2000)
- Hu & Meyer - Do high order orders discourage payments? (2003)
- Formoso - Determining the composition and collectability of child support arrears (2003)
- Sorensen, Sousa, & Schaner - Assessing Arrears in Nine States Study (2007)
- Sorensen, Sousa, & Schaner - Assessing Arrears in Ohio (draft report)
- Formoso & Liu - Arrears Stratification Report Final (2010)
- Takayesu - How do child support order amounts affect payments and compliance (2011)

# Guidelines Council Background

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- **Research review**
  - Copies of each study will be provided – we ask that you review these materials for the next meeting
  - What follows is information about
    - ✦ Obligations as a percentage of income (under current and under the proposed USDA schedule of obligations)
    - ✦ Child support collection performance
    - ✦ Non-paying obligor demographics
    - ✦ Case type data

# Obligation Ratio to Income

11

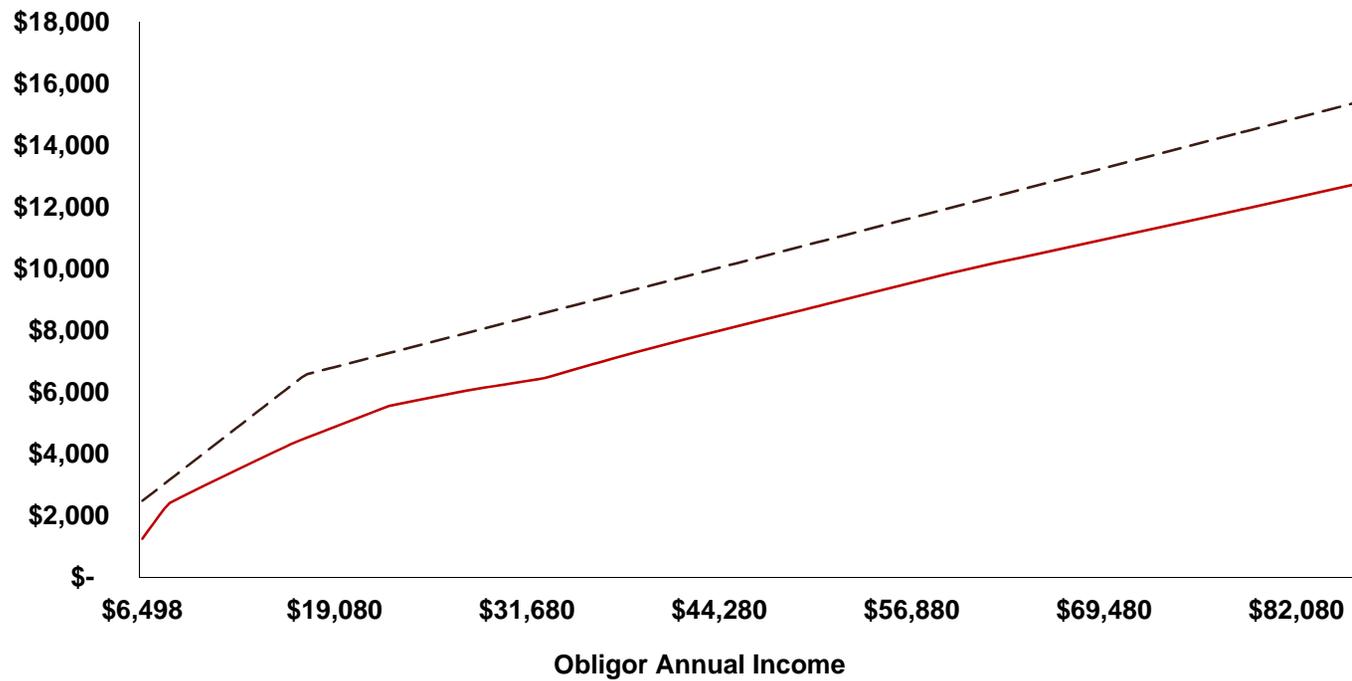
- **The next eight slides are based on the following assumptions:**
  - There are two children subject to the order
  - Obligor share of combined income is 60%
  - Obligee share of combined income is 40%
  - The calculations contain no credits or deductions for either party, except as noted on the slide.

# Obligation Ratio to Income

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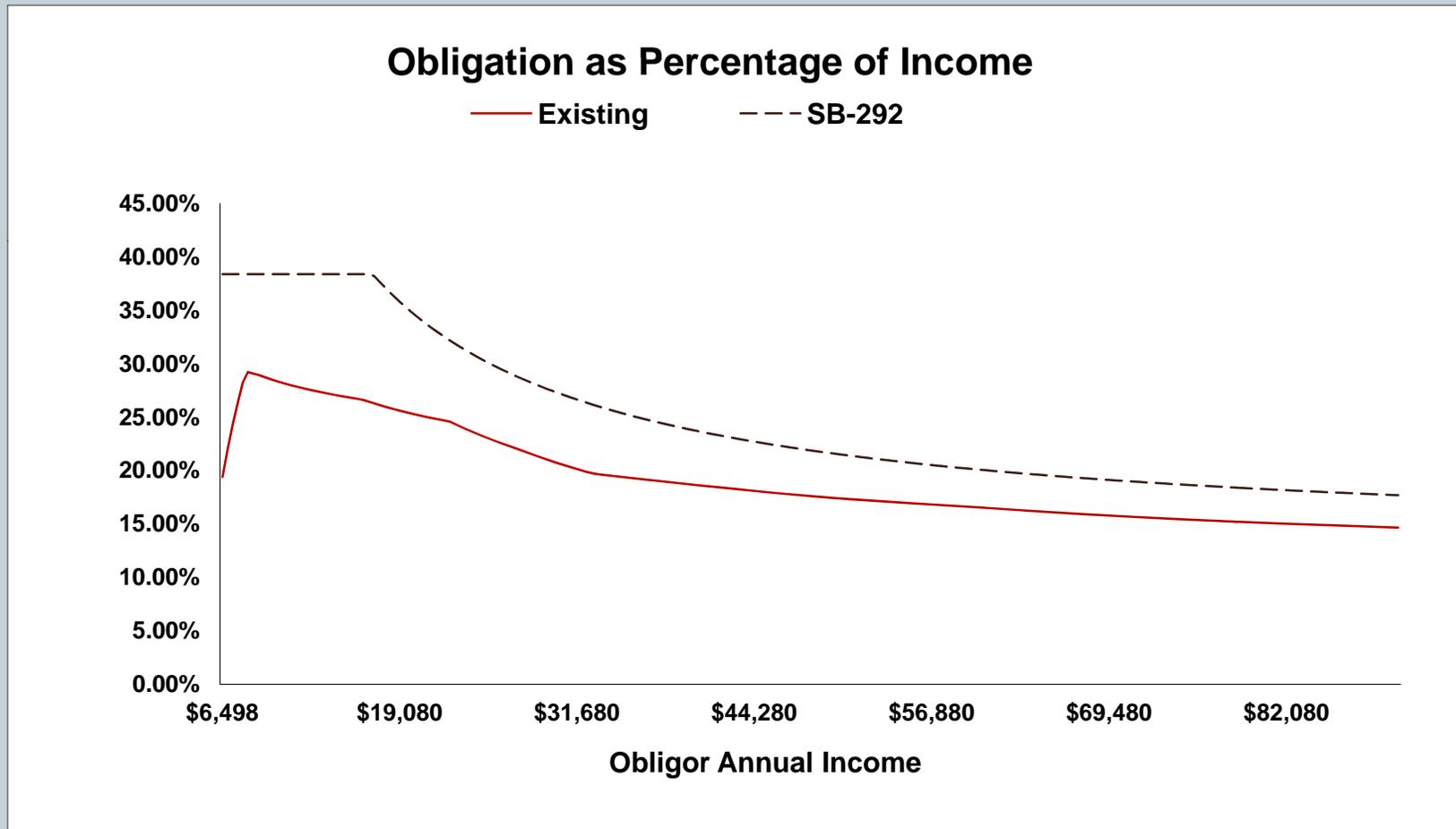
## Annual Obligation Amounts

— Existing      - - - SB-292



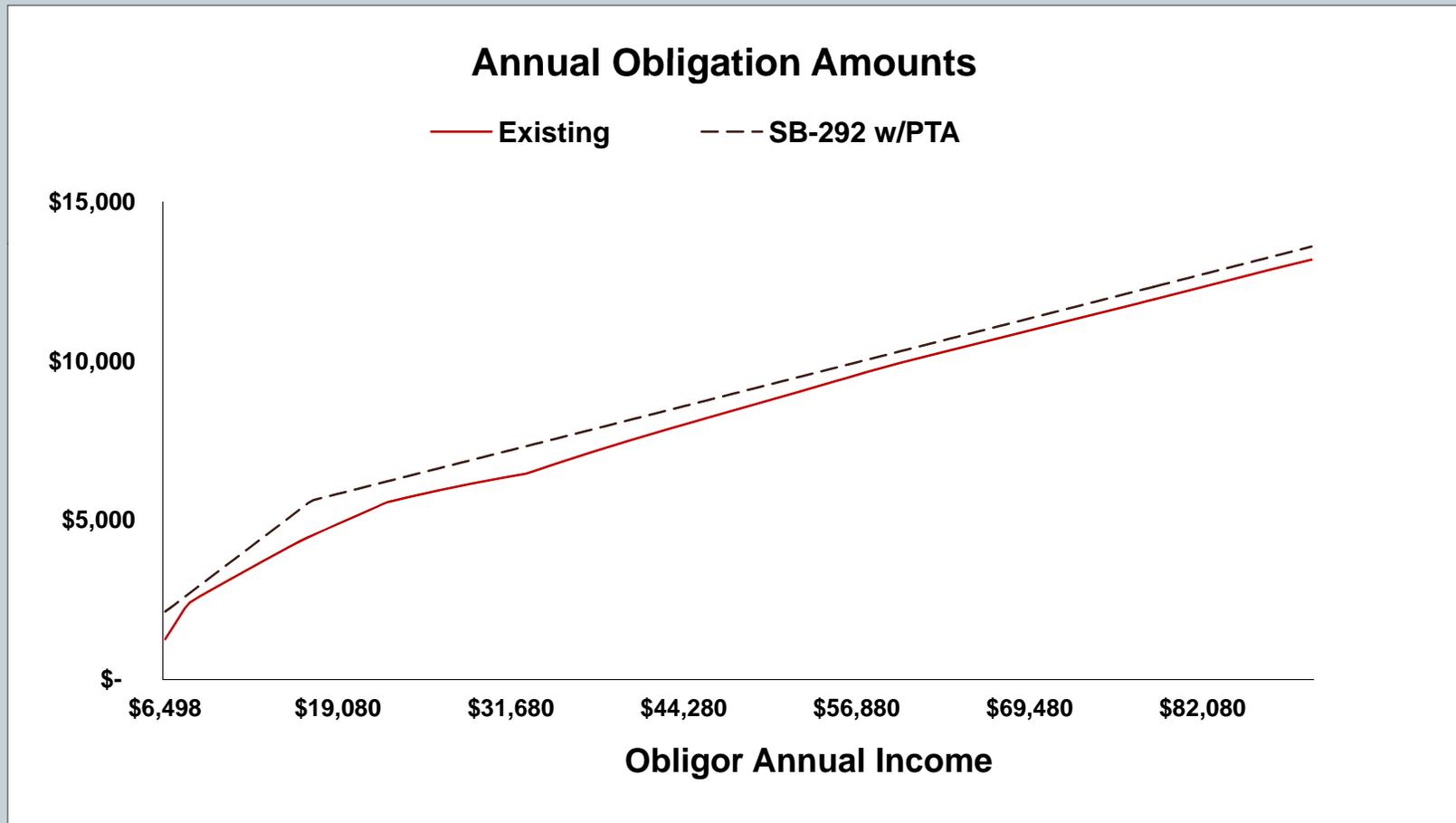
# Obligation Ratio to Income

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# Obligation Ratio to Income

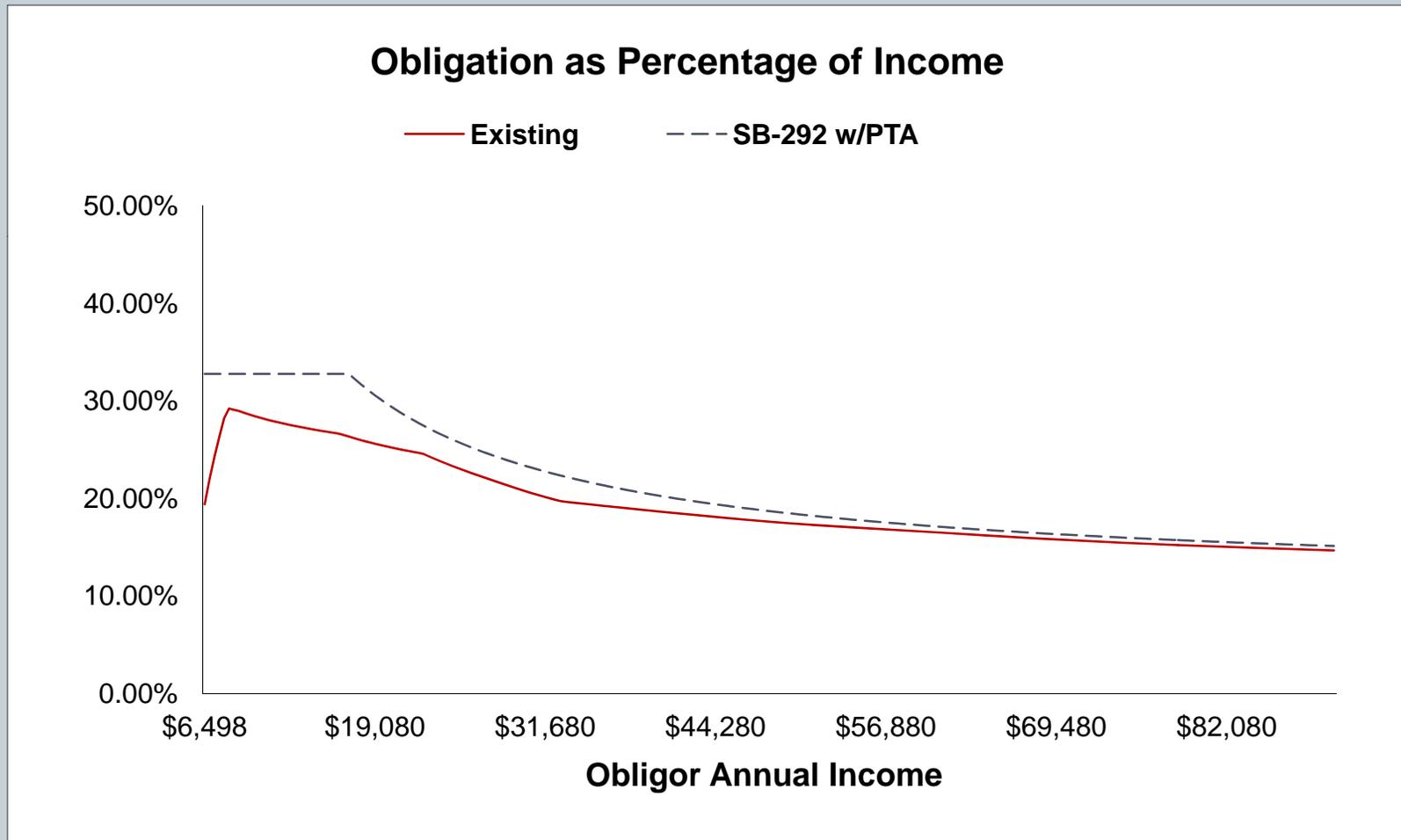
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**PTA = Parenting Time Adjustment 8.75%**

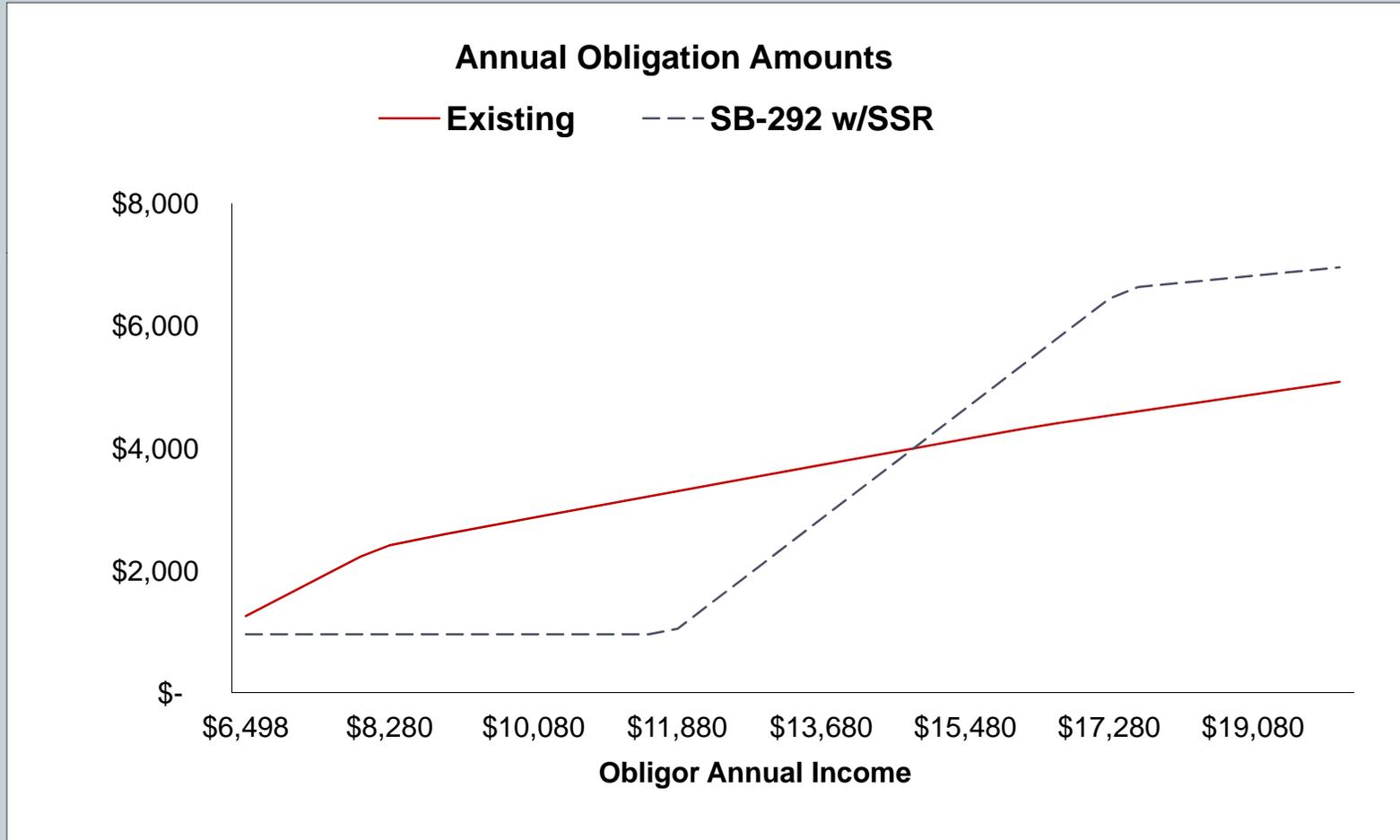
# Obligation Ratio to Income

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# Obligation Ratio to Income

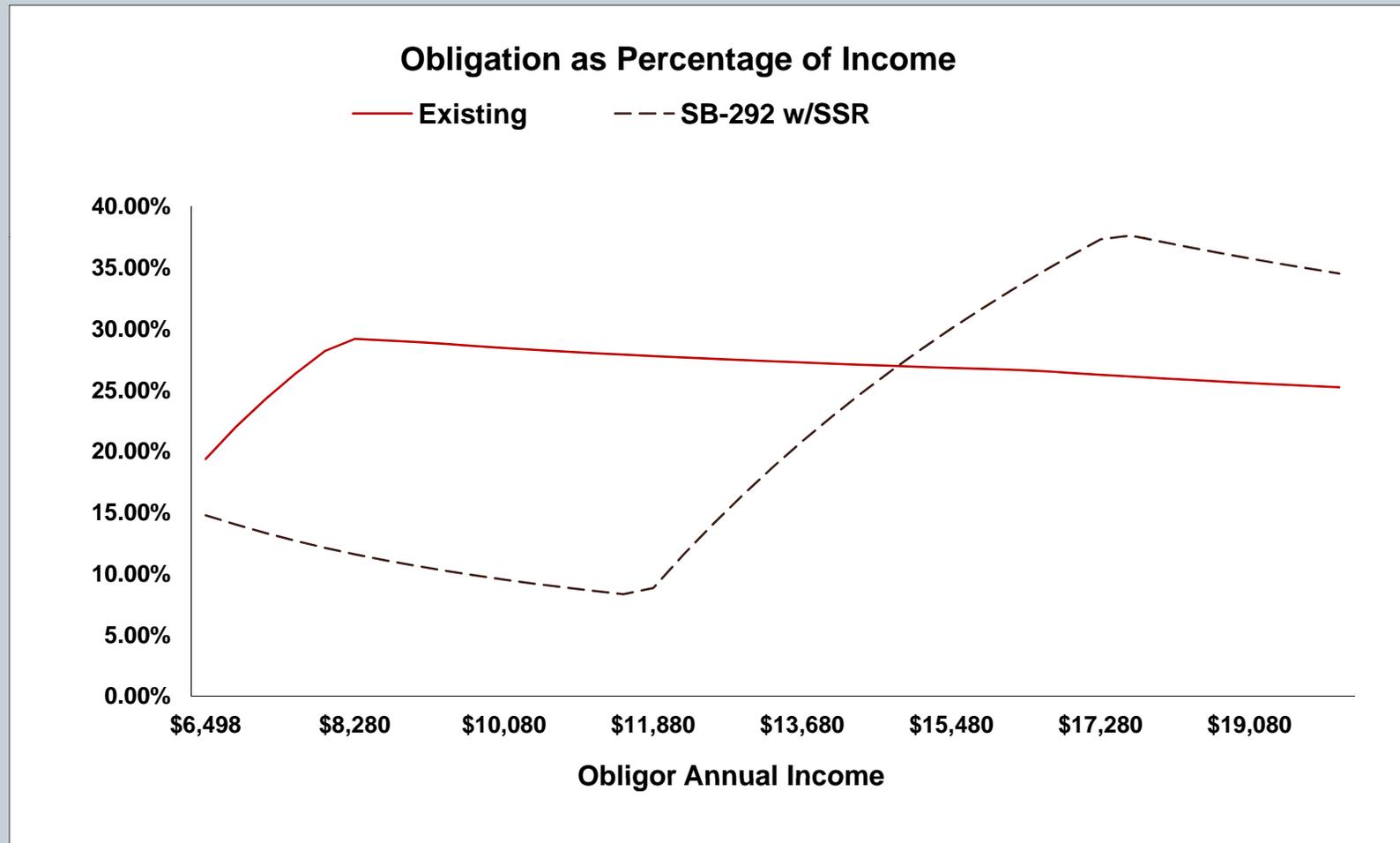
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**SSR = Self Sufficiency Reserve**

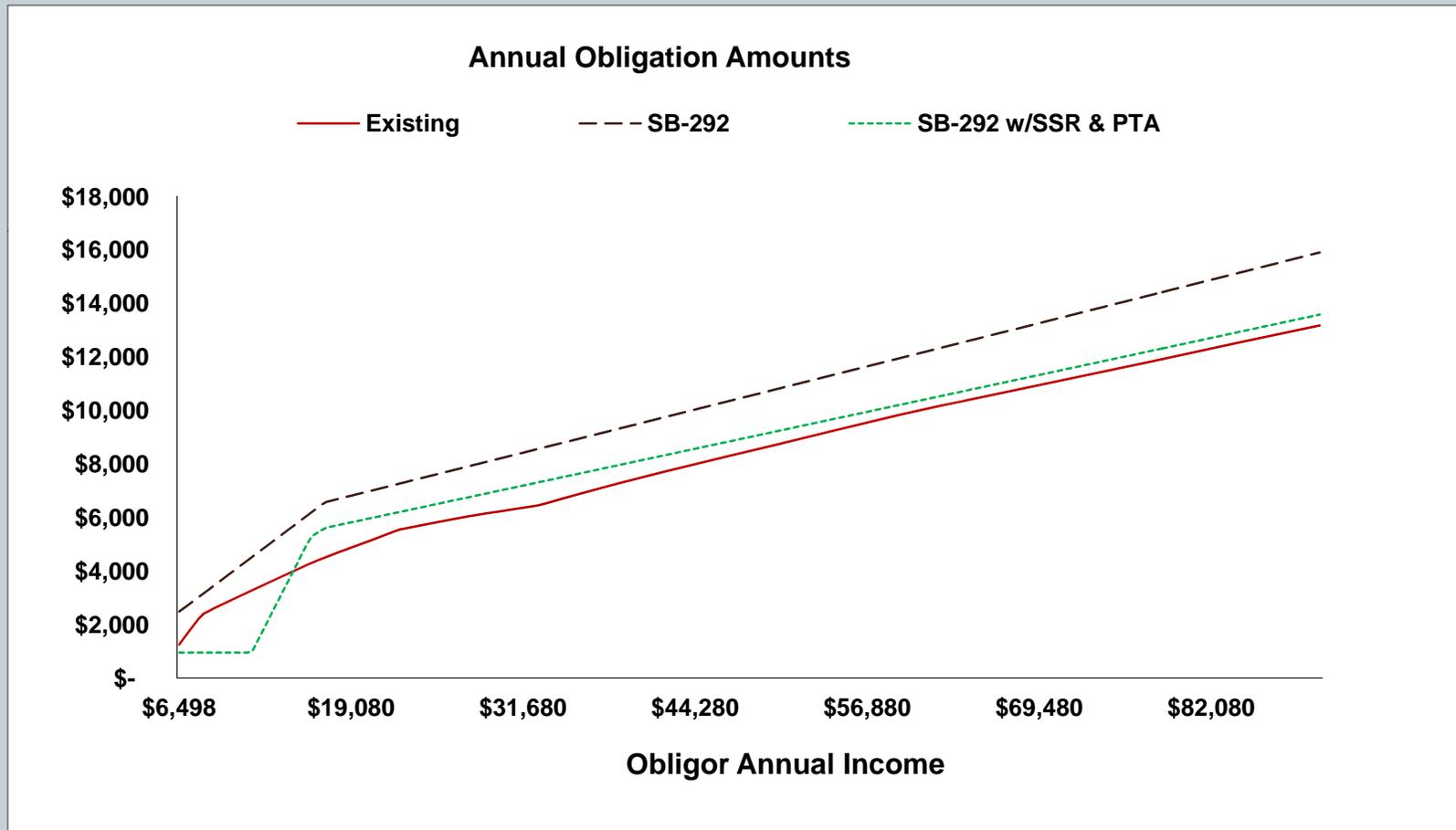
# Obligation Ratio to Income

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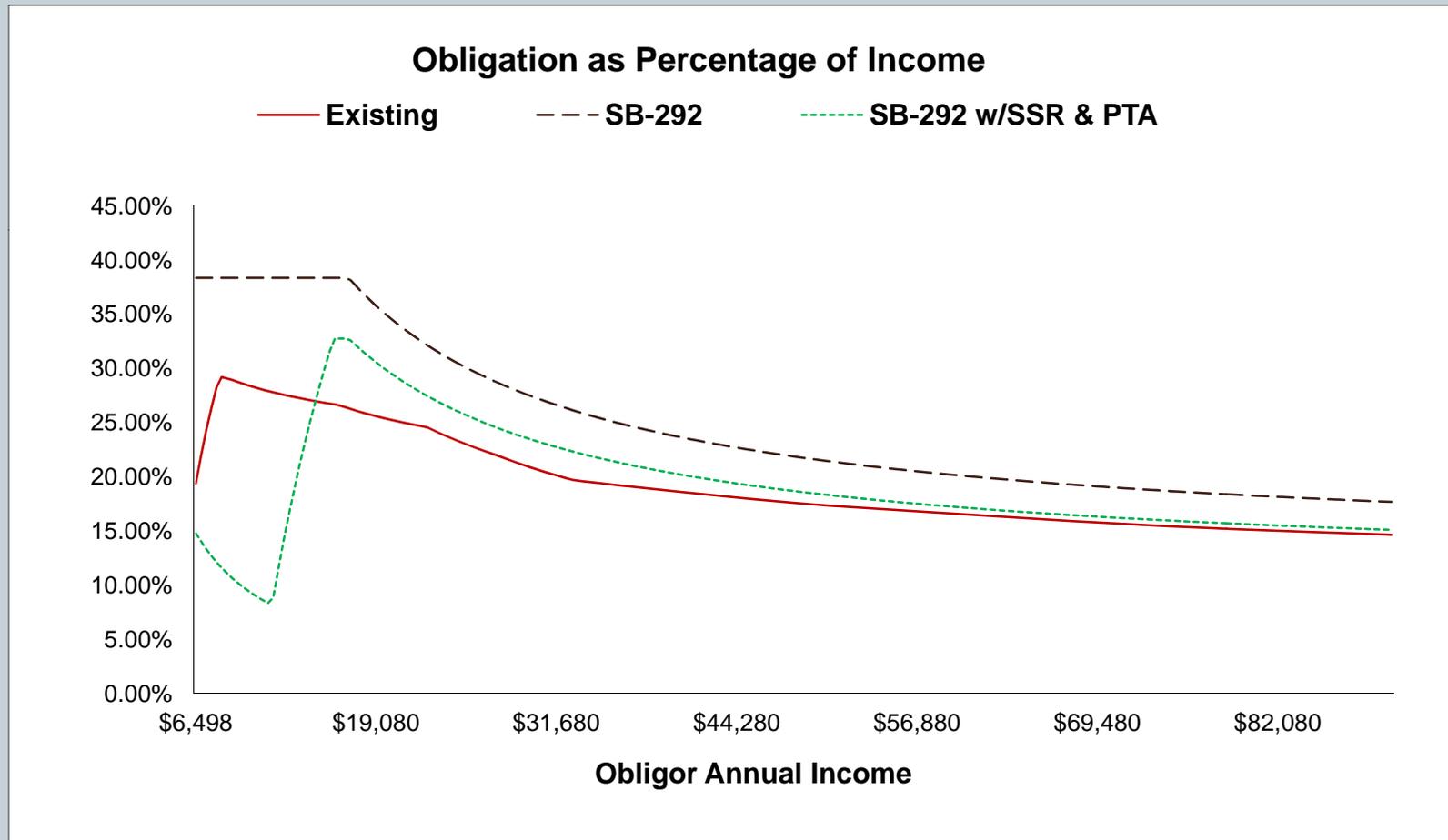
# Obligation Ratio to Income

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# Obligation Ratio to Income

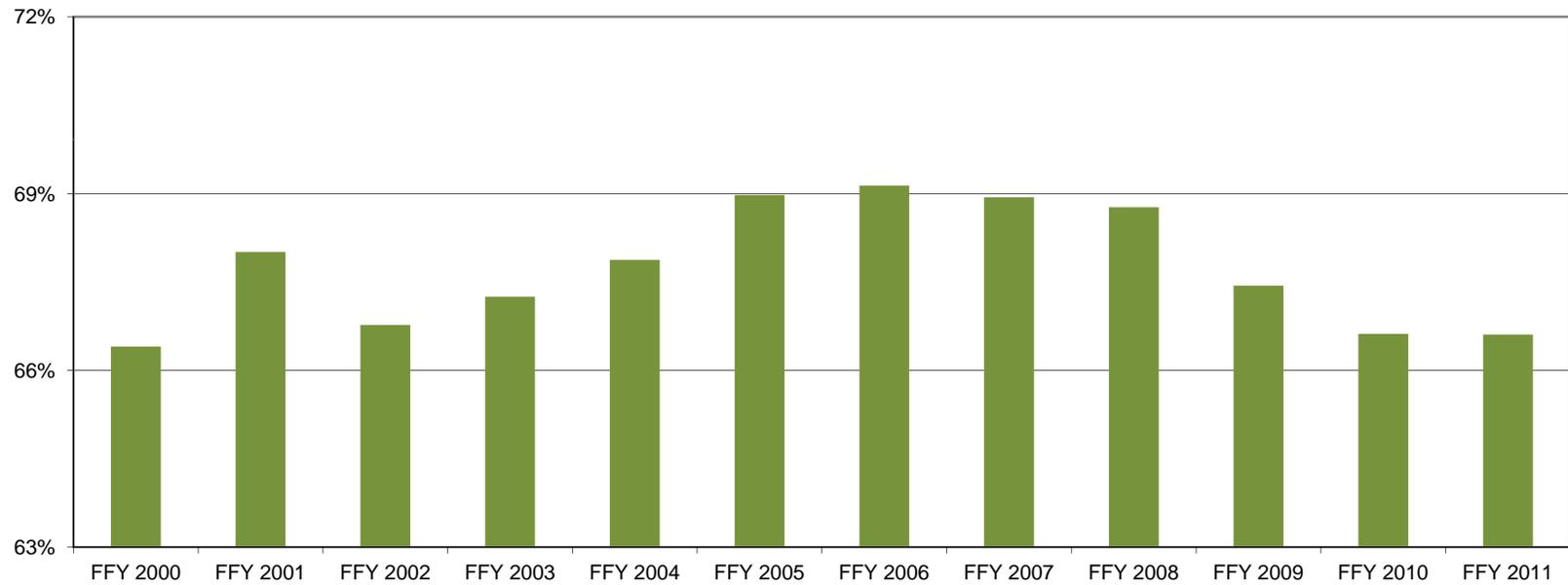
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# Collection Data

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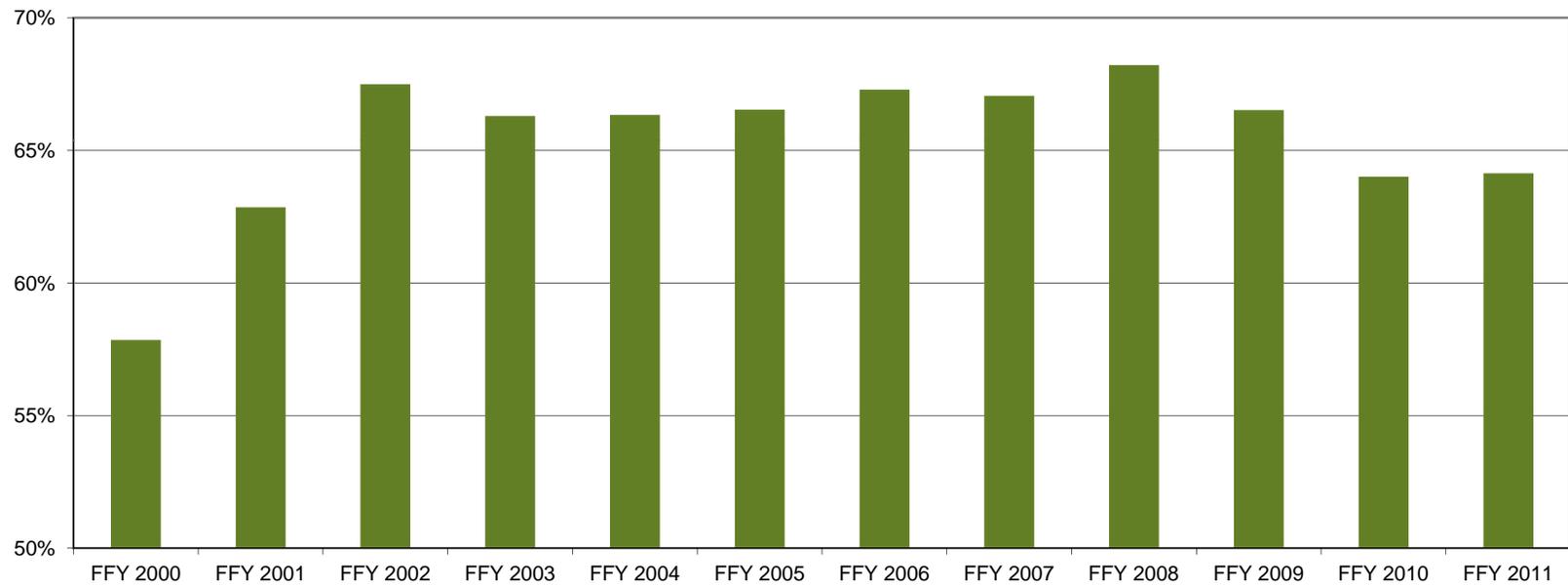
**Collection of Current Support**



# Collection Data

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**Collection of Past Due Support**



# Collection Data

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- **Non-Paying Universe – CASES**
  - **38% of cases (234,663) pay under 50%**
    - Average Current Support order: \$229
    - Average arrears amount: \$13,000
  - 65% had no collections
  - 30% paid between 1 - 39% of their obligation
  - 5% paid between 40 - 49% of their obligation
  - 13% had a Tax Offset collection
  - 2% received OBES collection
  - 1% had a FIDM collection

# Collection Data

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- **Demographic Details**
  - 13% are female
  - 87% are male
  
  - 26% are under 29
  - 44% are between 30 & 39
  - 30% are over 40

# Collection Data

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- **Collections and Participants**
  - **81% of NCPs have only 1 case**
  - 19% of NCPs have multiple cases
  
  - **73% of cases have only one child**
  - 19% of cases have 2 children
  - 8% of cases have multiple children
  - 3% of NCPs are incarcerated
  
  - **94% of NCPs are in default**
  - **46% of NCPs live in metro cities (City Zip Codes)**

# Collection Data

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## Current Support - FFY 2011

Case	Current Assist	Former Assist	Never Assist	Non-IV-D	Total
<b>Curent Due</b>	89,631	252,135	293,578	33,281	668,625
<b>Current Paid</b>	52,674	177,208	257,616	24,269	511,767
<b>Non Paying</b>	36,957	74,927	35,962	9,012	156,858
<b>Non-Paying %</b>	<b>41.23%</b>	<b>29.72%</b>	<b>12.25%</b>	<b>27.08%</b>	
<b>Amount</b>	<b>Current Assist</b>	<b>Former Assist</b>	<b>Never Assist</b>	<b>Non-IV-D</b>	<b>Total</b>
<b>Curent Due</b>	\$112,912,486	\$585,166,853	\$1,277,401,300	\$187,277,600	\$2,162,758,239
<b>Current Paid</b>	\$30,151,243	\$305,332,165	\$980,385,178	\$140,832,990	\$1,456,701,576
<b>Uncollected</b>	\$82,761,243	\$279,834,688	\$297,016,122	\$46,444,610	\$706,056,663
<b>Uncollected %</b>	<b>73.30%</b>	<b>47.82%</b>	<b>23.25%</b>	<b>24.80%</b>	

# Collection Data

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Past Due Support - FFY 2011					
Count	Current Assist	Former Assist	Never Assist	Non-IV-D	Total
Arrears Due	84,261	328,948	206,780	33,084	653,073
Arrears Paid	43,591	210,571	201,188	18,249	473,599
No Payment	40,670	118,377	5,592	14,835	179,474
No Payment %	48.27%	35.99%	2.70%	44.84%	
Amount	Current Assist	Former Assist	Never Assist	Non-IV-D	Total
Arrears Due	\$273,704,030	\$3,018,238,717	\$1,243,101,202	\$349,449,241	\$4,884,493,190
Arrears Paid	\$15,922,821	\$176,036,769	\$169,565,610	\$13,974,306	\$375,499,506
Amt. Due	\$257,781,209	\$2,842,201,948	\$1,073,535,592	\$335,474,935	\$4,508,993,684
Remaining Due %	94.18%	94.17%	86.36%	96.00%	

# Next Steps

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- **Council Schedule**
  - Meetings monthly through January 2013
  - Proposed Meeting Dates (all times 10:00 to 3:00)
    - ✦ Friday, August 24, 2012
    - ✦ Friday, September 21, 2012
    - ✦ Friday, October 19, 2012
    - ✦ Friday, November 16, 2012
    - ✦ Friday, December 14, 2012
    - ✦ Friday, January 18, 2013

# Next Steps

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- **OCS Contacts**
  - Send all Council business requests (alternates, meeting questions, background documents) to Brian Kessler at:
    - ✦ [brian.kessler@jfs.ohio.gov](mailto:brian.kessler@jfs.ohio.gov)
  - Send all Council research requests to Amy Rice at:
    - ✦ [amy.rice@jfs.ohio.gov](mailto:amy.rice@jfs.ohio.gov)