MIKE SEEBER testimony opposing HF3563, child support increase bill

Testimony Against HF3563

Presented to: Minnesota House Health and Human Services Finance Committee Verbal and Written Testimony by Mike Seeber, Citizen Advocate, who attended almost all of the task force meetings May 6, 2020

I was at all but two meetings of the Child Support task force for the

2-1/2 year run and testified at many of the meetings. I believe I am qualified to speak in opposition to this bill. This bill is controversial and is not a meaningful solution to basic problems heard by the task force. This bill will create more problems and a greater intensity in the push and the need for more changes in child support next session. MNDHS has been involved in repeated scandals recently.

Governor Walz set up a blue ribbon commission to repair the damage.

Legislators need to maintain heightened scrutiny of anything MNDHS related.Questionable timing. Minnesota citizens may be under the impression the legislature is only hearing corona virus related bills.

We are still under the Stay-at-Home order until May 18, 2020 and the impact of the virus on the state is uncertain. The affected public will likely object, creating an outcry over this bill. There has been some implication that this bill is being positioned as a “fix” to all the many problems with setting child support awards.It is in bad taste to pass a child support increase, especially during a pandemic.It is in bad taste to pass child support increases when as of

2 days before the hearing there were no instructions on the committee website how anyone from the public could testify by video or in writing.Any mistakes in this bill will not be pinned on the Task Force or the Ramsey County Child Support division leading the charge on this legislation, the mistakes in this bill will be on the backs of legislators who voted for this.The public expects legislators to be careful to not overlook that the chart of numbers in this bill is for:combined income of two parents. child support has nothing to do with custodial or noncustodial parent (a custody label), but rather, the Minnesota legislature child support is about obligor (pay child

support) vs obligee (receive child support). And there are many custodial parents who are obligors and pay child support.To codify what sitting legislators (as directed by Ramsey County Attorney’s Office - Child Support Division and other such groups of state and county child support workers) are saying people at various income levels spend on their kids for the minimum “basics” (including food, clothing, shelter, transportation).While federal child support law ONLY requires that the basic child support level be set at a level that will reimburse the public assistance or keep a child off public assistance. To do otherwise is an unauthorized state expansion of the scope of this child support program, which is a federal program implemented by the state.The State of MN gets their authority for the state child support system from the Federal Title IV-D Child Support systemIn the House Civil Law hearing it was stated or implied that this change in the child support guideline charge would give relief, meaning lower support obligation, for most obligors at most incomes.

This chart demonstrates that this bill will actually INCREASE child support for almost every individual obligor with one child earning between $31,200 a year (which is approx. $15/ hour) and $56,400/year (which is $27/hour). This assumes parents earn equal amounts. If the obligor earns more, that income range for those getting and increase would be higher.Given the fact that the table increases the guideline chart amount for this income range, it can be assumed it will increase the obligation for the obligor .. but again, there is no full disclosure on thatBy most standards today this is the lower middle class. The bThe number one question people want to know re is no clarity or transparency in this bill how this change in the table will translate into It is not clear but appears to be trueThere has been bandaid solution upon bandaid solution with no real meaningful solution to fix the real problems real people face because of unaffordable and unrealistically high child support orders that create a gain for one household and impoverish or …. Another.Due to current child support table created in 2007 and updated in 2016, a person making $120,000 a year gross pay can have their net income reduced to

$40,000 a year.These changes disguise and do no provide any clarity in law on how these amounts are adjusted for parenting time. The average citizen affected by this bill has no way to This bill should include a recommendation from the legislature that the 2021 legislature continue to get to the bottom of the very complex problems created by the lack of full analysis of this bill.In 2006 when the changes occurred the numbers and analysis were incomplete.It took 10 years later to see any change, and In 2016, when the next changes were made, there still was not a full analysis Now, 4 years later, this bill barely touches on the problems created in either the 2006 or the 2016 child support changes.

There is great lack of clarity to what degree this will increase or decrease child support obligations. The chart of numbers in this bill does not include final support obligations at all, the guideline chart only lists what the child support agency thinks two parents with joint income in one home spend on their child(ren). If the amount the chart says two parents spend goes up or if it goes down on this chart, one can only assume the final obligation will also go in that same direction. However, this bill does not provide the necessary transparency for the public, because this bill in no way translates into a final obligation. The information on the consequences of this bill on either the obligor and obligee is not apparent and is likely to have many unintended consequences.

This bill was written by a few of the people from the recently concluded MN Child Support Task Force .The group consistent of mostly those employed by the IV-D child support agency or those with jobs or vested interests, not likely to make meaningful change.Affected parents were HIGHLY underrepresented in the group The task force spent little time reviewing ALL the problems with child support and child support enforcement and did not provide meaningful answers to public questions and concerns.

Believing MNDHS Child support employees without adequate scrutiny can easily backfire on legislators. Can legislators honestly trust MNDHS, who broke it, to fix it?MNDHS Agency has a history of deceiving the legislature, not just bumbling.In early 2000, the Director of the MN DHS Child Support agency Wayland Campbell told the legislature about the burgeoning billions of dollars of child support debt …But what he failed to tell the legislature is that the majority of that debt went back 20 years and had already been written off by the agency.Failed to tell legislators that the majority don’t pay because they can’t pay.Campbell was famous for deflecting criticism by saying “the Feds make us do it”. Later it turns out the statement was not true because the state can apply for a waiver.

Secondly, the lifestyle support component of the child support program is completely voluntary.In 2006 MNDHS told the legislature the income shares was more fair …but later the agency represented was quoted in the Star Tribune as saying “income shares is not more fair but it gives the impression that it is more fair, which is more important.”In 2006 the Ramsey County attorney, Susan Gaertner, head of the child support agency, darling of the DHS, made the claim that “child support was the #1 crime prevention method. This was her testimony in support of the $18 million dollar “child support backfill bill”. Gaertner’s testimony was so stunningly wrong it boggles the mind. Most importantly, legislatorsWithin the last 2 years, Both Amy Anderson from Ramsey County and Jodie Metcalf, manager of child support magistrates have stated on the record that they have known since approximately 2007, when the last changes to child support were made, that the table was too high. This is what class action lawsuits are made of and it is not clear that any legislator spoke up to address those unaffordable child support mandates, even though child support changes to the table were again made in 2016.Laura Cadwell, past MNDHS commissioner, appeared on KSTP news saying the new drivers license suspension law would not be actually used to take drivers licenses, it was only to be a threat. Today with thousands of license suspensions, this is hard to believe but it is true.Amy Anderson, in the previous House Civil law Hearing, mentioned the Orange County study. This is a long report and should be independently reviewed very carefully to verify MNDHS has not misrepresented it.Increasing the table from $15,000 a month joint gross income to

$20,000 a month joint gross income is a LIFESTYLE SUPPORT INCREASE.

The federal chid, support program from which the state program gets authority DOES NOT REQIRE and is not intended for LIFESTYLE SUPPORT.

Making child support about lifestyle support is a violation of the federal IV-D child support program which deems the state program out of compliance.

Modification – reductionsModification of child support requires (by law written by the legislature as requested by the state child support

agency) that a parent can’t modify unless there is at least a 20% change in their obligationIt is impossible to tell with the limited information in this bill, and no further clarity by either the Task Force or the Ramsey County Attorney’s office Child Support Division to what degree this reduction will result in modifications up or down of obligations.It is likely that the hand-picked ranges (by Ramsey

County) that will see an increase on the chart will also be an increase in obligations and it is likely those are the majority of all cases.Modification of support and deviation that can occur based on increase in income of custodial parentSec 8 (lines 15.7-15.16), the final section of this bill as of 4/27/20 is not written in a way that will solve the problem the problem it intends to solve.

The best answer to child support problems is still equal shared parenting ….The best support is both parents and adequate housing in both homesThe Minneapolis Health Department conducted a huge federally funded study and found child support is the biggest barrier to parental (father) involvement. To whatever extent MNDHS child support can be argued helps children financially, it hurts them more by taking away time from parents, almost always the father.

In conclusion, this bill is bad and should be voted against. Thank you.

Sources:

Minneapolis Department of Health Study

Youtube: History of Title IV D Child Support Secrets – Molly K Olson <https://www.youtube.com/watch?v=dqHvLYh4MEs>

Federal Child Support Law

Star Tribune article- not more fair but perception of more fair