

Kansas Child Support Guidelines Committee

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| Meeting location: Fatzner Courtroom | Attendees: | Y | N | | Y | N |
| Date: 7/27/2018 | Hon. Tom Foster, chair | X | | Hon. Constance Alvey | X | |
| | Hon. Amy Harth | | X | Sara Beezley | X | |
| Time: 9:30 am – 3:00 pm | Sherri Loveland | X | | Charlie Harris | X | |
| | Richard Samaneigo | X | | Trisha Thomas (by Elizabeth Cohn) | X | |
| | Marc White | | | Doni Mooberry | X | |
| | Amy Fletcher | X | | Michelle Slinkard | X | |
| | Amy Raymond, staff | X | | | | |

Minutes

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| 1 | <p>Welcome—Hon. Tom Foster, chair</p> <ul style="list-style-type: none"> • Committee reviewed minutes from the 6/22/18 meeting • C. Harris moved to approve the minutes as drafted • Judge Alvey seconded the motion • Minutes approved |
| 2 | <p>Update on economist contract—Amy Raymond</p> <ul style="list-style-type: none"> • A. Raymond provided an update on the contract with Wichita State University economist, Dr. Jodi Pelkowski; advised that WSU is drafting the contract for OJA to review; A. Raymond will keep committee updated |
| 3 | <p>Update on parent representative—Amy Raymond</p> <ul style="list-style-type: none"> • A. Raymond advised that she is still working to finalize the appointment for the parent representative position; she is hopeful the appointment will be final before the next committee meeting |
| 4 | <p>Public survey for review topics—Amy Raymond</p> <ul style="list-style-type: none"> • A. Raymond presented a draft of questions for a preliminary survey • S. Loveland stated she recalled when a survey was done in prior years and the committee did not get much response • C. Harris motioned that the preliminary survey not be sent this review session; S. Loveland seconded the motion • Committee agreed not to conduct the preliminary survey this review session |
| 5 | <p>Case law subcommittee—Charlie Harris</p> <ul style="list-style-type: none"> • C. Harris provided overview of cases • There have been 24 appellate cases involving child support since 2016—only two were published • Subcommittee suggests requesting publication on <i>Brin, Carlson, Craig</i>; suggests committee consider whether the following cases require adjustments to the guidelines: <i>Ballinger, Crainshaw, Hernandez, Hou</i> • Committee discussed which cases to publish and how that should be accomplished • S. Beezley asked for the opportunity to review the cases before voting • A. Raymond will send all cases electronically to the committee for review; committee will discuss at the next meeting |
| 6 | <p>Tax subcommittee—Sherri Loveland</p> <ul style="list-style-type: none"> • Amy (Beardy) Fletcher was added to this subcommittee after the last meeting • Subcommittee created and distributed a list of topics it will be reviewing; D. Mooberry provided an overview of the issues; she advised the IRS still has to issue clarifications on a some issues |

Minutes

- First filing season under the new tax law will be telling; some states have updated child support guidelines but aren't necessarily addressing the tax issue
- Issues identified
 - a) New income brackets—this will just require mathematical adjustments
 - b) Effect of change in standard deduction—will change who has to itemize (\$12,000 for single; \$24,000 for joint); won't affect child support
 - c) Change in value of personal exemption and who claims tax benefit between 2018 – 2025—personal exemptions have been lowered to \$0, not eliminated; will revert in 2025; full committee will need to determine what needs to be done when it reverts
 - d) Change in child tax credit including income phase out—increase in the amount of child tax credit from \$1000 to \$2000 for those under age 16; phase out has increased to \$400,000 for married individuals and \$200,000 for single individuals; there is a credit of \$1400 that is now refundable meaning even if there is no tax equal to the amount of credit, an individual can receive the difference as a refund (up to \$1400).
 - e) Additional \$500 non-child credit for those age 16-18—this is sometimes referred to as the family credit because it can be used for adults
 - f) Elimination of exemption and one parent allowed to claim head of household and child tax credit every time—it has become less favourable to claim head of household; appears parents can alternate but there are new strict rules regarding Form 8332; committee will need to spend some time evaluating this issue; committee discussed income tax considerations and what to do going forward; subcommittee will work through the issues and present proposed solutions
 - g) Alimony/Spousal Support is no longer deductible—if spousal support is established before 12/31/18 but modified after 12/31/18, the decree must specifically state that older law applies; otherwise new tax law applies; there is disparity in new law because payor of spousal support is paying taxes on money for spousal support and then paying the actual spousal support while the payee gets money tax free; spousal support is still income for child support purposes; C. Harris mentioned the committee may need to clarify what is considered income as he attended a demonstration of the Bradley software in which a software representative stated it was his interpretation that child support received for another child is income for the purpose of calculation support
 - h) Elimination of federal mandate for health insurance—takes effect 2019

- 7 Shared residency subcommittee—Michelle Slinkard
- Sherri Loveland was added to this subcommittee after the last meeting
 - M. Slinkard and C. Harris provided overview of items subcommittee believes need to be addressed
 - a) Elimination of "nearly equal" sharing of time language—need to make a distinction in the guidelines as "nearly equal" is creating confusion
 - b) Shared formula which divides support by 2—is this economically sound? Concern is that there is a 65-75% reduction in support by using shared formula vs. credit for 49% parenting time
 - c) Equal parenting time (EPT)—EPT and shared seem as though the calculation result should be close but it isn't; it creates an incentive to argue for shared if a parent has 49% parenting time; consider whether the EPT worksheet should be eliminated in favor of a simpler format; will ask economist to confirm EPT additional amount constitutes 50% of direct expenses
 - d) Multiple family adjustment (MFA)—need to address how to handle MFA with various custodial arrangements
 - e) Parenting time percentages—these were random amounts created by committee; need to ensure the percentages are economically sound
 - Committee spoke with Dr. Jodi Pelkowski by phone and reviewed items of concern; C. Harris provided overview and asked specific questions regarding the equal parenting time formula
 - Dr. Pelkowski advised she will review the list provided by the committee but equal parenting time was mean to be the formula used for 50/50 shared parenting time and doesn't believe it should be used for different time ratios; EPT was viewed as a replacement for exchanging receipts so while she can look at it from an economic standpoint, it may also be a policy decision for the committee; Dr. Pelkowski will do some calculations and provide to the committee for

| Minutes | |
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| | consideration; she will also provide resources for the committee to review regarding what is done in other states |
| 8 | <p>Low income/incarcerated parent subcommittee—Trisha Thomas/Elizabeth Cohn</p> <ul style="list-style-type: none"> • Subcommittee has not had the opportunity to meet yet • E. Cohn discussed new federal regulations regarding child support for incarcerated parents; provided article for committee's review • Committee discussed the issues surrounding imputing wages to incarcerated parents • Committee also discussed issue of low income parents from areas where only low income jobs exist or there are no jobs available • A. Raymond will send copy of new rule with comments to committee for review |
| 9 | <p>Other items for discussion</p> <ul style="list-style-type: none"> • C. Harris asked if a tour of the Kansas Payment Center (KPC) could be arranged; stated the committee toured the KPC several years ago and it was helpful; A. Raymond will contact KPC to arrange for a tour on one of the committee meeting dates • During the tax consideration discussion, E. Cohn asked about deviations and federal regulations regarding a cap; A. Raymond will research whether there is an impact on percentage of deviations used; E. Cohn stated she believes there is a 5% cap on the use of the deviations; E. Cohn asked committee to consider whether income tax adjustment may need to be a different type of adjustment on the child support worksheet rather than the way it has traditionally been used |
| 10 | <p>Agenda items for August 31, 2018 meeting</p> <ul style="list-style-type: none"> • Case law: committee will vote on whether or not to request publication of cases as recommended by the case law subcommittee • Update from tax subcommittee • Update from shared residency subcommittee • Update from low income/incarcerated parents subcommittee |

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| Next Meeting |
| Meeting location: OJA Conference Room |
| Date: 8/31/18 |
| Time: 9:30 am – 3:00 pm |