# CHILD SUPPORT SCHEDULE WORKGROUP

# RECOMMENDATIONS TO THE WASHINGTON STATE LEGISLATURE FOR WASHINGTON'S CHILD SUPPORT SCHEDULE PURSUANT TO 2SHB 1009

DECEMBER 2008

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NOTE: Only Minority Reports submitted by Workgroup members are included in this Report. Minority Reports submitted by non-Workgroup members will be available on the Workgroup web site at <u>http://www.dshs.wa.gov/dcs/Resources/WorkgroupMaterials.asp</u> At this time, we have been informed that The Other Parent, the Washington Civil Rights Council and the WSBA Family Law Executive Committee plan to submit comments or minority reports. Those reports will be available on the Workgroup web page.

# **Executive Summary**

In the 2007 legislative session, the Washington Legislature established the Child Support Schedule Workgroup under 2SHB 1009. The DSHS Division of Child Support (DCS) was directed to convene a workgroup "to examine the current laws, administrative rules, and practices regarding child support."

The first meeting of the Child Support Schedule Workgroup was held September 21, 2007. The workgroup continued to meet on a monthly basis until the frequency of meetings was increased in the late summer of 2008, for a total of nineteen meetings. Additionally, the workgroup formed ad hoc subcommittees to further research and report on individual recommendations to help the Workgroup come to more informed final decisions.

## The Charge of the Workgroup

The Workgroup was tasked to "continue the work of the 2005 child support guidelines workgroup, and produce findings and recommendations to the legislature, including recommendations for legislative action, by December 30, 2008."<sup>1</sup> The Workgroup was directed to "review and make recommendations to the legislature and the governor regarding the child support guidelines in Washington state." In preparing the recommendations, the Workgroup was required, at a minimum, to review fourteen specific issues.<sup>2</sup>

The attached recommendations of the Child Support Schedule Workgroup are the result of an intense, collaborative process of committed volunteer workgroup members. Members included both noncustodial parents and custodial parents, an economist and a law professor, as well as representatives of the private bar, low income individuals, *pro se* individuals, administrative law judges, and the courts.

The Workgroup encouraged public participation in their process. Workgroup meetings were open to the public. Individuals who appeared at meetings were invited to provide their comments at some time during each meeting. DCS created a web page and a listserv, and set up an e-mail address for anyone wishing to submit comments for consideration by the workgroup. The Workgroup held three meetings with extended time for public comment, in Seattle, Vancouver and Spokane.

# The Prioritization of Issues

The Workgroup was tasked to continue the work of the 2005 Workgroup, and to consider at a minimum the fourteen issues listed in the legislation. After reviewing the recommendations of the 2005 Workgroup, the Workgroup determined that they wanted to address all fourteen issues without relying on the prior group's findings. They identified

<sup>&</sup>lt;sup>1</sup> 2SHB 1009 (Chapter 313, Laws of 2007)

<sup>&</sup>lt;sup>2</sup> *Ibid.* See Appendix II for a list of the 14 issues.

three issues as being the most important: the economic table, the residential schedule credit, and how to deal with children from other relationships.

# Final Recommendations

The Workgroup's main concern was that whatever child support schedule is ultimately adopted, it must:

- Be clear and easy to understand.
- Be easy to implement.
- Provide certainty and consistency while allowing flexibility to deal with unjust or inappropriate outcomes.
- Cover the greatest possible number of families.
- Provide specific guidelines.

Although the Workgroup was unable to reach consensus on every point, the members thoroughly discussed all fourteen issues. Where consensus was not reached, the Workgroup attempted to narrow down the options and point out the advantages and disadvantages of each approach. The Chair defined consensus as a showing that all members of the Workgroup indicated that they "could live with" an option, and not necessarily a showing that each person who agreed had indicated whole-hearted support to the exclusion of all other options.

In the end, the Workgroup agreed by consensus to the following recommendations, which are described here in summary:

- Children From Other Relationships should be considered when determining the amount of child support. The Workgroup recommends that prior-born children must always be considered.
- The economic table should be extended to include combined monthly net income of at least \$12,000.
- The economic table should start at 125% of the federal poverty guidelines, and move upward in one hundred dollar increments.
- The economic table should no longer distinguish between two age groups.
- Health care costs and child care costs should not be included in the economic table. The Workgroup recommends that child care costs and both ordinary and extraordinary health care costs should be allocated between the parents based on each parent's proportionate share of the combined income.
- The economic table should be based on net income, and should be entirely presumptive (*i.e.*, no advisory portion as in the current table).
- The self-support reserve should be tied to the federal poverty guidelines, and not to the need standard.
- The rules for imputation of income should be clarified, and there should be a specific priority in which different types of income information should be used.

- The presumptive minimum support obligation should be raised to fifty dollars per month per child.
- The allowance for voluntary retirement contributions should be increased.
- Income from overtime and second jobs (income from working over 40 hours per week averaged over a 12-month period) should be excluded under certain circumstances.
- The residential schedule should affect the amount of the child support obligation when there is a court order in place providing for residential time for the child and the noncustodial parent. Although overnights should be the basis for an above-the-line adjustment, there should be a below-the-line adjustment or deviation based on other time spent with the child. There should be a mechanism to reduce or remove the credit when residential time is not exercised.

# Conclusion

The Washington State Child Support Schedule has not been substantially revised since the very early 1990's, shortly after the creation of the economic table and laws governing the setting of a child support award. The members of the Workgroup agree that there are many issues that need attention and legislative changes are necessary.

The workgroup's recommendations contained within this report are the culmination of months of effort by thoughtful individuals who took into consideration their own experience and expertise with the child support schedule while evaluating comments from the public and other interested parties, and reviewing the research and reports that were made available to them regarding the Washington State Child Support Schedule.

Where the Workgroup was able to reach a consensus or majority opinion, we respectfully urge the Legislature to consider adopting the proposals set forth in this report. Where the Workgroup was unable to reach a consensus, we hope that our discussion of the options is helpful.

# Background<sup>3</sup>

# Federal Requirements Regarding Child Support Schedules

42 USC §667(a), as a condition for states receiving federal money to run their child support program, requires states to enact child support guidelines for setting child support awards. The law requires that the guidelines be reviewed at least every four years to ensure that their application results in appropriate child support award amounts. The requirements for the four-year review are further defined in 45 CFR §302.56. As part of the review, the state must take into consideration:

...economic data on the cost of raising children and analyze case data, gathered through sampling or other methods, on the application of, and deviations from, the guidelines. The analysis of the data must be used in the State's review of the guidelines to ensure that deviations from the guidelines are limited. 45 CFR §302.56(h).

# Washington State's Child Support Schedule History<sup>4</sup>

- 1982: The Washington State Association of Superior Court Judges (ASCJ) approved the Uniform Child Support Guidelines, which recognized the equal duty of both parents to contribute to the support of their children in proportion to their respective incomes. Most counties adopted ASCJ guidelines, but others promulgated their own.
- 1984: The Child Support Enforcement Amendments of 1984 required states to establish child support guidelines, which were made available to judicial and administrative officials, but were not binding. The setting of child support through a statewide schedule was intended to standardize the amount of support orders among those with similar situations.
- 1986: The Governor's Task Force on Support Enforcement examined the ASCJ Guidelines and recommended that a statewide child support schedule be established, using gross income and a schedule be followed unless certain exceptional situations defined by the enabling statute were established. (Final Report, Sept. 1986).
- 1987: Legislation introduced to the House to create a statewide child support schedule. The legislature rejected a rebuttable presumption support schedule proposed by the Governor's Task Force on Support Enforcement. On May

<sup>&</sup>lt;sup>3</sup> At least one member disagreed with the historical sections of this background statement, which were taken from the 2005 Workgroup Report. All comments on the draft report which were submitted by Workgroup members have been posted to the Child Support Schedule Workgroup listserv and are available on the Child Support Schedule Workgroup web page at http://www.dshs.wa.gov/dcs/Resources/workgroup.asp.

<sup>&</sup>lt;sup>4</sup> Provided by the Division of Child Support's Management and Audit Program Statistics Unit (MAPS)

18, 1987, Gov. Gardner signed SHB 418 creating the Washington State Child Support Schedule Commission and set guidelines by which they were to propose a statewide child support schedule to take the place of county support schedules by Nov. 1, 1987 (Laws of 1987, Chapter 440). The commission was directed specifically by the legislature to propose a schedule after studying the following factors:

- 1) Updated economic data
- 2) Family spending and the costs of raising children
- 3) Adjustments based upon the children's age level
- 4) The basic needs of children
- **5**) Family size
- 6) The parents' combined income
- 7) Differing costs of living throughout the state
- 8) Provision for health care coverage and child care payments
- 1987: The legislature created the Washington State Child Support Schedule Commission, comprised of an economist, representatives from parents' groups, attorneys, a judge and a court commissioner. Child support agency staff served as support staff to the Commission. The commission was charged with reviewing and proposing changes to the support schedule when warranted.
- 1988: Recommendations from the Child Support Commission were adopted July • 1, 1988 by the Washington State Legislature. Chapter 275, 1988 Laws, establishing a state schedule for determining child support was codified at Chapter 26.19 RCW. The Family Support Act in 1988 made the guidelines presumptive rather than advisory. The legislature adopted the rebuttable presumption statewide child support schedule proposed by the Commission and gave the Commission authority to make revisions subject to the approval of the legislature. (RCW 26.19 and schedule dated July 1, 1988). The January 26, 1988 support schedule contained: standards for setting support, worksheets, instructions and the basic obligation table. The July 1, 1988 support schedule changed the "basic obligation table" to the "economic table." In November 1988, the Commission proposed changes, accepted by the 1989 legislature and effective July 1, 1989. The major change was the inclusion of ordinary health care expenses in the economic table to be paid by the payee parent. A formula is provided to determine that amount. (Report dated November 1988 and schedule dated July 1, 1989).
- 1989: Commission issued recommendations on applying the schedule to blended families. (Report on the Use of Support Schedule for Blended Families, December 1989). The 1989 support scheduled included: standards for setting support, instructions, the economic table and worksheets.
- 1990: The legislature attempted to change the way overtime pay, second (or multiple) families and a few other items are treated in the schedule. The

Governor vetoed the attempted amendments on those major issues. (EHB 2888). EHB 2888 made no changes to the economic table itself, but did significantly impact its use. RCW 26.19.020 was amended to provide that any county superior court could adopt an economic table that varied no more than twenty-five percent from that adopted by the commission for combined monthly net income of over \$2,500. Pursuant to HB 2888, the Child Support Order Summary Report Form is required to be completed and filed with the county clerk in any proceeding where child support is established or modified. RCW 26.19.035 requires that child support worksheets are to be completed under penalty of perjury, and the court is not to accept incomplete worksheets or worksheets that vary from the worksheets developed by the Administrative Office of the Court. An organization named POPS (Parents Opposed to Punitive Support) which consisted primarily of noncustodial parents with multiple families was the major force behind the attempted changes in 1990. They announced they would continue their efforts with the 1991 legislature. Also, POPS brought suit against OSE (now DCS) to gain access to judges' records on child support that had been collected for a study of child support orders. They were not successful.

• The September 1, 1991 support schedule eliminated the residential credit (standard 10) in determination of child support and substituted the residential schedule as a standard for deviation, following enactment of ESSB 5996. The legislature made other changes including amendments to RCW 26.19.020 to mandate a uniform statewide economic table based on the Clark County model. The table is presumptive up to \$5000, and advisory up to \$7000.

The Washington child support schedule is based on the Income-Shares Model developed by Robert Williams<sup>5</sup> in 1987, which at that time was used in 33 states. It is based on the combination of incomes of both parents to estimate the proportion that would be spent on children in an intact family. After all factors are considered, the noncustodial parent is ordered to transfer child support to the parent with whom the child resides a majority of the time.

At the time of the development of the statewide child support schedule, there was considerable attention given to the issue of whether the schedule reflected the appropriate level of support for children. The focus of the discussion, however, turned to the issue of the hardship the schedule imposed on the nonresidential parent rather than the well-being of the child. The fathers' rights activists expressed concern that the schedule was too high. A comparative report<sup>6</sup> indicated that the support schedules of income shares states tended to cluster closer to the lower bound of the range of estimates of expenditures on children than they did to the upper bound on the range of estimates. Further, no state that had adopted the income shares model required the noncustodial parent to pay more in child support than would have been spent to support the child in an intact family.

<sup>&</sup>lt;sup>5</sup> Robert Williams, 1987, Development of Guidelines for Child Support Orders: Advisory Panel Recommendations and Final Report.

<sup>&</sup>lt;sup>6</sup> Laurie Bassi, Laudan Aron, Burt S. Barnow, and Abhay Pande, 1990, *Estimates of Expenditures on Children and Child Support Guidelines*, U.S. Department of Health and Human Services.

## History of Child Support Schedule Reviews in Washington State

The first comprehensive review of the support schedule since the enactment of the 1988 support schedule, when the child support schedule became presumptive, was initiated in 1993. The chairs of the Judiciary Committee of the Washington House of Representative and the Law and Justice Committee of the Washington State Senate asked the Washington State Institute for Public Policy to conduct a study of the Washington State Child Support Schedule. The study entitled, *Child Support Patterns in Washington State:* 1993-1994, by Steve Aos and Kate Stirling, was issued in March 1995. The study found that Washington's support guidelines fell within the median level of the range for raising children at the time. Based on that report, the legislature did not act to make any changes to the support schedule at that time.

During the 2003 legislative session, the Department of Social and Health Services' Division of Child Support provided the Speaker of the House of Representatives and the Majority Leader of the Washington State Senate with a copy of a report entitled, *A Review of the Washington State Child Support Schedule, March 2003, Completed under Contract for the Washington State Division of Child Support,* by Kate Stirling, Ph.D.. The Division of Child Support also provided a letter requesting that the legislature review the support schedule as required under RCW 26.19.025, 42 USC §667(a), and 45 CFR §302.56. The Legislature passed SSB 5403, the Supplemental Operating Budget for the state's fiscal year 2002-2003. Included in Section 207(8) of that bill is the following language:

In reviewing the budget for the division of child support, the legislature has conducted a review of the Washington state child support schedule, chapter 26.19 RCW, and supporting documentation as required by federal law. The legislature concludes that the application of the support schedule continues to result in the correct amount of child support to be awarded. No further changes will be made to the support schedule or the economic table at this time.

In February of 2005, DCS received a letter from the Regional Administrator at the Federal Office of Child Support Enforcement (OCSE) indicating that the child support guidelines had not been reviewed as required by 45 CFR 302.56, and warning that the Washington state child support plan might be disapproved if the review did not occur. Failure to have an approved state child support plan could result in the loss of all federal funding for the child support program (roughly \$85 million per year) and loss of up to 5% of the \$400 million in the Temporary Assistance for Needy Families (TANF) funding. As a result of this warning, Governor Gregoire directed the Division of Child Support to put together a workgroup to make recommendations to the legislature no later than January 15, 2006. The Governor directed that the workgroup provide a report that contains recommendations for needed amendments to our child support guideline statutes, a process for improving record keeping of orders entered, and a better method of ensuring that our child support guidelines are reviewed and updated as federally required. As part of the review, DCS contracted with Policy Studies, Inc., to do a review and

analysis of the support schedule in compliance with 45 CFR 302.56(e) and (h). The Workgroup delivered its report to the Governor and the Legislature in January 2006.<sup>7</sup> Although several consensus items were included in the Workgroup's Report, the Legislature made no changes to the child support schedule in the 2006 legislative session.

In the 2007 legislative session, the Washington Legislature established the Child Support Schedule Workgroup, which was tasked to "continue the work of the 2005 child support guidelines workgroup, and produce findings and recommendations to the legislature, including recommendations for legislative action, by December 30, 2008." The Workgroup was given fourteen specific issues to consider.<sup>8</sup>

# The Current Schedule Review under 2SHB 1009

The DSHS Division of Child Support (DCS) was directed to convene a workgroup "to examine the current laws, administrative rules, and practices regarding child support," with membership dictated by 2SHB 1009.<sup>9</sup> The Workgroup's objective was defined as "to continue the work of the 2005 child support guidelines work group, and produce findings and recommendations to the legislature, including recommendations for legislative action, by December 30, 2008."<sup>10</sup> The Workgroup was directed to "review and make recommendations to the legislature and the governor regarding the child support guidelines in Washington state." In preparing the recommendations, the Workgroup was required, at a minimum, to review fourteen specific issues.<sup>11</sup>

# Members of the Workgroup

Membership of the Workgroup was specified in Section 7 of 2SHB 1009. The Director of the Division of Child Support was designated as the Chair of the Workgroup, and DCS was directed to provide staff support to the Workgroup.

The Speaker of the House of Representatives appointed:

- Jim Moeller (D) and
- Larry Haler (R)

The President of the Senate appointed:

- Jim Kastama (D) and
- Mike Carrell (R)

The Governor, in consultation with the Division of Child Support, appointed the remaining members of the Workgroup:

<sup>&</sup>lt;sup>7</sup><u>http://www.dshs.wa.gov/word/esa/dcs/reports/Child%20Support%20Schedule%20Review%20draft%20Report.doc</u>

<sup>&</sup>lt;sup>8</sup> Section 7 of 2SHB 1009 (Chapter 313, Laws of 2007)

<sup>&</sup>lt;sup>9</sup> Section 7 of 2SHB 1009 (Chapter 313, Laws of 2007)

 $<sup>^{10}</sup>$  Ibid.

<sup>&</sup>lt;sup>11</sup> *Ibid.* See Appendix II for a list of the 14 issues.

- David Stillman, the Director of the Division of Child Support
- Deirdre Bowen, a professor of law specializing in family law
- Kathleen Schmidt, nominated by the Washington State Bar Association's Family Law Executive Committee (FLEC)
- Dr. David Betson, an economist. Dr. Betson resigned from the Workgroup in September 2008.
- Sharon Curley, a representative of the tribal community. Ms. Curley resigned from the Workgroup in April 2008.
- The Honorable Christine Pomeroy and Commissioner Robyn Lindsay were nominated by the Superior Court Judges' Association. Commissioner Lindsay resigned after the September 2007 meeting and was replaced at the December 2007 meeting by Commissioner Rich Gallaher.
- Merrie Gough, nominated by the Administrative Office of the Courts (AOC)
- Angela Cuevas, a prosecutor nominated by the Washington Association of Prosecuting Attorneys (WAPA)
- Michelle Maddox, nominated by legal services. Ms. Maddox resigned after the May 2008 meeting and was replaced by Kristofer Amblad at the June 2008 meeting.
- Robert Krabill, an administrative law judge (ALJ) nominated by the Office of Administrative Hearings (OAH)

Three noncustodial parents:

- Jason Doudt
- Alvin Hartley
- David Spring

Three custodial parents:

- Kristie Dimak
- Kimberly Freeman. Ms. Freeman resigned before the first meeting and was replaced by Colleen Sachs at the November 2007 meeting.
- Traci Black. Ms. Black resigned in December 2007 and was replaced by Adina Robinson at the September 2008 meeting.

# **Overview of Process**

# Workgroup Meetings

The first meeting of the Child Support Schedule Workgroup was held September 21, 2007. The workgroup continued to meet on a monthly basis until the frequency of meetings was increased in the late summer of 2008, for a total of nineteen meetings. The final "working" meeting of the Workgroup was held December 4, 2008, and the Workgroup met on December 12, 2008 to review the final draft of this Report.

The majority of the meetings were held either in the SeaTac Airport Conference Center or near the airport, to accommodate those Workgroup members who had to travel. There were meetings in Olympia during the legislative session. The meetings that included a public forum (see below) were held in Spokane, Vancouver and Seattle. Several subcommittees were created and they met by phone or email between Workgroup meetings.

Each Workgroup member was presented with a notebook of materials, including a copy of the Report of the 2005 Workgroup. These notebooks were supplemented at each meeting with additional materials created either by DCS staff or Workgroup members.

# **Public Participation**

The Division of Child Support provided several resources to make information on the Workgroup available to the public.

- DCS established a web page for the Child Support Schedule Workgroup at <a href="http://www.dshs.wa.gov/dcs/Resources/workgroup.asp">http://www.dshs.wa.gov/dcs/Resources/workgroup.asp</a>, and posted agendas, meeting minutes, and other information including materials prepared by DCS staff and some Workgroup members.
- DCS created a listserv (<u>http://listserv.wa.gov/cgi-bin/wa?A0=SUPPORTSCHEDULEWORKGROUP</u>) as a broadcast list with open subscription. This type of listserv is open to anyone, and is used only to send out notices, not as a discussion portal.
- DCS created an e-mail address (<u>SupportSchedule@dshs.wa.gov</u>) for anyone to use for providing comments to the Workgroup. Messages received in that email box that dealt with child support, the schedule, or Workgroup issues, were forwarded to the entire Workgroup, and a digest of such messages was distributed on the Support Schedule listserv at least once each month.

- At each meeting, members of the public and interest groups were invited to attend. Time was set aside during each meeting to allow members of the public to address their concerns to the workgroup members.<sup>12</sup>
- Subcommittee meetings were held by conference call and members of the public were encouraged (on the web page and by listserv) to call in and listen to the discussions.
- As discussed below, all meetings except the September 2007 meeting were videotaped. DCS made DVD copies available and the web page linked to video of the three most recent meetings.

## "Continuation" of the 2005 Workgroup

The legislative mandate for the Workgroup was "to continue the work of the 2005 child support guidelines work group." At the October 22, 2007 meeting, the Workgroup reviewed the recommendations of the 2005 Workgroup. After much discussion, the Workgroup determined that they were not willing to adopt any of the recommendations of the prior Workgroup, but wished to discuss all of the fourteen issues fully.

## Prioritization of Issues

Using a weighted voting system (three votes per each member who was present at the October 22, 2007 meeting), the Workgroup decided that the three most important issues were Issue 6 (the economic table), Issue 14 (residential schedule credit) and Issue 1 (children from other relationships and/or Whole Family Formula). As time went on, the Workgroup was able to reach consensus on several of the other issues, but discussion of these three issues continued well into the fall of 2008.

## Videotaping

Starting with the October 22, 2007 meeting, DCS hired a videographer to record Workgroup meetings.<sup>13</sup> All Workgroup members received a copy of the DVD for each meeting.

DCS made DVDs available for viewing on the internet through the Child Support Schedule Workgroup's web page. Due to space limitations, only the last three meetings are available on the internet at any time. Copies of the DVDs of the meetings were available for purchase, and initially DCS sold several for the same amount DCS paid Bristol Productions to produce the copies. In January 2008, DCS purchased software and equipment which allowed it to produce copies of the DVDs at a minimal cost, and was then able to waive a copying and/or postage fee for requests for DVD copies for one meeting at a time.

<sup>&</sup>lt;sup>12</sup> Normally, a public comment period of fifteen to thirty minutes was allocated on the agenda, but all members of the public who wished to address the Workgroup were given an opportunity.

<sup>&</sup>lt;sup>13</sup> Bristol Productions, Karl Schmidt, recorded all Workgroup meetings from October 22, 2007 through December 2008.

#### Public Forums

From the beginning the Workgroup was committed to having this process be an open process, including opportunities for public input. To help accomplish this goal, three public forums were organized and held. The Workgroup voted to hold one forum in Seattle and one in Spokane, in order to get input from members of the public in urban centers in both Eastern and Western Washington. The third public forum was held in Vancouver, to make sure that there was an opportunity for input from a more small-town constituency.

Each "public forum" was a specific time set aside to hear concerns from members of the public. On each of the three days, the Workgroup met from 9:00 am until 1:30 pm, during which the usual fifteen-to-thirty minute period for public comment occurred. At 2:00 pm, the public forum began and continued for as long as there were people who wanted to address the Workgroup. A number of DCS staff members<sup>14</sup> attended each public forum in case any attendees wanted to talk to representatives from DCS about specific case problems. There was space provided for vendor booths provided by parent groups. At all three meetings, the majority of the attendees were noncustodial parents or interested in issues from the noncustodial parent's perspective. Not everyone who attended addressed the Workgroup.

The first public forum was held May 31, 2008 at the Ramada Inn at Spokane Airport. The attendance on this date was estimated at between 35-45 members of the public. The public forum adjourned at 3:45 pm.

The two public forums held in Western Washington had higher attendance. On September 13, 2008, approximately 60 members of the public came to the meeting at the Vancouver Hilton, and the public forum was adjourned at 4:45 pm. The largest crowd was at the September 27, 2008 meeting at the SeaTac Red Lion Hotel, where around 70 members of the public attended. The public forum adjourned at 5:15 pm on that date.

All three public meetings were recorded. This allowed workgroup members who were not able to attend the opportunity to listen to the comments and concerns of the public. As with every other meeting of the Workgroup, these DVDs were made available for the public.<sup>15</sup>

## **Subcommittees**

Given the breadth and depth of the material presented at the first few meetings, the Workgroup realized that they would need subcommittees to do the homework to study and discuss certain topics and then make recommendations to the larger group. The subcommittees met by conference call and were supported by a DCS staff member. All conference calls were publicized on the web page and the listserv, and members of the

<sup>&</sup>lt;sup>14</sup> DCS staff included support enforcement officers from the local field office, someone from the DCS Headquarters Community Relations Unit, and a DCS conference board chair.

<sup>&</sup>lt;sup>15</sup> See the section on Videotaping, above.

public were able to call in and listen to the meetings. Membership on the subcommittees varied throughout the duration of the Workgroup. Eventually, there were five subcommittees:

- <u>Presumptive Minimum Obligation and 45% Limit</u> This subcommittee was chaired by Kris Amblad. Members were Angela Cuevas, Jason Doudt, Commissioner Rich Gallaher, Merrie Gough and David Spring. They also discussed issues around the need standard limitation.
- <u>Residential Credit</u> This subcommittee was chaired by David Spring. Members were Kris Amblad, Jason Doudt, Alvin Hartley, and Kathleen Schmidt.
- <u>Economic Table</u> Kathleen Schmidt and ALJ Robert Krabill co-chaired this subcommittee, which was the result of combining one subcommittee to discuss the basis of the economic table and another to discuss the extent of the table. Members were Kristie Dimak, Jason Doudt, Merrie Gough, Judge Christine Pomeroy and David Spring.
- <u>Children from Other Relationships</u> Kris Amblad chaired the subcommittee. Members were Kristie Dimak, Jason Doudt, Alvin Hartley, ALJ Robert Krabill and Michelle Maddox.
- <u>Determination of Income</u> This subcommittee was made up of Angela Cuevas, Commissioner Rich Gallaher, Alvin Hartley, Merrie Gough and ALJ Robert Krabill.

At the October 23, 2008 meeting, each subcommittee gave a report to the Workgroup which listed any issues on which the subcommittee had reached consensus and wanted the Workgroup to adopt, and also those issues which the subcommittee had identified but was unable to agree upon.

# Recommendations

The Workgroup's recommendations on each of the fourteen issues set out in 2SHB 1009 are described in the following section. Although the Workgroup did not reach consensus on all of the issues, each of the issues was discussed and various points of view were considered regarding each one.

# Workgroup Recommendations<sup>16</sup> on Each Issue<sup>17</sup>

Issue 1:

How the support schedule and guidelines shall treat children from other relationships, including whether the whole family formula should be applied presumptively

The Workgroup recommends that, at a minimum, "prior-born" children should be considered (*i.e.*, children born before the child who is the subject of the current support order).

The Workgroup was unable to reach consensus recommendations beyond the recommendation stated above, although the members engaged in lengthy discussions on this topic. The discussions centered on two main questions:

- 1. Which children should be considered when determining the amount of support when there are children from other relationships?
- 2. Should the Whole Family Formula be used to determine the amount of support when there are children from other relationships?
- 1. <u>Which children shall be considered in determining the amount of support when there are children from other relationships?</u>

While all members of the Workgroup agreed that children born prior to the children whose support is before the court must be considered in setting the support obligation, there was no agreement with respect to other children.

- A. A majority of the workgroup felt that all children for whom the noncustodial parent had a legal obligation should be considered. Individuals supporting this position expressed that (a) this was the way to be fair to all children; (b) since all of the noncustodial parent's children were legally entitled to support from the noncustodial parent, they all should be considered when determining financial support for any one of them; and (c) including later-born children would typically result in a reduction in resources available to the first-born child.
- B. A minority of the workgroup felt that later-born children should not be considered in modifying support for the first family. Individuals supporting this position

<sup>&</sup>lt;sup>16</sup> All comments on the draft report which were submitted by Workgroup members have been posted to the Child Support Schedule Workgroup listserv and are available on the Child Support Schedule Workgroup web page at <u>http://www.dshs.wa.gov/dcs/Resources/workgroup.asp</u>.

<sup>&</sup>lt;sup>17</sup> Minority Reports submitted by Workgroup members are included in this Report. Comments or Minority Reports submitted by non-Workgroup members will be posted to the Workgroup web site at <u>http://www.dshs.wa.gov/dcs/Resources/WorkgroupMaterials.asp</u>

pointed out that the first family has an economic interest in the stability of the support order and has no voice in the decision by the noncustodial parent to have additional children in subsequent relationships. The custodial parent of a child from a subsequent relationship enters into the relationship knowing of the existence and financial obligations toward the child(ren) of the first relationship.

- C. The subcommittee regarding children from other relationships reviewed the recommendations of the 2005 workgroup. After study and discussion the subcommittee produced a report containing the following majority recommendation:
  - 1. Children Not Before the Court of the noncustodial parent shall be considered, pursuant to the Whole Family Formula, as part of the presumptive calculation (or in an above the line calculation). Judges are to be granted authority to deviate from this formula only under limited circumstances, when application of the formula would leave insufficient funds to meet the basic needs of the children in the receiving household and when taking the totality of the circumstances of both parents, application of the formula would be unjust. The children of the noncustodial parent that may be included in the formula are limited to:
    - a. Children for whom the noncustodial parent has a support ordered obligation;
    - b. Biological children;
    - c. Adopted children;
    - d. Children of the noncustodial parent's current marriage<sup>18</sup> residing with the noncustodial parent a majority of the time; and/or
    - e. Children for whom the noncustodial parent can prove by bank records or cancelled checks that he or she is paying reasonable child support.<sup>19</sup>
    - f. Step-children are not to be included in the formula.
    - g. Application of the Whole Family Formula alone may not serve as the basis for a substantial change in circumstances for a modification of a child support order.
  - 2. One member of the subcommittee expressed reservations about the subcommittee's recommendation based on a strongly-held opinion that the recommendation would not protect first-born children from unreasonable reductions of their support in the future.

<sup>&</sup>lt;sup>18</sup> These children were referred to as marital children during the course of the workgroup discussions, and as is reflected in the minutes

<sup>&</sup>lt;sup>19</sup> The 2005 CSSW recommended the following language for this section: "Children for whom the noncustodial parent can prove that he or she is paying child support."

- D. A majority of the Workgroup members felt that the children of both the noncustodial parent and the custodial parent should be considered when looking at children from other relationships.
  - 1. Those supporting inclusion of the children of both the parents felt that the noncustodial parent and the custodial parent must be treated "equally" by any consideration of children from other relationships.
    - a. Those who supported including all children were unable to agree on how the parent's other children should be counted, offering various theories:
      - i. If there are two children in addition to the child whose support is being set, then the three-child rate should be used.
      - ii. If the noncustodial parent has one other child and the custodial parent has two, then the custodial parent's children should each count as half of a child so that the three child rate is used in this case as well.
      - iii. There was one suggestion that we determine the amount of children to be used in deciding what size family column in the economic table by adding the number of children of both parents and then dividing by two.
  - 2. Those who supported including only the children of the noncustodial parent thought that it made more sense because the noncustodial parent's resources had to be stretched to support all of his or her children.
    - a. One member suggested that any support paid for prior-born children be deducted from the noncustodial parent's income before determining the monthly net income amount on which to set support for the later-born children.
- E. The Workgroup discussed whether, before you could count a child, there must be an order of support for that child. Several issues were identified with this concept:
  - 1. The 2005 Workgroup had determined that it wasn't necessary that the noncustodial parent actually pay support under an order, as long as there was an ordered obligation.
  - 2. One member suggested that we should count a child for whom the noncustodial parent is paying "a reasonable amount of support," which would mean that if the noncustodial parent was paying without an order the amount that would have reasonably been ordered, that child should be counted.
  - 3. Some members felt that unless the noncustodial parent was actually paying support under a support order, the child should not be counted.

2. <u>Should the Whole Family Formula be used to establish the presumptive amount of support when there are children from other relationships?</u>

A Majority of the Workgroup members supported the use of a modified version of the Whole Family Formula, if it could include all the children of both parents. For lack of time, the Workgroup did not develop a method of counting children for use in that formula.

# Issue 2:

# Whether the economic table for calculating child support should include combined income greater than five thousand dollars

## The Workgroup recommends that:

- 1. The economic table should be entirely presumptive, and should have no advisory amounts.
- 2. The economic table should be extended past combined monthly net income (CMNI) of five thousand dollars.
- 3. The economic table should include combined monthly net income (CMNI) of at least twelve thousand dollars per month.
  - A. The Workgroup was unable to agree whether the economic table should exceed CMNI of \$12,000 per month, and if so, how far it should go. A strong majority supported extending the table to \$15,000 CMNI, and many members were in favor of raising the table to \$20,000 CMNI.
  - B. Those who argued in favor of extending the economic table stressed their concern that the economic table should provide certainty and predictability for all income levels.
  - C. Some members indicated that since the child support schedule is only reviewed on a quadrennial basis, the economic table should anticipate that CMNI may increase during that time and so should extend past \$12,000.
  - D. One member pointed out that there is not sufficient economic data above CMNI of \$12,000 to extend the economic table, and suggested that there be a formula provided to calculate support when CMNI exceeds \$12,000. Although a formula might not be simple to use, this member reflected that where CMNI exceeds \$12,000, the parties would most probably be represented by counsel.
  - E. Some members pointed out that how far the economic table is extended depends on the nature of the curve represented by whatever basis for the table is selected:
    - 1. Some of the options show a curve which flattens out above CMNI of \$12,000, which means that there probably would not be a significant change in the monthly amount as income increased.<sup>20</sup>

 $<sup>^{20}</sup>$  Those tables which have a flattening curve include the current economic table, the Krabill Table, the BR w/adj and the McCaleb Table.

2. Especially when using a table-basis formula that does not level off around CMNI of \$12,000, the economic table would have to be extended past \$12,000 to set child support obligations for the highest income families.<sup>21</sup>

#### Issue 3:

# Whether the economic table should start at one hundred twenty-five percent of the federal poverty guidelines, and move upward in one hundred dollar increments

#### The Workgroup recommends that:

- 1. The economic table should begin at 125% of the federal poverty guidelines (the self-support reserve) and should increase in \$100 increments.<sup>22</sup>
- 2. The above recommendation be carried out by having the economic table start at \$1,000, which is slightly less than the current value of 125% of the federal poverty guideline.<sup>23</sup>

#### Issue 4:

# Whether the economic table should distinguish between children under twelve years of age and over twelve years of age

**The Workgroup recommends** that the economic table should **not** distinguish between age groups, but should have only one category per family size if a new economic table is adjusted.<sup>24</sup>

The Workgroup discussed what should happen to the two columns if the current table is retained, and there was **no** consensus on whether the two columns should be "collapsed" into one column, or how that should happen.

- A. Since there are currently two support amounts for each family size (Column A is for children aged 0-11 and Column B is for children aged 12-18), some members felt that the amounts should be averaged, but there was no agreement on how to average the amounts:
  - 1. Some members indicated a preference for a "straight" average, which would add together the A amount and the B amount and then divide by two.
  - 2. Some members indicated a preference for a "weighted" average, which reflects the fact that there are three 6-year age groups to deal with, namely age 0-5, 6-11 and 12-18. This approach would require adding two A amounts plus one B amount and dividing by three to get the average.

<sup>&</sup>lt;sup>21</sup> The tables which have an upward curve include the Betson-Engel, the BEBR, and the Betson-Rothbarth.

<sup>&</sup>lt;sup>22</sup> The Workgroup acknowledges that there are several ways to refer to the federal poverty guideline, such as "federal poverty level," "federal poverty threshold," or "federal poverty guidelines," but whenever any of these terms are used by the Workgroup, they all mean the same thing (see footnote 22).

<sup>&</sup>lt;sup>23</sup> As reported in the Federal register, Vol 73, No. 15, January 23, 2008, pp3971-3972, the 2008 poverty guideline for one person is \$10,400. 125% of this amount is \$13,000, which, expressed as a monthly amount is \$1,083.

<sup>&</sup>lt;sup>24</sup> See discussion below at Issue 6.

- 3. Some members were opposed to any method of averaging.
- B. After a discussion of what should happen if the legislature chose to retain the current table and use only one column:
  - 1. There was **no** support for having that one column be the "Column A" amount.
  - 2. There was **no** support for having that one column be the straight average of the two columns.
  - 3. A slim majority (8 votes) indicated a preference that the one column be the "Column B" amount, whereas 7 members preferred the weighted average.

#### Issue 5:

# Whether child care costs and ordinary medical costs should be included in the economic table, or treated separately

#### The Workgroup recommends that:

- 1. The term "health care costs" should replace the term "medical costs."
- 2. Child care costs and any health care costs should not be included in any economic table, but should be allocated between the parents based on each parent's proportionate share of the combined income.<sup>25</sup>
- 3. If we keep the current table, the "5% for ordinary medical costs" should be removed.

#### Issue 6:

Whether the estimated cost of child rearing, as reflected in the economic table, should be based on the Rothbarth estimate, the Engel estimator, or some other basis for calculating the cost of child rearing

The Workgroup recommends that:

- 1. The Economic Table should start with combined monthly net income of \$1,000 and go up in \$100 increments
- 2. It should be based on net, not gross, income
- 3. There should not be a distinction in the amount of support between children of different age groups (no more Column A & B)<sup>26</sup>
- 4. There should be no advisory part of table, it should all be presumptive
- 5. The table should extend beyond \$5,000; at least to  $$12,000^{27}$

<sup>&</sup>lt;sup>25</sup> See also Issue 9, regarding extraordinary health care costs.

<sup>&</sup>lt;sup>26</sup> See discussion of Issue 4, above.

<sup>&</sup>lt;sup>27</sup> The subcommittee could not agree on how high the table should go, but agreed that it should go at least up to \$12,000 per month combined net income. See discussion about Issue 2, above.

6. Support should be determined on an income shares model – child support divided between parents according to their proportionate share of income

Although the Workgroup members could not agree on one option for the basis of the economic table, they discussed many options and ultimately identified ten options for discussion. Three of these options received the support of a majority of the Workgroup members.

Options identified (in no particular order):<sup>28</sup>

- 1. The Betson-Engel table from the 2005 Workgroup Report<sup>29</sup>
- 2. The average of the Betson-Engel and Betson-Rothbarth tables, with extensions based on numbers provided by Jane Venohr to the 2005 Workgroup
- 3. The Betson-Rothbarth table from the 2005 Workgroup Report<sup>30</sup>
- 4. The Betson-Rothbarth table with adjustments made to even out the curve
- 5. The Best Fit Curve, also known as the Krabill Table, after ALJ Krabill
- 6. The current table, adopting all of the other consensus recommendations of the Workgroup
- 7. The McCaleb Table
- 8. Acknowledgement that the Workgroup lacked sufficient knowledge to pick a table and therefore opts to leave it up to the Legislature
- 9. A cost-shares model
- 10. The average of all available options.

Preferences: The chair of the Workgroup posed the following questions at the November 21, 2008 meeting regarding the ten identified options:

- A. Is there one option that you support to the exclusion of considering any other option?
  - 1. One member could only support option number 2 (the Betson-Engel/Betson-Rothbarth, known as "BEBR")
  - 2. One member could only support option number 7 (The McCaleb Table)
  - 3. This meant that there would be no consensus recommendation by the Workgroup.

<sup>&</sup>lt;sup>28</sup> See Appendix VII for examples of these options, which were presented to the Workgroup.

<sup>&</sup>lt;sup>29</sup> This table can be found in Appendix VIII of the 2005 Workgroup Report as the "Updated Betson-Engel Table."

<sup>&</sup>lt;sup>30</sup> This table can be found in Appendix VIII of the 2005 Workgroup Report as the "Updated Betson-Rothbarth Table."

B. Is this option one you absolutely *cannot* support?

Based on the non-support votes, the Workgroup identified three options as the leastopposed and therefore the most popular. Tied for first place were options 2 (Betson-Engel/Betson-Rothbarth, known as "BEBR") and 4 (Best Fit Curve, known as "The Krabill Table"), and third place went to option 3 (Betson-Rothbarth with adjustments, known as "BR w/adj").

At the request of some Workgroup members, DCS staff sent an e-mail message to the six members of the Workgroup who had not attended the November 21, 2008 meeting. Of those six, only two responded. One gave opinions, the other abstained and agreed to follow the recommendations of the Workgroup. These responses did not change the results from the November 21 meeting.

At the December 4, 2008 meeting, the Chair asked Workgroup members to identify if they could absolutely not live with any one of the three options identified as "most popular" at the last meeting.

- a. Five members indicated that they could not live with the BEBR option.
- b. Two members indicated that they could not live with the BR w/adj option.
- c. Five members indicated that they could not live with the Krabill Table.

After allowing each member a short time to discuss the three options, the Chair took another vote, asking again which of the three each member of the Workgroup could not support. BEBR still had five votes; BR w/adj now had three votes; and the Krabill Table now had four votes. The Chair then asked the members to vote for their favorite of the three options: BEBR received one vote, BR w/adj received five votes and the Krabill Table received five votes.

Issues identified in the discussion included concerns that:

- a. The best quality data appears limited to the middle range of incomes, and data is sparse for both the higher and lower incomes.
- b. Similar situations should be treated similarly; we want to avoid a cliff effect where a small change in income results in a large change in obligation.
- c. The report presented by PSI to the 2005 Workgroup indicated that the current support amounts in the lower income ranges of the current table set support below the poverty level, and this problem was also seen in some of the options for this Workgroup.
- d. Several members of the Workgroup expressed concern that, in the current recession, it might not be appropriate to raise child support levels from where they are currently set. It was pointed out that this approach tended to favor the paying parent, because a failure to raise child support levels appropriately would tend to harm the receiving parent. In addition, it was pointed out that the current economic situation affects both parents' households.

e. Some members expressed concern that under some of the proposals, the current level of support would be reduced. Other members expressed concern that the current level of support might be increased under certain proposals.

# Issue 7:

## Whether the self-support reserve should be tied to the federal poverty guidelines

#### The Workgroup recommends that:

- 1. The self-support reserve (SSR) should be tied to the federal poverty guidelines<sup>31</sup> and not be based on the need standard as is currently done.
- 2. The self-support reserve be set at 125% of the federal poverty guidelines and that the statute should not set a specific numerical value.
- 3. Worksheets and instructions should provide a website location<sup>32</sup> to find information about the federal poverty guidelines.

A majority of the workgroup recommends that the self-support reserve apply only to the noncustodial parent's obligation. A minority of the workgroup expressed conditional support for this recommendation in that they were willing to support it on condition that application of the self support reserve to the noncustodial parent's obligation be subject to consideration of equity to the custodial parent household.

- A. Some members in the minority suggested that the following language, if added to RCW 26.19.065(2)(b) would alleviate their concerns:
  - 1. "...when it would be unjust or inappropriate to apply the self support reserve limitation after considering the best interests of the child and the circumstances of each parent."
- B. The workgroup member representing the Family Law Executive Committee (FLEC) indicated that it was the position of FLEC that the self support reserve should apply to both parents.
  - 1. The workgroup member representing legal services advised that this was the position of many legal services attorneys as well.

## Issue 8:

How to treat imputation of income for purposes of calculating the child support obligation, including whether minimum wage should be imputed in the absence of adequate information regarding income

The Workgroup recommends that:

<sup>&</sup>lt;sup>31</sup> See footnote 22 above.

<sup>&</sup>lt;sup>32</sup> The workgroup suggests using the U.S. department of Health and Human Services Poverty Guidelines, research, and measurement webpage: http://aspe.hhs.gov/poverty/ as the site to consult to obtain the annual income figure.

1. RCW 26.19.071(6) be revised to add instructions on how to impute income when adequate information regarding income is not available, including setting the priority in which different types of income information should be used.<sup>33</sup>

#### Issue 9:

# How extraordinary medical expenses should be addressed, either through the basic child support obligation or independently

#### The Workgroup recommends that:

- 1. The term "health care expenses" should replace the term "medical expenses."
- 2. The distinction between ordinary and extraordinary health care expenses should be abolished, that all health care expenses should be addressed independently of the basic child support obligation, and that all health care expenses should be allocated between the parents based on each parent's proportionate share of the combined income.

In support of this recommendation, Workgroup members noted that the distinction between ordinary and extraordinary medical expenses is a term of art, having to do with whether the expenses total more than 5% of the monthly child support obligation and that families and pro se parties in family law matters often do not understand the meaning and application of the current distinction. Members of the Workgroup also noted that health care expenses vary widely between families, and over time within the same family. Attempting to address health care expenses through including them as a component of the basic child support obligation results in confusion for the parties, and can both over-serve and under-serve the custodial household.

## Issue 10:

# Whether the amount of the presumptive minimum order should be adjusted

#### The Workgroup recommends that:

- 1. The presumptive minimum order should be increased to fifty dollars per month per child, and should always be expressed as a "per month per child" obligation.
- 2. RCW 26.19.065(2) should be amended to explain the circumstances considered by the court when determining whether to deviate below the presumptive minimum.<sup>34</sup>

#### Issue 11: Whether gross or net income should be used for purposes of calculating the child support obligation

<sup>&</sup>lt;sup>33</sup> See Appendix V for proposed language.

<sup>&</sup>lt;sup>34</sup> See Appendix V for the draft statutory language.

#### The Workgroup recommends that:

- 1. The child support obligation should be calculated based on net income.
- 2. RCW 26.19.071(5)(g) be revised to increase the allowance for voluntary retirement contributions and to change the requirements for when these contributions can be considered.<sup>35</sup>
- 3. RCW 26.19.071(5)(h), concerning the deduction for business expenses and self-employment taxes for self-employed persons, is adequate and does not need revision, as long as "business income" and "income from self-employment" were added to RCW 26.19.071(3) as a type of income source to be included in gross monthly income.

#### Issue 12:

# How to treat overtime income or income from a second job for purposes of calculating the child support obligation

**The Workgroup recommends** that RCW 26.19.071(3) and (4), dealing with overtime and income from a second job, be amended.<sup>36</sup>

- 1. The Workgroup felt that when there were second jobs or overtime, that a base amount of 40 hours per week (averaged over a 12-month period) would be included in income, but that under certain circumstances, income over 40 hours per week should be excluded.
  - A. The Workgroup felt that the income over 40 hours (averaged over a 12month period) should be excluded as long as overtime or a second job was worked to provide for the needs of the current family, to retire past relationship debts or to retire child support debt, and the court found that the income would cease when the debt had been paid off.
  - B. The Workgroup recommended that if the person working overtime or second job asked for a deviation for any other reason, the court should consider the extra income. This would require a revision of RCW 26.19.075.<sup>37</sup>

## Issue 13:

# Whether the noncustodial parent's current child support obligation should be limited to forty-five percent of net income

#### The Workgroup recommends that:

1. Application of the 45% limitation in RCW 26.19.065 be consistent with the following recommendations:

<sup>&</sup>lt;sup>35</sup> See Appendix V for the draft statutory language.

 $<sup>^{36}</sup>$  See Appendix V for the draft statutory language.

<sup>&</sup>lt;sup>37</sup> See Appendix V for the draft statutory language.

- A. The 45% limitation should apply to all of the NCP's biological and legal children.<sup>38</sup>
- B. RCW 26.19.065(1) should be rearranged for clarity.<sup>39</sup>
- C. In RCW 26.19.065(1), the current language regarding good cause to exceed the 45% limitation should be retained, but should be augmented to provide that the court should consider the circumstances of both households in determining whether it would be unjust to apply the 45% limitation. The members agreed that language regarding "leaving insufficient funds in the custodial parent's household" should be added to this section.
- D. Day care and other extraordinary expenses should be excluded from the 45% limitation. Discussion indicated that (1) this might need to be clarified because despite the language in the statute, there is statewide inconsistency on whether those expenses are considered in conjunction with the 45% limitation; (2) members of the Workgroup believed that the worksheets and all of the computerized calculation programs apply the 45% limitation only after the day care and other expenses have been added to the obligation.

The Workgroup discussed the following issues related to the 45% limitation but was unable to reach consensus:

- A. Whether each of the noncustodial parent's children should be entitled to an equivalent share of the 45% of net income which is available for child support. The majority favored splitting 45% of the noncustodial parent's income on a per-child basis, not on a per-case basis. The main concern was that different orders for the same noncustodial parent should not each encumber 45% of the NCP's income, which could result in a noncustodial parent with three families being obligated for support in the amount of 135% of monthly income.
  - 1. A majority of the workgroup members agreed with the idea that the 45% limitation should apply to all of the NCP's children but expressed reservations about how such a rule could be applied. Two proposals were suggested:
    - a. When setting support the court sets support for the children in front of it. If the presumptive amount of support causes the total support owed by the non-custodial parent to exceed 45% of the NCP's net income the court may reduce the support award, but not lower than the children's "per child" share of 45% of net income. It is the obligation of the NCP to initiate modification actions regarding the

<sup>&</sup>lt;sup>38</sup> This issue is closely related to Issue 1, which deals with the consideration of children from other relationships. See the discussion under Issue 1 for a description of the concerns regarding which children should be considered, and whether we should consider only children of the noncustodial parent, but also of the custodial parent.

<sup>&</sup>lt;sup>39</sup> See draft revision to RCW 26.19.065 is in Appendix V.

support for other children in order to reduce the NCP's support obligation to 45%.

- b. The court sets support for the children in front of it considering any presumptive adjustment for other children for children from other relationships. This figure is then tested against the 45% limitation and additional deviations are taken if appropriate.
- B. While the Workgroup recognized that the 45% limitation can in reality only be applied to the order currently before the court (other orders may be from other states, for instance, and the Washington court may not have jurisdiction over all of the involved parties), the members could not reach consensus on what the effect on the other orders might be.
- C. Many members felt that whether the fact that the 45% limitation is applied in one case should automatically qualify the NCP's other orders for modification (in other words, is the fact that one order applies the 45% limitation a "substantial change of circumstances" such that other orders now qualify for modification regardless of when they were entered), or whether the 45% limitation should only be considered when the other order meets the statutory requirements for modification.
- D. Many members felt that the good cause ground of "larger families" should be expanded to provide not only for one family with multiple children but for one NCP who has children with several different custodial parents ("multiple families").

## Issue 14:

# Whether the residential schedule should affect the amount of the child support obligation

## The Workgroup recommends that:

- 1. The residential schedule should affect the amount of the child support obligation.
- 2. Before considering a residential credit, there must be some kind of court order in place providing for residential time for the child and the noncustodial parent.
- 3. The residential schedule credit should be based on a formula, which would allow for an above-the-line adjustment based on the number of overnights spent with the paying parent.<sup>40</sup>
- 4. The statute provide for a below-the-line adjustment or deviation to allow a residential credit based on other time spent with the child, such as after-school or other times to accommodate the parents' work schedules.

<sup>&</sup>lt;sup>40</sup> Commissioner Gallaher, representing the Superior Court Judges Association, Family & Juvenile Law Committee, expressed that the Committee would oppose any provisions for a residential credit that would lead to increased litigation, and therefore supports continuing judicial discretion in granting residential credits. FLEC and Legal Services advised that they could not support an above-the-line formula if it did not include a multiplier and did not include a 33% threshold.

5. The residential credit should not be granted if the adjustment will result in insufficient funds in the household receiving support to meet the basic needs of the child, or if the child is receiving TANF (temporary assistance for needy families).<sup>41</sup>

The Workgroup was unable to agree on the formula for determining the residential credit, and whether a multiplier should be used. The Workgroup spent a considerable amount of time discussing three proposals:<sup>42</sup>

- 1. A cross-credit with a 1.5 multiplier
- 2. A per-day calculation with no multiplier
- 3. A formula with a variable multiplier

At the December 4, 2008 meeting, the Chair asked the members if anyone could not live with the cross-credit with the 1.5 multiplier. Three members indicated their opposition, but this method appeared to be the majority recommendation. Discussion of this issue identified the following issues for consideration, but no consensus recommendation was reached:

- 1. Should there be a threshold before the credit is allowed? Several members felt that any threshold could lead to a cliff effect, and could lead to increased litigation over the parenting plan to make sure that the threshold was met. Those who wanted a threshold supported different thresholds.<sup>43</sup>
  - A. Some members argued for no threshold at all, and wanted a residential credit even if the noncustodial parent had the child only one day each year.
  - B. Some members pointed out that with most formulas, the residential credit is minimal until you get to 20% of the year.
  - C. Some members felt that there should be a "significant investment in parenting responsibility" and argued for a 33% threshold.
  - D. There were conflicting opinions as to how many noncustodial parents actually have more than 20% of time with their children. Some argued that the trend in the courts is going toward more time with the noncustodial parent.
  - E. Some members felt that a threshold makes it difficult for a "long-distance parent"<sup>44</sup> to avail himself or herself of a residential credit

<sup>&</sup>lt;sup>41</sup> Representatives for Legal Services recommended that the residential credit should not be granted if the adjusted transfer payment would leave the household receiving support below 200% of the Federal Poverty Guidelines, as is done by the State of New Jersey.

<sup>&</sup>lt;sup>42</sup> See Appendix VI for a full description of the three formulas.

<sup>&</sup>lt;sup>43</sup> Quite a bit of the discussions around the residential credit concerned the concept of "shared parenting" and whether there should be a statutory presumption in favor of shared parenting. The Workgroup acknowledges that the child support schedule does not control parenting plans, but some members felt that the child support schedule should in some way support shared parenting. No consensus recommendation was reached for or against shared parenting, but the Workgroup discussed whether a residential credit would encourage a parent to seek more time with the child.

<sup>&</sup>lt;sup>44</sup> That is, a parent who lives in another state, or even within the same state but far away from the child.

- F. After the discussion, the Chair polled the group regarding a suggested threshold. The group reached consensus that the threshold should not exceed 120 overnights:
  - 1. 3 members thought there should be no threshold
  - 2. 1 member thought the threshold should be 70 nights
  - 3. 2 members thought the threshold should be 100 overnights
  - 4. 6 members thought the threshold should be 120 overnights
- 2. Should there be a multiplier used?
  - A. Those arguing for a multiplier indicated that shared parenting results in increased costs to both households; even though income does not increase, the percentage of income each parent spends on the child increases.
  - B. Those arguing for no multiplier indicated that since the income of the parties does not rise, there is no increase in the amount either parent can spend on the child.
  - C. The variable multiplier was proposed by the economist, Dr. Betson, who argued that there should be recognition of the fact that some expenses are fixed and others are variable, and that the impact on the households varies with the amount of time spent with each parent. Ultimately, this proposal was not supported by the Workgroup because many members felt it would be too cumbersome to require unrepresented parties to use it.

## The Workgroup recommends that:

- 1. The law should provide a way to remove the residential credit when the paying parent does not utilize all of the residential time in the parenting plan.<sup>45</sup>
  - A. The Workgroup discussed, but was unable to reach a consensus recommendation regarding, how this would happen. Issues identified include:
    - 1. How long should the parent be out of compliance with the parenting plan before the credit should be removed?
    - 2. Would the credit be removed totally, or would the credit be adjusted?
    - 3. What would be the mechanism by which the dispute was brought to the tribunal? Would this be similar to the provision for reimbursement of daycare overpayments in RCW 26.19.080(3)?
  - B. The Workgroup discussed, but was unable to reach a consensus recommendation regarding, whether a residential credit should survive a relocation by the custodial parent.

<sup>&</sup>lt;sup>45</sup> Commissioner Gallaher, representing the Superior Court Judges Association, Family & Juvenile Law Committee, expressed that the Committee would oppose any provisions for a residential credit that would lead to increased litigation, and therefore does not support a provision that would encourage additional litigation over terminating the credit.

# Appendix I Roster of Workgroup Members

Chair: David Stillman, Director of the DSHS Division of Child Support

Legislative Members:

Mike Carrell (R) Larry Haler (R) Jim Kastama (D) Jim Moeller (D)

Governor Appointments:

Kristofer Amblad Dr. David Betson Traci Black Deirdre Bowen Angela Cuevas Sharon Curley Kristie Dimak Jason Doudt Kimberly Freeman Commissioner Rich Gallaher. Merrie Gough Alvin Hartley Robert Krabill Commissioner Robyn Lindsay Michelle Maddox The Honorable Christine Pomeroy Adina Robinson **Colleen Sachs** Kathleen Schmidt **David Spring** 

# **Appendix II**

# Issues to be Considered by the Workgroup<sup>46</sup>

The work group shall review and make recommendations to the legislature and the governor regarding the child support guidelines in Washington state. In preparing the recommendations, the work group shall, at a minimum, review the following issues:

(a) How the support schedule and guidelines shall treat children from other relationships, including whether the whole family formula should be applied presumptively;(b) Whether the economic table for calculating child support should include combined income greater than five thousand dollars;

(c) Whether the economic table should start at one hundred twenty-five percent of the federal poverty guidelines, and move upward in one hundred dollar increments;

(d) Whether the economic table should distinguish between children under twelve years of age and over twelve years of age;

(e) Whether child care costs and ordinary medical costs should be included in the economic table, or treated separately;

(f) Whether the estimated cost of child rearing, as reflected in the economic table, should be based on the Rothbarth estimate, the Engle estimator, or some other basis for calculating the cost of child rearing;

(g) Whether the self-support reserve should be tied to the federal poverty level;

(h) How to treat imputation of income for purposes of calculating the child support obligation, including whether minimum wage should be imputed in the absence of adequate information regarding income;

(i) How extraordinary medical expenses should be addressed, either through the basic child support obligation or independently;

(j) Whether the amount of the presumptive minimum order should be adjusted;

(k) Whether gross or net income should be used for purposes of calculating the child support obligation;

(l) How to treat overtime income or income from a second job for purposes of calculating the child support obligation;

(m) Whether the noncustodial parent's current child support

obligation should be limited to forty-five percent of net income; and

(n) Whether the residential schedule should affect the amount of the child support obligation.

 $<sup>^{46}\,{\</sup>rm Section}$  7 of 2SHB 1009 (Chapter 313, Laws of 2007)

# Appendix III

# 42 CFR 302.56

#### TITLE 45--PUBLIC WELFARE

CHAPTER III--OFFICE OF CHILD SUPPORT ENFORCEMENT (CHILD SUPPORT ENFORCEMENT PROGRAM), ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 302 STATE PLAN REQUIREMENTS--Table of Contents

Sec. 302.56 Guidelines for setting child support awards.

(a) Effective October 13, 1989, as a condition of approval of its State plan, the State shall establish one set of guidelines by law or by judicial or administrative action for setting and modifying child support award amounts within the State.

(b) The State shall have procedures for making the guidelines available to all persons in the State whose duty it is to set child support award amounts.

(c) The guidelines established under paragraph (a) of this section must at a minimum:

(1) Take into consideration all earnings and income of the noncustodial parent;

(2) Be based on specific descriptive and numeric criteria and result in a computation of the support obligation; and

(3) Provide for the child(ren)'s health care needs, through health insurance coverage or other means.

(d) The State must include a copy of the guidelines in its State plan.

#### III - 1

(e) The State must review, and revise, if appropriate, the 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 award amounts.

(f) Effective October 13, 1989, the State must provide that there shall be a rebuttable presumption, in any judicial or administrative proceeding for the award of child support, that the amount of the award which would result from the application of the guidelines established under paragraph (a) of this section is the correct amount of child support to be awarded.

(g) A written finding or specific finding on the record of a judicial or administrative proceeding for the award of child support that the application of the guidelines established under paragraph (a) of this section would be unjust or inappropriate in a particular case shall 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 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.

(h) As part of the review of a State's guidelines required under paragraph (e) of this section, a State must consider economic data on the cost of raising children and analyze case data, gathered through sampling or other methods, on the application of, and deviations from, the guidelines. The analysis of the data must be used in the State's review of the guidelines to ensure that deviations from the guidelines are limited.

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# Appendix IV Child Support Schedule Workgroup Priorities

At the October 22, 2007 meeting, members present were each given three orange dots to place on poster boards listing the Fourteen Issues.<sup>47</sup> The members could use the dots to "vote" for the issues they thought were the most important, and could "vote" more than once for the same issue.

The three top vote-getters were Issue 6 (economic table -12 votes); Issue 14 (residential schedule -9 votes); and Issue 1 (children from other relationships/Whole Family Formula -8 votes).

Other vote totals were: Issue 2 (3 votes); Issue 3 (2 votes); Issue 4 (0 votes); Issue 5 (1 vote); Issue 7 (0 votes); Issue 8 (2 votes); Issue 9 (0 votes); Issue 10 (1 vote); Issue 11 (0 votes); Issue 12 (3 votes) and Issue 13 (1 vote).

<sup>&</sup>lt;sup>47</sup> See Appendix II for a list of the 14 Issues from 2SHB 1009

# APPENDIX V DRAFT STATUTES

RCW 26.19.065<sup>48</sup> RCW 26.19.065 Standards for establishing lower and upper limits on child support amounts.

 Limit at forty-five percent of a parent's net income. Neither parent's ((total)) child support obligation owed for all his or her biological or legal children may exceed forty-five percent of net income except for good cause shown. ((Good cause includes but is not limited to possession of substantial wealth, children with day care expenses, special medical need, educational need, psychological need, and larger families.))

(a) Each child is entitled to a pro-rata share of the income available for support, but the court only applies the pro-rata share to the children in the case before the court.

(b) Before determining whether to apply the forty-five percent limitation, the court must consider whether it would be unjust to apply the limitation after considering the best interests of the child and the circumstances of each parent. Such circumstances include but are not limited to leaving insufficient funds in the custodial parent's household to meet the basic needs of the child, comparative hardship to the affected households, assets or liabilities, and any involuntary limits on either parent's earning capacity (e.g., incarceration, disabilities or incapacity).

(c) Good cause includes but is not limited to possession of substantial wealth, children with day care expenses, special medical need, educational need, psychological need, and larger families.

(2) ((Income below six hundred dollars. When combined monthly net income is less than six hundred dollars)) Presumptive minimum support obligation.

- (a) When a parent's monthly net income is below 125% of the federal poverty guideline, a support order of not less than ((twenty five)) fifty dollars per child per month shall be entered ((for each parent)) unless the obligor parent establishes that it would be unjust ((or inappropriate)) to do so in that particular case. The decision whether there is a sufficient basis to deviate below the presumptive minimum payment must take into consideration the best interests of the child and the circumstances of each parent. Such circumstances can include leaving insufficient funds in the custodial parent's household to meet the basic needs of the child, comparative hardship to the affected households, assets or liabilities, and earning capacity.
- (b) The basic ((A parent's)) support obligation of the parent making the transfer payment, excluding health care, day care and special child-rearing expenses, shall not reduce his or her net income below ((the need standard for one person established pursuant to RCW 74.04.770)) self support reserve of125% of the federal poverty level, except for the presumptive minimum payment of ((twenty-five)) fifty dollars per child per month or ((in cases where the court finds reasons for deviation)) when it would be unjust to apply the self-support reserve limitation after considering the best interests of the child and the circumstances of each parent. Such circumstances include but are not limited to leaving insufficient funds in the custodial parent's household to meet the basic needs of the child, comparative hardship to the affected households, assets or liabilities, and earning capacity. This section shall not be construed to require monthly substantiation of income.

<sup>&</sup>lt;sup>48</sup> See discussion of Issue 13 regarding the 45% limitation, Issue 2 regarding extending the economic table, Issue 3 regarding the lowest level of the economic table, Issue 7 regarding the self-support reserve, and Issue 10 regarding the presumptive minimum obligation.
(3) Income above ((five thousand and seven)) twelve thousand dollars. The economic table is presumptive for combined monthly net incomes up to and including ((five)) twelve thousand dollars. ((When combined monthly net income exceeds five thousand dollars, support shall not be set at an amount lower than the presumptive amount of support set for combined monthly net incomes of five thousand dollars unless the court finds a reason to deviate below that amount. The economic table is advisory but not presumptive for combined monthly net income exceeds ((seven)) twelve thousand dollars, the court may ((set support at an advisory amount of support set for combined monthly net incomes between five thousand and seven thousand dollars or the court may)) exceed the ((advisory)) presumptive amount of support set for combined monthly net incomes of ((seven)) twelve thousand dollars upon written findings of fact.

#### RCW 26.19.071<sup>49</sup> RCW 26.19.071 Standards for determination of income.

(1) **Consideration of all income.** All income and resources of each parent's household shall be disclosed and considered by the court when the court determines the child support obligation of each parent. Only the income of the parents of the children whose support is at issue shall be calculated for purposes of calculating the basic support obligation. Income and resources of any other person shall not be included in calculating the basic support obligation.

(2) Verification of income. Tax returns for the preceding two years and current paystubs shall be provided to verify income and deductions. Other sufficient verification shall be required for income and deductions which do not appear on tax returns or paystubs.

(3) **Income sources included in gross monthly income.** Except as specifically excluded in subsection (4) of this section, monthly gross income shall include income from any source, including:

- (a) Salaries;
- (b) Wages;
- (c) Commissions;
- (d) Deferred compensation;
- (e) Overtime, except as excluded for income in subsection (4)(h);
- (f) Contract-related benefits;
- (g) Income from second jobs, except as excluded for income in subsection (4)(h);
- (h) Dividends;
- (i) Interest;
- (j) Trust income;
- (k) Severance pay;
- (I) Annuities;
- (m) Capital gains;

<sup>&</sup>lt;sup>49</sup> See discussion of Issue 8 regarding imputation of income, and Issue 12 regarding overtime and income from second jobs, and Issue 11 regarding determination of net income.

- (n) Pension retirement benefits;
- (o) Workers' compensation;
- (p) Unemployment benefits;
- (q) Maintenance actually received;
- (r) Bonuses;
- (s) Social security benefits; ((and))
- (t) Disability insurance benefits;

#### (u) Business income; and

#### (v) Income from self-employment.

(4) **Income sources excluded from gross monthly income.** The following income and resources shall be disclosed but shall not be included in gross income:

- (a) Income of a new spouse or new domestic partner or income of other adults in the household;
- (b) Child support received from other relationships;
- (c) Gifts and prizes;
- (d) Temporary assistance for needy families;
- (e) Supplemental security income;
- (f) General assistance; ((and))
- (g) Food stamps; and

(h) Overtime or income from second jobs beyond 40 hours per week averaged over a 12 month period worked to provide for a current family's needs, to retire past relationship debts, or to retire child support debt, when the court finds the income will cease when the party has paid off his or her debts.

Receipt of income and resources from temporary assistance for needy families, supplemental security income, general assistance, and food stamps shall not be a reason to deviate from the standard calculation.

(5) **Determination of net income.** The following expenses shall be disclosed and deducted from gross monthly income to calculate net monthly income:

- (a) Federal and state income taxes;
- (b) Federal insurance contributions act deductions;
- (c) Mandatory pension plan payments;
- (d) Mandatory union or professional dues;
- (e) State industrial insurance premiums;
- (f) Court-ordered maintenance to the extent actually paid;

(g) ((Up to two thousand dollars per year in voluntary pension payments actually made if the contributions were made for the two tax years preceding the earlier of the (i) tax year in which the parties separated with intent to live separate and apart or (ii) tax year in which the parties filed for dissolution)) Up to five thousand dollars per year in voluntary retirement contributions actually made if the contributions show a pattern of

contributions during the one-year period preceding the action establishing the child support order unless there is a determination that the contributions were made for the purpose of reducing child support; and

(h) Normal business expenses and self-employment taxes for self-employed persons. Justification shall be required for any business expense deduction about which there is disagreement.

Items deducted from gross income under this subsection shall not be a reason to deviate from the standard calculation.

(6) **Imputation of income.** The court shall impute income to a parent when the parent is voluntarily unemployed or voluntarily underemployed. The court shall determine whether the parent is voluntarily underemployed or voluntarily unemployed based upon that parent's work history, education, health, and age, or any other relevant factors. A court shall not impute income to a parent who is gainfully employed on a full-time basis, unless the court finds that the parent is voluntarily underemployed and finds that the parent is purposely underemployed to reduce the parent's child support obligation. Income shall not be imputed for an unemployable parent. Income shall not be imputed to a parent to the extent the parent is unemployed or significantly underemployed due to the parent's efforts to comply with court-ordered reunification efforts under chapter 13.34 RCW or under a voluntary placement agreement with an agency supervising the child. ((In the absence of information to the contrary, a parent's imputed income shall be based on the median income of year-round full-time workers as derived from the United States bureau of census, current populations reports, or such replacement report as published by the bureau of census.)) In the absence of records of a parent's actual earnings, the court shall impute a parent's income in the following order of priority:

(a) Full-time earnings at the current rate of pay;

(b) Full-time earnings at the historical rate of pay based on reliable information, such as Employment Security Department data;

(c) Full-time earnings at a past rate of pay where information is incomplete or sporadic;

(d) Full-time earnings at minimum wage in the jurisdiction where the parent resides if the parent has a recent history of minimum wage earnings, recently coming off public assistance, GAU, SSI, or disability, a recent release from incarceration, or high school;

(e) Median net monthly income of year-round full-time workers as derived from the United States bureau of census, current population reports, or such replacement report as published by the bureau of census.

# $\begin{array}{l} 26.19.075^{50} \\ \text{RCW 26.19.075} \\ \text{Standards for deviation from the standard calculation.} \end{array}$

(1) Reasons for deviation from the standard calculation include but are not limited to the following:

(a) **Sources of income and tax planning.** The court may deviate from the standard calculation after consideration of the following:

(i) Income of a new spouse or new domestic partner if the parent who is married to the new spouse or in a partnership with a new domestic partner is asking for a deviation based on any other reason. Income of a new spouse or new domestic partner is not, by itself, a sufficient reason for deviation;

(ii) Income of other adults in the household if the parent who is living with the other adult is asking for a deviation based on any other reason. Income of the other adults in the household is not, by itself, a sufficient reason for deviation;

- (iii) Child support actually received from other relationships;
- (iv) Gifts;
- (v) Prizes;

<sup>&</sup>lt;sup>50</sup> See Issue 12 regarding overtime and income from second jobs.

(vi) Possession of wealth, including but not limited to savings, investments, real estate holdings and business interests, vehicles, boats, pensions, bank accounts, insurance plans, or other assets;

(vii) Extraordinary income of a child; ((or))

(viii) Tax planning considerations. A deviation for tax planning may be granted only if the child would not receive a lesser economic benefit due to the tax planning: or

(ix) Income which has been excluded under RCW 26.19.071(4)(h) should be consider if the person earning that income asks for a deviation for any other reason.

(b) **Nonrecurring income.** The court may deviate from the standard calculation based on a finding that a particular source of income included in the calculation of the basic support obligation is not a recurring source of income. Depending on the circumstances, nonrecurring income may include overtime, contract-related benefits, bonuses, or income from second jobs. Deviations for nonrecurring income shall be based on a review of the nonrecurring income received in the previous two calendar years.

(c) **Debt and high expenses.** The court may deviate from the standard calculation after consideration of the following expenses:

- (i) Extraordinary debt not voluntarily incurred;
- (ii) A significant disparity in the living costs of the parents due to conditions beyond their control;
- (iii) Special needs of disabled children;
- (iv) Special medical, educational, or psychological needs of the children; or

(v) Costs incurred or anticipated to be incurred by the parents in compliance with court-ordered reunification efforts under chapter 13.34 RCW or under a voluntary placement agreement with an agency supervising the child.

(d) **Residential schedule.** The court may deviate from the standard calculation if the child spends a significant amount of time with the parent who is obligated to make a support transfer payment. The court may not deviate on that basis if the deviation will result in insufficient funds in the household receiving the support to meet the basic needs of the child or if the child is receiving temporary assistance for needy families. When determining the amount of the deviation, the court shall consider evidence concerning the increased expenses to a parent making support transfer payments resulting from the significant amount of time spent with that parent and shall consider the decreased expenses, if any, to the party receiving the support resulting from the significant amount of time the child spends with the parent making the support transfer payment.<sup>51</sup>

(e) **Children from other relationships.** The court may deviate from the standard calculation when either or both of the parents before the court have children from other relationships to whom the parent owes a duty of support.

(i) The child support schedule shall be applied to the mother, father, and children of the family before the court to determine the presumptive amount of support.

(ii) Children from other relationships shall not be counted in the number of children for purposes of determining the basic support obligation and the standard calculation.

(iii) When considering a deviation from the standard calculation for children from other relationships, the court may consider only other children to whom the parent owes a duty of support. The court may consider court-ordered payments of child support for children from other relationships only to the extent that the support is actually paid.

<sup>&</sup>lt;sup>51</sup> It should be noted that, if statutory changes are adopted relating to the residential credit, this subsection would need to be revised (or taken out of this section and made into a new section), Because the Workgroup did not have any consensus recommendations regarding how the residential schedule credit would work, this report does not provide any draft language on that subject.

(iv) When the court has determined that either or both parents have children from other relationships, deviations under this section shall be based on consideration of the total circumstances of both households. All child support obligations paid, received, and owed for all children shall be disclosed and considered.

(2) All income and resources of the parties before the court, new spouses or new domestic partners, and other adults in the households shall be disclosed and considered as provided in this section. The presumptive amount of support shall be determined according to the child support schedule. Unless specific reasons for deviation are set forth in the written findings of fact and are supported by the evidence, the court shall order each parent to pay the amount of support determined by using the standard calculation.

(3) The court shall enter findings that specify reasons for any deviation or any denial of a party's request for any deviation from the standard calculation made by the court. The court shall not consider reasons for deviation until the court determines the standard calculation for each parent.

(4) When reasons exist for deviation, the court shall exercise discretion in considering the extent to which the factors would affect the support obligation.

(5) Agreement of the parties is not by itself adequate reason for any deviations from the standard calculation.

# Appendix VI Proposals re Residential Credit Formula

The Workgroup discussed three proposals for the residential credit formula:

- 1. Cross-credit with a 1.5 multiplier, proposed by Kathleen Schmidt and the WSBA Family Law Executive Committee
- 2. Per day formula (with no multiplier), proposed by David Spring
- 3. Variable multiplier, proposed by Dr. David Betson

<u>The Cross-Credit With a 1.5 Multiplier</u> is set forth in draft statutory language and uses a Residential Schedule Cross Credit Worksheet:

#### New Section: Adjustments to the standard calculation.

# (1) Reasons for adjustments to the standard calculation include but are not limited to the following:

(a)**Shared Residential schedule 33% or more.** The court may adjust the standard calculation if there is a written parenting plan or court order that the child or children spend 33% (120) or more overnights in a calendar year with the parent who is obligated to make a support transfer payment. The residential schedule adjustment shall be determined by a cross credit method after application of a 1.5 multiplier as set forth below:

(1) determination of the basic child support obligation based on the combined net income of both parents line 5 of worksheet which is then multiplied by 1.5;

(2) application of the proportional share of net income of each parent line 6 of worksheet to the basic child support obligation after it has been multiplied by 1.5;

(3) determination of the percentage of overnights spent with the obligated parent in order to determine the percentage of time spent with each parent;

(4) multiply the percentage of the time spent with the other parent by the obligation of each parent as determined in step (2);

(5) subtract lesser amount from greater amount in step (4) to determine the adjusted amount of child support to be paid by the obligor.

For example: father's net income is \$3,000 per month (60%); mother's net income is \$2,000 per month (40%); father spends 35% of overnights with two children of the parties; mother has the children in her care 65% of the time. The basic child support obligation for the two children is \$1526 times 1.5 multiplier would be \$2289. The father's share of child support after multiplier has been applied is \$1373.40; the mother's share of share of \$1373.40 is multiplied by the amount of time the children spend with the

mother 65% or \$892.71 and the mother's share of \$915.60 is multiplied by the amount of time the children spend with the father 35% or \$320.46. The lesser amount is deducted from the greater amount: \$892.71-\$320.46 =\$572.25 the obligor's adjusted child support based on residential schedule. Without a residential schedule credit the amount of support due from the obligor would have been \$915.60 The court may not adjust the standard calculation on the basis of the residential schedule if the adjustment will result in insufficient funds in the household receiving the support to meet the basic needs of the child or if the child is receiving temporary assistance for needy families. If the obligor who has been granted an adjustment fails to exercise 33% or more of the overnights that were used to calculate the child support adjustment for more than 6 months without reasonable justification for the failure to exercise the time the obligee shall be entitled to move to terminate the adjustment by motion to the Court or by making a request for a review of the administrative order which established the adjustment.

#### **RESIDENTIAL SCHEDULE CROSS CREDIT WORKSHEET**

		Father	Father		Mother	
Α	Net Income (line 3 from Child Support Worksheet)	\$		\$		
В	Combined Net Income (line 4 from Child Support	\$				
	Worksheet)					
С	Basic Child Support (line 5 from Child Support		\$			
	Worksheet)					
D	Proportional Share A divided by B		%		(	%
Е	Basic Child Support C x 1.5	\$				
F	Proportional Share E x D		%		(	%
G	Each parents' number of overnights per year					
Η	Each parents' percent of overnights per year		%		(	%
Ι	Each parents' percent per H x the other parent's	\$		\$		
	obligation per E					
J	Subtract lesser amount from greater amount in I =		\$			
	adjusted amount paid by Obligor					

The Per-Day Formula is set out in draft statutory language as follows:

#### New Section: Adjustments to the standard calculation.

(1) Reasons for adjustments to the standard calculation include but are not limited to the following:

(a)**Shared Residential schedule 20% or more.** The court shall adjust the standard calculation if there is a written parenting plan or court order

that the child or children spend 20% (71) or more overnights in a calendar year with the parent who is obligated to make a support transfer payment. The residential schedule adjustment shall be determined by a simple ratio of the amount of time each parent cares for the child as set forth below:

(1) determination of the basic child support obligation based on the combined net income of both parents line 5 of worksheet. (deleted: which is then multiplied by 1.5);

(2) application of the proportional share of net income of each parent line 6 of worksheet to the basic child support obligation. (deleted: after it has been multiplied by 1.5);

(3) determination of the percentage of overnights spent with the obligated parent in order to determine the percentage of time spent with each parent;(4) multiply the percentage of the time spent with each parent by the obligation of each parent as determined in step (2);

(5) subtract lesser amount from greater amount in step (4) to determine the adjusted amount of child support to be paid by the obligor.

For example: father's net income is \$3,000 per month (60%); mother's net income is \$2,000 per month (40%); father spends 20% of overnights with the child of the parties; mother cares for the child 80% of the time. Assume the total child support obligation as determined by the Economic Table is \$900. Thus, the per day cost for the child is \$30 per day. The father's share of the total obligation, based on his ratio of income is \$540 and the mother's share of the total obligation is \$360. The father's monthly residential credit is the total obligation (\$900) times the ratio of time spent caring for the child (20%) or 6 days per month equals \$30 per day times 6 days equals \$180. The mother's monthly residential credit is also the total obligation (\$900) times the ratio of time she spends caring for the child (80%) or 24 days times \$30 per day equals \$720 per month. The transfer payment is the lower time parent's share of the total obligation minus the lower time parent's residential credit. In this case, the transfer payment is the father's share of the total obligation \$540 minus the father's residential credit \$180 equals \$360. This results in a total payment to the mother of her own share of the total obligation (\$360) plus the transfer payment of \$360 equals \$720. Thus both parents receive \$30 per day for each day they care for the child.

The court may not adjust the standard calculation on the basis of the residential schedule if the adjustment will result in insufficient funds in the household receiving the support to meet the basic needs of the child or if the child is receiving temporary assistance for needy families. Adjustments to the residential credit based on a substantial change in circumstances:

Either parent may seek an adjustment to increase or decrease the residential credit based upon providing evidence of a substantial change in circumstances to the court. The court shall make a written finding as to which parent was primarily responsible for the change in circumstances. If the court finds that the obligor parent failed to take full advantage of their residential time with the child, the court shall reduce the residential credit to the credit the parent would have received based upon the time actually spent caring for the child. However, if the court finds that actions of the higher time parent was responsible for the reduction in the lower time parent's residential time with the child, such as voluntarily relocating the child so far away from the lower time parent as to make the prior residential schedule impractical, then the prior residential credit shall be retained. In cases where both parents or neither parent was primarily responsible for the change in residential schedule, the court will make an equitable determination on a case by case basis.

#### **RESIDENTIAL SCHEDULE PER DAY CREDIT WORKSHEET**

		Father		Mother		
Α	Net Income (line 3 from Child Support Worksheet)	\$		\$		
В	Combined Net Income (line 4 from Child Support		\$			
	Worksheet)					
С	Basic Child Support Total Obligation (from the		\$			
	Economic Table)					
D	Proportional Share of total income A divided by B				%	
Е	Individual Share of total obligation C x D					
G	Each parents' number of overnights per year					
Η	Each parents' percent of overnights per year		%			%
Ι	Each parents' percent of time (H) x the total	\$		\$		
	obligation (C) = Each parent's credit of total					
	obligation.					
J	Transfer payment from lower time parent to higher	\$	\$		\$	
	time parent = Amount of Lower time parent's share					
	of the total obligation (E) minus the lower time					
	parent's residential credit (I).					

The variable multiplier is described by Dr. Betson, its creator, as follows:

My Proposed Residential Credit: Assuming the NCP has incurred duplicated expenses in their household, the residential credit needs to account for both transferred and duplicated expenses, consequently the credit should be equal to Proposed Residential Credit = R x T x BCSO + (1-S) x D x BCSO. The net child support obligation for the NCP would then equal NCP Obligation = S x BCSO - {R x T x BCSO + (1-S) x D x BCSO} or

S x (1 + D) x BCSO - R x T x BCSO - D x BCSO

In words, the net obligation (after residential credit is applied) of the NCP to the CP

should be equal to the NCP's share of total spending on the child (  $(1+D) \times BCSO$ ) minus

the expenses they have incurred during the time the child has resided with them

(transferred expenses (RxTxBCSO) plus any duplicated expenses (DxBCSO)).

### APPENDIX VII

## ECONOMIC TABLE PROPOSALS

These proposals are discussed under Issue 6, beginning on page 19. Included in this Appendix are the following tables:

- Betson-Engel from the 2005 Report
- BEBR
- Betson-Rothbarth from the 2005 Report
- The McCaleb Table

Also included are two documents which were prepared by ALJ Robert Krabill for Workgroup discussion purposes:

- Chart showing the One Child Rate for the three most popular proposed tables, and also including the current table (less the 5% for ordinary medical costs) for comparison purposes.
- Chart showing the curves created by the various tables.

NOTE: Some of these examples include CMNI over \$12,000; however, the Workgroup did not agree that the table should extend beyond \$12,000 CMNI.

Betson-Engel Table from 2005 Report

Performance. Service. Integrity.

*bs* 

Washington Updated Schedule of Basic Child Support Obligations Betson-Engel								
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children		
700.00	200	289	337	372	403	432		
750.00	214	310	361	398	432	462		
800.00	228	330	384	425	460	492		
850.00	243	351	408	451	489	523		
900.00	257	371	432	477	517	553		
950.00	271	392	455	503	546	584		
1000.00	285	412	479	529	574	614		
1050.00	300	433	503	556	602	644		
1100.00	314	454	527	582	631	675		
1150.00	328	474	550	608	659	705		
1200.00	342	495	574	634	688	736		
1250.00	357	515	598	661	716	766		
1300.00	371	536	621	687	744	797		
1350.00	385	556	645	713	773	827		
1400.00	399	577	669	739	801	857		
1450.00	414	597	693	765	830	888		
1500.00	428	618	716	792	858	918		
1550.00	442	638	740	818	886	949		
1600.00	456	658	764	844	915	979		
1650.00	470	678	788	870	944	1010		
1700.00	484	698	812	897	972	1040		
1750.00	498	719	835	923	1001	1071		
1800.00	512	739	859	949	1029	1101		
1850.00	526	759	883	976	1058	1132		
1900.00	540	779	907	1002	1086	1162		
1950.00	554	799	931	1028	1115	1193		
2000.00	568	819	954	1055	1143	1223		
2050.00	581	839	978	1081	1172	1254		
2100.00	505	859	1002	1107	1200	1294		
2150.00	000	979	102	1133	1200	1404		
2200.00	623	800	1049	1160	1228	1345		
2200.00	623	039	1049	1100	120/	1343		
2250.00	03/	920	10/3	100	1200	13/0		
2300.00	001	940	109/	1212	1314	1406		
2350.00	665	960	1121	1238	1343	1436		
2400.00	6/9	980	1145	1/65	13/1	1467		



Washington Updated Schedule of Basic Child Support Obligations Betson-Engel								
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children		
						_		
2450.00	693	1000	1169	1291	1400	1498		
2500.00	707	1021	1193	1318	1429	1529		
2550.00	722	1042	1218	1345	1459	1561		
2600.00	736	1062	1242	1373	1488	1592		
2650.00	750	1083	1267	1400	1517	1623		
2700.00	765	1104	1291	1427	1547	1655		
2750.00	779	1125	1316	1454	1576	1686		
2800.00	793	1146	1340	1481	1605	1718		
2850.00	808	1167	1365	1508	1635	1749		
2900.00	822	1188	1389	1535	1664	1781		
2950.00	837	1208	1414	1562	1694	1812		
3000.00	851	1229	1438	1589	1723	1844		
3050.00	865	1250	1463	1617	1752	1875		
3100.00	880	1271	1487	1643	1781	1906		
3150.00	888	1282	1500	1657	1796	1922		
3200.00	896	1294	1512	1671	1812	1939		
3250.00	905	1305	1525	1685	1827	1955		
3300.00	913	1317	1538	1699	1842	1971		
3350.00	922	1328	1551	1713	1857	1987		
3400.00	930	1339	1563	1727	1872	2004		
3450.00	938	1351	1576	1741	1888	2020		
3500.00	947	1362	1589	1755	1903	2036		
3550.00	955	1374	1601	1769	1918	2052		
3600.00	964	1385	1614	1783	1933	2069		
3650.00	972	1397	1627	1797	1948	2085		
3700.00	980	1408	1639	1811	1964	2101		
3750.00	989	1420	1652	1825	1979	2117		
3800.00	996	1430	1664	1839	1993	2132		
3850.00	1003	1440	1675	1851	2007	2147		
3900.00	1010	1450	1687	1864	2021	2162		
3950.00	1017	1461	1698	1877	2034	2177		
4000.00	1024	1471	1710	1889	2048	2191		
4050.00	1031	1481	1721	1902	2062	2206		
4100.00	1038	1491	1733	1915	2076	2221		
4150.00	1045	1501	1744	1928	2089	2236		
4200.00	1052	1512	1756	1940	2103	2250		
4250.00	1060	1523	1769	1955	2119	2267		
4300.00	1068	1534	1782	1969	2135	2284		
4350.00	1076	1546	1795	1984	2150	2301		



Washington Updated Schedule of Basic Child Support Obligations Betson-Engel								
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children		
4400.00	1085	1558	1808	1998	2166	2318		
4450.00	1093	1569	1822	2013	2182	233		
4500.00	1101	1581	1835	2027	2198	235		
4550.00	1109	1592	1848	2042	2213	2368		
4600.00	1117	1604	1861	2056	2229	2385		
4650.00	1125	1615	1874	2071	2245	2402		
4700.00	1133	1627	1887	2086	2261	2419		
4750.00	1141	1638	1901	2100	2276	2436		
4800.00	1150	1650	1914	2115	2292	2453		
4850.00	1158	1662	1927	2129	2308	2470		
4900.00	1162	1668	1934	2137	2316	2478		
4950.00	1164	1671	1937	2140	2320	2482		
5000.00	1167	1674	1940	2143	2323	2486		
5050.00	1169	1676	1943	2146	2327	2490		
5100.00	1171	1679	1945	2150	2330	2493		
5150.00	1174	1682	1948	2153	2334	2497		
5200.00	1176	1685	1951	2156	2337	2501		
5250.00	1178	1688	1954	2159	2341	2505		
5300.00	1180	1691	1957	2163	2344	2509		
5350.00	1183	1694	1960	2166	2348	2512		
5400.00	1185	1697	1963	2169	2351	2516		
5450.00	1187	1700	1966	2172	2355	2520		
5500.00	1189	1702	1969	2176	2359	2524		
5550.00	1192	1705	1972	2179	2362	2527		
5600.00	1194	1708	1975	2182	2366	2531		
5650.00	1196	1711	1978	2185	2369	2535		
5700.00	1198	1714	1981	2189	2373	2539		
5750.00	1201	1717	1984	2192	2376	2542		
5800.00	1210	1730	2000	2210	2395	2563		
5850.00	1220	1745	2017	2229	2416	2585		
5900.00	1230	1759	2034	2247	2436	2607		
5950.00	1240	1774	2051	2266	2457	2629		
6000.00	1250	1788	2068	2285	2477	2651		
6050.00	1260	1803	2085	2304	2498	2673		
6100.00	1270	1817	2103	2323	2518	2695		
6150.00	1281	1832	2120	2342	2539	2717		
6200.00	1291	1846	2137	2361	2560	2739		
6250.00	1301	1861	2154	2380	2580	2761		
6300.00	1311	1875	2171	2399	2601	2783		



Washington Updated Schedule of Basic Child Support Obligations Betson-Engel								
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children		
0050.00	1001	1000	0100	0.110	0004	0000		
6350.00	1321	1890	2188	2418	2621	2805		
6400.00	1331	1904	2206	2437	2642	2827		
6450.00	1341	1919	2223	2456	2662	2849		
6500.00	1351	1933	2240	2475	2683	2871		
6550.00	1361	1948	2257	2494	2703	2893		
6600.00	1371	1962	2274	2513	2724	2915		
6650.00	1381	1976	2290	2531	2743	2935		
6700.00	1387	1986	2302	2543	2757	2950		
6750.00	1394	1996	2313	2556	2771	2965		
6800.00	1401	2006	2325	2569	2784	2979		
6850.00	1408	2016	2336	2581	2798	2994		
6900.00	1415	2026	2347	2594	2812	3009		
6950.00	1422	2036	2359	2607	2826	3023		
7000.00	1429	2046	2370	2619	2839	3038		
7050.00	1435	2056	2382	2632	2853	3053		
7100.00	1442	2066	2393	2645	2867	3067		
7150.00	1449	2076	2405	2657	2880	3082		
7200.00	1456	2086	2416	2670	2894	3097		
7250.00	1463	2096	2428	2683	2908	3112		
7300.00	1470	2106	2439	2695	2922	3126		
7350.00	1477	2116	2451	2708	2935	3141		
7400.00	1483	2126	2462	2721	2949	3156		
7450.00	1490	2136	2474	2733	2963	3170		
7500.00	1497	2146	2485	2746	2977	3185		
7550.00	1504	2156	2496	2759	2990	3200		
7600.00	1511	2165	2508	2771	3004	3214		
7650.00	1518	2175	2519	2784	3018	3229		
7700.00	1525	2185	2531	2797	3032	3244		
7750.00	1531	2105	2542	2809	3045	3258		
7800.00	1538	2205	2554	2822	3059	3273		
7850.00	1545	2205	2585	2825	3073	3288		
7900.00	1552	2215	2500	2847	3086	3303		
7950.00	1550	2225	2577	2860	3100	2217		
8000.00	1565	2235	2000	2000	3149	3324		
8050.00	1505	2240	2000	2072	2128	2246		
8100.00	1571	2200	2010	2004	3120	3340		
8150.00	15//	2202	2020	2093	3130	3300		
8200.00	1503	22/1	2031	2907	3151	00/2		
8200.00	1589	2280	2041	2918	3164	3385		
0250.00	1595	2289	2052	2930	31/6	3399		



Washington Updated Schedule of Basic Child Support Obligations Betson-Engel								
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children		
0000.00	1001	0000	0000	00.40	0100			
8300.00	1601	2298	2662	2942	3189	3412		
8350.00	1607	2306	2673	2953	3201	3420		
8400.00	1613	2315	2683	2965	3214	3438		
8450.00	1619	2324	2694	2977	3227	345		
8500.00	1625	2333	2704	2988	3239	3460		
8550.00	1631	2342	2715	3000	3252	3480		
8600.00	1637	2351	2725	3012	3265	3493		
8650.00	1643	2360	2736	3023	3277	3507		
8700.00	1649	2368	2746	3035	3290	3520		
8750.00	1655	2377	2757	3046	3302	3534		
8800.00	1661	2386	2768	3058	3315	3547		
8850.00	1667	2395	2778	3070	3328	356		
8900.00	1673	2404	2789	3081	3340	3574		
8950.00	1679	2413	2799	3093	3353	3588		
9000.00	1685	2422	2810	3105	3365	3601		
9050.00	1691	2430	2820	3116	3378	3615		
9100.00	1697	2439	2831	3128	3391	3628		
9150.00	1703	2448	2841	3140	3403	3642		
9200.00	1709	2457	2852	3151	3416	3655		
9250.00	1715	2466	2862	3163	3429	366		
9300.00	1721	2475	2873	3174	3441	3683		
9350.00	1727	2483	2883	3186	3454	3690		
9400.00	1733	2492	2894	3198	3466	3709		
9450.00	1739	2501	2904	3209	3479	372		
9500.00	1745	2510	2915	3221	3492	3736		
9550.00	1751	2519	2925	3233	3504	3749		
9600.00	1757	2528	2936	3244	3517	376		
9650.00	1763	2537	2947	3256	3529	3776		
9700.00	1768	2545	2057	3268	3542	3790		
9750.00	1774	2554	2968	3279	3555	380		
9800.00	1780	2563	2000	3201	3567	381		
0950.00	1786	2500	2010	3202	3580	3830		
0000.00	1700	2012	2000	2214	2500	204		
0050.00	1702	2001	2000	3314	3605	295		
10000.00	190	2590	3010	3320	3646	200		
10000.00	1004	2098	3019	3330	3010	2000		
10050.00	1009	2005	3027	3345	3020	3680		
10100.00	1815	2613	3036	3355	3637	3891		
10150.00	1820	2620	3045	3365	3647	3903		
10200.00	1825	2628	3054	3374	3658	3914		



Washington Updated Schedule of Basic Child Support Obligations Betson-Engel								
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children		
10250.00	1831	2635	3062	3384	3668	3925		
10300.00	1836	2643	3071	3393	3678	3936		
10350.00	1841	2651	3080	3403	3689	3947		
10400.00	1847	2658	3088	3413	3699	3958		
10450.00	1852	2666	3097	3422	3710	3969		
10500.00	1858	2673	3106	3432	3720	3981		
10550.00	1863	2681	3114	3441	3731	3992		
10600.00	1868	2689	3123	3451	3741	4003		
10650.00	1874	2696	3132	3461	3751	4014		
10700.00	1879	2704	3141	3470	3762	4025		
10750.00	1884	2711	3149	3480	3772	4036		
10800.00	1890	2719	3158	3489	3783	4047		
10850.00	1895	2726	3167	3499	3793	4059		
10900.00	1901	2734	3175	3509	3803	4070		
10950.00	1906	2742	3184	3518	3814	4081		
11000.00	1911	2749	3193	3528	3824	4092		
11050.00	1917	2757	3201	3538	3835	4103		
11100.00	1922	2764	3210	3547	3845	4114		
11150.00	1927	2772	3219	3557	3856	4125		
11200.00	1933	2780	3227	3566	3866	4137		
11250.00	1938	2787	3236	3576	3876	4148		
11300.00	1944	2795	3245	3586	3887	4159		
11350.00	1949	2802	3254	3595	3897	4170		
11400.00	1954	2810	3262	3605	3908	4181		
11450.00	1960	2817	3271	3614	3918	4192		
11500.00	1965	2825	3280	3624	3928	4203		
11550.00	1970	2833	3288	3634	3939	4215		
11600.00	1976	2840	3297	3643	3949	4226		
11650.00	1981	2848	3306	3653	3960	4237		
11700.00	1986	2855	3314	3662	3970	4248		
11750.00	1992	2863	3323	3672	3981	4259		
11800.00	1997	2871	3332	3682	3991	4270		
11850.00	2003	2878	3341	3601	4001	4281		
11900.00	2003	2886	3340	3701	4012	4201		
11950.00	2000	2803	225.9	3710	4012	4285		
12000.00	2010	2000	3387	3720	4022	4304		
12050.00	2018	2009	3375	3720	4043	4310		
12100.00	2024	2000	3303	3730	4043	4320		
12100.00	2029	2010	3304	3739	4000	4007		
12100.00	2035	2924	2282	3/49	4004	4348		

**BEBR TABLE** 

Combined	One	Two	Three	Four	Five
Net	Child	Children	Children	Children	Children
1000	272	105	151	126	110
1100	273	215	151	120	110
1200	200	213	100	150	121
1200	254	254	100	155	132
1300	201	235	210	105	142
1400	381	272	210	1/3	133
1500	400	292	223	107	104
1700	434	228	259	210	1/4
1700	439	320	255	210	103
1000	404 500	343	200	221	203
2000	525	280	200	233	203
2000	561	200	294	243	214
2100	500	399 418	308	257	224
2200	J00	410	220	209	233
2300	640	430	252	201	240
2400	666	433	255	295	230
2500	601	473	300	303	200
2000	717	491 500	204	228	270
2700	717	509	394 409	320	200
2800	743	545	408	251	290
2900	709	563	423	351	300
3100	820	582	450	303	317
3200	846	582 600	455	374	327
3200	868	616	405	307	346
3400	881	624	477	402	340
3500	89/	633	402	406	355
3600	908	641	40/	400	359
3700	921	650	500	416	363
3800	934	659	506	421	367
3900	947	667	512	426	372
4000	960	676	512	431	372
4100	974	684	524	436	381
4200	987	693	530	441	385
4300	1000	701	536	446	390
4400	1013	710	542	451	394
4500	1013	719	549	457	399
4600	1041	728	555	462	403
4700	1055	737	562	468	408
4800	1069	747	568	473	413
4900	1081	755	575	478	417
5000	1092	763	581	483	422

Combined Net	One Child	Two Children	Three Children	Four Children	Five Children
Income	Ciniu	Children	Children	Chinaren	Chinaren
5100	1103	771	587	489	426
5200	1110	776	591	491	429
5300	1116	779	593	494	431
5400	1121	783	596	496	433
5500	1127	787	599	498	435
5600	1132	791	601	501	437
5700	1138	794	603	503	439
5800	1145	799	607	506	441
5900	1153	803	611	508	444
6000	1160	808	614	511	446
6100	1172	816	620	516	450
6200	1188	826	628	522	456
6300	1203	837	636	529	462
6400	1218	847	644	536	467
6500	1234	858	652	543	474
6600	1249	868	660	549	480
6700	1266	880	669	557	486
6800	1282	891	678	564	492
6900	1299	903	686	571	498
7000	1314	914	694	578	504
7100	1327	923	701	583	509
7200	1340	932	708	589	514
7300	1354	941	715	595	519
7400	1367	949	722	600	524
7500	1378	957	727	605	528
7600	1388	965	733	610	532
7700	1399	972	739	615	537
7800	1409	980	744	619	540
7900	1419	987	750	624	545
8000	1429	994	756	629	549
8100	1440	1002	761	633	553
8200	1450	1009	767	639	557
8300	1460	1017	773	643	561
8400	1471	1025	779	648	565
8500	1482	1032	784	653	569
8600	1492	1040	790	657	573
8700	1503	1047	796	662	577
8800	1514	1054	801	666	582
8900	1524	1062	807	671	586
9000	1535	1069	812	676	590
9100	1546	1076	818	681	594
9200	1556	1084	824	685	598

Combined	One	Two	Three	Four	Five
Net	Child	Children	Children	Children	Children
Income					
9300	1567	1091	829	690	602
9400	1584	1098	835	694	606
9500	1588	1106	840	699	610
9600	1599	1113	846	704	614
9700	1610	1121	852	709	618
9800	1620	1128	857	713	623
9000	1630	1135	862	717	626
10000	1639	1142	867	721	630
10100	1648	1147	872	725	631
10200	1657	1154	876	729	636
10300	1666	1160	881	733	640
10400	1674	1166	886	737	643
10500	1683	1172	890	741	646
10600	1692	1178	895	744	649
10700	1700	1183	899	748	652
10800	1708	1189	903	751	655
10900	1717	1194	907	754	658
11000	1725	1200	911	758	661
11100	1733	1205	915	761	664
11200	1741	1211	919	764	667
11300	1750	1216	923	768	670
11400	1758	1222	927	771	673
11500	1766	1227	931	774	675
11600	1774	1233	935	778	679
11700	1783	1238	939	781	682
11800	1791	1244	943	785	684
11900	1799	1520	947	788	687
12000	1808	1255	951	791	690

Betson-Rothbarth Table from the 2005 Report

Performance. Service. Integrity.



Washington Updated Schedule of Basic Child Support Obligations Betson-Rothbarth							
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children	
650.00	172	241	280	312	344	374	
700.00	184	259	301	335	369	403	
750.00	197	277	322	359	394	425	
800.00	210	295	342	382	420	45	
850.00	222	313	363	405	445	48	
900.00	235	331	384	428	471	512	
950.00	248	349	404	451	496	540	
1000.00	260	367	425	474	521	56	
1050.00	273	385	446	497	547	59	
1100.00	286	403	467	520	572	62	
1150.00	298	421	487	543	598	65/	
1200.00	311	439	508	566	623	67	
1250.00	324	457	529	589	648	70	
1300.00	336	475	549	613	674	73	
1350.00	349	493	570	636	699	76	
1400.00	362	511	591	659	725	78	
1450.00	374	529	611	682	750	81	
1500.00	386	544	629	701	771	83	
1550.00	397	559	646	720	792	86	
1600.00	408	575	663	739	813	88	
1650.00	420	590	679	758	833	90	
1700.00	431	605	696	776	854	92	
1750.00	442	620	713	795	875	95	
1800.00	453	635	730	814	895	97	
1850.00	465	650	747	833	916	99	
1900.00	477	666	765	853	939	102	
1950.00	489	683	786	876	964	104	
2000.00	501	701	806	899	989	107	
2050.00	514	718	826	921	1014	110	
2100.00	526	735	847	944	1039	113	
2150.00	538	753	867	967	1064	115	
2200.00	551	770	888	990	1089	118	
2250.00	563	787	908	1012	1114	121	
2300.00	575	804	928	1034	1139	123	
2350.00	597	810	945	1054	1159	126	
2400.00	500	935	040	1073	1190	120	



Washington Updated Schedule of Basic Child Support Obligations Betson-Rothbarth										
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children				
	_									
2450.00	610	850	979	1092	1201	1307				
2500.00	621	865	996	1111	1222	132				
2550.00	632	880	1013	1130	1243	135				
2600.00	644	895	1030	1149	1264	137				
2650.00	655	911	1048	1168	1285	139				
2700.00	667	926	1065	1187	1306	142				
2750.00	678	942	1083	1207	1328	144				
2800.00	689	958	1101	1227	1350	146				
2850.00	701	973	1119	1248	1373	149				
2900.00	712	989	1137	1268	1395	151				
2950.00	724	1005	1155	1288	1417	154				
3000.00	735	1021	1174	1309	1439	156				
3050.00	746	1037	1192	1329	1462	159				
3100.00	758	1053	1210	1349	1484	161				
3150.00	766	1063	1222	1362	1498	163				
3200.00	771	1069	1227	1368	1505	163				
3250.00	776	1075	1232	1374	1511	164				
3300.00	780	1080	1237	1379	1517	165				
3350.00	785	1086	1242	1385	1524	165				
3400.00	790	1092	1248	1391	1530	166				
3450.00	795	1097	1253	1397	1536	167				
3500.00	800	1103	1258	1403	1543	167				
3550.00	805	1109	1263	1408	1549	168				
3600.00	809	1114	1268	1414	1555	169				
3650.00	814	1120	1273	1420	1562	169				
3700.00	819	1126	1279	1426	1568	170				
3750.00	824	1131	1284	1431	1575	171				
3800.00	830	1138	1290	1439	1583	172				
3850.00	836	1145	1297	1446	1591	173				
3900.00	842	1152	1303	1453	1599	173				
3950.00	848	1159	1310	1461	1607	174				
4000.00	854	1166	1317	1468	1615	175				
4050.00	860	1173	1323	1475	1623	176				
4100.00	866	1180	1330	1483	1631	177				
4150.00	872	1187	1336	1490	1639	178				
4200.00	878	1194	1343	1497	1647	179				
4250.00	884	1200	1350	1505	1655	180				
4300.00	889	1207	1356	1512	1663	181				
4350.00	895	1214	1363	1519	1671	181				
4400.00	901	1221	1369	1527	1679	182				



Washington Updated Schedule of Basic Child Support Obligations Betson-Rothbarth										
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children				
4450.00	907	1228	1376	1534	1687	1836				
4500.00	913	1235	1382	1541	1696	1845				
4550.00	919	1242	1389	1549	1704	185				
4600.00	924	1248	1395	1556	1711	186				
4650.00	928	1253	1400	1562	1718	186				
4700.00	931	1257	1406	1567	1724	1876				
4750.00	934	1262	1411	1573	1731	1883				
4800.00	937	1266	1416	1579	1737	1890				
4850.00	940	1271	1422	1585	1744	189				
4900.00	944	1275	1427	1591	1750	1904				
4950.00	947	1280	1433	1597	1757	1912				
5000.00	950	1284	1438	1603	1764	1919				
5050.00	953	1289	1443	1609	1770	1926				
5100.00	957	1293	1449	1615	1777	1933				
5150.00	960	1298	1454	1621	1783	1940				
5200.00	963	1302	1459	1627	1790	194				
5250.00	966	1307	1465	1633	1796	1954				
5300.00	970	1311	1470	1639	1803	196				
5350.00	973	1316	1475	1645	1809	1969				
5400.00	976	1320	1481	1651	1816	1976				
5450.00	981	1326	1487	1658	1824	1984				
5500.00	986	1333	1494	1666	1832	199-				
5550.00	991	1339	1501	1674	1841	2003				
5600.00	997	1346	1508	1681	1850	2013				
5650.00	1002	1352	1515	1689	1858	202				
5700.00	1008	1359	1522	1697	1867	203				
5750.00	1013	1365	1529	1705	1875	204				
5800.00	1018	1372	1536	1713	1884	2050				
5850.00	1024	1378	1543	1720	1892	205				
5900.00	1029	1385	1550	1728	1901	206				
5950.00	1035	1391	1557	1736	1910	2078				
6000.00	1040	1398	1564	1744	1918	208				
6050.00	1045	1404	1571	1752	1927	209				
6100.00	1051	1411	1578	1759	1935	210				
6150.00	1056	1417	1585	1767	1944	2116				
6200.00	1062	1424	1592	1775	1952	212				
6250.00	1067	1430	1599	1783	1961	213				
6300.00	1073	1439	1608	1792	1972	214				
6350.00	1080	1447	1616	1802	1982	215				
6400.00	1086	1455	1625	1812	1002	2160				



Washington Updated Schedule of Basic Child Support Obligations Betson-Rothbarth										
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children				
6450.00	1092	1463	1634	1822	2004	2180				
6500.00	1098	1471	1643	1831	2015	219				
6550.00	1104	1479	1651	1841	2025	220				
6600.00	1111	1487	1660	1851	2036	221				
6650.00	1117	1495	1669	1861	2047	222				
6700.00	1123	1503	1677	1870	2057	223				
6750.00	1129	1511	1686	1880	2068	225				
6800.00	1136	1520	1695	1890	2079	226				
6850.00	1142	1528	1704	1900	2089	227				
6900.00	1148	1536	1712	1909	2100	228				
6950.00	1154	1544	1721	1919	2111	229				
7000.00	1161	1552	1730	1929	2122	230				
7050.00	1167	1560	1739	1938	2132	232				
7100.00	1172	1567	1746	1947	2142	233				
7150.00	1175	1572	1752	1953	2149	233				
7200.00	1179	1577	1757	1959	2155	234				
7250.00	1182	1582	1763	1966	2162	235				
7300.00	1186	1586	1768	1972	2169	236				
7350.00	1189	1591	1774	1978	2176	236				
7400.00	1192	1596	1780	1984	2183	237				
7450.00	1196	1601	1785	1990	2189	238				
7500.00	1199	1606	1791	1997	2196	239				
7550.00	1203	1610	1796	2003	2203	239				
7600.00	1206	1615	1802	2009	2210	240				
7650.00	1209	1620	1807	2015	2217	241				
7700.00	1213	1625	1813	2021	2224	241				
7750.00	1216	1629	1818	2028	2230	242				
7800.00	1220	1634	1824	2034	2237	243				
7850.00	1223	1639	1830	2040	2244	244				
7900.00	1226	1644	1835	2046	2251	244				
7950.00	1231	1649	1841	2053	2258	245				
8000.00	1235	1655	1848	2060	2266	246				
8050.00	1240	1661	1854	2067	2274	247				
8100.00	1245	1667	1860	2074	2282	248				
8150.00	1249	1673	1867	2081	2289	249				
8200.00	1254	1679	1873	2088	2297	249				
8250.00	1259	1685	1879	2095	2305	250				
8300.00	1263	1691	1885	2102	2313	251				
8350.00	1268	1607	1892	2102	2320	257				
8400.00	1200	1702	1802	2100	2328	202				
0400.00	1213	1100	1000	2110	2020	200				



Washington Updated Schedule of Basic Child Support Obligations Betson-Rothbarth										
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children				
8450.00	1277	1709	1904	2123	2336	2541				
8500.00	1282	1715	1911	2131	2344	2550				
8550.00	1287	1721	1917	2138	2351	2558				
8600.00	1291	1727	1923	2145	2359	256				
8650.00	1296	1733	1930	2152	2367	2575				
8700.00	1301	1739	1936	2159	2375	2584				
8750.00	1305	1745	1942	2166	2382	2593				
8800.00	1310	1751	1949	2173	2390	2600				
8850.00	1315	1757	1955	2180	2398	2609				
8900.00	1319	1763	1961	2187	2406	261				
8950.00	1324	1769	1968	2194	2413	2620				
9000.00	1329	1775	1974	2201	2421	2634				
9050.00	1333	1781	1980	2208	2429	2643				
9100.00	1338	1787	1987	2215	2437	265				
9150.00	1343	1793	1993	2222	2444	2659				
9200.00	1347	1799	1999	2229	2452	2668				
9250.00	1352	1805	2006	2236	2460	2676				
9300.00	1357	1811	2012	2243	2468	2685				
9350.00	1361	1817	2018	2250	2475	2693				
9400.00	1365	1822	2023	2256	2481	270				
9450.00	1368	1825	2027	2260	2486	2704				
9500.00	1371	1829	2030	2264	2490	2709				
9550.00	1374	1832	2034	2267	2494	271				
9600.00	1377	1836	2037	2271	2498	2718				
9650.00	1380	1839	2041	2275	2503	272				
9700.00	1383	1843	2044	2279	2507	272				
9750.00	1386	1846	2048	2283	2511	273				
9800.00	1388	1850	2051	2287	2516	273				
9850.00	1391	1853	2054	2291	2520	274				
9900.00	1394	1857	2058	2295	2524	274				
9950.00	1397	1860	2061	2298	2528	275				
10000.00	1400	1864	2065	2302	2533	275				
10050.00	1403	1867	2068	2306	2537	276				
10100.00	1406	1871	2072	2310	2541	276				
10150.00	1409	1874	2072	2314	2545	276				
10200.00	1410	1879	2070	2314	2540	270				
10250.00	1412	1881	2018	2310	2554	2///				
10200.00	1413	1885	2002	2322	2554	2//3				
10350.00	1410	1995	2000	2320	25562	2700				
10400.00	1421	1000	2009	2000	2502	2/00				
10400.00	1420	1022	21,27,3	6.0.00	200/	218				



Washington Updated Schedule of Basic Child Support Obligations Betson-Rothbarth										
Combined Adjusted Net Income	One Child	Two Children	Three Children	Four Children	Five Children	Six Children				
10450.00	1426	1895	2096	2337	2571	2797				
10500.00	1429	1899	2100	2341	2575	2802				
10550.00	1432	1902	2103	2345	2580	280				
10600.00	1435	1906	2107	2349	2584	281				
10650.00	1438	1909	2110	2353	2588	281				
10700.00	1441	1913	2114	2357	2592	282				
10750.00	1444	1916	2117	2361	2597	282				
10800.00	1447	1920	2121	2364	2601	283				
10850.00	1450	1923	2124	2368	2605	283				
10900.00	1453	1927	2128	2372	2609	283				
10950.00	1456	1930	2131	2376	2614	284				
11000.00	1458	1934	2134	2380	2618	284				
11050.00	1461	1937	2138	2384	2622	285				
11100.00	1464	1941	2141	2388	2626	285				
11150.00	1467	1944	2145	2392	2631	286				
11200.00	1470	1948	2148	2395	2635	286				
11250.00	1473	1951	2152	2399	2639	287				
11300.00	1476	1955	2155	2403	2644	287				
11350.00	1479	1958	2159	2407	2648	288				
11400.00	1482	1962	2162	2411	2652	288				
11450.00	1485	1965	2166	2415	2656	289				
11500.00	1488	1969	2169	2419	2661	289				
11550.00	1490	1972	2173	2423	2665	289				
11600.00	1493	1976	2176	2426	2669	2904				
11650.00	1496	1979	2180	2430	2673	290				
11700.00	1499	1983	2183	2434	2678	291				
11750.00	1502	1986	2187	2438	2682	291				
11800.00	1505	1990	2190	2442	2686	292				
11850.00	1508	1993	2194	2446	2690	292				
11900.00	1511	1997	2197	2450	2695	293				
11950.00	1514	2000	2201	2454	2699	293				
12000.00	1517	2004	2204	2457	2703	294				
12050.00	1520	2007	2207	2461	2707	294				
12100.00	1523	2011	2211	2465	2712	295				
12150.00	1525	2014	2214	2469	2716	295				
12200.00	1528	2018	2218	2473	2720	296				
12250.00	1531	2021	2221	2477	2725	296				
12300.00	1534	2025	2225	2481	2729	200				
12350.00	1537	2020	2228	2485	2723	2000				
12400.00	1540	2020	2220	2400	2737	207				
12400.00	1040	600	6636	2400	6191	201				

McCaleb Table 2004 Florida State University Economic Table

Proposed Schedule of Basic Child Support										
Obligations										
Combined										
Net			Number of	of Childre	n					
Income	1	2	3	1	5	6				
\$1,000	\$236	\$238	\$241	+ \$211	\$246	\$240				
\$1,000 \$1,100	\$250 \$260	\$230 \$329	\$333	\$2 <del>11</del> \$337	\$240 \$340	\$247 \$344				
\$1,100 \$1,200	\$200 \$277	\$420	\$333 \$425	\$ <u>3</u> 37 \$430	\$ <u>4</u> 34	\$/39 \$/39				
\$1,200 \$1,300	\$294	\$498	\$517	\$ <del>1</del> 30 \$523	\$528	\$534				
\$1,300 \$1,400	\$274 \$310	\$525	\$609	\$616	\$520 \$622	\$629				
\$1, <del>1</del> 00 \$1,500	\$327	\$552 \$552	\$007 \$701	\$709	\$022 \$716	\$02) \$724				
\$1,500 \$1,600	\$347	\$578	\$793	\$802	\$710 \$810	\$819				
\$1,000 \$1,700	\$358	\$604	\$845	\$895	\$904	\$914				
\$1,700 \$1,800	\$373	\$629	\$880 \$880	\$988	\$998	\$1 009				
\$1,000 \$1,000	\$388	\$653	\$914	\$1 075	\$1.092	\$1,005 \$1,104				
\$2,000	\$402	\$677	\$947	\$1,073	\$1,0 <i>72</i> \$1,186	\$1,104 \$1,199				
\$2,000 \$2,100	\$416	\$701	\$979	\$1,111	\$1,100 \$1,266	\$1,199 \$1,294				
\$2,200	\$430	\$724	\$1.011	\$1,188	\$1,306	\$1,352				
\$2,300	\$444	\$747	\$1.042	\$1,224	\$1,344	\$1,390				
\$2,400	\$458	\$769	\$1.073	\$1.259	\$1.382	\$1.428				
\$2.500	\$471	\$791	\$1.103	\$1.293	\$1,419	\$1.465				
\$2,600	\$484	\$812	\$1.133	\$1.327	\$1,455	\$1.501				
\$2,700	\$497	\$833	\$1.162	\$1.361	\$1,490	\$1.536				
\$2,800	\$509	\$854	\$1.190	\$1.393	\$1.525	\$1.571				
\$2,900	\$522	\$875	\$1,218	\$1,425	\$1,560	\$1,605				
\$3,000	\$534	\$895	\$1,246	\$1,457	\$1,593	\$1,638				
\$3,100	\$546	\$914	\$1,273	\$1,488	\$1,626	\$1,671				
\$3,200	\$558	\$934	\$1,300	\$1,519	\$1,659	\$1,703				
\$3,300	\$569	\$953	\$1,326	\$1,549	\$1,691	\$1,734				
\$3,400	\$581	\$972	\$1,352	\$1,578	\$1,722	\$1,765				
\$3,500	\$592	\$990	\$1,377	\$1,607	\$1,753	\$1,796				
\$3,600	\$603	\$1,008	\$1,402	\$1,636	\$1,783	\$1,826				
\$3,700	\$614	\$1,026	\$1,427	\$1,664	\$1,813	\$1,855				
\$3,800	\$625	\$1,044	\$1,451	\$1,691	\$1,842	\$1,884				
\$3,900	\$635	\$1,061	\$1,475	\$1,718	\$1,871	\$1,912				
\$4,000	\$646	\$1,078	\$1,498	\$1,745	\$1,899	\$1,940				
\$4,050	\$651	\$1,087	\$1,510	\$1,758	\$1,913	\$1,954				
\$4,100	\$656	\$1,095	\$1,521	\$1,772	\$1,927	\$1,968				
\$4,200	\$666	\$1,112	\$1,544	\$1,798	\$1,955	\$1,995				

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Combined								
Net	Number of Children							
Income								
	1	2	3	4	5	6		
\$4,300	\$676	\$1,128	\$1,567	\$1,823	\$1,982	\$2,021		
\$4,400	\$686	\$1,145	\$1,589	\$1,848	\$2,008	\$2,048		
\$4,500	\$696	\$1,160	\$1,611	\$1,873	\$2,035	\$2,073		
\$4,600	\$705	\$1,176	\$1,632	\$1,898	\$2,060	\$2,099		
\$4,700	\$715	\$1,192	\$1,653	\$1,922	\$2,086	\$2,124		
\$4,800	\$724	\$1,207	\$1,674	\$1,945	\$2,111	\$2,148		
\$4,900	\$733	\$1,222	\$1,695	\$1,969	\$2,136	\$2,172		
\$5,000	\$742	\$1,237	\$1,715	\$1,992	\$2,160	\$2,196		
\$5,100	\$751	\$1,251	\$1,735	\$2,015	\$2,184	\$2,220		
\$5,200	\$760	\$1,266	\$1,755	\$2,037	\$2,208	\$2,243		
\$5,300	\$769	\$1,280	\$1,774	\$2,059	\$2,231	\$2,266		
\$5,400	\$777	\$1,294	\$1,793	\$2,081	\$2,254	\$2,288		
\$5,500	\$786	\$1,308	\$1,812	\$2,103	\$2,277	\$2,310		
\$5,600	\$794	\$1,321	\$1,831	\$2,124	\$2,299	\$2,332		
\$5,700	\$802	\$1,335	\$1,849	\$2,145	\$2,321	\$2,354		
\$5,800	\$810	\$1,348	\$1,868	\$2,165	\$2,343	\$2,375		
\$5,900	\$818	\$1,361	\$1,886	\$2,186	\$2,365	\$2,396		
\$6,000	\$826	\$1,374	\$1,903	\$2,206	\$2,386	\$2,417		
\$6,100	\$834	\$1,387	\$1,921	\$2,226	\$2,407	\$2,437		
\$6,200	\$842	\$1,400	\$1,938	\$2,245	\$2,427	\$2,457		
\$6,300	\$850	\$1,412	\$1,955	\$2,265	\$2,448	\$2,477		
\$6,400	\$857	\$1,425	\$1,972	\$2,284	\$2,468	\$2,497		
\$6,500	\$865	\$1,437	\$1,989	\$2,303	\$2,488	\$2,516		
\$6,600	\$872	\$1,449	\$2,005	\$2,321	\$2,507	\$2,535		
\$6,700	\$879	\$1,461	\$2,022	\$2,340	\$2,527	\$2,554		
\$6,800	\$886	\$1,473	\$2,038	\$2,358	\$2,546	\$2,573		
\$6,900	\$894	\$1,484	\$2,053	\$2,376	\$2,565	\$2,591		
\$7,000	\$901	\$1,496	\$2,069	\$2,394	\$2,583	\$2,609		
\$7,100	\$908	\$1,507	\$2,085	\$2,411	\$2,602	\$2,627		
\$7,200	\$914	\$1,518	\$2,100	\$2,429	\$2,620	\$2,645		
\$7,300	\$921	\$1,529	\$2,115	\$2,446	\$2,638	\$2,662		
\$7,400	\$928	\$1,540	\$2,130	\$2,463	\$2,656	\$2,680		
\$7,500	\$934	\$1,551	\$2,145	\$2,479	\$2,673	\$2,697		
\$7,600	\$941	\$1,562	\$2,159	\$2,496	\$2,691	\$2,714		
\$7,700	\$948	\$1,572	\$2,174	\$2,512	\$2,708	\$2,730		
\$7,800	\$954	\$1,583	\$2,188	\$2,529	\$2,725	\$2,747		
\$7,900	\$960	\$1,593	\$2,202	\$2,545	\$2,742	\$2,763		

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Combined								
Net	Number of Children							
Income								
	1	2	3	4	5	6		
\$8,000	\$966	\$1,603	\$2,216	\$2,560	\$2,758	\$2,779		
\$8,100	\$973	\$1,613	\$2,230	\$2,576	\$2,775	\$2,795		
\$8,200	\$979	\$1,623	\$2,244	\$2,591	\$2,791	\$2,811		
\$8,300	\$985	\$1,633	\$2,257	\$2,607	\$2,807	\$2,827		
\$8,400	\$991	\$1,643	\$2,270	\$2,622	\$2,823	\$2,842		
\$8,500	\$997	\$1,653	\$2,284	\$2,637	\$2,838	\$2,857		
\$8,600	\$1,003	\$1,662	\$2,297	\$2,651	\$2,854	\$2,872		
\$8,700	\$1,008	\$1,672	\$2,310	\$2,666	\$2,869	\$2,887		
\$8,800	\$1,014	\$1,681	\$2,322	\$2,681	\$2,884	\$2,902		
\$8,900	\$1,020	\$1,690	\$2,335	\$2,695	\$2,899	\$2,916		
\$9,000	\$1,025	\$1,699	\$2,347	\$2,709	\$2,914	\$2,931		
\$9,100	\$1,031	\$1,709	\$2,360	\$2,723	\$2,929	\$2,945		
\$9,200	\$1,037	\$1,718	\$2,372	\$2,737	\$2,944	\$2,959		
\$9,300	\$1,042	\$1,726	\$2,384	\$2,751	\$2,958	\$2,973		
\$9,400	\$1,047	\$1,735	\$2,396	\$2,764	\$2,972	\$2,987		
\$9,500	\$1,053	\$1,744	\$2,408	\$2,778	\$2,986	\$3,001		
\$9,600	\$1,058	\$1,752	\$2,420	\$2,791	\$3,000	\$3,014		
\$9,700	\$1,063	\$1,761	\$2,431	\$2,804	\$3,014	\$3,028		
\$9,800	\$1,068	\$1,769	\$2,443	\$2,817	\$3,028	\$3,041		
\$9,900	\$1,073	\$1,778	\$2,454	\$2,830	\$3,041	\$3,054		
\$10,000	\$1,079	\$1,786	\$2,466	\$2,843	\$3,055	\$3,067		
\$10,100	\$1,084	\$1,794	\$2,477	\$2,855	\$3,068	\$3,080		
\$10,200	\$1,089	\$1,802	\$2,488	\$2,868	\$3,081	\$3,092		
\$10,300	\$1,093	\$1,810	\$2,499	\$2,880	\$3,094	\$3,105		
\$10,400	\$1,098	\$1,818	\$2,509	\$2,892	\$3,107	\$3,117		
\$10,500	\$1,103	\$1,826	\$2,520	\$2,904	\$3,119	\$3,130		
\$10,600	\$1,108	\$1,834	\$2,531	\$2,916	\$3,132	\$3,142		
\$10,700	\$1,113	\$1,842	\$2,541	\$2,928	\$3,144	\$3,154		
\$10,800	\$1,117	\$1,849	\$2,552	\$2,940	\$3,157	\$3,166		
\$10,900	\$1,122	\$1,857	\$2,562	\$2,952	\$3,169	\$3,178		
\$11,000	\$1,126	\$1,864	\$2,572	\$2,963	\$3,181	\$3,190		
\$11,100	\$1,131	\$1,872	\$2,582	\$2,975	\$3,193	\$3,201		
\$11,200	\$1,135	\$1,879	\$2,592	\$2,986	\$3,205	\$3,213		
\$11,300	\$1,140	\$1,886	\$2,602	\$2,997	\$3,217	\$3,224		
\$11,400	\$1,144	\$1,893	\$2,612	\$3,008	\$3,228	\$3,235		
\$11,500	\$1,149	\$1,900	\$2,622	\$3,019	\$3,240	\$3,246		
\$11,600	\$1,153	\$1,907	\$2,631	\$3,030	\$3,251	\$3,257		

Combined										
Net		Number of Children								
Income										
	1	2	3	4	5	6				
\$11,700	\$1,157	\$1,914	\$2,641	\$3,041	\$3,262	\$3,268				
\$11,800	\$1,161	\$1,921	\$2,650	\$3,051	\$3,273	\$3,279				
\$11,900	\$1,166	\$1,928	\$2,659	\$3,062	\$3,284	\$3,290				
\$12,000	\$1,170	\$1,935	\$2,669	\$3,072	\$3,295	\$3,300				
\$12,100	\$1,174	\$1,941	\$2,678	\$3,083	\$3,306	\$3,311				
\$12,200	\$1,178	\$1,948	\$2,687	\$3,093	\$3,317	\$3,321				
\$12,300	\$1,182	\$1,955	\$2,696	\$3,103	\$3,327	\$3,332				
\$12,400	\$1,186	\$1,961	\$2,704	\$3,113	\$3,338	\$3,342				
\$12,500	\$1,190	\$1,967	\$2,713	\$3,123	\$3,348	\$3,352				

## **Comparison Tables**

The following is a comparison of what the One Child Rate would be with four different proposed tables, including using the current economic table (Column A is for children ages 0-11, and Column B is for children 12-18) minus the 5% for ordinary medical expenses.

It should be noted that this document shows CMNI over \$12,000 and the Workgroup did not agree that the table to extend past \$12,000 CMNI. Thanks to ALJ Robert Krabill for preparing this table for discussion purposes.

Option	1	2	3	4	5	6	7	8
Combined Monthly Net Income (CMNI)	Column A Less 5% (Child 0-11)	Column B Less 5% (Child 12- 18)	McCaleb	Krabill	Betson- Rothbarth 2005	Betson-	BEBR Avg. 2005	BR w/ Adi
1000	\$209	\$258	\$236	\$115	\$261	\$285	\$273	\$251
1100	\$230	\$284	\$260	\$184	\$286	\$314	\$300	\$276
1200	\$251	\$310	\$277	\$241	\$311	\$342	\$327	\$301
1300	\$271	\$334	\$294	\$288	\$337	\$371	\$354	\$326
1400	\$292	\$360	\$310	\$330	\$362	\$399	\$381	\$351
1500	\$311	\$384	\$327	\$366	\$387	\$428	\$408	\$376
1600	\$330	\$407	\$342	\$399	\$411	\$456	\$434	\$401
1700	\$349	\$430	\$358	\$428	\$433	\$484	\$459	\$426
1800	\$368	\$454	\$373	\$455	\$456	\$512	\$484	\$451
1900	\$387	\$478	\$388	\$480	\$478	\$540	\$509	\$476
2000	\$406	\$501	\$402	\$503	\$502	\$568	\$535	\$501
2100	\$425	\$524	\$416	\$525	\$526	\$596	\$561	\$526
2200	\$444	\$548	\$430	\$545	\$551	\$624	\$588	\$551
2300	\$463	\$571	\$444	\$563	\$576	\$652	\$614	\$576
2400	\$481	\$595	\$458	\$581	\$601	\$679	\$640	\$601
2500	\$500	\$618	\$471	\$598	\$624	\$707	\$666	\$624
2600	\$507	\$628	\$484	\$614	\$646	\$735	\$691	\$646
2700	\$515	\$637	\$497	\$629	\$669	\$764	\$717	\$669
2800	\$522	\$645	\$509	\$643	\$692	\$793	\$743	\$692
2900	\$528	\$652	\$522	\$657	\$715	\$822	\$769	\$715
3000	\$533	\$658	\$534	\$670	\$738	\$850	\$794	\$738
3100	\$538	\$664	\$546	\$683	\$760	\$879	\$820	\$760
3200	\$541	\$669	\$558	\$695	\$783	\$908	\$846	\$783
3300	\$544	\$673	\$569	\$707	\$804	\$932	\$868	\$804
3400	\$545	\$675	\$581	\$718	\$814	\$948	\$881	\$814
3500	\$546	\$675	\$592	\$729	\$823	\$965	\$894	\$823
3600	\$548	\$676	\$603	\$739	\$833	\$982	\$908	\$833
3700	\$549	\$677	\$614	\$750	\$843	\$999	\$921	\$843
3800	\$552	\$683	\$625	\$760	\$852	\$1,016	\$934	\$852
3900	\$566	\$699	\$635	\$769	\$862	\$1,032	\$947	\$862
4000	\$579	\$715	\$646	\$778	\$873	\$1,048	\$961	\$873
4100	\$592	\$732	\$656	\$787	\$885	\$1,062	\$974	\$885
4200	\$606	\$749	\$666	\$796	\$897	\$1,076	\$987	\$897
4300	\$618	\$765	\$676	\$805	\$909	\$1,090	\$1,000	\$909
4400	\$631	\$780	\$686	\$813	\$921	\$1,104	\$1,013	\$921
4500	\$643	\$794	\$696	\$821	\$933	\$1,120	\$1,027	\$933

#### ONE CHILD TABLE UNDER VARIOUS PROPOSED BASES
Option	1	2	3	4	5	6	7	8
Combined Monthly Net Income	Column A Less 5% (Child 0-11)	Column B Less 5% (Child 12- 18)	McCaleb	Krabill Table	Betson- Rothbarth 2005	Betson-	BEBR Avg.	BR w/ ∆di
4600	\$655	\$808	\$705	\$829	\$945	\$1 136	\$1 041	\$945
4700	\$666 \$666	\$823	\$715	\$836	\$957	\$1 152	\$1.055	\$957
4800	\$677	\$838	\$724	\$844	\$968	\$1,169	\$1,069	\$968
4900	\$690	\$852	\$733	\$851	\$976	\$1.185	\$1.081	\$976
5000	\$701	\$866	\$742	\$858	\$982	\$1,201	\$1,092	\$982
5100	\$713	\$882	\$751	\$865	\$989	\$1,217	\$1,103	\$989
5200	\$725	\$896	\$760	\$872	\$995	\$1,224	\$1,110	\$995
5300	\$737	\$911	\$769	\$879	\$1,002	\$1,229	\$1,116	\$1,002
5400	\$749	\$925	\$777	\$885	\$1,008	\$1,233	\$1,121	\$1,008
5500	\$760	\$940	\$786	\$892	\$1,015	\$1,238	\$1,127	\$1,015
5600	\$771	\$954	\$794	\$898	\$1,021	\$1,242	\$1,132	\$1,021
5700	\$784	\$968	\$802	\$904	\$1,028	\$1,247	\$1,138	\$1,028
5800	\$795	\$983	\$810	\$910	\$1,039	\$1,251	\$1,145	\$1,039
5900	\$808	\$998	\$818	\$916	\$1,049	\$1,256	\$1,153	\$1,049
6000	\$819	\$1,012	\$826	\$922	\$1,060	\$1,260	\$1,160	\$1,060
6100	\$831	\$1,027	\$834	\$927	\$1,071	\$1,273	\$1,172	\$1,063
6200	\$843	\$1,041	\$842	\$933	\$1,082	\$1,293	\$1,188	\$1,066
6300	\$854	\$1,056	\$850	\$938	\$1,093	\$1,313	\$1,203	\$1,069
6400	\$865	\$1,071	\$857	\$944	\$1,103	\$1,333	\$1,218	\$1,072
6500	\$878	\$1,085	\$865	\$949	\$1,114	\$1,353	\$1,234	\$1,075
6600	\$889	\$1,099	\$872	\$954	\$1,125	\$1,373	\$1,249	\$1,078
6700	\$902	\$1,113	\$879	\$959	\$1,138	\$1,393	\$1,266	\$1,081
6800	\$913	\$1,129	\$886	\$965	\$1,150	\$1,414	\$1,282	\$1,084
6900	\$925	\$1,143	\$894	\$969	\$1,163	\$1,434	\$1,299	\$1,087
7000	\$937	\$1,157	\$901	\$974	\$1,175	\$1,453	\$1,314	\$1,090
7100			\$908	\$979	\$1,188	\$1,466	\$1,327	\$1,093
7200			\$914	\$984	\$1,200	\$1,480	\$1,340	\$1,096
7300			\$921	\$989	\$1,213	\$1,494	\$1,354	\$1,099
7400			\$928	\$993	\$1,225	\$1,508	\$1,367	\$1,102
7500			\$934	\$998	\$1,235	\$1,521	\$1,378	\$1,105
7600			\$941	\$1,002	\$1,241	\$1,535	\$1,388	\$1,108
7700			\$948	\$1,007	\$1,248	\$1,549	\$1,399	\$1,111
7800			\$954	\$1,011	\$1,255	\$1,562	\$1,409	\$1,114
/900			\$960	\$1,015	\$1,262	\$1,576	\$1,419	\$1,117
8000			\$966	\$1,019	\$1,268	\$1,590	\$1,429	\$1,120
0010			\$9/3 ¢070	\$1,024 ¢1,029	\$1,275 ¢1 202	\$1,004 \$1,604	\$1,440 \$1,460	\$1,123 ¢1.100
8300			\$9/9 ¢082	\$1,028 \$1,029	⊕।,∠ठ∠ ¢1 ୨ହ∩	7 ا ۵, ۱ چ 1 ج 1 ¢	Φ1,430 \$1,460	\$1,120 \$1,120
0300			φ900	φ1,032	ψ1,209	φι,υσι	φ1,400	φι,ι29

Option	1	2	3	4	5	6	7	8
Combined Monthly Net Income (CMNI)	Column A Less 5% (Child 0-11)	Column B Less 5% (Child 12- 18)	McCaleb	Krabill Table	Betson- Rothbarth 2005	Betson- Engel 2005	BEBR Avg. 2005	BR w/ Adi
8400			\$991	\$1.036	\$1 298	\$1 644	\$1 471	\$1 132
8500			\$997	\$1.040	\$1.307	\$1.656	\$1.482	\$1.135
8600			\$1.003	\$1.044	\$1.316	\$1.668	\$1.492	\$1.138
8700			\$1,008	\$1,047	\$1,326	\$1,680	\$1,503	\$1,141
8800			\$1,014	\$1,051	\$1,335	\$1,692	\$1,514	\$1,144
8900			\$1,020	\$1,055	\$1,344	\$1,704	\$1,524	\$1,147
9000			\$1,025	\$1,059	\$1,354	\$1,716	\$1,535	\$1,150
9100			\$1,031	\$1,062	\$1,363	\$1,728	\$1,546	\$1,153
9200			\$1,037	\$1,066	\$1,372	\$1,740	\$1,556	<u>\$1,15</u> 6
9300			\$1,042	\$1,070	\$1,382	\$1,752	\$1,567	\$1,159
9400			\$1,047	\$1,073	\$1,391	\$1,764	\$1,578	\$1,162
9500			\$1,053	\$1,077	\$1,400	\$1,776	\$1,588	\$1,165
9600			\$1,058	\$1,080	\$1,410	\$1,788	\$1,599	\$1,168
9700			\$1,063	\$1,083	\$1,419	\$1,800	\$1,610	\$1,171
9800			\$1,068	\$1,087	\$1,428	\$1,812	\$1,620	\$1,174
9900			\$1,073	\$1,090	\$1,436	\$1,824	\$1,630	\$1,177
10000			\$1,079	\$1,094	\$1,442	\$1,836	\$1,639	\$1,180
10100			\$1,084	\$1,097	\$1,448	\$1,848	\$1,648	\$1,183
10200			\$1,089	\$1,100	\$1,454	\$1,860	\$1,657	\$1,186
10300			\$1,093	\$1,103	\$1,460	\$1,871	\$1,666	\$1,189
10400			\$1,098	\$1,106	\$1,465	\$1,883	\$1,674	\$1,192
10500			\$1,103	\$1,110	\$1,471	\$1,895	\$1,683	\$1,195
10600			\$1,108	\$1,113	\$1,477	\$1,906	\$1,692	\$1,198
10700			\$1,113	\$1,116	\$1,483	\$1,917	\$1,700	\$1,201
10800			\$1,117	\$1,119	\$1,489	\$1,927	\$1,708	\$1,204
10900			\$1,122	\$1,122	\$1,495	\$1,938	\$1,717	\$1,207
11000			\$1,126	\$1,125	\$1,500	\$1,949	\$1,725	\$1,210
11100			\$1,131	\$1,128	\$1,506	\$1,959	\$1,733	\$1,213
11200			\$1,135	\$1,131	\$1,512	\$1,970	\$1,741	\$1,216
11300			\$1,140	\$1,134	\$1,518	\$1,981	\$1,750	\$1,219
11400			\$1,144	\$1,137	\$1,524	\$1,992	\$1,758	\$1,222
11500			\$1,149	\$1,139	\$1,529	\$2,002	\$1,766	\$1,225
11600			\$1,153	\$1,142	\$1,535	\$2,013	\$1,774	\$1,228
11700			\$1,157	\$1,145	\$1,541	\$2,024	\$1,783	\$1,231
11800			\$1,161	\$1,148	\$1,547	\$2,035	\$1,791	\$1,234
11900			\$1,166	\$1,151	\$1,553	\$2,045	\$1,799	\$1,237
12000			\$1,170	\$1,153	\$1,559	\$2,056	\$1,808	\$1,240
12100			\$1,174	\$1,156				\$1,243

Option	1	2	3	4	5	6	7	8
Combined Monthly Net Income (CMNI)	Column A Less 5% (Child 0-11)	Column B Less 5% (Child 12- 18)	McCaleb	Krabill Table	Betson- Rothbarth 2005	Betson- Engel 2005	BEBR Avg. 2005	BR w/ Adi
12200		- /	\$1.178	\$1.159		<u> </u>		\$1.246
12300			\$1,182	\$1,161				\$1,249
12400			\$1,186	\$1,164				\$1,252
12500			\$1,190	\$1,167				\$1,255
12600				\$1,169				\$1,258
12700				\$1,172				\$1,261
12800				\$1,174				\$1,264
12900				\$1,177				\$1,267
13000				\$1,179				\$1,270
13100				\$1,182				\$1,273
13200				\$1,184				\$1,276
13300				\$1,187				\$1,279
13400				\$1,189				\$1,282
13500				\$1,192				\$1,285
13600				\$1,194				\$1,288
13700				\$1,196				\$1,291
13800				\$1,199				\$1,294
13900				\$1,201				\$1,297
14000				\$1,203				\$1,300
14100				\$1,206				\$1,303
14200				\$1,208				\$1,306
14300				\$1,210				\$1,309
14400				\$1,213				\$1,312
14500				\$1,215				\$1,315
14600				\$1,217				\$1,318
14700				\$1,219				\$1,321
14800				\$1,221				\$1,324
14900				\$1,224				\$1,327
15000				\$1,226				\$1,330

No table value is provided for those tables that have not developed specific values.

### CURVES CREATED BY THE DIFFERENT ECONOMIC TABLES

#### **Table Curves**



## Appendix VIII

## Section 7 of 2SHB 1009 (Chapter 313, Laws of 2007)

**Sec. 7.** (1) By August 1, 2007, the division of child support shall convene a work group to examine the current laws, administrative rules, and practices regarding child support, with members as provided in this subsection. The objective of the work group shall be to continue the work of the 2005 child support guidelines work group, and produce findings and recommendations to the legislature, including recommendations for legislative action, by December 30, 2008.

(a) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives;

(b) The president of the senate shall appoint one member from each of the two largest caucuses in the senate;

(c) The governor, in consultation with the division of child support, shall appoint the following members:

(i) The director of the division of child support;

(ii) A professor of law specializing in family law;

(iii) A representative from the Washington state bar association's family law executive committee;

(iv) An economist;

(v) A representative of the tribal community;

(vi) Two representatives from the superior court judges

association, including a superior court judge and a court commissioner who is familiar with child support issues;

(vii) A representative from the administrative office of the courts;

(viii) A prosecutor appointed by the Washington association of prosecuting attorneys;

(ix) A representative from legal services;

(x) Three noncustodial parents, each of whom may be a

representative of an advocacy group, an attorney, or an individual, with at least one representing the interests of low-income, noncustodial parents;

(xi) Three custodial parents, each of whom may be a representative of an advocacy group, an attorney, or an individual, with at least one representing the interests of low-income, custodial parents;

(xii) An administrative law judge appointed by the office of administrative hearings.

(2) The director of the division of child support shall serve as chair of the work group.

(3) The division of child support shall provide staff support to the work group.

(4) The work group shall review and make recommendations to the legislature and the governor regarding the child support guidelines in Washington state. In preparing the recommendations, the work group shall, at a minimum, review the following issues: (a) How the support schedule and guidelines shall treat children from other relationships,

including whether the whole family formula should be applied presumptively;

(b) Whether the economic table for calculating child support should include combined income greater than five thousand dollars;

(c) Whether the economic table should start at one hundred twenty-five percent of the federal poverty guidelines, and move upward in one hundred dollar increments;

(d) Whether the economic table should distinguish between children under twelve years of age and over twelve years of age;

(e) Whether child care costs and ordinary medical costs should be included in the economic table, or treated separately;

(f) Whether the estimated cost of child rearing, as reflected in the economic table, should be based on the Rothbarth estimate, the Engle estimator, or some other basis for calculating the cost of child rearing;

(g) Whether the self-support reserve should be tied to the federal poverty level;

(h) How to treat imputation of income for purposes of calculating the child support obligation, including whether minimum wage should be imputed in the absence of adequate information regarding income;

(i) How extraordinary medical expenses should be addressed, either through the basic child support obligation or independently;

(j) Whether the amount of the presumptive minimum order should be adjusted;

(k) Whether gross or net income should be used for purposes of calculating the child support obligation;

(l) How to treat overtime income or income from a second job for purposes of calculating the child support obligation;

(m) Whether the noncustodial parent's current child support

obligation should be limited to forty-five percent of net income; and

(n) Whether the residential schedule should affect the amount of the child support obligation.

(5) Legislative members of the work group shall be reimbursed for travel expenses under RCW 44.04.120. Nonlegislative members, except those representing an employee or organization, are entitled to be

reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060. (6) This section expires June 30, 2009.

# Minority Reports by Workgroup Members

This section contains Minority Reports written by members of the Child Support Schedule Workgroup.

At the time of printing, we have been advised that Minority Reports will be submitted by:

- Washington Civil Rights Council
- The Other Parent
- WSBA Family Law Section Executive Committee

Minority Reports submitted by non-Workgroup members can be found on the Workgroup web page at <u>http://www.dshs.wa.gov/dcs/Resources/WorkgroupMaterials.asp</u>

We will add to the web site any other Minority Reports received by December 30, 2008, the date by which this Report is due to the Legislature.<sup>52</sup>

<sup>&</sup>lt;sup>52</sup> Comments by Workgroup members on the draft report are also on the Workgroup web page at http://www.dshs.wa.gov/dcs/Resources/WorkgroupMaterials.asp

### MINORITY REPORT A

#### MINORITY REPORT ON THE ECONOMIC TABLE

The following recommendation is written by David Spring, with the support of Work Group member Senator Jim Kastama. Other work group members who support this report include Alvin Hartley, Jason Doudt, and Colleen Sachs.

#### **Regarding Issue 6:**

Whether the estimated cost of child rearing, as reflected in the economic table, should be based on the Rothbarth estimate, the Engel estimator, or some other basis for calculating the cost of child rearing

The Betson-Rothbarth estimate suffers from several serious drawbacks.

<sup>1</sup> It is based on using spending on adult clothing to estimate the cost of child rearing in intact families. Dr. Betson's own analysis of this method is that adult clothing purchases explain less than 10% of the variation in child rearing costs. <sup>2</sup> In plain English, this means **there is almost no relationship between spending on adult clothing and spending on children.** In order to try to create a relationship where no exists, Dr. Betson eliminated over 95% if the Consumer Expenditure Survey respondents (including all of incomplete responders) from his sample. <sup>3</sup> These exclusions led to extremely biased results which greatly inflated the Betson-Rothbarth estimate of the cost of child rearing in intact families.

Many PHD economists have criticized the Rothbarth method for being unreliable and invalid and have also reported an inconsistent relationship between spending on adult clothing and spending on children. For example, Bradbury (1994) reported that adult clothing expenditures (Rothbarth model) was only able to explain 1% of the variation in child spending. On page 133, Bradbury noted *"the estimates are still far from the precision required for policy applications… the large degree of variation in clothing expenditure meant that these were not statistically significant… the standard errors for all these estimates are quite large, and so it is difficult to make any strong inferences."* <sup>4</sup> We therefore cannot support the Betson Rothbarth method as a basis for our Economic Table.

The Betson Engel method is based on using spending on food to estimate spending on children. The Engel method results in a percentage of explained variation that is much higher than the Rothbarth method. In his 1990 study, Dr. Betson estimated the explained variation to be about 50% and in their 2004 study, McCaleb et al. estimated the explained variation to be 68%. <sup>5</sup>

<sup>&</sup>lt;sup>1</sup> See Spring, D (2008) Analysis of Child Rearing Costs, submitted to the Washington State Child Support Work Group, January 6, 2008, Section Three, pages 60 to 90 for a more detailed explanation of the drawbacks of the Betson Rothbarth method.

<sup>&</sup>lt;sup>2</sup> Betson, D. (1990) Alternative Estimates of the Cost of Children From the 1980-86 Consumer Expenditure Survey, *Institute for Research on Poverty*, University of Wisconsin, Special Report No. 51. page 130.

<sup>&</sup>lt;sup>3</sup> The exact number of exclusions is unknown because Dr. Betson refuses to release this information despite repeated requests from Work Group members that he disclose this information.

<sup>&</sup>lt;sup>4</sup> Bradbury, B. 1994, Measuring the Cost of Children, *Australian Economic Papers*, June 1994, 120-138.

<sup>&</sup>lt;sup>5</sup> McCaleb, T.S., Macpherson, D.A., & Norrbin, S.C., (2004) *Review and Update of Florida's Child Support Guidelines*, Report to the Florida State Legislature, Florida State University Department of Economics, Tallahassee, Florida, page 13.

In plain English, this means there is a strong relationship between family spending on food and total spending on children.

Despite this relationship, the Betson Engel method still suffers from several series drawbacks. Like the Betson-Rothbarth method, Dr. Betson systematically eliminated over 95% of the Consumer Expenditure Report (CEX) reponders (including all of the incomplete responders)<sup>6</sup> in order to artificially drive up the cost of child rearing.

Dr. Betson also used a "Per Capita adjustment" with both his Rothbarth and Engel calculations. The "per capita" assumption is that children cost the same as adults. For example, if two adults live in a one bedroom apartment costing \$800 per month and they move to a two bedroom apartment costing \$1,000 per month, the marginal or additional cost of housing for the child would be \$200 per month (or 20% of the total intact family housing cost). But the "per capita" estimate would be \$1,000 divided by three people or \$333 per month or 33% of the total family housing cost. Dozens of PHD Economists have severely criticized the "per capita" assumption as being a knowingly false means of driving up the cost of child rearing from about 20% to about 33% of total family costs. <sup>7</sup>

We therefore cannot support the Betson Engel method as it is known to have used many math tricks to artificially inflate the cost of child rearing.

In 2004, the Florida State legislature funded a study on child rearing costs conducted by three leading PHD economists from Florida State University (McCaleb et al, 2004). These three economists chose a "marginal Engel" method in part because of the high level of validity and reliability of this method (including a high percent of explained variation) and in part because the original Florida State Economic Table was base on a "marginal Engel" study on the cost of children conducted by Espenshade in 1984.<sup>8</sup>

The authors of the Florida State study specifically rejected the per capita adjustment in the Betson Engel method stating on page 34 of their report:

Following Espenshade, we (the Florida State study) uses the log of total family expenditures and its square and the log of family size to control for total family spending and economies of scale. The Betson model uses the log of **per capita** family expenditures and its square and the log of family size to control for total family spending and economies of scale. There does not appear to be any substantive economic rationale for choosing one of these specifications over the other, but this **difference in specification seems to be driving the differences in estimates.** 

The authors of the Florida State study also included incomplete responders in their "marginal-Engel" analysis. These two substantial differences between the Betson Engel Per Capita method and the Florida State Engel Marginal method (i.e., usage of a marginal adjustment factor and usage of a less biased sample) greatly increased the percentage of explained variation from about

<sup>&</sup>lt;sup>6</sup> Incomplete CEX responders tend to be up to 10 years younger and much poorer than complete responders. Because they have higher fixed expenses, they likely spend less on children. See Spring, D (2008) Analysis of Child Support Issues, submitted to the Washington State Child Support Work Group, January 6, 2008, Section Three, page 78 for a more detailed explanation of this subject.

<sup>&</sup>lt;sup>7</sup> See Spring, D. (2008) Addendum to Analysis of Child Support Issues, pages 17 to 20 submitted to the Washington State Child Support Work Group on February 20, 2008 for a more detailed discussion of this topic.

<sup>&</sup>lt;sup>8</sup> Espenshade, T. 1984, *Investing in Children: New Estimates of Parental Expenditures*, The Urban Institutes Press, Washington DC.

50% to about 68%. This means the Florida State Engel method was more robust at explaining variations in family spending on children than the Betson Engel method.

Because the Florida State 2004 study is still the most robust, reliable and statistically valid study on the cost of child rearing ever produced, we recommend that the Washington State Legislature use the Florida State University method and adopt the associated Economic Table as the basis for revising our current Economic Table.

## Response to reasons given by other Work Group members for not endorsing the Florida State Table.

The primary reason given for not supporting the Florida State table was that it would not result in a substantial increase in child support awards over our current Economic Table. There was a persistent belief by many Work Group members that the Economic Table must be raised due to "inflation" since the original Table was adopted in 1990. There is no doubt that the absolute cost of raising a child has risen since 1990. However, the Economic Table adjust for increases in child costs because as income goes up, so does the amount for child support. What is relevant is not inflation, but whether the RATIO of child costs to total costs has gone up. Numerous studies have concluded that there has been no significant change in this ratio since 1990. For example, comparing Betson's 1990 studies of the per capita Engel and Rothbarth methods (using 1980 to 1987 CEX data) to his more recent studies using 1996 to 1998 CEX data confirms that during this 15 year span of time, **Betson found that total child cost rate had fallen slightly**. Ten studies from five different sources have all confirmed that there has been <u>no significant change</u> in child rearing costs in more than 40 years.<sup>9</sup>

#### Stability of Child Cost Estimates over Time

Study	Per Capita	Per Capita
Method >>>	Rothbarth Cost	Engel Cost
Beginning	25%	33%
Estimate yr	(Betson, 1990)	(Betson, 1990)
Ending	26%	30%
Estimate yr	(Betson, 2001)	(Betson, 2001)
Change	<+1%>	<minus 3%=""></minus>
over time	In 15 years	

In 15 years

Betson (1990) used 1980 to 1987 CEX data. Betson (2001) used 1996 to 1998 CEX data. It is therefore disturbing that the very members of the Work Group most supportive of adopting one of Dr. Betson's tables are the same people who maintain that we need to change to his Tables due to "inflation" given that all of **Dr. Betson's studies have concluded that there has been no significant change in the cost of child rearing since 1990.** In short, these Work Group members are willing to endorse the portions the Dr. Betson's studies which support their predetermined goal of raising the Economic Table, but they refuse to endorse the portions of Dr. Betson's studies that conclude there has been no change in the cost of child rearing since 1990.

A second criticism of the Florida State University Economic Table is that the Florida State Legislature never adopted the Florida State University Table. Given the failure of Work Group members to understand that the Economic Table is independent of inflation, it would not be

<sup>&</sup>lt;sup>9</sup> See Spring, D. (2008) Addendum to Analysis of Child Support Issues, page 22 for a more detailed explanation of studies on the stability of child costs over time.

surprising if members of the Florida State legislature suffered from a similar confusion. Many members of the Child Support Work Group has said publically that they were intent on raising the Economic Table either because they belonged to groups intent on raising the Table or because they personally believed that the Economic Table should be raised. No doubt there were legislators in Florida who also simply could not accept the fact that as a percentage of total income there has been no significant change in the cost of child rearing since 1990.

At the current median combined monthly net income level of \$4,000 per month, the Florida State University Table results in an increase of about 7% over the current Table (when the current table is reduced to a single age column and has had the deduction for medical expenses). Meanwhile, the Betson Rothbarth Table even with adjustments at the lower and upper ends results in an increase in child support rates of over 40%. The Betson Rothbarth-Engel average results in an increase in child support obligations of 70%. Enacting such huge increases in the face of numerous studies showing no increase in the percentage cost of raising a child over time is outrageous.

Raising child support rates well beyond what was likely to be spent on the child in an intact family also creates a huge financial incentive for divorce. The doubling in child support rates in the late 1980's resulted in "windfalls to the custodial parents" <sup>10</sup>Excessively high child support rates created an incentive to create more fatherless children, through either divorce or unwed childbearing. Current child support rates are so high that, according to a study by Robert Willis (2004), **less than one third of child support payments are actually spent on children;** the rest is profit for the custodial parent. Willis concluded that support levels that greatly exceed the actual cost of child rearing have created "*an incentive for divorce by the custodial mother*". <sup>11</sup>

Sadly, such dramatic increases are unlikely to have any benefits for children of divorce. Instead, according to a study conducted by the Washington State Division of Child Support: "If the obligor's support obligation exceeded 20% of the obligor's gross income, especially obligors in the lower economic echelons, the less likely the obligor would be able to pay even the current support obligation, which in turn results in increasingly large accruals of back-support." <sup>12</sup>

The federal Office of Child Support Enforcement (OCSE) has also recognized that more than \$90 billion dollars in arrears (the vast majority of arrears claimed in 2004) is based upon awards that are beyond the parents' ability to pay: "*The best way to reduce the national child support debt is to avoid accumulating arrears in the first place. The best way to avoid the accumulation of arrears is to set appropriate orders initially… Designing a system that establishes appropriate orders will encourage payment of child support*" (U.S. HHS, 2004).

<sup>&</sup>lt;sup>10</sup> Christensen, B. (2001) The Strange Politics of Child Support. Society. 39 (1) page 66.

<sup>&</sup>lt;sup>11</sup> Willis, R.J. (2004) Child Support and the Problem of Economic Incentives. In The Law and Economics of of Child Support Payments, edited by W. S. Comanor, 31-59, Cheltenham, U.K.: Edward Elgar. See page 42.

 <sup>&</sup>lt;sup>12</sup> Carl Formoso, Ph.D., <u>Determining the Composition and Collectibility of Child Support Arrearages, Vol.</u>
<u>I: The Longitudinal Analysis</u>, Washington State Division of Child Support's Management and Audit Program Statistics Unit May 2003. *Id.* at pages 1 and 37.

It is also disturbing that the slim majority of the Work Group who did not endorse the Florida State University Table chose to ignore the testimony of over one hundred members of the public who spoke at the three public hearings held in Washington State in 2008. As in 2005, over 90% of those who spoke opposed any increase in the Economic Table. Lower time parents consistently stated that excessively high child support rates had them close to bankruptcy and living out of their cars. **Even the majority of the higher time parents who spoke at these public hearings urged the Work group not to increase the Economic Table**. They testified that raising child support rates would only increase defaults and thereby reduce the actual amount they receive. Instead, they wanted rates lowered so that the lower time parent might actually be able financially to survive and spend more time with their child.

For all of the above reasons, we urge the Legislature to adopt the Florida State University 2004 study and associated Economic Table as the basis for revising and updating our current Economic Table.<sup>13</sup>

<sup>&</sup>lt;sup>13</sup> Additional reasons for rejecting the Betson methods and for adopting the Florida State Table are provided in David Spring's 2008 January Analysis of Child Support Issues and February Addendum to the Analysis. These references also include a detailed history of child support Tables and a detailed summary of the research on the cost of raising children from 1960 to the present day. Questions and comments can be emailed to the author: wildernessspting@aol.com.

### **MINORITY REPORT B**

### MINORITY REPORT ON THE RESIDENTIAL CREDIT

The following recommendation is written by David Spring, with the support of Work Group member Senator Jim Kastama. Other work group members who support this report include Alvin Hartley, Jason Doudt, and Colleen Sachs.

## Issue 14: Whether the residential schedule should affect the amount of the child support obligation

As with their decision on the Economic Table, the majority of the Work Group has chosen to recommend a 150% multiplier be added to the Economic Table whenever there was a request for a residential credit. This multiplier ignore the scientific research on the cost of child rearing in shared parenting situations. There are three studies on this costs of child rearing in shared parenting arrangements and all three support using a simple "per day" credit with a 20% threshold and with no multiplier. Even Dr. Betson has admitted there are no scientific studies which support the use of any multipliers.

The purpose of the 150% multiplier is to eliminate any substantial residential credit for over 90% of all divorced parents. It is a direct attack on shared parenting in that without an equitable residential credit, shared parenting is financially almost impossible.

All three studies done on the cost of shared parenting concluded that **parents who care for the child 20% of the time (and therefore provide the child with a bedroom) have much higher "per day" costs than the other parent who cares for the child 80% of the time.. This is because the lower time parent is paying for the child's bedroom even on days when the child is not there. An important study was conducted by <u>Fabricius and Braver</u> which has shed new light on how much non-majority fathers actually spend on their children while the children are in their care.** 

<sup>1</sup> Rather than asking majority mothers for this information (as the CEX does) or non-majority fathers for this information, the authors deliberately sought out a less biased source of information... the children of divorce. In a survey of several hundred children of divorce, the authors found that fathers direct expenses on children increased in a linear fashion according to the amount of time the fathers spent with their children. Contrary to the standard assumption of the Betson-Rothbarth model that NCPs' do not incur child costs, even fathers who were given very little residential time with their children still incurred significant direct expenses. For example, children who spent an average of 20% of their time with their father, 77% of those fathers provided a bedroom for the child. Given that housing is the single greatest component of child costs, this is a very surprising result confirming that most non-majority parents incur not only significant un-credited child costs, but per month child costs that are comparable to the child costs incurred by majority parents! On page 12 of their report, the authors concluded, "The current findings suggest that the typical assumptions about the economics of noncustodial fathers may simply be wrong". .... the non-majority parents non-credited expenses will always exceed those of the majority parent as the non-majority parent will have more days per year when the child is not with that parent yet the parent is still incurring child costs (such as for the room the child is not using).

<sup>&</sup>lt;sup>1</sup> Fabricus and Braver, (2003) Non-Child Support Expenditures on Children by Non-residential Divorced Fathers, Family Court Review, Vol. 41, 2003

Since both parents incurred nearly identical fixed "child cost" expenses on a monthly basis (such as paying for a bed room for the child whether the child is in the bedroom or not), it is far more likely that the non-majority parent has higher daily costs than a parent who has a higher percentage of time with the child. Given the straight-line relationship just described the only equitable solution is a straight-line cross credit calculation.

Henman and Mitchell (2001) also conducted a detailed comparison of the ratio of costs incurred by majority and non-majority parents, and concluded that the lower time parent's per day child costs were greater than the higher time parent's per day costs once time with the lower time parent exceeded 20%.<sup>2</sup>

Murray Woods and Associates (1999)<sup>3</sup> found that, of non-custodial parents who had visitation with their children, about 90 percent of these parents provided a separate bedroom for the child. Given that housing is the single greatest component of child costs, this confirms that the vast majority of lower time parents are incurring per day child costs far greater than higher time parents.

Yet despite this consistent research on per day costs, the Work Group has recommended a method (the Williams 150% multiplier) which gives the higher time parent a far greater share of the per day cost than the lower time parent. For example, the chart below shows that at an 80%/20% time split (currently the most common residential schedule), the lower time parent should receive a credit of 20% of the total obligation with the higher time parent receiving 80% of the total obligation. With the 150% multiplier, the 20% parent receives nothing even though 75% of more of them are providing the child with a bedroom!

The following chart also confirms that the 150% multiplier results in the higher time parent receives per day costs at rates much greater than the lower time parent even when the lower time parent cares for the child 35% of the time. This preferential treatment for the higher time parent is contrary to existing Washington State Law.

The Washington State Child Support Act (1988) states in part:

RCW 26.19.001 states: The legislature intends, in establishing a child support schedule, to insure that child support orders are adequate to meet a child's basic needs and to provide additional child support commensurate with the parents' income, resources, and standard of living. The legislature also intends that the child support obligation should be <u>equitably</u> <u>apportioned between the parents</u>.

It is clearly not equitable when the lower time parent has much higher per day costs than the higher time parent yet receives no credit at all.

<sup>&</sup>lt;sup>2</sup> Henman, P. and Mitchell, K., (2001) Estimating the Costs of Contact for non-residential parents: A budget standards approach, Journal of Social Policy, Volume 30, Issue 3, pp. 495–520).

<sup>&</sup>lt;sup>3</sup> Murray Woods & Associates (1999) The Behavior and Expenditures of Non-resident Parents During Contact Visits (*Policy Research Paper Number 75*). *Australia: Department of Family and Community Services*.

#### TABLE TWO: RESIDENTIAL CREDIT AS A PERCENT OF THE TOTAL OBLIGATION WHEN BOTH PARENTS HAVE EQUAL INCOME (Per day cost at \$900 total obligation

% of time with child	Traditional Per day Credit with NO	Betson Graduated	Williams 150% Multiplier
	multiplier	Multiplier	
0%	0%	0%	0%
10%	10%*	5%*	0%
20%	20%	10%	0%
	\$30/day	\$15/day	<b>\$0.00/day</b>
30%	30%	25%	20%
40%	40%	35%	35%
50%	50%	40%/60%	50%
60%	60%	65%	65%
70%	70%	75%	80%
80%	80%	90%	100%
	\$30/day	\$34/day	\$30/day
90%	90%	95%	100%
100%	100%	100%	100%

The 1987 Washington State Child Support Commission report stated on page 3:

The Objective was to propose a schedule which would establish an adequate level of support for children and would be equitable to the parents.

Among the Principles listed on page 8 was the following:

A schedule should recognize the involvement of both parents in the child's upbringing. It should take into account the financial support provided directly by parents in shared physical custody or extended visitation arrangements.

On page 11, the authors described the model chosen by the Commission: At least 18 states have adopted or are considering adoption of child support schedules that are based on the Income Sharing Model or on a hybridization of the Income Shares Model with the Cost Sharing Model. The model suggests first that parental income be totaled. Next, the percentage of that total income that would have been spent on the children had the family remained intact is calculated and allotted to child support. Finally, each parent pays the percentage of child support that would correspond to their relative share (percentage) of the combined total income. The actual flow of child support payments will then depend on the amount of time the child spends with each parent.

On page 12, the authors add: *The proposed schedule uses a hybrid Income and Cost Sharing Model similar to the one described in the previous section. It was chosen over the alternatives because of its neutrality regarding residential placement and because it is more equitable in regards to the parents' support obligation, while still providing economic protection for the children.* 

The 1987 Child Support Commission also issued Residential Credit work sheets showing that the simple and fair "per day" method was used to calculate residential credits.

Clearly it has been the intention of our legislature to remain neutral regarding the residential placement of the child by treating both parents as equitably as possible. Adding a 150%

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multiplier would end 20 years of neutrality by giving a huge financial preference to the higher time parent. The predictable result of such favoritism will be a huge increase in child custody litigation as both parents fight over who will be the financially preferred parent.

#### The Washington State Parenting Act states:

"The State recognizes the fundamental importance of the parent/child relationship to the welfare of the child; and that **the relationship between the child and each parent should be fostered** unless inconsistent with the child's best interest." RCW 26.09.002

Washington State Law thus assumes that the child will have two households after divorce and that the relationship between the child and each parent should be fostered. In other words, State law recognizes that both households are important to the child.

Washington State law, in the form of the Parenting Act, does not support the concept of a "single parent" family. A child always has two parents.

Washington State law also does not support <u>the concept of a custodial parent</u>. The legislature believes that children are NOT objects to be owned, but instead, children are people with an emotional need for a life-long relationship with both of their parents. In 1987, when the Washington State legislature adopted the Parenting Act, they eliminated the concept of "custody" as not being in the best interest of the child.

RCW 26.09.285 precludes use of custody designation with any statute that does not require a designation of custody. RCW 29.06.285 states:

Solely for the purposes of all other state and federal statutes which require a designation or determination of custody, a parenting plan shall designate the parent with whom the child is scheduled to reside a majority of the time as the custodian of the child. However, this designation shall not affect either parent's rights and responsibilities under the parenting plan.

In re Marriage of Kimpel, 122 Wn. App. 729, (2004), Division III stated: The "state and federal statutes" likely referred to in RCW <u>26.09.285</u> include the Food Stamp Program, 7 U.S.C. § 2015; the Criminal Code (Kidnapping), 18 U.S.C. § 1204; federal regulations issued on Veterans' Benefits, 38 C.F.R. <u>3.24</u>, <u>3.57</u>, and <u>3.850</u>; Social Security, 42 U.S.C. § 1396r-la; and Juvenile Justice and Delinquency Prevention - Missing Children, 42 U.S.C. § 5773 and § 5775. None are argued here.

Thus both case law and State law prohibit the use of the concept of custody except in those narrow cases where designation of custody is required. The Child Support Act is not one of those Statutes. Therefore it is against Washington State law to use designation of custody as a basis for forcing one parent to have a higher burden to support the child than the other parent or to place one parent in a privileged financial position just because they are the "custodial" parent.

Adopting a 150% multiplier would therefore be contrary to the past 20 years of advances for shared parenting in Washington State law and throw us back into the days where parents fought over which one would get control, physically and financially of the child.

The obvious solution to these problems is retain an equitable residential credit that treats both parents in a fair and equal manner for the costs incurred during their residential time with the child. The only way to treat both parents fairly is by **assuming that the per day child costs are equal at both households**. The only residential credit method that treats both parents fairly and equally is the traditional residential credit formula. For this and the many other reasons cited

above, we recommend that the Legislature retain the traditional "per day" credit method, but make the credit presumptive and lower the threshold needed to qualify for this credit down to 20% of residential time to be in keeping with the scientific literature on shared parenting.<sup>4</sup>

#### Proposal for preventing either parent from abusing the residential credit.

There is a danger that either parent may take actions intended to make the residential credit provision less equitable for the other parent. It is ironic that the majority wants a proposal to insure that the lower time parent treats the higher time parent fairly, but refuses to consider any proposed language to make sure that the higher time parent treats the lower time parent fairly. We have therefore included language intended to protect both parents from unfair treatment by the other parent.

See the Appendix on Residential Credits for proposed Statutory language.

<sup>&</sup>lt;sup>4</sup> For a more detailed explanation of the benefits of a simple "per day" credit, see Spring, D. (2008) Analysis of Child Support Issues, Section 8, pages 154 to 158.