

CHILD SUPPORT ADVISORY COMMISSION
October 17, 2014

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The Child Support Advisory Commission met on Friday, October 17, 2014, in Room 1103 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a meeting. Members present: Senator Brad Ashford, Chairperson; Senator Kathy Campbell; Angela Dunne; Amy Holmes; William MacKenzie; Hon. Paul Merritt; Hon. Karin Noakes; Monty Shultz; and Eric Thompson. Members absent: Troy Reiners; Corey Steel; and Byron Van Patten.

SENATOR CAMPBELL: Okay. We will open the meeting of the Child Support Advisory Commission on Friday, October 17, and call to order. The Open Meetings law I have here, and I assume it is posted somewhere in the room. If you have questions about the Open Meetings law, why, we will be glad to answer. I need a motion to approve the agenda. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: So moved. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Second. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Call the roll, please. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Senator Campbell. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Judge Noakes. [CHILD SUPPORT ADVISORY COMMISSION]

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KARIN NOAKES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: William MacKenzie. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Judge Merritt. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Angela Dunne. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Monty Shultz. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Amy Holmes. [CHILD SUPPORT ADVISORY COMMISSION]

AMY HOLMES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I also need to have a motion with regard to the meeting minutes. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: Have we received those? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Yeah, did we get a copy of those? [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Yeah, we sent them out the end of last week. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Transcript. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: We got the transcript. Is that what you're talking about? [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Yeah, the transcript is the meeting minutes for this. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Oh, okay. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Is there a second? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I'll second that. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Call the roll, please. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Senator Campbell. [CHILD SUPPORT ADVISORY

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SENATOR CAMPBELL: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Judge Noakes. [CHILD SUPPORT ADVISORY
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KARIN NOAKES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: William MacKenzie. [CHILD SUPPORT ADVISORY
COMMISSION]

WILLIAM MACKENZIE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Judge Merritt. [CHILD SUPPORT ADVISORY
COMMISSION]

PAUL MERRITT: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Angela Dunne. [CHILD SUPPORT ADVISORY
COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Monty Shultz. [CHILD SUPPORT ADVISORY
COMMISSION]

MONTY SHULTZ: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Amy Holmes. [CHILD SUPPORT ADVISORY

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AMY HOLMES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: All right. Dr. Venohr, are you with us? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I am. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: And can you hear us? Can you hear me okay? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I can hear you okay. It's not ideal, but I can hear you. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: How about me? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: So we will probably need to speak up when we are asking questions of you. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Right. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: It might be helpful, Dr. Venohr--we just have received updated tables and of course we've had your report--I'm going to ask if you have any opening comments you want to make about the report or the tables we just received. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Sure. If you don't mind, I'd just like to take five minutes and maybe

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walk everybody through them. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: That would be fine, thank you. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Okay, so...thank you. Last meeting, we talked about one of the things that all states are charged with when they review their guidelines is to consider current economic data on child-rearing costs as part of their review. So the best way to do that is to take some of the economic data and put it in a format similar to whatever that state is using on their child support table. So to get from the point of looking at that study of child-rearing costs, such as the USDA, which is on-line and referenced on my PowerPoint, to a format similar to the table that Nebraska uses, I have to make a lot of various assumptions. So the last meeting, on September 30th, we went through what those assumptions were. The committee gave me some...the commission gave me some direction. And in short, they asked me to develop six updated tables using various assumptions, including both the USDA measurements of child-rearing costs, and some with those...with the Betson-Rothbarth measurements. The USDA and the Betson-Rothbarth measurements are the most current economic studies of child-rearing costs available. The Rothbarth estimator is known to understate actual child-rearing costs, and the USDA is considered the highest bound. And there's lots of studies out there, including one that's conducted by the federal level, that says a stake (sic) may use our...it's not a "may." They may want to consider using anything between the lower and the upper credible bound. Is everybody following me so far? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Are there any questions? Okay. No, Dr. Venohr, I think you can proceed. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Okay. So, in short, there's two sets of tables, one with the USDA and the other set with the Betson-Rothbarth. And then another consideration is the medical

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support, how much medical support to include in. And that's, when I say that, I mean ordinary medical expenses--for Band-Aids, for copays--what a typical family would expend. The existing table includes \$480 a month...I mean, sorry, \$480 per year per child, which we think is based on 75 percent of what families spent back then. I didn't have to do...to include that assumption, that \$480, would have delayed everything for a month or more. So we...that was one consideration. So a lot of states...not a lot of states, but some states are going to zero. Most states use \$250. So that assumption was used with both the USDA and the Betson-Rothbarth, the zero and \$250. And as I documented in the report that you received on Wednesday, there are all sorts of issues with the medical support, namely, mainly, because of two factors. One is the Affordable Care Act. And the other is that the federal Office of Child Support will be issuing new rules on medical support sometime by the end of the year. And they are intended to be more congruent with the Affordable Care Act. And in short, they'll give states even more flexibility and allow states to align their child support formulas or tables with the exchange, with the presumption that the exchange is the go-to place for health insurance. So that explains four of the tables, that we have USDA and Betson-Rothbarth. And then we have it with zero ordinary medical expenses and \$250 medical expenses. So that's four of the tables. And then the last two tables were the Betson-Rothbarth adjusted for Nebraska cost of living, because generally incomes are a little bit lower in Nebraska than they are in the national average and cost of living is a little bit lower, largely, in part, because housing is cheaper, a little bit cheaper in Nebraska than some places. So we didn't make that adjustment to the USDA because we used the Midwest region, which is already adjusted for Midwest prices. So we have two assumptions with the Betson-Rothbarth. We have the national, because it's based on national data, and then we have the Nebraska adjusted. And again, we have zero to \$250. So when you received that document on Wednesday, I had completed four of the tables: the USDA, the zero and the \$250 medical, and then the BR4 national with zero and \$250. And in that document, I explained some of the innovative ways that states are trying to integrate their medical support provisions with the Affordable Care Act, and I can go through those later. There are only...some of it Nebraska actually doesn't have

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control over, I mean, because it's been set in statute, some of the things that's being done. For instance, your reasonable cost threshold is set in statute, so the guidelines are set in court rule. But they kind of go hand in hand with the ordinary medical expenses that are in the table. The other thing that's included in that document that was sent out (inaudible) Wednesday is something on childcare expenses, how states treat the childcare expenses and some of the particular issues, you know, whether...how you can determine whether childcare expenses are reasonable. So that's an overview of the document that was sent Wednesday. I'm going to now talk about the tables that were delivered today, and I thank you for your patience. The tables that I put together today, I included those last two tables that are Nebraska adjusted. So I'm going to assume that you have those tables in front of you, in the upper right-hand...left-hand corner it says "working draft." Is that a fair assumption? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Okay. So what I did was...there's a couple issues here. I'm going to just walk you through it. The table amount for one child, I have the net income. Now these are the table amounts, so this isn't how much the award would be, because we'd have to use the worksheets. This is the amount owed by both parents for the basic obligation, and it reflects how much it costs to raise kids. There's the existing table amount. I put Iowa's on there because they use net income and I had it readily available. The same with Wyoming, because they're a neighboring state and I know that there's been a lot of attention paid to or consideration of how does Nebraska compare to its neighboring states. And then in the one, two, three, four, fifth column is the USDA with the \$250 medical. That's going to be the upper bound. And then the column after

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that is the BR4, which is the USA because it's based on the national average and the \$250 medical. That shaded area in blue is where I have this...the low-income adjustment, the self-sufficiency standard. The next column is Nebraska adjusted, so it's adjusted for Nebraska prices and the \$250 medical. I threw out the USDA with zero medical just to save room, because I feel like I was killing some trees here and...but I could put that in. And then we go with the BR4 is the second to the last column, for one child. And that's zero medical and...or no medical. And then the final one is Nebraska adjusted with no medical. Now you can look at this several different ways. I'm sorry. Do you want to say something? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Oh, sorry, Judge. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I'm getting an echo here a little bit. So... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Judge Merritt has a question. Dr. Venohr,... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Go ahead. Yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: ...Judge Merritt has a question. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Doctor, this is Paul Merritt. Just a question: What does Nebraska adjusted mean? I mean what did you do to get Nebraska adjusted? Did you take the existing Iowa and Wyoming? I'm just trying to figure out how you got to Nebraska adjusted. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I took...to get the Nebraska adjusted, so I would have taken the BR4

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USA and \$250 medical--it's kind of dead-center column--of the one child and I took the purchasing parity, which is published by the Bureau of Economic Analysis, that says that the cost of living in Nebraska, if a dollar is spent nationally, that it would cost 90 cents, 90.2 cents in Nebraska, so I used that. Does that make sense? Does that answer your question? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Anyplace in the documents that we have, have you shown that math? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: The purchasing parity map? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I don't think I've shown you the map. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay. Okay, I was just...thank you. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: What's it called again, the...? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Purchasing parity? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Purchasing what? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: It's called...I can send...I'll send Josh the link to it. [CHILD SUPPORT ADVISORY COMMISSION]

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KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: It's called the purchasing parity and it's published by the Bureau of Economic Analysis. There is a map and it's pretty easy to read. I will send that to him in a second. So... [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Dr. Venohr, I have a question about that. This is Eric Thompson. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Um-hum. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: So does that...what all does that reflect? Does that primarily reflect differences in housing prices? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: It reflects on housing, medical. It reflects everything. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: But is it generally thought that, say, 90.2 percent, that the price of everything differs by 9.8 percent? Or is it mostly certain types of goods and services where you find the price differences? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: It's on average. They break it out. They do, do it by different expenditures categories. For instance, I have a paper here that I can send you. I have to find Nebraska on this paper. But this was published in 2006 through 2010. At that time, all items, the regional price parity was 90.2 in Nebraska. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Um-hum, yes. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: And for rents it was 77.8; for apparel, which is clothes, 92.4; for food, it

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was 94.4; for medical services, it was 104.8, meaning that Nebraska is more expensive with medical; and it has recreation, transportation, and other. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: What was the difference on housing again? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Housing...and this is older. I used the 2012 purchasing parity. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Sure. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: But I don't have the breakdown for 2012. This is from their 2006-2010 study. For housing, for 2006 and 2010, it was 94 for housing goods and 88.7 for housing services. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Okay. So thank you. So that suggests that it's not just housing prices that are different, but there's a variety of goods and services where Nebraska seems to be less expensive. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Right, but...yeah. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Okay, I... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: The reason I say most of it's driven by housing is that, when you look at the methodology, they do consider budget share and housing comprises the largest budget share. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: I just think it's an important point because I believe both custodial and noncustodial parents have to provide housing for when the child is staying with

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them. And so what we're really talking about is the other costs. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Um-hum, right. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: And so I...if it was true that most of the difference was due to housing, I would wonder about whether it makes sense to make the adjustment. That's all. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Right, and I'm sure you guys will have a good debate on all of this. So I'm just going to give you three ways that you can look at these tables. And certainly you can look at them a whole bunch of different ways, but I'm just doing this to jump-start the conversation. One way you can look at these tables is to fulfill that charge of looking at economic evidence of child-rearing expenditures. And when you look at that, you can just look at the USDA column, the second one in, and which is the highest amount, and then the lowest amount is the BR4 Nebraska adjusted and no medical. And that's the lowest amount. And you could just conclude or not conclude that the existing is within that range. That's one way to look at it. Another way to look at it is that...you know, how does Nebraska compare to its bordering states? And you could take the policy decision, which is your decision not mine, that Nebraska should be somewhere near its bordering states. And I put Iowa and Wyoming. Iowa is generally one of the...more on the higher side of the bordering states, and Wyoming is on the lower side. If your goal is to get a table amount similar to Iowa and Wyoming, then probably the BR4 Nebraska adjusted and \$250 medical, or the BR4 USA and the zero medical, are going to be the closest to those range. That's another...that's a second way to look at it. A third way to look at it is what makes most sense from a policy perspective. You know, what is...should it be a zero medical or a \$250 medical? And that, I think, to me, is probably the most difficult policy question, and that largely has to do with the Affordable Care Act and that we still don't know the fallout from everything there. But again, those things that I just said are just to jump-start the conversation. And obviously, I respect that, you know, you have

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your own considerations. So that's the walk-through of what I sent. The only other thing I need to tell you is that I took those schedules out or those tables out as high as I could. So for some versions, I'm going up to \$15,000 a month, and others I'm going to \$18,050 a month. So I'm done. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Questions? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Are you still there? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes, we are still here. We're all thinking. [CHILD SUPPORT ADVISORY COMMISSION]

_____: Whole group of us are here. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: We're absorbing it. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: We're trying to make sure we understand the charts, I think. Questions? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Dr. Venohr, this is William MacKenzie. Can you hear me? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yes, I can. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Okay. I haven't had a long opportunity to look at these, the handout that you sent this morning. But it appears to me, just from looking through the figures fairly quickly, that until you get to about \$3,500 in net income, the Nebraska adjustment to the BR4 doesn't...there isn't much of one. Is that fair to say? [CHILD SUPPORT ADVISORY COMMISSION]

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JANE VENOHR: Yeah, and the reason for that is because we capped expenditures for those households. What you're seeing is families with incomes below \$3,500 generally spend more than their aftertax income. So we cap it at that amount, and so that's why we didn't make an adjustment for the Nebraska amount, because the truth is, is, you know, that...you know, if we didn't cap it, then it might be 101 percent of that amount for...or 102 percent. Actually, it'd be more like 300 percent for the very lowest incomes. And, you know, you wouldn't want to have...let's say that the combined income of the parents is \$500, and at that level, you know, they're spending three times their income. We don't want to set an order at \$1,500 or show that amount on the schedule. So does that make sense? I'm just trying to think of another way to say it. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, yeah, I was just making an observation. And it appears that, again, below \$3,500, in that income there isn't that much difference. But as you start to pull away into the higher income levels, then you definitely see a noticeable reduction in support if you use the Nebraska figures or adjustment as opposed to the USA ones. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yes, definitely. And that's...on the document that Josh sent Wednesday, it showed the percentage difference from the existing, and it showed some substantial decreases if we went to USA. So those decreases, like for one child, it's 15 percent. I'm looking at the page 5. It would be even more than 15 percent if you went to the Nebraska adjusted. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Bill, did you have a follow-up question? Okay. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I don't, no. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: Okay. Other questions? Dr. Venohr, I think we're just trying to follow, we're just trying to read the charts, because for many of us this is the first time that we've probably looked at the charts, the ones that you sent this morning. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, it's a lot of information. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Dr. Venohr, Paul Merritt again. I could maybe try to figure this out, but you can probably answer it a lot faster. Under the adjusted for Nebraska, for example, when you look at the support figures, when there's \$250 medical versus no medical, it looks like the support figures, the total in support figures, are greater when there is a \$250 requirement that the custodial parent pay the first \$250. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, there should be...now you would think that... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Why would that be? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: ...that would always be consistent. And I will have to run these numbers again if you get to that point because I took the ones with the \$250 and the no medical from two different sources. And I need to double-check something at the high income because when I do this I'm...I have to adjust for the adult's share in medical. And I was expecting there to be more consistent dollar difference between the BR4 with the \$250 and the zero medical. But I think for now it's enough of a schematic that I...that if you do decide to go with one of those tables, I will have to double-check the methodology that I used to take the adult's share out, if that makes any... [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: Well, my question, Doctor, is--just trying to visualize this in my mind--that if both parents are going to be paying all of the medical costs, having those apportioned between them, then why, if the custodial parent is paying the first \$250, would the child support be more? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: The child support should be more. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Because they're putting in that money? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay, okay, okay. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Thank you. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: And I guess maybe I'm missing something too. This is Judge Noakes. So wouldn't it be...when you adjust it with...for the \$250 medical, all right, what I'm seeing is there's...with no medical there's \$27 a month difference between the BR4 Nebraska adjusted and the nonadjusted, which would be \$324 more per year. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: At what income level are you looking at? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: \$1,550. [CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: Fifteen thousand or fifteen hundred? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: \$1,500. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: It rises even more for the high incomes. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. I would...yeah, I was just looking at the first one. So if they're...maybe you can explain. I must be missing something there. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: On the \$1,500, that's that cap. There is that cap there... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: I'm just... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: ...because of the family spending more than what they earn at that level of income. That's why they're all the same. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So on the \$1,550 is what I was talking about. When they start changing... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: \$1,550? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: You know, for instance, the very first one, is that \$1,550? Yeah, \$1,550 for...BR4 Nebraska adjusted where you add the \$250 medical, it's \$526, and

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with no medical it's \$499, and that's \$27 per month. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: And that's for two children, correct? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Oh, I was looking at two children. Yes, I was looking at two children. Hmm. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: So then it's under... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Well, it first breaks at \$1,300. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: But with... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: So that would be \$500 per month per child (inaudible). [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: So then it should be \$500 but it's not. It's only \$300. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: ...with one child, it would be \$345 versus \$329? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Right. [CHILD SUPPORT ADVISORY COMMISSION]

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KARIN NOAKES: Right. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: So that's...yeah, you'd want it to be somewhere between zero and \$21, right, is it, a month? So the \$16 could make sense,... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Um-hum. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: ...a \$16 difference. But if you get up to \$5,000, with the \$250 medical it's \$977 a month versus \$904. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: That's...well...oh, yeah, if you have zero...I think you've got apples and oranges there. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: So... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: You've got one at the \$250 and one with zero as far as the medical. The BR4, at \$5,000 in net income, the BR4 Nebraska adjusted is \$939, and the Nebraska adjusted with zero medical is \$875. So you're still...that's still quite a difference there, if I'm doing that right. No, maybe I'm not. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: You are. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: No, you're reading that right. [CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: I...okay. So that's a \$64 difference, Doctor. At the \$5,000 net income level for one child, that's about a \$64 difference. How would that be explained?
[CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: As I explained earlier that I'm going to have to go back to the raw data because the stuff that I had handy was the \$250 medical and the zero medical. I noticed that there was some...it wasn't the consistency that I wanted. And what I think what happened is that I did the \$250 in one year and then updated it for inflation, and then no medical in another year. And I used a different way to separate the adult expenditures, so you're getting some of that in there too. So the short of it is these are not final numbers. I'm going to have to check back, but they're enough of a ballpark as far as you being able to see the difference between...actually, that's a pretty good...for you to see the difference between the USDA, the BR4 USA, and the BR4 Nebraska adjusted. I am going to have to dig a little bit more on why we're seeing some bigger differences between the \$250 medical and the no medical. It looks like the dollar amount difference is a little bit larger than it should be, so...and again, it's just because of the way I get those medical expenses in. And the...I know that I used the proportion of medical expenses. I have to apportion it between the parents. And at one time, it was 71 percent of medical expenditures in a household go to the adults and only about 29 percent to a child. But I had another year where it was I think 67 percent. So that might be why you're not...you're seeing bigger differences than what you would expect. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So we should not expect that if we're using Nebraska adjusted, that when we add the \$250 it would simply be, for instance, in the \$5,875 plus \$250 divided by 12... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Right, um-hum. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: ...because... [CHILD SUPPORT ADVISORY COMMISSION]

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JANE VENOHR: Yeah, I'm going to have to look at that. It's not...you would expect it to be about roughly \$20 per child more, but it's coming out more than that. I'm going to have to examine why. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Because it is pretty significant, yes. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Um-hum. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: For that example, it's \$768 a year more, which... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Um-hum. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: And that is...that would assume that each parent was paying 50 percent. That's not how it works now. It's proportionate to income. So if we're just saying that the increase is split...you know what I'm saying? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: No. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: No, because... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Right now... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: ...the \$480 is deducted; it's not included. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: No, I know. But if we... [CHILD SUPPORT ADVISORY

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WILLIAM MACKENZIE: Doctor, is it...if you don't...if you do use the \$250, the noncustodial parent is saving potentially \$21 a month by not having to pay that first \$250, as I read it. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Correct. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: And so the difference for one child should never really be more than \$21. Does that make sense? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: That's what intuition says, but there's a nuance that I need to go find and figure out what I did that has to do with...when I get the data, I have the medical in it and I have to get out and get the medical out. I only know how much medical was spent by the whole household for adults and children. And so I have to separate out the child's share. And when I had...when I...I got these estimates from two different times. So the methodology for separating out that child's share differed between those two times and I've got to dig that out. But I agree that it probably should be closer than that, and I didn't realize that until today when I was looking at it. I was going, why are these so much at the higher incomes? So... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Dr. Venohr, Paul Merritt. Since you've gone over these again, I'd like to go back to one of the questions that was asked last time we were here, and that is, you said that most states use \$250. Have you been able to run across anything that says from where that \$250 figure comes? Or is that just sort of pulled out of the air? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, it comes from at one time that was the average or median amount spent according to the National Medical Expenditure Survey. And in that last brief I gave you, I had the most current amount from the National Medical Survey. I'm

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trying to pull that up right now. I don't have it in front of me. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: So might it be possible to go through a survey like that and separate items that seem like routine and ongoing expenditures versus expenditures... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Unfortunately not. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: ...you know, the Band-Aids and the annual checkup versus the things that seem to be associated with unexpected illness? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: No. This does not...the data aren't recorded that way. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Again, we had a lot of things last time also. I don't recall a specific survey. So if you could point at least me to that, I'd really appreciate it, to try to figure out where the \$250 came from. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: It's called the...do you have the briefing that I prepared on--what date is it--November...September 15? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: We're all looking. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Is it this that you sent out yesterday or day before yesterday? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Is it the... [CHILD SUPPORT ADVISORY COMMISSION]

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JANE VENOHR: It's got a blue cover. It's factors to consider in updating a child support table. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Oh, that's the 9/15. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, the 9/15, okay. If you go to page...let me tell you what page it is. If you go to page 4, that footnote 2 is where the medical expenditure annual survey is. And the most recent data is from 2012. I didn't say that in this report, unfortunately, but...and then on page 5 is the average out-of-pocket expenses from 2012. So this is before the Affordable Care really kicked in, in 2014. And at one time, these amounts were all closer to \$250 per child per year. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Thank you. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: So that's the national average, Dr. Venohr. Is that what you're saying, \$250 is the national...? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, it's the average and the median, and obviously it varies a lot now depending on the age of the child and whether the child has private coverage. That first cluster shows the average for when there's private coverage. Then there, the second cluster, is public coverage, which I think, what is it, 200 percent for...federal poverty level? And then the last cluster is the uninsured. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Doctor, there was...this is Bill MacKenzie again. There was some discussion at one of our previous meetings about regardless of where that \$250 or the \$480 came from, that there's a sound reason for having a figure there because it

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tends to minimize the friction between the two parents if the custodial parent isn't always, you know, texting or e-mailing the other parent and saying, you know, I had to buy an ACE bandage, you owe me \$2, you know, once a week or once a month or whatever. I'm just looking for another reason to use a figure. And it seems that, you know, one of our goals should be to minimize the friction between the parents or at least not to exacerbate those problems with the guidelines or any changes we have for the guidelines. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHHR: Yes, that's exactly why states do include it. If you look at the latest brief, which is the one that I've dated October 14--and this kind of gets into Mr. MacKenzie's logic here--on page 6 it shows an excerpt of Michigan's. And if you look, it's...Michigan's excerpt is on a text box. And if you look at the bottom thing, it shows that, on average, families spend \$357 for one child annually on ordinary medical expenses. And this is something Michigan came up with probably two or three years ago when they last updated. Actually, it looks like they changed it in 2013. I'm not sure where they got that number. But what they do is their table doesn't have any of medical expenses in it. And then they add on that \$357 in the worksheet per child, and then they apportion it. And then, if you look at...I'm looking at where it is. If the custodial parent spends more than that \$357, they can go...they can ask the nonresidential parent to pay a share of whatever that amount is. Let's say that they spend \$400, so they spend \$43 more, and that nonresidential parent's share of income is 50 percent, so then they can ask that other parent to pay that \$21.50. And if you read this whole Michigan provision, it kind of explains how that's done. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: But the Michigan provision uses a mean rather than a median, right? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHHR: Do they say it's a mean or did they say it's a median? I don't...I can't tell you that. Yeah, on average, so, yeah, they used a mean. [CHILD SUPPORT ADVISORY COMMISSION]

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ERIC THOMPSON: So that would then...that number is based on people who have...some people who have thousands or tens of thousands dollars in expenses because of an unexpected serious illness to a child. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHHR: Right, right. I mean you look at that \$357 that Michigan is using and you compare that to that table and the November...I mean the September 15 document, and I'm not sure where they're getting that. I mean they might be looking at...I can't believe...it could be the average for all children ages 4 to 17. You know, I'm just thinking of how many children have private coverage, how many have public coverage, and how many uninsured. And if we did a weighted average, that might come out to \$357. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: I'm just wondering if a median would be a more appropriate one to use because it... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHHR: A median might be. And remember, when Tier came out with that \$480, I think they thought that that was the 75 percentile. And you could do it that way too. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: So, Dr. Venohr, until the new guidelines come out and we have a little bit more clarity on the ACA and benching against the marketplace, if I quickly read your...the comments, and the 2014, until we get to that point, we could still retain the \$250 or go to the \$250 as sort of that's the national average. We would have something, as Judge Merritt indicated, we'd have something that we've utilized. But until all of that has some clarity to it, it seems to me that you might be better off going to the \$250 and asking the next time that this is reviewed by the commission. Hopefully, we're going to have a lot more clarity on how states are going to benchmark against that ACA market. Would that be an... [CHILD SUPPORT ADVISORY COMMISSION]

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JANE VENOHR: That's reasonable. I think that's reasonable. I mean I think it's more reasonable than the keeping with the \$480 when you look at that table and the September 15. I think the \$250 much more aligns with probably what's happening.
[CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: As a commission, can we...are we in a place where we can narrow? We have six options before us right now. Can we see if there are any...like, for example, the highest bound, can we see if anybody is even interested in that so we can start narrowing the comparisons on numbers? Does anybody feel comfortable doing that or...because otherwise I feel like...do you know what I'm saying? If we could agree that we're still interested in the USDA with \$250 medical, or not, can we start eliminating the options so we can start to focus? It might be too soon. I'm just asking the question because it's...we're at 45 minutes in, and if we're going to get somewhere, we need to start whittling down. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. So you're saying that we would whittle down from the...all of the columns across? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: We...if we could just...we have six options: to keep it as is, as the existing;... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Right. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: ...and then any of those five different. But if there's one that we all...I'd just like to know if there's one that none of us is even considering. Let's just get...let's just be clear on that. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, I'll turn it around. [CHILD SUPPORT ADVISORY COMMISSION]

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ANGELA DUNNE: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I was a little frustrated yesterday when I was going through the information we had because what I was waiting for and wanted to look at was the Nebraska adjustment to the BR4. And, Dr. Venohr, is it not correct that the BR4 uses recent information, much more recent economic data than what Nebraska is using now? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Right, so all the BR4s would be more recent. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Okay. And obviously, the USDA is very recent too. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Right. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Okay. My preference--I'm just speaking for myself--is to lean toward the BR4 with the Nebraska adjustment and the \$250 medical unless we can come up with something better out of all our options. I think that the current support figures probably aren't going to garner many votes. I think...so I'm guessing that we could probably eliminate that. And I think the...I'm just guessing that the USDA figures aren't going to garner many votes either, but we'll...I guess we can...we'll see. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: So let's just see, like, a show of hands if anybody wants to keep considering the existing table or the existing guidelines. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Anyone? Anyone? [CHILD SUPPORT ADVISORY

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ANGELA DUNNE: Anybody want to consider using the USDA and the \$250 medical?
[CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Hold on. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Well, hold on. Time out. What are we doing exactly? [CHILD
SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Well, I think what they're trying to do... [CHILD SUPPORT
ADVISORY COMMISSION]

SENATOR ASHFORD: We're just getting a sense of what people want to do? Is that
what we're doing? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: We're just trying narrow down the five options. [CHILD
SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Okay. Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: And so at this point, the suggestion is on the floor... [CHILD
SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: ...of a show of hands of how many would then support the BR4
Nebraska adjusted at \$250 medical. Am I hearing that right, Bill? [CHILD SUPPORT

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WILLIAM MACKENZIE: That would be my preference. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I mean that just...how many people would kind of, let's say, lean toward that suggestion? Can we do that? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: What? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, the middle column... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Is there some reason why we can't decide that now? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: We can, so we can... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: We can. We're just trying to get a sense. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: First, we'll suggest it and then we'll decide it right away. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: We're trying to... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay, okay. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: Well, or discuss. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Discuss, and then decide. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Or what we could do, I suppose, is have a motion and... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: You could make a motion. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: You could vote on each one of them if you wanted to. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: We need to have...we should probably have motions on those. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay, I make a motion that we exclude from consideration existing Nebraska guidelines table... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Great. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Okay. I'd second that. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: ...because that has the \$480 in it and the numbers just aren't accurate and we need more accurate information. [CHILD SUPPORT ADVISORY

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SENATOR ASHFORD: I agree with that. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Can I ask a question? Would we consider to receive that information as a benchmark though? Would we continue to receive it? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Yeah, I'm not saying we shouldn't be looking at it. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: I'm just saying for new guidelines I think it should be excluded for consideration for the new guidelines. That's my motion. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I second. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Okay. Any other comments or questions about what we're doing? Okay. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Senator Ashford. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

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OLIVER VANDERVOORT: Senator Campbell. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Judge Noakes. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: William MacKenzie. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Judge Merritt. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Angela Dunne. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Dr. Thompson. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

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OLIVER VANDERVOORT: Monty Shultz. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Amy Holmes. [CHILD SUPPORT ADVISORY COMMISSION]

AMY HOLMES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Hoping that doesn't create a reasonable change in circumstances that justifies a new hearing. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Bill, do you want to take your... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: As a motion? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: As a motion or... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Sure. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Do you want to move your...? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I don't know whether you want to go through all of them and get a vote or not. I don't want anyone to feel that we're...anyone is being railroaded here. I'm just...indicate that from what I've heard so far, my view is that the BR4 with the Nebraska adjustments leaving the \$250 in probably is the better option. And if you want

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a motion to vote on that, I will make the motion. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: You sure can do that. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Second. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: May I interject something? Just...I'm sorry. I'm assuming that all this is a preliminary vote. Particularly, I do want to double-check the difference between the \$250 and the zero, you know, but... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Right. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Well, it's preliminary, all of this is preliminary, until you...until we vote finally. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: But we have to... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Excellent, because it's better if I don't have to check it for a successive estimate. So I appreciate you narrowing it down, but I just wanted to make sure that was clear because I didn't want you to...I don't want...you know, I'll just be quiet. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Good. Okay. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Well, are we discussing? Maybe we should, as she suggested, then

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just limit it, narrow it down to the BR4 Nebraska adjusted with zero medical or \$250 medical. Then we can just at least keep that open until she has all her figures correct to us. That's what I would prefer, but I know we have another vote on the table. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, I'll amend my motion if I can... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Okay. Yes, you may. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...to the judge's suggestion that we don't... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...that we have...we limit ourselves to those two, the Nebraska BR4s. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: And the seconder will agree. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: I'm sorry, just so we're clear, the... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Well, we had a motion. We had a motion to adopt the Nebraska

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at \$250; then we had an amendment to that motion. You could actually...well, an amendment to the motion to use both the zero and the \$250. That's what's on the floor right now, and there's been a second, because there was not a second on the...you could have withdrawn the first one, but that's okay. So there's a second on the amended motion. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Senator Ashford. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Senator Campbell. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Judge Noakes. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: William MacKenzie. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Judge Merritt. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Judge Merritt? [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: Yeah, I know. I just hate to have it limited to those two. Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Angela Dunne. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Dr. Thompson. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Monty Shultz. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Amy Holmes. [CHILD SUPPORT ADVISORY COMMISSION]

AMY HOLMES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Senator...or, excuse me, I've demoted you, Doctor. Dr. Venohr, how long do you think it will take you to review the BR4 with no medical and get us a new chart for that? [CHILD SUPPORT ADVISORY COMMISSION]

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JANE VENOHR: Let me just check my calendar here. And I'm going to tell you, I think they're really close. I just...I don't like that anomaly, so something is a little...something is not right and I want to be able to explain that, the difference between the two. Today is the 17th. I can get it to you the week of the 27th, so probably the 29th would be the earliest, would be the reasonable, October 29. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Dr. Venohr, this is Senator Campbell. And Judge Merritt and I were just visiting and I want to clarify something. In...how confident...okay, scratch that. Is there a great difference, in terms of your correcting your models and so forth, between that BR4 USA \$250 and the BR4 Nebraska adjusted? In other words, how important is the Nebraska adjustment? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: How important is it? I guess that's a...it's a policy decision. Whether you...there is one school of thought that says that the table itself is self-adjusting in the sense that as incomes change the percent expended on children changes. And that doesn't vary from region to region. You know, that if somebody has \$20,000 in Nebraska, they're going to spend similar to somebody that has \$20,000 in another state. But when you get to \$40,000, you know, that's different. Now there's the other school of thought that...well, that school of thought says that somebody with \$20,000 is going to spend differently than \$40,000. If that's the only consideration, then the national or the USDA works. If you believe that somebody with \$20,000 in Nebraska spends more like somebody with, say--I'm just going to throw out this number--\$25,000 a year in another state, you know, then you need the Nebraska adjusted one. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: And another issue is the piece of data that's being used to make the adjustment is the purchasing power index which reflects an average for all families, whether they're not...they have children, whether or not they are even of normal childbearing age, includes retired people. [CHILD SUPPORT ADVISORY

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JANE VENOHR: Exactly. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Um-hum. Yeah. There... [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: So it may not...it's certainly not an adjustment mechanism that's been designed specifically for this purpose. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah. I mean, to be honest, I would probably...yeah, I'm kind of more concerned about the...I mean that's a...it's a big assumption. I mean for years...I mean, I'm glad that you have an economist on the commission. For years, it was just...they didn't consider regional prices. This is a new measure that was developed by the Bureau of Economic Analysis. And I am going to send Josh a study that was done by Urban Institute that looked at different ways to adjust for regional differences. And some of you I know, Senator...one of the senators on the commission, she's familiar with the Supplemental Poverty Measure that the federal government is...there is...well, most economists believe that there are shortcomings to our current poverty measure, and they want to go to the Supplemental Poverty Measure, which is...the census has been publishing. That requires regional differences, a consideration of regional differences. So there is a lot of debate about how to tap through that regional differences in prices. And I'm...there's...are you still there or did I get hung up? I heard a beep. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes, we are. [CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: We're here. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes, we are. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: We're still all here. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Oh, okay. So I'm going to send you that article to think about. I mean, I think it's one of the reasons you have an economist on the commission. So I think it's important--in full disclosure--whether those adjustments are appropriate. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Eric, what do you think? [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: I honestly don't know. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: But...this is Paul Merritt. The reason I was so hesitant on the two is because I lean towards the \$250 being included. I'm more concerned about the adjustment and the rationale and being able to make sure there's some reason to articulate the adjustment. Because the adjustment, if you look at BR4 \$250 medical versus BR4 Nebraska \$250 medical and look at those two, obviously, the second one is lower. And so I'd just like to make sure, if we're looking to the best interest of the child, that we can articulate/see that. And I've not seen that thing, obviously, that she's going to send to Josh. And if I do see it, I may very well not understand it, so I, too, am glad we have an economist around who can explain it. But that's my main concern because...that's why I was pausing, because I'm inclined to lean towards the \$250. But it's...the adjustment is my concern. [CHILD SUPPORT ADVISORY COMMISSION]

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JOSH EICKMEIER: If I may? I did just forward that to everyone's e-mail. So if you can access it now, you should have it now. Otherwise, it will be in your account, e-mail account. Thank you. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: The question that probably--this is Senator Campbell--that I would ask of both Dr. Venohr and Eric is that if we start looking down the chart, if you just stay with one child and you start looking, they don't really begin to widen the difference until you get up to, what, that \$3,500 that somebody mentioned? So the... [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: That seems to be where the rails separate. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Right. So the question becomes, is the...to go back to Judge Merritt's concern, is the divergence of that significant enough at the higher levels that that would force us to look at that as one component? Or are we better to stay with the Nebraska adjusted? I mean, I'm...I have to say, my bias is always, when I look at things is, if I can get it adjusted to what is happening to Nebraska I'm going to stay with that. But I'm not an economist by any stretch and so I just don't know whether the deviation is worth further consideration. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Hello? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Hello. I am...something happened to my headset here. So I did hear it. Can you hear me okay still? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes. Would you like me to repeat the question? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: No. It's good whether...actually, yeah, please, repeat it. I'm sorry.

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[CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Is the divergent between the BR4 USA and the BR4 Nebraska adjusted, both at \$250 medical...it doesn't seem to widen until you get to \$350, and then it widens. Is that divergence enough of a concern that we would also keep in the BR4 USA at...and \$250? And, Dr. Venohr, that's questions we'll let you get...take a crack, and then I know Dr. Thompson is going to take a crack at it. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Well, the reason it diverges...there is there's a couple reasons. One is that very low-income families are spending more than their aftertax income, so we put a cap on it. So they might be sending, as I mentioned earlier, you know, they might have \$500 in income a month but they're spending \$1,500. And then what happens also at very low incomes is they're not even spending that \$250 in medical. So, you know, they might be on Medicaid or something like that. So we can't have a difference between zero and \$250, you know, if they don't even have \$250 in medical expenses. It's going to show up as zero. Does that make sense? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Yeah, and I think Dr. Venohr has already provided some evidence that the difference in price is not just housing. It's due to other factors. And that did reduce my concern with using the Producer Price Index relative to when the meeting started. I just...if it was all housing, I would have had a big concern with it because... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Oh, okay. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: ...you have to provide the housing anyway, both parents do.

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[CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Doctor, Paul Merritt. I'm looking at this regional price parity graph which shows Nebraska at 90.1. That's the one you were referring to, right? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Correct. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay. What does that mean with respect...I mean what...90.1 compared to 1.00, obviously. Does that mean it's...for what norm is \$1, here it's 90 cents, and 90.1 cents for each dollar. Is that what that means? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Correct. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay. So if you were to take the...where child support would be if you weren't reducing it for Nebraska, then you should be able to multiply that by .901 and come up with what your table is, right? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: You won't totally because it's a variable percentage but, yeah, it's going to be at...I took it to income, yeah, um-hum. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: That's, generally speaking, the methodology? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah. Actually, I took it from income. So if you have \$10,000 in income, then you're really spending 90.1 percent of that. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: Right. On the tables that you sent us today, again, I understand it may vary a little bit depending upon a lot of things. But what you would be doing is using that figure, multiplying the USDA...excuse me, the BR4 plus \$250, using that figure, and that's how you arrive at the BR4 Nebraska and \$250? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I'm sorry. I didn't hear your last part about the \$250. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay. In a...using that figure to arrive at BR Nebraska adjusted and \$250, that column that you have, you used that...you multiplied the figure under the BR USA and \$250, and then that's how you came up with the adjusted, generally speaking? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, it looks more like a tax table when I'm starting with it. So it...so instead of, you know, like, \$10,000, I use \$9,001, and then \$20,000, and I used \$18,000. And so, yeah, I take...but it's the same as what you're describing. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: That's the principle, at least, to do that? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Um-hum, right. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay. Thank you. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Doctor, Bill MacKenzie. I have a question, and I'm not an economist. And if the cost of living in Nebraska averages 90.1 percent of the cost of living nationally, that's not going to be true for all Nebraskans, is it? Isn't that going to vary depending upon your income level? Perhaps at a lower income the cost of living

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difference might be less; and at a higher income, it might be more, or vice versa. I don't know. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Right. If you look at the...yeah, if you look at that Web site, that study, I think down further it has it for urban areas and various metropolitan areas. And you'll see that it varies across regions. And remember, this is...these are spatial price indexes. They measure price level differences across region for a time period. It doesn't...it's not necessarily a cost of living. It's the differences in prices. A cost of living implies how much is the consumption. These have to do with the price of particular goods. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Dr. Venohr, Paul Merritt. Can I ask, if you were going to--anywhere in the United States--make a reduction for the cost of living for a particular state, is this the formula you would use for each individual state? Would you go to this chart and look for that state and then use that figure? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: You know, this is new, this from new...what we used in the past has been...we used the incomes. South Dakota is a state that readjusted for their median income being lower. I'm not sure I would do an adjustment for Nebraska, to be honest. I don't think it's significant enough. I'd have to...I'd probably look at it more before I were to recommend it. I know Nebraska is a little bit lower than the national average, but usually the states that are ranked like 38th or in the 40th percentile on the lowest, that we make an adjustment, so. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Thank you. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: That's all I was really meaning to do was to point out that it would be very hard to have an ideal perfect adjustment factor and that that's one thing we should consider whether...when we consider whether we want to adjust. [CHILD SUPPORT ADVISORY COMMISSION]

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JANE VENOHR: Yeah, and that's a very valid point. Thank you for illustrating that.
[CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Doctor, do you know whether any other state has used this for adjusting their tables? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: No, uh-uh. What states have used in the past, the states that do have an adjustment, or like South Dakota and New Mexico, both those have...even South Dakota I don't think I would adjust this day and age. A lot of that was their high Native American population. What we would do is we would take like the tax table that we used for child-rearing costs where they have about \$1,020 income (inaudible) depending on which study we're looking at. And if a family with \$10,000 spent 20 percent of their income on children nationally, then we align that \$10,000 to South Dakota's income. And how we would do that is let's say that in the U.S. as a whole, 8 percent of household families have an income below \$10,000. Then we estimate what percent of households in South Dakota or Nebraska have income of less than 8 percent, and that might be \$15,000. And then we'd assign that 20 percent to that \$15,000 per year because that aligns. Now the advantage of that, which I think Professor Thompson kind of pointed out, is that that considers family income because you are looking at family or cost to run their family distributions. A weakness of that is that it still...I'm not convinced that families at the lower income spend that much differently than families at the lower income nationally. I mean, if somebody is poor, they're poor. I mean, there might be some differences in housing expenses depending on where they rent. But when you look at poverty data and you look at what families spend at that poverty level, it's surprising how much they're equal across different parts of the country. You know, I think it's probably a bigger issue when you get to the higher income when you get into families that, you know, if we're talking about Montgomery County, Maryland, which is one of the richest counties in the country, and what a high-income family can afford there. You know, if they are making, you know, several...let's say that their income is

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several...a couple hundred thousand, \$200,000 per year. I mean, that family might not be living as well as they would be in Nebraska. So I think...yeah, I don't think there's a perfect method. I don't think the census method, where we look at income distribution, or this one that's the price parity are perfect. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Doctor, Paul Merritt. I'm going to try to have one more question and then be quiet. If the commission decides that it does want to adjust guideline...the tables for Nebraska, would your recommendation be that it...that adjustment be based upon the regional price parity figure that you've used in your table that you've provided us, which...or would you make a different recommendation? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I'd probably use the regional price parity. I think it's very straightforward. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Thank you, Doctor. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Any other questions? Any other motions that you wish to make with regard to the tables? Okay, just as a recap, we have thrown out the existing and we want the figures, for going forward, for Dr. Venohr to check is the BR4 Nebraska adjusted and \$250 medical, the BR4 Nebraska adjusted and no medical. Okay? Seeing no other, we will continue. Dr. Venohr, does that answer your question with regard to medical support then? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, thank you. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. I'm going down the agenda, and the next item would be childcare. And I just want to make sure that the members of the commission have no other comments on medical while... [CHILD SUPPORT ADVISORY COMMISSION]

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_____ : No. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: This is a different issue, so... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Oh, okay. I'm sorry. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: This medical support is dealing with health insurance premiums for parents and children, because the worksheet is different from the guidelines. We've been talking about the guidelines (inaudible)... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: It's a good thing you copied their end. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. So... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Well, we've been talking about the tables. Right. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yeah, are we moving away from the tables to the worksheet now? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Right. [CHILD SUPPORT ADVISORY COMMISSION]

_____ : Yes. [CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: Okay, because I did want to talk about the medical. Apparently, Angela does, too, and maybe others. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. So at this point, you're going to hold that discussion until we get to the worksheet or you want to have it now? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Oh, are we... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: I think that's where we are. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, that's where we are now? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: That was my thought. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: But if not, then you'll correct me. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: No, that's fine. Trust me, I'm the amateur among all of you professionals here. So we will stay with that. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: We just finished 2. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: We need to finish 2 then. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: We just did, I think. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Everything done? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: We're done with the 2s, right? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. So we will move...Dr. Venohr, do you have our agenda? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I do. I just don't have it up in front of me. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, that's all right. I will read. We are now on item 3 to discuss the following worksheet items, and that would be the medical support, "a" on worksheet. And I apologize for that. Angela, did you want to make comments on this? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: No. I just knew that it was a separate issue. But I think where the commission has left it before is that we wanted to talk about including parents' health insurance premiums based on the Affordable Care Act and if we're going to keep the existing worksheet that apportions the child's portion of health insurance premiums. I

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don't...I think we should include health insurance premiums, but that's what we need to talk about. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Bill? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I had--I believe it was submitted at our last meeting--a revised worksheet, a graph that would include in Worksheet 1, line 2, a new line "2.f.," which would be the cost to cover the parent with the health insurance coverage. Right now, the parents' cost to insure themselves is not a deduction anywhere in our guidelines, and that's not sat well with me forever. And with the ACA requiring adults to insure themselves in some manner, as well as their dependents, I think it's only fair that those parents be allowed the deduction from their gross income for the cost of insuring themselves. Now there's a lot of loose ends that would come along with that immediately. Are they going to get a, you know, a Ford plan or a Mercedes plan? I think there are ways to address that. But I think it...I just think that's a fair thing to do because the law is requiring them to do that. And in reviewing state statutes, I don't see anything that...in existing statutes that prohibits us from making that recommendation. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, let's stay on that topic then. So Bill is suggesting, and if you all can find that document, he is suggesting that "f." be cost to cover a parent as a part of the deduction. Let's have some discussion on that item or questions? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: This is Jane. Can I just say something from what was in that briefing material very quickly? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes, that would be fine. Thank you, Dr. Venohr. Go ahead. [CHILD SUPPORT ADVISORY COMMISSION]

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JANE VENOHR: All right. One thing that the...where the federal rules that are going to be released by the end of the year are going is they recognize there is a conflict between the existing rule which talks about taking the child's share of health insurance, which would be the difference between family coverage and single coverage and that's the way it is in Nebraska statute, and what the Affordable Care Act provides for, which is reasonable or affordable as based on the cost to the whole household. So one thing that's going to happen in that new rule is it's going to allow states, rather, to...rather than to apportion just the child's share, it's going to allow--and there's going to be some encouragement of it, too--them to apportion the entire premium between the parents when...in the consideration of the child support order. And the only reason I say this is just to give you an idea of where the federal rule is going. But I also am aware that the state statute says, to get the child's share, you have to take the difference between the family and the single. But I do want to make you aware of where the feds are going.
[CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: But if they...if they...this is Angela Dunne. If they apportion the entire premium, is that...how does that work? Is that the non... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: You know, it's apportioned to determine whether it's reasonable, not for the guidelines worksheet. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Oh. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: So, you know, but that's...there's some...it's a little bit of a Catch-22 because when you're considering it for what's included, you have to consider it reasonable. So it puts Nebraska kind of in an odd situation, precarious situation. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I guess we'll have to wait and see when the feds come down

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with their information--probably the week of Christmas or something. But we don't have the luxury of waiting that long... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...because we have to wrap our work up by the end of the year. Certainly, if something cataclysmic comes down in December, we can probably adjust quickly to it if we put all our efforts into it. But I'm frankly...I don't follow the logic why anyone would want to apportion the full healthcare cost between the parents. I don't think, if I was one parent, I would want to be paying more child support because of my ex-spouse's health insurance choices for herself. I don't think that makes any sense. I think that could, at least in theory, could open up the opportunity for some horseplay there. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Right. And that respect you, Mr. MacKenzie's proposal makes sense, but I just want to make you aware that's where they're going. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Isn't there an issue in terms of allocating healthcare expenses between the two parents and then also allocating the healthcare expenses between the two parents and the public at large? Because when people don't obtain health insurance they often shift that cost onto the rest of the society. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Well, all we can deal with is what we're... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Right. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: If somebody doesn't have health insurance, it'll be a zero. The...right

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now, they take the children's portion of the premium only, and it's essentially...Adam can help us with this because he knows how that calculator works. But it's divided between the parents, isn't it, after...because it hits it after the net income. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: It's prorated. [CHILD SUPPORT ADVISORY COMMISSION]

ADAM ASTLEY: Well, if it's...you're talking about children's insurance premiums, then it just depends on whether the same person paying support is also paying for health insurance (inaudible)...same person, support goes down; the opposite person, support goes up. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Right, and... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Sir, would you come to the table? Because this needs to be recorded and they're not going to pick him up, so we'll have to have you identify yourself with your name, and spell it for the transcribers, and then you unfortunately have to repeat your answer. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: But I thought we were talking about parents' healthcare costs earlier. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Right, so what William and I are talking about, if you have the entire...so say it costs me \$250 to cover myself and my children and it only costs me \$50 to cover my girls. That's what would get included in the calculation. If they include the whole \$250, my ex then is paying a part of my health insurance premium. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Right, I get that. [CHILD SUPPORT ADVISORY COMMISSION]

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ANGELA DUNNE: And we don't think that's the right outcome. That's...that...is that fair enough? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Correct. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: So here's another wrinkle, is that, you know, if you're a veteran and you're a disabled veteran, if your...if you have a percentage of disability, the VA picks up your health insurance. So where does that fall in there? Because you...your time served is actually paying for your health insurance. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Well, if it's not an out-of-pocket expense, then it's not a...it wouldn't be an appropriate deduction. If you're not...if you would never be paying it, it's just like the people who are on Medicaid or any other type. If you don't have the expense, you shouldn't be getting the deduction for it, I guess. But, Adam, we should have you repeat what you said about how it works right now in the existing child support calculation. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, go ahead and identify yourself. [CHILD SUPPORT ADVISORY COMMISSION]

ADAM ASTLEY: All right. And thank you, Senator Campbell. I'm Adam Astley, A-s-t-l-e-y. I'm an attorney from Omaha, Nebraska. I have previously testified before this commission. A comment that I made that hadn't been picked up by the recording was that, under our current guidelines, when it comes to the prorating of the children's health insurance premium, it's added on at the end. And the effect is that if the same person

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who is paying support is also paying for the children's health insurance premium, then the support goes down by the custodial parent's percentage of the combined net income. But if the person paying support is different than the person paying the health insurance, then the child support would be...would go up by their percentage of the combined net monthly income. And Angela's comment is exactly right that I think that the concept that the commission has been talking about is taking that insurance premium and then splitting it into two amounts. One amount would still be prorated between the parents, just like it is right now, and then the other amount would be treated just as a deduction from gross income, just like any other tax or retirement contribution or any other deduction that you'd want to count. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So our worksheet would remain the same. We'd only be adding a deduction for the parents' health insurance. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Right. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: And then they would have to figure out what portion is the child's. That either would be... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: That won't change. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: That won't change. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: It's like adding the retirement deduction that we have... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Right. [CHILD SUPPORT ADVISORY COMMISSION]

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ANGELA DUNNE: ...to lower the net...to lower the gross income. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Bill, can I ask you a question? And, sir, would you just stay, just in case you want to make a comment? [CHILD SUPPORT ADVISORY COMMISSION]

ADAM ASTLEY: No, that's no problem, Senator. I'll stay here as long as the commission wants. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, I'm going to keep you at the table until we go through in case there are questions. Bill, is that why, under number 8 on your proposal, you have added the phrase, "Dependent's share..."? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes, just to clarify, because we...if we adopted these changes, there would be more than just the dependent's share of health insurance considered in the guidelines. But the dependent's share would be treated differently than the parent's share. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Right. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: The parent's share would be treated, as Mr. Astley indicated, like a deduction of like...from gross income, like retirement or taxes or FICA. But the child's share would not change at all, would be treated the same way we've always treated it. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: Any other questions? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I would move to adopt that recommendation in the worksheet such that we are deducting the parent's premium from income and keeping the child's health insurance premium apportioned as it is currently. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Is there a second to that? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, I'll second it, since it was my idea (inaudible)... [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: And how is that different from now? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: If (inaudible)... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Right now, parents' health insurance premiums are not included at all. And the reason we're suggesting that they be included is because now coverage is mandatory. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Are we doing something similar with, say, driver's insurance for your car, or homeowner's insurance? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, but not everybody owns a car or owns a home. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Well, a lot of people do. [CHILD SUPPORT ADVISORY

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WILLIAM MACKENZIE: But not everyone does. But everyone is required under the ACA to obtain healthcare coverage for themselves now from some form, from the marketplace or from Medicaid, I guess. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: And it would only be for actual premiums paid, if they pay. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Out of pocket. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: If they don't pay, then they would not get a deduction for it, right? [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: I'm just confused why you're getting a deduction for an ordinary cost of paying for your...the expenses that you have. [CHILD SUPPORT ADVISORY COMMISSION]

ADAM ASTLEY: The same...if I could jump in on that, the same reason why you've chosen to give a deduction for retirement contribution. Not everybody contributes to retirement, but somebody, somewhere along the line, made a policy decision and said, I think this would be a good idea to give people a little credit for it. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Yeah, I'm confused about that too. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: I am too. [CHILD SUPPORT ADVISORY COMMISSION]

ADAM ASTLEY: Fair enough. [CHILD SUPPORT ADVISORY COMMISSION]

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KARIN NOAKES: I always have been confused about that. [CHILD SUPPORT ADVISORY COMMISSION]

ADAM ASTLEY: Well, and for what it's worth, Iowa doesn't allow that. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: It seems to me, taking care of your... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, wait, wait. Because it's transcribed, the person who is sitting on the... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Sorry. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: ...other end of listening to this can...it's too hard. So do you want to make your comment, Eric, one more time? [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Oh, sure. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: You're questioning... [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: I accept the rationale that this is a little bit different situation because everyone is required to do it. However, it is an ordinary cost of life and I don't...from that perspective, I don't understand why we're having a special deduction for that but not the other ordinary costs of life. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: So I have one more question too. I guess I didn't realize...representing the noncustodial parents, I don't know Mr. Astley, but I feel like maybe that we would want some representation to come up and comment instead of Mr. Astley. I didn't realize this was open for public comment. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: No, and I apologize for that. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: So, I mean, how does...the noncustodial parents would feel? I don't know Mr. Astley would represent noncustodial parents. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: The only reason I asked Adam: Adam prepares and makes the child support calculator software, so he has some unique knowledge as to how...like, for example, if we said we want to include parents as a deduction, he could tell us if it's... [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: Right, then he should fill your role at this table. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I think at this point we're going to stop right here and say...I mean, I think that Angela was asking for specific information here and not necessarily that we would continue having the gentleman speak. But I think she wanted specific information, so I allowed it. But I'm not going to allow just a continual testimony from the gentleman. Is that clear for everybody here? Okay. Is there any other follow-up question? Judge Merritt. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: We're on discussion, right, on the motion? Wasn't there a motion?
[CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Well, I just want to make sure Judge Noakes didn't have an
additional question. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Oh, okay. Sorry. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: No. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. I think that you can return. [CHILD SUPPORT
ADVISORY COMMISSION]

PAUL MERRITT: Oh, no, I didn't have a question. [CHILD SUPPORT ADVISORY
COMMISSION]

SENATOR CAMPBELL: Oh, do you have a question? [CHILD SUPPORT ADVISORY
COMMISSION]

PAUL MERRITT: No, I didn't have a question. [CHILD SUPPORT ADVISORY
COMMISSION]

SENATOR CAMPBELL: Any other questions specific to the preparation from the
software situation? Thank you. [CHILD SUPPORT ADVISORY COMMISSION]

ADAM ASTLEY: Okay, thank you, Senator. [CHILD SUPPORT ADVISORY
COMMISSION]

SENATOR CAMPBELL: Okay, Judge Merritt, we're on. [CHILD SUPPORT ADVISORY
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PAUL MERRITT: We have a motion, right? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes, we do. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: And a second. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay. My concern is this. I don't...philosophically, I don't disagree that perhaps, because it's being required of people to expend this by the federal government, that there maybe should be a credit for it if, in fact, it is being paid. I hate to adopt something that says cost to cover parent with health insurance coverage when what we're going to have to do in the guidelines, I think, is put in a paragraph that talks about health insurance coverage by the parent and explain what it means; that is, is it the Cadillac or is it the Ford, which is what I drive, or...you know, so we explain that. Because under our guidelines, each one of these lines almost, we have a description of what it means. And so philosophically I tend to agree with this, but I hate to adopt it as being a line until we've adopted what the language is going to be to describe what that line means. And I don't know whether Mr. MacKenzie has drafted that yet, something along those lines, as... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Only in my head... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay. And... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...and... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: ...and you're lucky we can't see in there, right? [CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: Oh, yes. (Laughter) The...my thought was that you look to an option of either employer-based health insurance... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: I'm sorry, I didn't hear you. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...employer-based/employment-based health insurance like so many people have, or the marketplace. Certainly, we can work from there. But I think that that would cover most people. Again, if they're going...if they're on Medicaid, then it's not an issue. If they're on an employer, at least I can only speak from my personal experience, I don't have an option at my employment. It's--you don't have an option of saying no either--this is what it's going to be, so that's the figure. There's no Cadillac plan or Mercedes plan or Yugo plan. There...it's just a plan. And so I think for a lot of people that may be their only, quote unquote, option, or the marketplace. If you're self-employed, that's where you're going to go. And a lot of them, if you're working part time, that's where you're going to go. But I agree with Judge Merritt that we do need to explain in some detail what that means. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I would amend my motion that, as part of it, we add in Section 4-205 of the Nebraska Child Support Guidelines, which explains the deductions, that we add a subpart "f." to make these types of policy decisions because...Bill, at your work though can you choose a different premium amount based on the deductible you're going to have? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: No. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Okay. Some plans that might be... [CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: Um-hum. We used to, but that seems to be we're getting away from that. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I want to clarify where we're at here. I guess I looked at item 3 as a discussion of the items that would go on the worksheet but not necessarily today making those companion motions for the specific guideline. But maybe I'm wrong about that. I thought that today we were going to try to do that. And then you'd have to put the language together for the guideline. Am I really off base here? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: No, and I was just suggesting that we...if we agree to include that, that we also agree that we're going to have to have some explanatory language there, not necessarily know what it is. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, that we're going to write the language. Okay, thank you, Angela. That helps. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Well,... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Could we...I'm sorry. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Go ahead, Judge. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Judge. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: This is Karin Noakes. Could we put a cap on the maximum that could be deducted for parents' health insurance and base that on, you know, the bronze or the

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silver Affordable Care Act plan in Nebraska? Would there be a way that we could do that? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: You could cap it, I think, such as maybe a percentage of their gross income. But I don't think you could cap it at a dollar figure... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay, yeah, that makes more sense. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...because that's always going to...that's going to change every year. You could say up to, you know, 5 percent or 10 percent of their gross income. That's just a suggestion I have off the top of my head. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: When we began looking at some legislation with regard to putting people, instead of in a Medicaid plan, putting them on the marketplace, the language that we had in statute, or proposed language, was that it would be the silver plan, in other words, or the median plan. And that would be the cap of it rather than the others. So it may be that we would want to do some research on what kind of a cap because I think the judge is on to something there. You might want to clarify that, which would go to what Angela is trying to do here, is that we would then do some research as to what exactly that guideline might say. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I'm just concerned that if the guidelines aren't kind of self-contained, that if you have to go outside the guidelines in order to figure them out by doing research as to what in 2016... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: What's the silver plan. [CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: ...the silver plan is going to be--and maybe it varies from one part of the country to the other, I don't know--then you're making it very difficult for people, particularly pro se people--they use these guidelines, too--to work them. We have a ceiling on what...right now in IV-D cases, a ceiling as to what we can use for cash medical support. It's 3 percent of their gross income. That's set by statute. It's the lowest in the nation. And it's too low. It's ridiculously low. But that's what we have to live with. Now the commission could make a recommendation, I suppose, to the Legislature that they revisit that issue. But we have no power to change that, neither does the Supreme Court, so...other than through persuasion. But so that would be my thought is that you put a percentage cap, for instance, on gross income. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Judge, does that fit your concern? Or do you want more work done on this? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: I'm still thinking about it. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Judge Merritt. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Dr. Venohr, are you still there, by any chance? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Dr. Venohr? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Uh-oh. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: We lost the contact. [CHILD SUPPORT ADVISORY

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COMMISSION]

PAUL MERRITT: Well, either that or she's out... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I'm here. I just have been having troubles with my headset, so I've been using speaker and putting you on mute so you don't hear the background noise. [CHILD SUPPORT ADVISORY COMMISSION]

_____ : I'll bet you have. (Laugh) [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Dr. Venohr, I have a question for you then I think maybe along those...these same lines. On your exhibit one, which is really difficult for me to understand, not...I'm not just saying this because you did it. I'm just saying it's...it involves the Affordable Care Act. You refer...under the column that says "Provision," in the second box you talk about tying in the definition of "reasonable" with the definition of "affordable" under the ACA. I went on-line and tried to figure out what the definition of "affordable" under the ACA is, and I saw all kinds of definitions. So I really don't know what we're referring to there. It seems to me that if we're going to be looking at trying to place a cap on how much of a deduction a person can receive for whatever personal insurance out-of-pocket expense...or personal out-of-pocket expense he or she is making for insurance coverage, does the term "affordable" under the act have any bearing on that? Is that a percentage? Is that an amount? Can you help on that? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Sure. I mean, just for clarification, the federal medical support rule says reasonable, and they say 5 percent of gross income or a state-determined threshold. So that's one thing to keep in mind. And that's set in statute, as you're all aware, at 3 percent gross. So when the new rules come out from the federal Office of

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Child Support, they're going to be more in a line with what the Affordable Care Act calls affordable. And their definition of affordable is when you see those sliding scales that say the premium is, you know, if the income of a household is 200 percent of poverty, at 2 percent--I might not have these percentages right--and then the highest income bracket, which is 400 percent of the poverty, it's 9.5 percent. That's what a family should spend not more of for their insurance premiums, and that's a percent of what they call modified adjusted gross income. So modified adjusted gross income is their gross income less 5 percent. It's not what we think of in tax terms. So to get there, what they do actually is, you know, it sounds like it's all a percentage, but it's actually links to, because people have a choice. They'll either go with the silver plan, the bronze plan, as you were all describing. And what it actually links to is the cost of one plan. So that's consistent with it. So affordability, the way that...when I was talking to the person in the federal Office of Child Support that's working on these rules, she said that so a state might want to consider something like their second-lowest silver plan to come up with a dollar amount. And the reason being is, you know, you have to start with a plan somewhere and that's where they're leaning towards. But it doesn't avoid the issue that somebody brought up earlier about making these guidelines separate from any sort of other things, such as the marketplace. Am I making sense? Can you hear me okay? I'm on speaker now, so. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: I'm able to hear you, Doctor, thank you. I can't answer whether you're making any sense, but I understand the words. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOH: But anyway, so that definition of "affordable" links to that sliding scale, and there's one sliding scale for the insurance premiums. And then there is another sliding scale for out-of-pocket expenses, you know, because families can get subsidies for their out-of-pocket expenses as well if they're low income. And so that kind of ties into the ordinary medical expenses. And what that out-of-pocket expenses will be will depend on whether they get the bronze plan or the silver plan and etcetera, but it can't

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exceed...the way it's written in the legislation, and I'd have to pull it, I can't...I think it's the second-lowest silver plan when they relate those percentages, or it might be the second-lowest bronze plan. I think I'd have to look that up. Senator Campbell might know. And then the other component of that is that a family that's on the exchange or the marketplace, their out-of-pocket cannot exceed the HSA limit, the health savings account limit, which is roughly about \$6,000 for an individual and about \$12,000 a year for a family. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: So we could do it like we do retirement, where now a 4 percent deduction is allowable unless it's mandatory, and then that entire amount is included. So if we were looking at health insurance, if it was mandatory, somebody didn't have an option to pick a plan, that could all be included, or we could look at another percentage deduction or cap. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, the motion that I believe is on the floor for our discussion is the inclusion of "f." or a change to "f.," the cost to cover the parent with health insurance, which would, from Angela's point, would then become...language would be needed in the guidelines. Am I saying this, summarizing? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes, and to maintain the children's premiums as a portion between parents. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Did you get all of that? Okay. The judge has questioned whether we would put some limitation to that. And so the question that I'm trying to ferret from all of you is, you know, do you want to cap to the motion? You want a cap within the motion? Or you want the motion left as it is, based on the discussion here? Or do you want more research? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, I don't think we're limited to what we do today in this

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regard. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Right. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I think we can add to it as we work through the next couple months. But if...the more we can focus, you know, the more we can get done today... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Correct. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...and then, you know, focus our work for the coming meetings on fewer things, that I just think we're making progress toward our goal. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yeah, my motion is just the concept or the principle of having it be included. We'd still need to work out the details. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Does anyone not favor including a deduction for parents' health insurance? Dr. Thompson, I...did you? [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: I don't. I don't favor that, no. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. Does anyone else not favor it? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Isn't that what we vote for? I mean,... [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: Yeah, we haven't called the vote for... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: But what are we voting for though? I thought we couldn't vote. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Just to include or not include it. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: But one of the things I am concerned with is it's...that's really not on our agenda. It's just discussion. I mean, what would the effect of this be of... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: (Inaudible)...support. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: What effect would this have? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I think that, at this point, Judge, we're trying to get some sense of what would go into these components, you are correct, from a discussion standpoint. But I also think that we've got to begin narrowing. And within those issues, I think it's okay to have a motion to say that we would, you know, look at the language of what the motion would be so that we could see what that would look like at some point. But this is all going to have to come back for a vote, as I understand, if I listen to Senator Ashford. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So what you're...we're really voting on is should we look into that... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes,... [CHILD SUPPORT ADVISORY COMMISSION]

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KARIN NOAKES: ...or should we consider that. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: ...should we put some kind of language together. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Like if we thought, no, we shouldn't... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So do we think...okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Wait, wait, wait. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: That's okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yeah, one person, sorry, because the transcriber will have trouble. I think that's what we're trying to do, is to set some parameters here if we want to do something different within the guidelines under these topics. Would that be everybody's understanding? Is that a fair description? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. My... [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: And so who's going to put that together? Is it going to be Dr. Venohr or (inaudible)... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Well, I would assume that that will be a question of the

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Chairman working with Dr. Venohr if we need that language. I don't know that, Monty. I don't have that answer today. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: My intention in the motion was if we are at a place where we can decide do we want to include it, consider it further, or not. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I agree. I mean I think it's trying to give some direction. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: I was just curious as to what effect the vote had. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: It will all be back. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: It will all be back. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: But I think we're just trying to get some idea. Then, if we're going to change or put something new into the guidelines, we better know that. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Because ultimately we'll have to vote on the language... [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: Correct. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...and if we can't agree on the language, that may sink the whole proposal, so. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Right. So to answer your question, Monty, I'm assuming that Josh and Senator Ashford and Dr. Venohr will then begin putting that language together for it to come back to us to look at and say, well, that's not quite what we meant or that is what we meant. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, is there any reason the individual members of the commission can't submit that to Josh or to... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I'm sure they could. I really apologize, you know. I have to say that...you know, somebody stopped me at 12:20 and said, if Senator Ashford may have to leave, would you chair the meeting. So I can't really answer that question. I'll have to get clarification. But I would think that members could submit, absolutely. I can't imagine that they wouldn't accept that. Does that help, Judge, answer your question? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: (Inaudible.) [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Do you want to put an amendment onto that motion? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Read the motion again. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: Oliver, can you...have you got it or you want me to...? [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: If you can go over it one more time, we've... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Well, I think basically the motion at hand--and, Angela, you correct me, and Bill--I think the motion at hand is that we would include cost to cover parent with health insurance coverage and develop the language to be in the guidelines. I'm probably not saying that as officially as Angela did. That is what we have right now, so that's what would be developed. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: And to keep the existing... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Oh, I keep forgetting that part. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: ...children's insurance premium as it is, just to... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Could...should we make it just a little more clear? Can we not say to add the cost of parents' health insurance as a deduction on the worksheet... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: You want to say to consider it? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: ...to consider it? Well, I don't...I don't know. [CHILD SUPPORT

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ANGELA DUNNE: I... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: I just don't understand what the purpose of the vote is still. It really has no effect. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: We have to decide. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: But I don't care. Let's just vote. That's fine. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: If all of us said, no, that's a terrible idea, we don't want to include it, that gives us clarity to what we need to focus on. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yeah. Right. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Otherwise, we're going to keep spending meetings...we either need to decide do we think it's a good idea or not. And then, if we do, then we can figure out what do we think is the best idea around it. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Right. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: But at some point we just...you know,... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: I think, Judge, my only question to you is whether you wanted to put in that consideration a cap of some sort. And then it would seem to me that some look would be at what are our options on a cap. That was my question. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Um-hum, um-hum. That's what I would like to...that is exactly what I would like to see. If we could have some suggestions on how that cap would be formulated at our next meeting, that would be very helpful. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So, okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: The maker of the motion and the seconder, are you comfortable with adding? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. So now we will consider adding the cost to the parent at...with the child as it is and ask for study and research brought back to us on what potential caps might be. Does that work? Everybody clear? Okay. Oliver, can you call the roll on that question? [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Senator Campbell. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

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OLIVER VANDERVOORT: Judge Noakes. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: William MacKenzie. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Judge Merritt. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Angela Dunne. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Dr. Thompson. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: No. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Monty Shultz. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: No. [CHILD SUPPORT ADVISORY COMMISSION]

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OLIVER VANDERVOORT: Amy Holmes. [CHILD SUPPORT ADVISORY COMMISSION]

AMY HOLMES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Are there any other suggested considerations for medical support? Okay, seeing none, we'll go to the second item, which is childcare. Anyone have questions or want to consider something different? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I liked what Dr. Venohr provided. I believe it was the Minnesota language. Let me find what page that was on. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I think it's on page 6,... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Six and seven? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: ...6 and 7 of the latest report on 10/14. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: It's actually page 8 where...in the middle of the box... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Oh, in the middle. Oh, you're going very... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Of a statute? [CHILD SUPPORT ADVISORY COMMISSION]

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ANGELA DUNNE: The Minnesota statute. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: So I guess overall I think we should look at including childcare in the worksheet. And as a practitioner, I liked the detail that was provided in the Minnesota statute because it really directs the lawyers and the court on how to do it. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, so what Angela is discussing with us at this point is that we would include childcare on the worksheet and look specifically at Minnesota. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: And what they included were some of the things that we talked about last time. They provide for annualizing the day-care amount to adjust for seasonal or school, summer day care. They talk about substantial increase or decrease being a basis for modification. So it seemed to answer a lot of the questions that we had about, well, what are all the variables that could impact that. The only thing we might also want to consider that comes up very often with parents is whether or not that includes summer camps or if we should also be looking at capping this amount because parents then also frequently fight over which day care, and the fight is usually...it's sometimes location based but often expense based. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, right now, childcare, at least the way our courts handle it, we don't typically do it as a IV-D function unless the parties agree to it. And when it's done, our court puts language in our orders indicating that the cost of the childcare shall not take the obligated parent below the poverty guidelines because there is a priority to

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all these things that have to be paid. And the number-one priority, typically, is child support. It can be medical but it's typically child support. And a lower priority is childcare. Childcare is...can be very expensive, more so than the child support. So I suggested putting it in the guidelines as a deduction, the way we now deduct for the child's healthcare costs. In other words, it's a...it's something that, as Mr. Astley indicated earlier, if the parent who is paying the childcare, which probably won't be the case but if it was, is the parent paying child support, it's going to lower the child support. And otherwise, it will raise it. More likely than not, it will raise it because the...the parent that's going to have possession of the child more than 50 percent of the time is probably going to be doing most of the childcare. So that's my only concern, is that it can't take parties below the poverty guideline. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, so on your worksheet suggestion, you're talking about number 9? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I stuck it there because it would be treated the same way or handled the same way as the dependent's share of health insurance. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Does number 9, as it is presently worded...I would assume that, if you look on page 8, all of the different items there would have to be within the guidelines? That's a question to you. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Dr. Venohr, still there? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Dr. Venohr? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yes, I am. This is Dr. Venohr. [CHILD SUPPORT ADVISORY

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WILLIAM MACKENZIE: Doctor, I'm probably remembering wrong, but did you not indicate earlier that, when you were here, that childcare is included in the guidelines in many states, if not most states? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Childcare is not included in the table, but most states include it in the worksheet, the way that Nebraska does the health insurance premium. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Okay. So most states are treating is differently than Nebraska is now. Is that correct? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Correct. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Okay. And if we were to include childcare as a deduction from...well, as an add-on, essentially, as an add-on in our worksheet, is that the way most states do it? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Correct. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Thank you. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Bill, what...where do you mean "as an add-on"? What...can you... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, is it...it's an add-on in that it increases the total amount of monthly support, just like health... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: You add the cost of day care. [CHILD SUPPORT ADVISORY

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WILLIAM MACKENZIE: ...the dependent's share of the health insurance increases the total amount of monthly support. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: And one of the things that it does...we face contempt actions more often for nonpayment of day care because child support is run through the child support system. We can get income withholding for it; day care we can't. And like you said, sometimes that's more expensive than the day care, so one parent is fronting all of the day care. The only remedy then is to pay to go back into court to enforce the order. So what the practitioners like about having day care be included is, number one, you're avoiding reimbursement between the parties; and number two, it's easier to collect the money to make sure that day care is properly being paid by both parents the way that the court intends. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, I'm back to my question to Angela. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Angela, is the inclusion of number 9, as it is worded here on Bill's model, would then the guidelines have to take into account the language from the Minnesota statute? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I'm not...I don't... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Well, where are you going to put the language? Do we need that in statute? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Oh, in the guidelines? We have...we would have to add it to Section

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4-205 in the deductions, right? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Either that, or change language... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: 4-2... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: ...4-214, which calls...covers childcare expenses now, and give a full definition of it. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Um-hum. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Right. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: I mean, either way, but it's something I think is going to have to be...I'm sorry. It's Paul Merritt. I think there's going to be...have to be explained in some detail. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. We have it defined. It says it's not specifically computed into the guidelines but can be considered. We would have to move it I think to the deduction section, because that's how we would be treating it, and modify the language in Section 4-214, "Childcare expenses." [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay, just a minute. We would be treating it as a deduction? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: But it's not...it's not a deduction. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Or an add-on, sorry. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: So we'd need to have a separate section on it. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Well, where...let me see. Where do we have our... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: The insurance is a deduction. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: We could put it where we...right. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: The individual insurance is a deduction. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Oh, I was...no, the... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: The parents' insurance is a deduction. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Parents' insurance is a deduction. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Right. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yeah, it's... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: The child's is an add-on. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: The child is an add-on. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So it would be...it would be... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: But I thought we clarified that. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: It would be number 9 maybe on our worksheet. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yeah, it... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: That's why I put it on my graph. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Right. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: I don't have that for some reason. Sorry. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I don't know if they made extra copies or not. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Oh. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: This is from last week. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Oh, yeah. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: I mean last time. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Yeah, can I just look at it quick? You probably (inaudible)... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: So I stand corrected. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Dr. Venohr? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Hold on a minute. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yes, this is Dr. Venohr. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: We lost you. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: (Laugh) Well, I'm sorry. I don't know. My phone is being a little sensitive, but I...you guys are making great progress so I'm just going to be quiet. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. No, I...and I don't think there's any questions right now for you, but we just...we wanted to have you on the line in case we had a question.

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[CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Okay, under... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: So I'm going to try this one more time, Angela. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Okay, Senator Campbell. Sorry. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: So at this point, what you're suggesting is that it be number 9 on the worksheet. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: And that we revise Section 4-214 in the guidelines to explain how it will be treated, similarly to Section 4-215 where we describe the children's health insurance add-on. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: It's not a deduction. I was saying the wrong thing. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Is everybody clear? Are you making that a motion, Angela? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I can so move, yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Is there a second to that? [CHILD SUPPORT ADVISORY COMMISSION]

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KARIN NOAKES: Second. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I'll second it. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Further discussion or questions? If you have this, the worksheet, then it would become number 9 and the language in the guidelines would tell how you're going to do that. Is that correct? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Right. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I mean, very simple (inaudible). [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: And the intention would be it would apportion it based on the respective income of the parents, just like the children's health. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Prorated. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: It's prorated just like the children's health insurance premium is treated. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Paul Merritt. When we did the last thing, with respect to language about parameters to allow each parent to claim, we talked about considering that language. And I would hope this is along the same lines, because what I would want to

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do is I'd like to see whoever is going to present show what this is going to mean in reality when you start taking what people are spending for childcare, because that's really expensive, and then adding it into a worksheet to see what the effect is going to be. And also I think we're still going to need to deal with...I agree with Mr. MacKenzie. I think the subsistence level, this should apply to the subsistence level because I personally believe that if somebody is being brought in for contempt of court, if he or she doesn't have the money to pay it, then they make...a good argument made that they're not...what they're doing is not willful, they're just not paying it because...it's not willful. So I don't have any problem with considering it as long as that's what we're doing is considering it, recognizing we're going to have to have language that goes with this also. And I'm going to want to see some things run, some figures. So if we can just get a ballpark... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Just... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: ...because childcare expenses are so expensive. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: It will drastically decrease child support payments. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: It can. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: It will increase. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: And regardless of who the custodial parent is, it can just have a big impact. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Not just the child support overall. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: And I just think we need to see those figures. But I think it's something we should look at, especially since we know that everybody else is doing it. That doesn't necessarily make it right or what we should do, but I think we should consider it. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: For clarification of the transcript, which becomes the minutes, all of these items are consideration and we want to see what that looks like, and the language and a vote. So it's...today, the point is we're trying to narrow down what we're going to consider or add. Is that all right with everybody? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: It's a version of talking out loud. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Exactly. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: There you go. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Exactly. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: And I think...and, Dr. Venohr, would it not be true that we would have a number of states that we could look at their guidelines' language that addresses childcare in their worksheets and we'd have resources to help us draft this explanatory language, not just Minnesota but probably a number of other states. Is that fair to say? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Boy, I put in Maryland and South Carolina on page 8 of that briefing as well. But you could look at other states. Those three states are more thorough and address the cap. There are some states that don't have a cap. I do want to say that

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another way to address the cap is some states have a provision that the combined order amount, the child support order when you do the add-ons for childcare or health insurance, cannot exceed 40 to 50 percent of the obligated parent's income. Washington State, South Dakota has that; I think South Dakota's is at 40 percent. There's another state that uses 50 percent. So that's another way to address those add-ons besides just limiting it to the childcare. The other thing I want to add is with regard to what's actually ordered. I have case file data from several states, and I can tell you that childcare is ordered less than 20 percent of the cases in IV-D cases. Now there are some states that will impute childcare costs, only a few of them, for low income. But the issue is, is that if they're getting a subsidy, most states won't include the market rate. They'll include only what the parent is paying. So you have to decide whether you're going to impute it or not. And then, I mean, there's lots of studies that show that most families that incur childcare or the ones that are more likely to occur out of pocket, are more likely to be higher income. So they're the ones that are going to have higher childcare costs because lower income are going to have childcare subsidies and might use relative care. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Dr. Venohr, this is Paul Merritt. When you said 40 or 50 percent, were you talking of net income? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I have to go back and look at South Dakota's. And South Dakota, their guidelines is based on net income. I can't remember off the top of my head whether it's net or gross. I know New Mexico was 40 percent of gross. So you could set it based on net or gross. It's really a policy decision. And what they're trying to get at...now I'll look it up and give it to you for your next meeting what South Dakota does for sure. But the rationale is that you shouldn't have child support that is more than what can be withheld legally from a paycheck based on the Consumer Protection Act. And that amount is 45 to 55 percent of disposable income depending on whether the parent is in arrears and has additional dependents or additional...yeah, additional dependents. And the definition of disposable income in the Consumer Credit Protection Act is, like, income,

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aftertax income I believe it is, and they include some deductions for the health insurance premium. So it's your interpretation of that, if you wanted that, to use that as a base. But, you know, obviously, you don't want to...I would assume that you wouldn't want to use two different incomes or have a cap based on gross income when your guidelines are based on net income. But then again, that's a policy decision. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Thank you. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Any other clarification to the consideration motion that's on the floor? Okay. Oliver, call the roll, please. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Senator Ashford. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Senator Campbell. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Judge Noakes. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: William MacKenzie. [CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Judge Merritt. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Angela Dunne. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Dr. Thompson. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Monty Shultz. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Amy Holmes. [CHILD SUPPORT ADVISORY COMMISSION]

AMY HOLMES: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Are there any other consideration of issues for childcare?
Okay, seeing none, we're going to move to shared parenting time. And, Bill, if I read your chart correct, you do not have any consideration anywhere. No one has submitted

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anything on shared parenting time? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I think before the last meeting I sent an e-mail out that...where...just expressing some thoughts that I think that our existing guidelines, which are probably off by a day or two, but it's something that the trial court can consider if the child spends 109 days or more with the noncustodial parent. But it's a rebuttable presumption to use the joint custody worksheet if it's more than 142 or 143 days. I think those figures are too high. And unfortunately, I don't even have my e-mail in front of me. But my thought was if a child is spending 104 days or more, which is... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Four zero, is that what you said, or zero four? I didn't hear if you said 104. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: One zero four... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: One zero four, thank you. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...days per year with... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: When you...sorry. Can I interrupt you again? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Sure. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Overnights? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes, that...thank you. Overnights, which is what our court

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considers a day, is overnight. The child sleeps, puts his head on the pillow in a parent's home 104 nights or more, that that would then raise the issue of a joint arrangement, a joint custody arrangement. And then...and that is...I don't remember what the percentage is there, but it's low 20s, I think. And then lower the presumption down from 142 to whatever figure I put in, and I didn't look at that. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Want me to read it? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: They do have it. I don't know if somebody has it. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: This is what Bill sent to all of us: I am also of the present opinion that use of the joint custody calculation, 4-212, be made a rebuttable presumption if parenting time exceeds 28.5 percent of the calendar year, which is 104 days or 2 days per calendar week on average, and that use of the joint custody calculation be permissible at the discretion of the trial court when parenting time exceeds 91 days or 25...which is 25 percent of the calendar year. Am I...that's the most current, Bill, that you sent out? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes, and thank you for correcting me. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I just happened to find it. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Oliver, can I get the sheet that I wanted to pass out on the... [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: Okay, so let's stay with this issue here for a minute. So, Bill, is that what you're proposing for our discussion this afternoon? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I put it out there as something to discuss. I think that Monty will agree, and a lot of people that have been testifying here in weeks past will agree, that we don't use enough shared parenting adjustments in setting support. And I think that the limits that are in the guidelines now, which frankly are better than what we used to have, but I don't think they're good enough because I think if a child is spending two nights a week with Dad or whoever the other parent is, I think that's a true shared parenting arrangement. And right now, our courts are limited by the language in the guidelines as to when they can utilize shared parenting. And there is a...there's that little area of gray where they can or don't have to, but I think it's all too high and I think it should be lowered down. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: We...I worked with various groups--noncustodial parents, domestic abuse groups, custodial parents--in looking at the Parenting Act change to look at what policies we want to have about parenting time. And one of the things that...and this is all back in February. I haven't had any conversations since. But I want to pass around a resolution that had been submitted to the Judiciary Committee for...where we kept getting hung up in the legislation, our adjustments to the Parenting Act, came down to child support. One of the suggestions was that we eliminate the use of Worksheet 3, so we're not counting overnights and we're not giving financial incentives to one parent over the other to fight about parenting time. So we had come up with a series of "1.a." through "d.," or factors that we thought the court should consider when determining child support. Now the presumption on this would be that all child support was factored based on Worksheet 1, and you would only go to Worksheet 3, which is the joint custody calculation, where you had evidence of "2.a." and "b." So right now, when you use Worksheet 1, the person receiving child support is responsible for paying all of the expenses related to the children, with the exceptions now that we've talked

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about--uninsured medicals and day care. Worksheet 3, child support is assigned, and then the parents are required to share expenses. And from the practitioners' standpoint, we see this as the potential for parents then engaging in conflict, post-decree conflict, at a high rate. And our goal is to eliminate the expense sharing because of the problems that we see that arise from it. So we wanted to reserve the expense-sharing cases in only those cases where we had parents who had similar financial philosophies and were able to work together. So this is a bit of a...it's a significant departure from the way that we calculate it now. But part 1 are the goals we were all trying to establish, was that courts were no longer bound to make parenting time decisions based on the finances; that parties had an incentive to really focus on what parenting was in the best interest of the child, regardless of the economic situation; and to avoid some of this post-decree conflict. So I know it's a lot to take in, but I just wanted to share and give the perspective of when we were looking at LB1000. And I think Mr. Creigh sent a letter, so this is also to clarify kind of some of the points that he made there. But the use of Worksheet 3 and counting overnights is extremely problematic for us who are working with clients because then the issue is how do you count a day. And is an overnight the fair measure if, say, the weekend is Friday through Sunday and a parent has had Friday night, all day Saturday, all day Sunday, and the child is then returned to the other parent's house for an hour, puts their head on the pillow, and that parent gets credit for that day? So we were trying to eliminate those complexities if we could. So I just share this by way of giving perspective to what we're seeing courts do related to parenting time awards based on the economics. And we thought the...it made sense to keep one parent paying the expenses of the child. So it's for discussion. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: All right. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Do we...okay, go ahead. No, that's fine. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: Are you sure? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, we basically have two different proposals in front of us on the item of shared parenting. We have Angela's proposal and we have Bill's. Before we start discussing any of those, does anyone else have a comment on shared parenting or a proposal that's different than these two? Okay. All right. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Is Bill...it's two days is the limit then, right? That's where it starts. Two days? Is it two days? Is that what he's saying? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Well, would you...would...he's not here. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: It's five, Brad. It's five. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: I was taking a break when he talked about his. Did we get a hand... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: He sent it in an e-mail to us, and he had a number of things. We have covered... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: ...we have covered the health insurance. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR ASHFORD: Right. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: We have covered the childcare. He also has a statement that was at the bottom of your worksheet. That's why you may have given it back too quickly. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Oh, I found mine though. I got it. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay...and that he wanted covered with regard to the poverty guidelines. And I'm sure he'll come back to that. But that would come under other worksheet guideline provisions, I think. So we have two proposals, and I guess I'm trying to figure out how we proceed to discuss. There's a lot in Angela's to look at, I suppose. And Bill is coming back. Bill, just as a catchup for you, we have two proposals under shared parenting. We have your suggestion in the e-mail you sent and Angela's proposal here. And there were no other suggestions from any other commission members unshared. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Bill, for my benefit, would you just restate what your proposal is? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Senator Campbell, you have that in writing. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Sure, I'll read it. I am also... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR ASHFORD: Or, okay, do you...maybe...could you just... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: You want to make copies of it? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Could you do it in a narrative way, Bill? Because you said it...can you just say it? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Sure. Can I borrow that? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Oh, sure. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: Could we get a copy of it? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Not that Senator Campbell can't very accurately read it, I just... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: It's quite all right. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: I just...no, I just... [CHILD SUPPORT ADVISORY COMMISSION]

_____: You want copies of this? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: It would take me 20 minutes to find it in my materials, so thank

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you, Senator. Okay. I believe that the joint custody calculation which is contained in Rule 4-212 be made a rebuttable presumption if the parenting time exceeds 28.5 percent of the calendar year, which is 104 days or 2 calendar days per week on average, and that use of the joint custody calculation be permissible at the discretion of the court when parenting time exceeds 91 days, which is 25 percent of the calendar year. And I appreciate Ms. Dunne's comments. And I don't know if you believe our two proposals can mesh at all or if they're at conflict. I know you don't like use of Worksheet 3. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: And I think those are legitimate concerns and it is not something that I had primary in my thought process when I was coming up with my proposal with... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I think we...the preference would be in my proposal that we stop counting the days because it...the focus then shifts to...it's at the wrong place. And I don't even think it accurately counts time that way, the overnight structure that we have now. I don't think that's a fair measure of how much expense is one parent having for the children. And when you were gone, I gave the example of, say, you have Friday through Sunday and one parent has the weekend. They've got Friday, all day Saturday, all day Sunday, then they switch for an hour. The child's head lands on the bed of the other parent, and that parent gets the credit for the expense of that entire day, which isn't at all accurate. So we see too much of parents trying to calculate the percentages and the days, and we feel like the focus isn't one...so we want to eliminate that. I don't think we're saying...we also didn't know if we should...we could create a different worksheet for when there was more shared time that adjusted the calculation downward to account for it in a way where we weren't measuring it based on overnights. But... [CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: How would you measure that? Were you going to keep an egg beater, I mean are you...egg timer? Are you...how are you going to add those hours up? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Well, related to LB1000 that was on the table, the measure there was a 35 percent minimum would have been mandatory for any parent. And that's the basis where we were looking at this, that... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: What does that mean? Thirty-five percent minimum what? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: It means that any parent would have at least 35 percent of time and... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Well, that was the proposal about presumptions. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Right, right. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: And I guess if we're going to have a presumption, I mean that we already have a presumption in our current statute that says we have a presumption that we should start with joint... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Both parents, yeah. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: ...both parents involved. So if we're going to present presumptions, why not start at 50 percent? [CHILD SUPPORT ADVISORY COMMISSION]

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ANGELA DUNNE: Well, we don't have a presumption right now in the Nebraska Parenting... [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: Right. And that's was why I'm saying, is that... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR ASHFORD: Well, yeah, but we have a presumption that both are fit and... [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: ...and that we have a... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: The question was, how are we measuring time for this? I'm just giving the information. That's where we...where the discussion landed at the earlier part of the year when we were looking at this. To answer your question, Bill, it was...the idea was that that would have been a measure of time. And you don't have to count the days because you're only ever using Worksheet 1 and you're only doing expense sharing where parents want it and have a demonstrated ability to do it. So there is no...so if a client comes into my office right now, we run Worksheet 1 and Worksheet 3 and we show them the child support and we say, well, you're either going to pay \$900 or you're going to pay zero depending on whatever time we land at. That's not a good way to approach parenting time with parents. The idea is then they're just presented with Worksheet 1. Then they have an incentive to work with that parent. If they want to do expense sharing, that's something they'll have that will unfold usually during the temporary order before the decree. But that was the idea behind it because right now the child support Worksheets 1 and 3 pit parents against each other. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Judge Merritt. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: Okay. I'm not tracking with this. I think I understand what you're saying, but I'm not tracking with the philosophy of it. If I understand what you are saying, you are saying that if, for example, under your example of child support on Worksheet 1 is \$900, regardless of whether they're splitting time 50/50, it stays at \$900 unless they can agree upon something else. But there's no mechanism to change that unless they agree differently. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Correct, and as a presumption in that, you would have the recipient parent then paying all of the expenses. Right now, Worksheet 3 reduces it to, say, \$200, and then they share all of the expenses, your... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Well, pay all what expenses? Expenses when he or she has the child for one week and not the expenses when the other parent has the child for one week? I'm trying to figure out what you're doing, what's happening to that 900 bucks that's going to the...one person who is having the children 50 percent of the time is being paid \$900 by the person...by another person who also has the child 50 percent of the time. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Or...right. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Right? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Could... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: I mean under your example, at least. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: And so then it... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: And there's no...the amount of time a parent has the child has no bearing on how much child support he or she pays. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Correct. And then what we want the courts to consider are the factors a. through d., and they can make any deviations upward or downward based on what the court sees operating, which is, if you look at "c.," whether each parent has sufficient resources to provide adequate housing. So if they're saying \$900 is too much, the payor parent wouldn't be able to have adequate, then there's an adjustment. We were trying to figure out factors that lent...that let us plug in our brains more to this economic situation of the parents. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Wouldn't that increase the deviation...the number of cases with deviations astronomically? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: It could. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Or 2/5s? Well, it seems to me this goes exactly away from everything that was established when the guidelines were established. I can remember when the guidelines were established. I've been around that long. There were judges who had little pieces of paper under...when I used to practice law, underneath their table to figure out what child support was going to be because there were no guidelines. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Right. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: One of the purposes of guidelines was to establish some certainty with respect to amounts based upon incomes. And when we went to Worksheet 3 and Worksheet 5, one of the purposes were to take into consideration shared parenting time, if you will, or at least what's it mean. To me, and I mean absolutely no disrespect to any of my brethren or sisters, as the female judges in my district refer to themselves when they send (inaudible) around, but I think that--I'm going to bet--a lot of people who go into a court want to remove a. through d. from a judge's discretion as much as possible, because that's one of the things they want to get away from: some judge determining whether there's economic hardship one way or another. The e-mails that we've been getting from noncustodial parents, one of their frustrations has been judges not adhering, at least in their opinion, to what the guidelines say. And if what you say is a. and d., you're just encouraging judges to do that, to make deviations. And I just think...I just think that may be a wrong way for us to be going. I happen to think, personally...well, let's just put it this way: I prefer an approach, as Mr. MacKenzie has mentioned, rather than just throw everything out the window and leave it up to a judge and one parent is going to pay X amount of dollars regardless of how long he or she has the child. I just see that as potentially problems. [CHILD SUPPORT ADVISORY COMMISSION]

JOSH EICKMEIER: You have a question over there. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: So in terms of work, the scenario you had proposed or had talked about, so it would be possible if a parent had a child for 91 days out of the year to go to this Worksheet 3. What would be the child support payment typically under Worksheet 3? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, if they have the child 25 percent of the time, essentially,

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the support would be reduced by approximately 25 percent. It doesn't...it's not an exact... [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: I just got concerned because I heard the term "zero" a moment ago. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: No, no, no, it wouldn't be zero. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Well, I gave several hypothetical calculations that show the great disparity between Worksheet 1 and Worksheet 3. It's not 25 percent in most cases. It's much higher than that. So I had provided those, I think, in an e-mail. For example, yesterday I sat with a woman. She made \$70,000. Her spouse made \$50,000. And the swing was: if she was custodial, he would have paid \$800; if it was a joint physical, exact 50/50, she'd pay him \$231. It was a \$1,000 swing, and that...so the problem is they take that information and I don't think it supports parents making good decisions about parenting time for their children. That's the concern. We would still have the guidelines, and so it's whether or not we need to adjust a compromise number in between. But from the...from my standpoint, I feel awful when that's what clients walk away with because then they go and they game one way or the other to get more time, or less, because that's \$1,000. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: Except for...go ahead. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: So possibly, would we want to move towards a system where whether you're 89 days or 92 days there isn't such a stark difference? [CHILD SUPPORT ADVISORY COMMISSION]

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ANGELA DUNNE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: That would be ideal. Because in Bill's situation, so say a parent has 25 percent of the time, it would reduce the support from \$800, contributing to the household where most of the expenses were being incurred, down to that household not only paying 75 percent of all of the time expenses, but then paying the other household \$200. That's my challenge with it, Bill. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: And I understand. I understand the concern you have. And I understand. I think Judge Merritt does too. I think we're all trying to come up with a solution to this problem that we all agree on without causing new problems. And I kind of agree with Judge Merritt that the last thing I think we want is more deviations from the guidelines. You know, the feds don't like it. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: And the more you do that, the more it becomes a bargaining tool. Like, I mean, it does it in that effect as well. You're saying you're trying to take that out a little bit, but it's still there. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I think the most likely scenario would be...it would be a downward deviation on the support amount. I don't foresee judges increasing it more based on time. Do you know what I'm saying? But looking at the factors of where, you know, we...in every case we have to submit a financial affidavit, so we're not requiring more than what's required right now of the judges. They're presumably... [CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: Well,... [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: See, that's not necessarily true either. I just got a court order Wednesday of this week that didn't use a child support calculation that set the child support at zero, because the judge didn't have the information. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: If it was appealed, they'd send it back down and they'd say, attach the calculation. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: My problem with this is, is that when you have a study that comes back and says that 85 percent of the time there will be one parent that has sole custody, how do you justify going to this measure? When it's based off of time, you have every other weekend with your child. So if you don't have some deduction in there for that time, the child support awards are already going to be higher than they should be. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: We don't give deductions for time under Worksheet 1 as it is. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: Right. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: So I guess I'm not sure what your... [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: So my point is, is that when you have a presumption that is just...it just creates some conflict in there when we go to looking at, you know, what are we going to measure as that specific amount of time. It creates some problems. And what I heard you say is that, you know, judges are looking at the financial piece. Should they be looking at the financial piece or what's the best interest of the child? [CHILD

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ANGELA DUNNE: Right now, they look at the...they...we put in financial affidavits...
[CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: Right. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: And ultimately, the determination on parenting time is supposed to be best interest. But, Judge Merritt, maybe...I was on the ad hoc parenting time committee, and one of the things that we heard from the Lincoln/Lancaster practitioners was--and this is part of what came into this--the judges didn't want to award...what is your rule, 10/2 to 10/4? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: No, our rule is 10/4. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: 10/4? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: That's our...when I say our rule, that's basically what we have as a model, if you will, in Lancaster County: 10/4. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Right. And what the lawyers told us is that the judges there didn't want to award parenting time that exceeded the 10/4 because they didn't want to move to Worksheet 3. And so that...we were hearing this from other counties, so we wanted to eliminate that problem so that it would open up parenting time. I'm not being very articulate, but I've taken in a lot of...there were a lot of moving parts to kind of trying to figure out what might be the best solution. And I'm not suggesting that this is the best one. I just think...I offer it by way of discussion. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: So, Monty, when you look at...I understand you're raising the questions with what Angela has put on. What are your questions with regard to what Bill has proposed? [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: You know, I'd have to look at some more numbers from...well, I guess, some more information on that. I look back and I don't remember seeing Bill's e-mail. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: But...and maybe it was some time ago. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: And I think that's fair. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: We can run a whole series of calculations, you know, with the parents with equal income, with high income, with low income, with disparity. You know, the sky is the limit as to how many different ways you can...you know, people come into court on what their incomes are. We can run those at 25 or 26 percent parenting time and show where those figures are. I can't...it's not fair to sum it up and say this is what's going to happen, because they're all going to be different depending upon the mix of incomes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Judge Merritt. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Dr. Venohr, are you still there? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: This is Dr. Venohr. Yes, I am still here. [CHILD SUPPORT ADVISORY

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PAUL MERRITT: Okay. And this is Paul Merritt. I know you've looked at our worksheets and I know that you have heard us say for a considerable period of time, almost every time we've been in session, a concern with respect to joint physical custody, split physical custody, and those types of things. You've looked at our worksheets. Do you have other worksheets that you've seen in other states that you think might be useful for us to look at to try and figure out how to address this issue? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I have to be honest, Judge. I'm not really understanding what the issue is. There's something I'm missing on this conversation that... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: ...what's the...yeah. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: You know, maybe what Josh can do is we received from...you sent it out, didn't you? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Um-hum. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yeah, a scenario. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: We sent out...we received a batch of... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I think there were six. [CHILD SUPPORT ADVISORY

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PAUL MERRITT: ...six different worksheets when...different incomes using what's Worksheet 1 and Worksheet 3, I think. And it showed differences in the amount of child support based upon income. And I think that if Senator Ashford was here, and I think he's mentioned it for different legislation that's been going on, proposed legislation in the state of Nebraska in the last couple of years relating to joint physical custody. One of the things that I've heard senators have presented to them is, look what happens when you do this as to what...how it changes child support. Whether that's... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Right. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Whether that's right or wrong, I think those figures have been presented to senators and it has caused them pause. And Senator Ashford has said he would to have us try to look at something like that. And I think that's where we're...what we're sort of chatting on now, what's the best way to try to handle this. And I'm wondering, if Josh sent you those, if maybe you could look and--I mean, it doesn't take...I even figured out, by looking at the figures, what the drastic differences are--of whether maybe you could look at those and say, you know, I think Maryland has got some worksheets that kind of deal with this, or something like that, that might help us in trying to see how to address this issue. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah. I think, and please let me know if I misstate the issue, is that most states have an adjustment similar to Nebraska's. Do you do the multiplier, the 1.5? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I don't have it in front of me. [CHILD SUPPORT ADVISORY

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WILLIAM MACKENZIE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, it's very similar. And the difference is that most...and there's always a cliff when you move from Worksheet 1 to Worksheet 3, so it works better if they have a lower threshold. You know, like 25 percent time sharing works better. So that's one way to address it, is that states lower that timesharing threshold. And then another way that states address it, and I can get you the examples, is that some states have a different formula. Michigan and Oregon have complicated formulas that, you know, they're quadratic or they're a math equation that's designed specifically just to have a lower...that you don't have a cliff effect when you move from one timesharing threshold to another. But in general, there's no way to avoid it if you're going to...I mean parents just always...I mean, there's some parents are always inherently going to try to bargain time and money. I mean, all states are...family law attorneys will tell us that. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: One of the things I can do...I ran all of these on 50/50 time. I can run them on 25 percent; I can run them on 35 percent. But that's what we didn't want to have happen. If it's based on 25 percent, are all the courts going to award 25 percent of time to noncustodial? We didn't think that...I don't think that's the right thing. But then we can maybe see are those numbers more reasonable, right? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: See, I think that's the legislative package part of this equation. We are not empowered to encourage or discourage shared parenting time. That's not what this commission is here to do. The Legislature may in their wisdom decide that...to change the law to encourage or put as a rebuttable presumption a certain percentage of shared parenting, unless the parties agree to something different, at which time, you know, we're not going to be causing the problems. But I understand, you know, you

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don't want that maybe 24.9 percent visitation time that gets no credit but at one more day it's going to knock \$200 a month off the child support order. We...you know, but I'm not sure that we have the power to make it all perfect. I think partly it's a legislative issue that the guidelines can dovetail with that. But the statutes right now don't require 50/50 parenting or don't...I don't even think they encourage it. But that's beyond our control here. We're just trying to do the best we can with what we have legislatively in place. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Right, and the Catch-22 is to, as a policy, expand parenting time. Part of the concern is we are underfunding child support and could be creating households that might become impoverished on that level, and that we are then requiring a lot of expense sharing, which any practitioner will tell you that's generally not a good idea. So that's the Catch-22 of it. So they said we hope that the Child Support Commission can address some of these. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Yeah, but where I quit understanding is when you say we are underfunding, because, as Judge Merritt said,... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: ...the child support amount stays the same. I mean the amount required, based on their income for that child, remains the same, does it not? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Not between Worksheet 1 and Worksheet 3. Like, this is Dad on Worksheet 1. If he's making \$5,800 a month and mom is making \$2,500, he'd pay \$1,410 for how many kids? Three kids. When you move to joint, the Worksheet 3, he pays \$550. These are thousand dollar... [CHILD SUPPORT ADVISORY COMMISSION]

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KARIN NOAKES: So the monthly support from the table changes. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Significantly. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: No, no, no, not the monthly support from the table changes. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: No, no, no, the support that's ordered as a result. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Table stays the same. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Yeah, but it's a multiplier that happens when we change it to Worksheet 3. So then it's a \$550 support order, and then they have to share all of the children's expenses, which is not housing. It's... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So are we questioning the feasibility of using the multiplier? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: It's that cliff that Dr. Venohr was talking about. It's a...there's is...it's... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So our multiplier is what, did we say? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: One and a half. [CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: 1.5. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: One and a half? Is that typical, Dr. Venohr, or do you know? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yes, it is. It represents a percent or approximately it's a percent of expenditures that are duplicated between the households. So both households have housing for the kid and some transportation. So the other expenses go back and forth, you know, like the food. So it says this is how much it costs to raise a kid. It costs more to raise a kid in two households than one. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: This is Paul Merritt. I agree with Mr. MacKenzie. A lot of this we're talking about is...ends up being a Legislature is going to have to address these issues. I just hope that maybe in...if we can get other examples of people who...or places that deal with a Worksheet 5 or something...or, excuse me, Worksheet 3 or something similar to that, that we can determine whether we can provide the Legislature with accurate information or updated information as to how to address this. It may very well be that this cliff is...that Dr. Venohr refers to is always going to be there and the Legislature is just going to have to take it head on. But I'm just trying to see if we can come up with more current information if there...or options available to us. I just don't think using solely Worksheet 1 is going to be the option, but I'm sure open to it. I just... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Any other comments? Dr. Venohr, it would seem to me that we are at the point where we would...it would be helpful to have you review the attachments that Angela provided in her e-mail, and that we would give you a copy of what Mr. MacKenzie provided to us and, number three, so that you could look at them, because right now it's kind of hard I think without having all this in front of you. And then the next point is are there any examples from other states, as Judge Merritt has asked, and that

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we leave the item c. on the table until we get more information, and until Dr. Venohr can look at this, and, frankly, that all of us can see them, because I think some of you do not have the same materials with you today. Is there any objection to that suggestion?
[CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: No. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: No. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. All right. Dr. Venohr,... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: And I'll send updated with 35 percent time, 25, so we can all see the range. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, I think, as soon as you can do that, so that Josh and Oliver can get those materials out to Dr. Venohr. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Would they be able to put that into a table maybe, instead of each worksheet? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Oh, the separate... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Yeah, because at this point you're trying to go through all of this. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: It's...right, right. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I can...I can do... [CHILD SUPPORT ADVISORY COMMISSION]

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KARIN NOAKES: So if it were in a table, it might be a lot easier. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I can do that. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay, that would be great. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I'm willing. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: All right, thank you. Anything else? Bill, is there anything we need to provide, other than item 5 to yours? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Item 5 on this, on the agenda? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Well, your...no, your...I'm sorry, your e-mail. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: No, I don't have a question. But...no. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I just wanted to make sure of that. Okay, we are to item d. on our agenda: Any other worksheet or guideline provisions. And I am assuming that now, Bill, you would return to the bottom of your suggested modified worksheet with regard to the poverty levels. You have a statement here on the bottom of this sheet. [CHILD

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PAUL MERRITT: Can I address maybe what that may mean? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Sure, because I don't remember what I wrote. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Well, it just talks about going below subsistence. And I think that in our paragraphs and our guidelines that have childcare and that have unreimbursed medical expenses, we don't have in there that says that...but I know it's in practice at least by some judges that you say, you are to pay 40 percent of unreimbursed medical expenses, not to take you below... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: ...substance (sic) or...I think that in those places in our guidelines, to maybe tack that language on so it's clear that we're not intending that somebody be taken below subsistence. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: In Section 4-218 it says: A parent's support, childcare, and healthcare obligation shall not reduce his or her net income. So... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: But... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: But Bill's suggestion was... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Is the issue raising the... [CHILD SUPPORT ADVISORY

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WILLIAM MACKENZIE: The problem is, I think, everyone is focused on the \$973 and they don't take into account that that parent may have another child or two children in his home. And the federal poverty guidelines take that into consideration, so I think that our guidelines need to stress that the \$973 is not the answer, it's part of the answer.

[CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: For one child and then...? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes, it's for one...yes. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I'm going to read what Bill wrote in his e-mail, that the guidelines' instructions clarify that when the obligated parent's net monthly income, as shown on Worksheet 1, drops below the federal poverty guidelines' amount for the number of persons in their family domiciled in their household, then child support will be governed by guidelines Rule 4-209 and 4-218. I also propose that 4-219 be reworded to clarify that we need to look at the poverty guidelines' amount that corresponds not just to the obligated parent but also to the number of dependents living in his or her home. You want to add anything to that, Bill? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: No, and I don't think that really is a change in the guidelines. I think it's just clarification for those who don't read it more carefully. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, so... [CHILD SUPPORT ADVISORY COMMISSION]

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ANGELA DUNNE: So when we add now the prior support orders or support for additional children, isn't that already factored into that child support amount so that we're watching the \$973, or no, Bill? I don't know. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I don't think so. I think that if that parent, the obligated parent, has another child living under his roof, we shouldn't look at limiting him to take home \$973. I think it should bump up to the other figure,... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Oh, I see what...I see. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...the next figure higher. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, how would it be... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: \$1,311. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: ...if for the next meeting we provide to all of you the exact...the wording of number four on his e-mail since you all don't have it, and that we will...so you can look at it and see if we need to add a clarification somewhere or do something with it. Everybody comfortable with that? Because I think it's unfair to keep reading these things to you and... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Senator, what was the date of the e-mail? That way, I can pull it out of my inbox or my e-mail system. [CHILD SUPPORT ADVISORY COMMISSION]

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KARIN NOAKES: It was September 29. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Thank you. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Yep. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: And perhaps maybe a better approach might be for...since he already has the language or the thought of it, is Mr. MacKenzie might be willing to draft proposed changes to those guidelines consistent with that e-mail so we wouldn't have to...so we could at least have that part of it done. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Right. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: To 4-218, the basic subsistence limitations? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Yeah, so said to...I believe he also said to 4-209. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Minimum support, yeah. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Because then we wouldn't have to wait another whole meeting... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Right. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: ...to see what those would look like. Is that okay with you, Bill?

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[CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Sure. I don't remember when our next meeting is, but... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: It's tomorrow. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: I'm out of state (inaudible) so... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: It better not be. [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: November 19 is the next... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: November 19? [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Well, I think Dr. Venohr wanted us to meet twice. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Right, and I'm going to get to that. We're going to hold that thought for a minute. I just want to make sure that if there are any other worksheet or guideline provisions, that should be at least put on the table so that we know. Monty. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: I think one of them would be Dr. Thompson has mentioned the cost

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of living in two different households remains the same regardless, and I don't think that that's addressed equally in the child support worksheet. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, but we don't at this point, Monty, we don't have any specific language or (inaudible)... [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: There's none in our guidelines right now. [CHILD SUPPORT ADVISORY COMMISSIONS]

SENATOR CAMPBELL: Okay. All right. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Dr. Venohr, are you still there? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Dr. Venohr? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I am here. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yes, I am here. Sorry. I have you on mute, so there's a little bit of a delay. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Okay, this is Paul Merritt again. The issue was just brought up on the worksheet about considering expenses in each household in the worksheet. Are you aware of any states that have worksheets that take that into consideration as part of their guidelines and their worksheets? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: No. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: Okay. So it's something we'll have to look at here. I just thought if you were, we... [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: I believe Kansas has a pretty nice...doesn't Kansas have a stipend for the noncustodial parent? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: If you're talking a different guidelines model, then there's the Melson Formula that it's a self-support reserve or primary support that comes off the parent's income. I'm not aware of a stipend in Kansas. I mean, Kansas is a unique formula, but... [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: So the Income Shares Model does not have a guideline. The Income Shares bases their model off of a single-parent household. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: No, the model is, and I'll...let me say why it doesn't do it, is that the Income Shares start with the child. The child shall not be held harmed by the parents' decision to divorce, separate, never marry. So the presumption on the Income Shares is that the child is entitled to the same amount of expenditures that the child had received had the parents lived together and shared financial resources. So the starting point is how much would be spent on that child if the children lived in the same household. And it's assuming the child lives in one household. Then the Income Shares, you know, most states have an adjustment, like the low-income adjustment, the self-sufficiency standard in Nebraska, and they have an adjustment for those, you know, the reality that, you know, there are some parents that have joint physical custody. Now if you start subtracting income from each of those parents, you're totally shortchanging the child because then you're no longer saying that child is entitled to the same amount of expenditures the child would have received in that household, because now all of a sudden you're saying, I mean, what, the poverty level is \$973. The Melson Formula in

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Delaware subtracts more than that. So if you have an income...so if you have two parents that have \$1,000 in income, each parent has \$1,000, and you subtract \$973 for the poverty level, you're saying that each parent has only \$27 available for income. And what you end up seeing is that the parent's need comes first by subtracting that amount in, because it's substantial. You know, you could do a token amount if you wanted to. And I'm not saying...you can switch guidelines models. There's nothing stopping you on it. But if you want to pick away at the Income Shares Model, you know, that's a way to do it. You know, it's not consistent with the Income Shares Model to take a deduction from both parents' income. Now the Melson Formula, and I know I explained this when I was there last time, and I have...I love the Melson Formula, so I'm not against it. But the Melson Formula, what it does is it subtracts that amount from both parents. So you could take \$973 and then, you know, like I said, there would be \$27 for each parent and then the obligated parent would still be owed the minimum or more amount, which would be \$50, you know. So in short, I just want to say to be very careful about what you're doing and think about, you know, the presumption and, I mean, don't be going down this path of changing the guidelines model if that's not what your intent is, so...I'm done. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Monty, did you have an additional question or follow-up?
[CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: Yeah, just it's rather a myth that we take into account that this hypothetical, that it's going to cost X amount of dollars to raise this kid when we don't take into account the emotional support that a noncustodial parent is able to provide if they don't have a child support obligation that's beyond their means. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: That's the point of the low-income adjustment, the self-support. I'm not using the right term. What do you guys call it? Sorry, I'm...it's a...the basic limitation.
[CHILD SUPPORT ADVISORY COMMISSION]

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WILLIAM MACKENZIE: Well, we have in Nebraska \$50 for...we have in Nebraska \$50...
[CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, where... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...or 10 percent of their net income, whichever is higher. [CHILD
SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: So, Monty, are you talking about only looking at low-income
households? [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: No, just in general. It's...you know, when two parents divorce and you
have separate households, that other parent, the noncustodial parent, still has to
provide for that child however many days of the week that they're there. And that's not
really taken into account by our current worksheets. So, you know, then we create some
disparity in there and we're not giving any credit to...you know, we...even on the
information that you gave, the economic hardship of a parent or the impoverishment of
the parent, there's a certain amount of emotional support that's probably worth more
than money to these kids. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Well, that's why we were including it, because we think it should be
taken into consideration. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: I don't think it...I think that the time with the parent becomes more
equitable to them than any dollar amount. And if you don't provide for that noncustodial
parent to live, then how does that...how is that in the best interest of the child? [CHILD
SUPPORT ADVISORY COMMISSION]

JANE VENOHR: This is Jane again. I think the issues are being compounded. I think

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there's three different things and I think that...I hope that somebody can articulate the math behind it. There's the basic subsistence limitation. That does take care of the standard of living of the parent obligated to pay support. There is the timesharing adjustment, I mean, and the current provision in Nebraska is that there has to be shared--I want to make sure I use the word--physical custody and ordered. There are some states that do adjust for just routine parenting time, as little as four overnights. Most states don't. Most states start the threshold at 20 to 30 percent. And the reason being is that even though the nonresidential parent incurs expenses when the child is in his or her care, it doesn't necessarily mean that the non...the custodial parent's expenses are going to be reduced. It's not like they all of a sudden can buy half as much milk or, you know, the way food is in volume or they can rent out the child's room. So, I mean, I think you have to be clear. And then the third issue that Monty seems to be addressing is, you know, should there be any sort of financial or dollar value attached to that emotional care. And I think you...I would really highly recommend that you keep those three issues distinct and understand how they work, the mechanics of them. That's all I have to say on that. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: So maybe, in a time issue here because it's 4:00, maybe we can table this until the next meeting. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Could I just say one thing quick? This is Judge Noakes again. And this relates back to something that I think Angela was talking about earlier where...I can't speak for all judges, but you kind of implied that the judges will decide on time based on what it does to the income of the custodial parent. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I don't think that happens in my counties. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

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ANGELA DUNNE: I was just relaying information... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: ...that lawyers from different counties were sharing with... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. And I... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: ...and that everybody kept saying we need to get the commission looking at it, so. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: See, and I guess I really...if that's happening--and that's unfortunate--but child support is the last thing I look at when I determine child custody. So I...when I'm trying to figure out who should get how much time, I don't run child support calculations and try to say, oh, I don't want him to pay that much or I want her to get...I don't know that... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Do you... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: ...I don't know of any judge who does that. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Do you have a lot of joint custody, physical custody awards coming out of your court, out of your... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Well, I don't know if...what you mean by a lot but, yes, several. [CHILD SUPPORT ADVISORY COMMISSION]

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ANGELA DUNNE: Yeah, I think that's what...what was being relayed are there are several counties that give four days a month--it's just every other weekend--of time. In our counties, that's not anywhere near the norm, and so we're often presenting both worksheets to the judges because they have to make a decision. And usually what they do--I'll just be frank--they pick somewhere in the middle, and then we look at...or they order Worksheet 1 because they don't want to do expense sharing and they deal with it that way. So I'm...my experience is different from...I was just trying to relay some of the frustrations that we heard from other practitioners about it being a barrier to awarding time. And Lincoln was the very specific example that was given, so if that wasn't accurate, that's why I brought it out, so that that could be corrected. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. Yeah, I don't know that that's occurring, maybe it is, but okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: It would seem to me that if you have any information, and Monty had mentioned the Kansas, if you have any other information that you would like Dr. Venohr to look at, as soon as you could get that information, Angela is going to provide some and Bill is going to provide some, as soon as possible to get that to Josh. And then that can be forwarded to Dr. Venohr to look at prior to the next meeting. Okay? Sort of like...all right, anything else? Otherwise, we're going to move to the next item on the agenda. I am presuming that the next steps is that we begin putting the language together for the guidelines and any changes that we're making. Would that be accurate? Is everybody understanding where we go next, that that comes back and we start honing away at that? Any other next steps? Dr. Venohr, you had sent an e-mail out to all of us saying that you thought we should have two meetings prior to Thanksgiving. Could you give us some idea of why you proposed that? Dr. Venohr? [CHILD SUPPORT ADVISORY COMMISSION]

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JANE VENOHR: Because I like meetings? (Laugh) No, just kidding. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: No, I think we're trying...people are starting to get out and look at calendars, so that's why I asked the question. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, let's back out. When do we want this report done? Because I'm going to ghost it for you, and I'm just trying to think of how we want to get these decisions made. I know we talked about that one time, and I don't have that date or when we were thinking. I just want to make sure you have adequate time, and it sounds like you still have a lot of work. So you might be able to get by with just one more meeting if you can do some work by phone. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, Josh, can you help us here? [CHILD SUPPORT ADVISORY COMMISSION]

JOSH EICKMEIER: As far as...? [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: When is our report due? [CHILD SUPPORT ADVISORY COMMISSION]

JOSH EICKMEIER: I believe it's the end of the calendar year, but I'll have to verify that. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: That's correct. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: It is. [CHILD SUPPORT ADVISORY COMMISSION]

JOSH EICKMEIER: Is that correct? Okay. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Yes. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: December 31? All right... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: So what's the... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: But really, we should get most of our work done in November because December is a black hole month. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I agree. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: And we...you know, and I look back at my e-mails from four years ago, and we just had a flurry of stuff going back and forth, the middle...early and middle of December trying to get stuff done before the holidays, and that's not much fun. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: So we are scheduled to meet--help me, Josh, here--November 19 and when else? [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: That is the only meeting we have scheduled right now. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: Okay. Thanks, Ollie. Okay. Dr. Venohr, given the fact that we still have some issues to determine and to see what the language is going to look like--today we tried to frame what considerations we might need--so are you saying we need another date between now and the 19th or we need another date after the 19th? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: You know, my gut reaction, and you're going to have to...there's people on the commission that have spent...you know, they're more familiar with what's happening on the ground, so they should override me, is that your...you still...I think you need two meetings: one just to iron out, to go through some of this, because it's still fuzzy, and kind of get some recommendations; and another one to review the report, a draft of the report, and iron that out. So if people agree with that, and again I'm going to defer to the experienced people, then that next meeting should occur as soon as I can get the stuff back to you. And then that would give you...and then it's going to take some time for the report, so I can't imagine that I'm going to...I'm just trying to think of my schedule, when I can get stuff. I don't think I can get the report drafted until early December. That's the whole thing. So I'm not helping you on that scheduling right now. I'm talking through it. Maybe somebody else can add to that. I mean maybe--Judge Merritt was on the last committee, Mr. MacKenzie was on the last commission--maybe they have some ideas of what might work. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I think at this point they're all thinking about this. As I understand, we now have to put the...whatever we're going to add to the guidelines based on some discussion today or further research, but that's really going to be the meat of our next meeting together. Would that be right, Dr. Venohr? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: I don't... [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: So in other words, we're going to make sort of... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Well, I hear...sorry. I hear that you guys still want to talk options, not redlining yet. Maybe I misunderstood. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: So in other words, at the next meeting we would be begin looking at the drafts but final...not finalizing but saying, okay, we're going to do...we're going to do the Nebraska adjusted, the 2/5, and we're going to hone down to that one. Is that what you're saying, we need a meeting to sort of do that? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, and what I heard is that you want to hear options for subtracting the parent's medical expenses from income. You're not...you don't want it redlined, that you want to see what other states are doing on the shared parenting time. So you're going to look at other worksheets and provisions, but you don't want a redline quite yet of the guidelines, a markup. You're not ready for a markup. I mean, it seems like you would have to meet one more time to discuss those options. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. Given those parameters and what you know we've suggested needs to be done this afternoon, how quickly could you get those together for us? Is that November 19 or is that sooner than November 19? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Oh, probably sooner. Do I have to do anything on that poverty level, the number four line? That wasn't clear to me. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: No, I don't think so. We will send you the language, but I think Bill MacKenzie is going to put together some of that language. But we'll let you see what that looks like. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah, just to be clear so I can get it in my head, and correct me if I'm wrong, I'm going to get you the tables. I'm going to review the tables and make sure that I've got the medical feeding in right, because I've got to make sure the adult (inaudible)...I'm giving you too much information. But I'm going to give you the tables. Do I have to do anything more with the tables besides give them to you, some examples? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Not for the guidelines. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Not...no, I think she's on the... [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Yeah, on the tables, were you going to also run the percentages like you had sort of run before, existing versus those tables, the two new...? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Right, that...but I don't think there's anything that we ask in addition to that. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I'm looking at everybody. [CHILD SUPPORT ADVISORY COMMISSION]

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JANE VENOHR: And then the childcare, you just wanted to look at other languages on caps or what did you want? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Well, I think what they...I think we didn't...we kept two of them and wanting to see additional information? Would that be... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, the only thing I can think of in addition is if you have access to guideline wording in other states about the childcare... [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Oh, that's right. [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: ...of how they may cap that, how they may set that up in their guidelines, so we can, you know, not have to reinvent the wheel. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Same thing within...with respect to individual insurance for a deduction, the double silver plan or whatever you were talking about, as some type of language on maybe how we can try to limit the ceiling on how somebody can...how much money a person can receive a deduction for. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Okay. And then did you guys vote to adopt the Minnesota or just consider childcare as an add-on? That was the vote, right? [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Right, just to consider it. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: It...that is correct. That is correct, to consider, but I think that we would want to see if there's any other states' information other than Minnesota. Now you've given some examples and we probably should be reviewing that in our book, but if there was any other language to that... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHHR: Right. I don't think there's going to be much, I mean, but I'll certainly put it. But most states, as I said in the briefing, use the market rates that are...I put the Web site for the Nebraska study that they cap it at that, so...because all states on childcare assistance programs are required to do periodically a market survey. That's how they get the rates to give those childcare subsidies. So Nebraska will have one at their...somewhere on their Web site, and it's in that briefing. And I apologize because I know everybody wants to get home and traffic is probably going to get crazy pretty soon. I'm going to speed this up a little bit. I don't have that page number in front of me. And then with the timesharing, what am I supposed to do, just give examples from other states that are innovative after I see what the issues are, right? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Correct. We're going to send you Angela's proposal, and also Bill's language, and we wanted to see how that might work with other states. I think what I'm going to ask Josh and Oliver to do is that, as soon as possible, that they look at their notes and they create an outline for you of what we have asked, just to make sure. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHHR: Yeah. I would like to get it done the week...I'd like to say October 31, but it might spill into the first couple days in November. I mean, I'd rather get it to you sooner than later. So I was thinking November 4 might be a reasonable time line to get you all that. [CHILD SUPPORT ADVISORY COMMISSION]

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SENATOR CAMPBELL: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

_____: I'm not sure of what you said. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: And then, Josh, can you send out that calendar survey that you did last time? [CHILD SUPPORT ADVISORY COMMISSION]

JOSH EICKMEIER: For what period of... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: From, say, November 4 to November 19, so we can get another meeting in. [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: That was helpful. [CHILD SUPPORT ADVISORY COMMISSION]

ERIC THOMPSON: For me as well. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: What did you... [CHILD SUPPORT ADVISORY COMMISSION]

MONTY SHULTZ: I said that was helpful. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Because then we can go? I have a soccer game I have to get to at 5:00 in Omaha. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: You know, the only problem with that is I don't think I'm going to be able to draft that report by the 19th. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Well, but... [CHILD SUPPORT ADVISORY COMMISSION]

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KARIN NOAKES: How can you even draft a report until we know what you're going to be putting in the report? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I thought she said November 4 is just the information. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Yeah. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: No, she was talking about (inaudible) second, first week... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Oh, okay. [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Oh. [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: ...(inaudible) time to draft it. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So are we thinking our next meeting is when we're making our decisions? And then she's going to put it in the report and then our last meeting would be...we would... [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: Vote on it. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: ...vote on the report? [CHILD SUPPORT ADVISORY COMMISSION]

ANGELA DUNNE: I think that's ideal. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. So next meeting is a big meeting then where we're going to be

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making decisions. Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I would say that if they...if Josh and Oliver can put together for her a list of the things that we...as we went through, because I don't know about you, but I was taking notes on all kinds of different things. But they're going to have the notes so we can, say, send that to Dr. Venohr. Then the next meeting, yeah, we are going to hone this down. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay, so there's two meetings? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: I would guess that you're talking about a meeting to look at the things we've asked of her to do additional work on. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: And then there will be another meeting in which there will be a draft report, Dr. Venohr, or issues that you go, I'm still not clear of what you want. And then the final meeting... [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: So eventually, I'm going to have to prepare a report, and it will have a redline or a strikeout of what you want. And whether you need to review that by meeting or if you can review that by e-mail, that's your choice, so...or your decision, so. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: So by November 4, you would have back to us those items we have asked for additional work. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Right. And since my experience with other states, what usually

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happens is that you decide on each issue, and then you usually need another time to think about how it is in aggregate, because a lot of these things that you're talking about actually decrease the obligation amount. You know, the tables would; expanding the parenting time adjustment would. And some...my experience is sometimes when states see the combined impact, they think things over again. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, so if you get that to us by November 4, then Josh is going to do a poll for us and figure out after November 4--and I'd at least like a little time, I mean, to do this--then we are talking about a meeting...new meeting date and the 19th. Is that correct, two meetings? [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHHR: That would be up to you because once it's that...once you have that meeting where you give me more direction, I mean, I need to time to write the report, too, so if you schedule something, say, between the 4th and the 19th--it could be you schedule it on the 10th--I'm not going to be able to draft a report from November 10th to the 19th. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Got it. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHHR: Do you see what I'm saying? [CHILD SUPPORT ADVISORY COMMISSION]

JOSH EICKMEIER: Can we move the 19th (inaudible)? [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: Well, we could always... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So shall we have our next meeting the 19th and then sometime after

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that, like... [CHILD SUPPORT ADVISORY COMMISSION]

JOSH EICKMEIER: Can we move the 19th? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: How about, Dr. Venohr, if we plan to have the meeting on the 19th in which we're making those final decisions? I mean, we're going to have to say yes or no to certain things. Then you come back and have a draft report for us in early December. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: That sounds good. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. So we're not going to have...for everybody sitting around the table, you plan on the 19th. Josh, tell me, what did you consider on the 19th, in terms of morning or afternoon? [CHILD SUPPORT ADVISORY COMMISSION]

OLIVER VANDERVOORT: 1:00 to 4:00 is what we've got now. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay. All right. [CHILD SUPPORT ADVISORY COMMISSION]

JOSH EICKMEIER: So there is no meeting between now and the 19th. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: No. [CHILD SUPPORT ADVISORY COMMISSION]

JOSH EICKMEIER: Okay, so we'll make sure... [CHILD SUPPORT ADVISORY COMMISSION]

WILLIAM MACKENZIE: You're off the hook. [CHILD SUPPORT ADVISORY

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SENATOR CAMPBELL: We'll stick with November 19, 1:00 to 4:00. [CHILD SUPPORT ADVISORY COMMISSION]

JOSH EICKMEIER: (Inaudible) survey (inaudible). [CHILD SUPPORT ADVISORY COMMISSION]

PAUL MERRITT: Can I just recommend then that maybe Josh send out a calendar for some meeting during the first couple weeks of December, or starting Thanksgiving or after Thanksgiving, so we can look at that, too, so we don't wait until then? Because we're all going to have things going on, if we don't already, so we might as well start figuring when we're meeting after that, keeping in mind that that's probably going to be the last report or a finalized report from the doctor, for us to consider before the final report, the final... [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: So we're going to have to take action. So will that be on the agenda? We're going to have to decide this, this, this, and this. So I think we probably need to get that on the agenda so the public is aware that we could...we are taking action, don't you think? [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Those are the action items? I can...Josh and Oliver are nodding. I think they'll talk to Senator Ashford about that. [CHILD SUPPORT ADVISORY COMMISSION]

KARIN NOAKES: Okay. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Okay, anything else? Okay, we are adjourned. [CHILD SUPPORT ADVISORY COMMISSION]

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PAUL MERRITT: Thanks, Doctor. [CHILD SUPPORT ADVISORY COMMISSION]

SENATOR CAMPBELL: Thank you, Dr. Venohr. [CHILD SUPPORT ADVISORY COMMISSION]

JANE VENOHR: Thank you. Thanks. Bye-bye. [CHILD SUPPORT ADVISORY COMMISSION]