



RESPONSES TO QUESTIONS RAISED DURING THE COMMUNITY FORUMS

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Scope of the Bill

1. If the non-custodial parent has children that he or she does not share with the custodial parent, does that affect the child support calculation?

ANSWER: The provisions of the proposed legislation have yet to be determined.

2. Will the guidelines impact enforcement?

ANSWER: No

3. Will the proposed legislation only address the guidelines or will they address other issues that affect child support calculations such as extraordinary medical expenses and the support of other children not born to both parents?

ANSWER: The provisions of the proposed legislation have yet to be determined.

Derivation of the schedule and the child support order calculated using the worksheet

1. Why is SSI income available to the child not currently figured as income to help raise a child?

ANSWER: SSI income is considered actual income in determining a child support obligation. However, it is also set off against the child support obligation. In other words, if the SSI benefit is for example, the same amount as the noncustodial parent's obligation, then nothing is owed.

2. It appears that the proposed child support guidelines formulas do not adequately/fairly account for federal or state tax obligations. Have the tax obligations of parents been addressed in any way by the revised calculations?

ANSWER: The proposed schedule of basic child support obligations incorporates 2008 federal, State and local income tax rates and FICA.

3. Why do they base child support on potential?

ANSWER: If it is determined that the parent's unemployment or underemployment is in fact voluntary impoverishment, child support may be calculated based on potential income.

4. Why isn't child support doubled for two children?

ANSWER: According to the Consumers Expenditures Survey, used as a basis for measuring the cost of raising children, expenditures do not double for every child in a household. For example, the mortgage payment remains the same no matter how many children live in the residence.

5. Do the present or proposed guidelines have a COLA provision within the calculation?

ANSWER: No.

6. What does CSEA have to consider regarding the child support amount? Clothing, food and other expenses should be used to determine what a child should receive.

ANSWER: The Maryland schedule of basic child support obligations is based on national data that estimated average child-rearing costs. The schedule includes the child's housing, food, transportation, clothing, personal care products, entertainment (e.g., fees and admissions, recreational lessons, sports equipment, toys), reading materials and other expenses. There is also a federal requirement for a statewide guideline. Having the guidelines ensures the uniformity of support orders. Thus, whether you go to court in Talbot or Garrett counties, everyone receives the same child support obligation for similar circumstances.

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7. Medical expenses and transportation are included in other areas of the guidelines worksheet. Why consider the increases in these costs when revising the base guideline amount?
8. **ANSWER:** While the schedule does include medical and transportation costs under child rearing costs, the schedule does not include unreimbursed, uninsured medical expenses in excess of \$250 per child per year and certain transportation costs. Because these expenses vary widely among cases, they are addressed in the worksheet, on a case-by-case basis, rather than in the child support schedule.
9. Can it not be argued that cost of living adjustments are inherent in the existing guidelines given that overall salaries for parents have increased along with inflation?
ANSWER: While salaries may have kept up with inflation, the child support amount that corresponds to the increased salary has not been adjusted to reflect the current cost of raising children.
10. What is the rationale for basing guidelines on before tax income for each parent rather than after-tax income?
ANSWER: The guidelines are based on gross income because of certain deductions like retirement accounts.
11. Are the components or factors used to calculate the cost of raising a child available for review by the public?
ANSWER: We will post the PDF on the internet.
12. Is the variation in changes to child support rates due to differences in spending patterns across the income spectrum?
ANSWER: Yes. Prices have increased by 80 percent since the schedule was developed. The increase is more for some items such as medical care and less for other items such as clothing. These changes affect low, middle, and high-income families differently. They also affect differently families with one, two, three or more children. Other factors also shift how families of different incomes and sizes spend (e.g., more women with careers).
13. Can the public review the guidelines review committee's report?
ANSWER: Yes, we will post the link to the website.
14. Has the economist evaluated net income vs. gross income? Taxes can amount to up to approximately 1/3 of gross income.
ANSWER: Yes, analysis has been done. Taxes are considered in the calculations of the new guidelines.
15. Will the new guidelines give ease to noncustodial parents on unemployment? We can take up to 65% of their income.
ANSWER: 65% is a federal consumer protection act requirement. Maryland must comply with this requirement.

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16. Since there is a high rate of foreclosures in our state, does the new guideline chart take into account the remaining income of the noncustodial parent to pay his or her own bills to survive? The same for summer daycare.

ANSWER: If there is a significant change in employment or other reason amounting to a material change in circumstances, a modification can be requested. The new schedule does not address other costs like daycare, which are figured separately.

17. Do the guidelines consider the housing index for each particular area?

ANSWER: The new schedule is specific to Maryland, but not to individual areas or regions within the state.

18. Why is this based on gross income?

ANSWER: Individual spending and living habits can affect net income. Gross income gives everyone a level playing field.

19. Has a “flat rate per child” vs. income shares model ever been considered?

ANSWER: We feel that an income shares model is the best model to use. Thirty-seven states now use income shares and other states are moving in that direction.

20. What is the self-support reserve?

ANSWER: A self-support reserve allows a low-income noncustodial parent to keep a minimal amount of income before having to pay the full child support amount. Payment of their child support obligation will not make the noncustodial parent’s monthly income fall below the federal poverty level. The Department recommends updating the self-support reserve, provided within the schedule, from the 1988 federal poverty level of \$481/mth to the 2008 level of \$867/mth.

21. Can the child support order be increased if the custodial parent has additional expenses?

ANSWER: Yes.

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Cases impacted by the proposed revisions to the schedule

1. Can changes affect old orders?

ANSWER: Not unless the use of the guidelines results in a change in the award of 25% or more.

2. Are the guidelines distributed among the legal community for voluntary cases?

ANSWER: Yes.

Impacts on low-income individuals

1. What will be done to educate individuals regarding the potential negative impact to the child support received?

ANSWER: Guidelines information will be included in our normal educational materials.

2. Why are child support rates decreased for low-income individuals when costs are rising for families that are not dependent on child support?

ANSWER: Some child support obligations in the revised schedule are decreased for individuals whose income falls below the federal poverty level. This is the self-support reserve adjustment. The self-support reserve allows a low-income noncustodial parent to keep a minimal amount of income before paying the full child support amount. Payment of their child support obligation will not make the noncustodial parent's monthly income fall below the federal poverty level.

3. "One in every four Maryland children living in a female-headed household live in poverty and the number is growing." Of the Maryland fathers who pay child support, what percentage live in poverty after paying the support?

ANSWER: This percentage is unknown. However, the Maryland schedule of basic child support obligations includes a self-support reserve for low-income noncustodial parents that reflect the federal poverty level. Therefore, payment of their child support obligation will not make their monthly income fall below the federal poverty level. The proposed legislation would update this self-support reserve from the 1988 federal poverty level of \$481/month to the 2008 level of \$867/month.

4. At the lowest levels, it appears that the child support obligation is actually reduced. Can you please explain how the new guidelines affect the poorest families?

ANSWER: When the child support orders are considered fair and reasonable, the noncustodial parent is more likely to consistently pay and result in a better relationship with the child.

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Judicial discretion

1. Can the court issue an order lower than the order listed in the guidelines?

ANSWER: As a general practice, the judges follow the guidelines. However, they still have discretion.

Miscellaneous

1. Doesn't the cost of living go up for the parent paying child support along with the cost of raising a child?

ANSWER: Yes, the costs are increasing for all of us. Low wage earners provide a disproportionately larger amount of their income to child support. We need to right size child support rates against inflation and poverty.

2. Were parents paying child support represented on the guidelines review committee?

ANSWER: No. Judges, Maryland legislators, custodial and noncustodial parents' advocates are members of the Guidelines Advisory Committee. Parents' input was solicited at the public forums and via the web.

3. Does CSEA receive funds from the government?

ANSWER: Yes.

4. Are Allegany, Garrett and Washington Counties number #1 in income?

ANSWER: No.

5. Why don't we require custodial parents to demonstrate where the money goes?

ANSWER: This is not something we believe can be legislated.

6. On the chart provided, from 1988 to 2008, 6 commodity items are listed however, unemployment is not listed. Unemployment is current 7.7% in the State of Maryland. Why is this not listed?

ANSWER: Unemployment is not a commodity. The chart reflects data from national surveys of commodity prices.

7. Men and women can't pay for an honest reason – Women file against men at the support agency – Why are their cases reviewed? Men have to get lawyers, which they cannot afford. Their cases need to be reviewed.

ANSWER: The Child Support Enforcement Administration (CSEA) must provide review and modification services to both custodial and noncustodial parents.

8. The State needs to make it known that Bill Clinton's welfare reform law matches penny for penny from the federal government to the states. Is the concern for increases in child support really a two-edged sword – child support and increases in State income?

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ANSWER: The Department of Human Resources is interested in updating the guidelines because that is in the best interest of the children.

9. If a non-custodial parent earns \$5500 to \$30,000 per month, why wouldn't he or she have custody of the child?

ANSWER: Custody of the child is not addressed in the Maryland Child Support Guidelines.

10. Does CSEA contact individuals at a particular time of the year?

ANSWER: CSEA maintains communications with its customers throughout the year.

11. Why didn't the proposed revisions pass?

ANSWER: We believe that the bill was too complicated. We are going back to basics.

12. Why aren't cases automatically suspended upon incarceration?

ANSWER: The incarcerated obligor may have assets, which the court looks at before determining to suspend or modify an order.

13. What is being done regarding individuals who are low-income on purpose?

ANSWER: A parent may not escape a child support obligation through voluntary impoverishment. If it is determined that the parent's unemployment or underemployment is in fact voluntary impoverishment, child support may be calculated based on potential income.

14. What happens when the non-custodial parent is ordered to pay child support and does not pay?

ANSWER: To help customers who cannot pay, we have programs and an employment agenda called MD RISE. For those individuals who will not pay, we also have enforcement tools that include suspension of driver's licenses, passport and professional licenses. We are able to intercept taxes and lotto winnings. We can also hold the noncustodial parent in contempt of court, which could result in incarceration. Failure to pay can also affect credit.

15. Can the slide, which depicts the disproportional relation between income to child support, be posted on the website?

ANSWER: Yes. The entire presentation is available on this site.

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16. Ex-offenders who have returned to their home communities have often accumulated large arrearages. How does the State work with ex-offenders to ensure that they pay without garnishing most of their wages?

ANSWER: The Federal Consumer Credit Protection Act (CCPA) protects the ex-offender from having too much withheld. The CCPA sets the limits on withholding a parent's disposable income. Disposable income is after federal, state, local taxes and FICA deductions. The withholding limits will not exceed 65% of disposable income if the obligor is single and more than 3 months in arrears. The withholding limits are lower for obligors supporting a second family and/or owing less in arrears.

17. What assistance is offered to individuals who seek to modify their court-ordered payment when they lose a job then find employment that pays less?

ANSWER: Individuals may request a review for modification of their support obligation. All cases are eligible for review for modification at 36-month intervals. However, if a request for a review is made before the next 3- year cycle, the individual must provide evidence of a change in circumstances that resulted in at least a 25 percent change in the support amount. The change in circumstances must also have occurred at least six months prior and is expected to continue indefinitely.

18. What groups/organizations did you consult when doing this guidelines review and who did you consult for these recommendations?

ANSWER: The members of the Guidelines Advisory Committee included individuals from the MD House of Delegates, MD Circuit Court judges, private family law attorneys, individuals from the Office of the Attorney General and the Administrative Office of the Courts, staff from the Univ. of MD School of Social Work and the Univ. of Baltimore School of Law - Civil Advocacy Clinic as well as various Assistant States' Attorneys and personnel from the Child Support Enforcement Administration and local child support agencies. Technical support was provided by Dr. Jane Venohr, an economist with Center for Policy Research (CPR), a non-profit organization that has over 25 years experience conducting research and evaluation on family, children, social service and education programs for federal, state and local governments and private foundations.

19. Why have you had some problems getting this passed before?

ANSWER: One of the reasons that the bill did not pass was because it was technical and addressed multiple issues, including multi-family adjustment.

20. Why is it so much harder for fathers to get things done than for mothers?

ANSWER: The Child Support Enforcement Administration provides child support services to both custodial and noncustodial parents.

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22. If the proposed change is approved, when will it be effective?

ANSWER: The effective date would probably be October 1, 2010.

23. Are the court's guidelines and the voluntary guidelines the same and will the proposed guidelines be distributed to the private legal community?

ANSWER: Yes. The Maryland Child Support Guidelines are applied to all child support orders in the State of Maryland.

24. What can the community do to help?

ANSWER: You can go to Annapolis and testify, look at a former bill or visit our website where updates will be posted.

25. Who will introduce the bill?

ANSWER: We don't know yet.

26. What is the State policy on out-of-cycle reviews of Maryland child support orders, both TANF and non-TANF?

ANSWER: The State policy on out-of-cycle reviews is the same for TANF and non-TANF cases. All cases are eligible for review for modification at 36-month intervals. However, if a request for a review is made before the next 3-year cycle, the individual must provide evidence of a change in circumstances that resulted in at least a 25 percent change in the support amount. The change in circumstances must also have occurred at least six months prior and is expected to continue indefinitely into the future.

27. The cost of living has increased. My pay is the same as it was in 1988. My ex makes 4-5 times what I make. The courts awarded my ex over \$500 a month. I am told by the court to obtain a part-time or second job just to keep a roof over my head. Why is this? How am I supposed to live?

ANSWER: We will be happy to review your specific case. Call 1-800-332-6347 and schedule an appointment.

28. Are there criteria for requesting modifications?

ANSWER: All cases are eligible for review for modification at 36-month intervals. The CSE agency is required to conduct a review only if requested in writing by either party. However, if it is a TCA case, then the CSE agency is required to conduct a review at 36-month intervals regardless of whether either party requests a review.

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29. Your chart said that there was no review in 2005. Why? Was there a penalty from the federal government?

ANSWER: Federal regulations and Maryland law require a review of the child support guidelines at least every four years. There was a review in 2004, after which legislation was proposed in 2005.

30. Is Maryland encouraging the courts to revisit old support orders that are now far from adequate, i.e. to increase child support payments?

ANSWER: All cases are eligible for periodic review at 36-months intervals. CSEA sends notices of the right to request a review every three years to parents.

31. How will the child support orders be enforced – new and old? (A detailed case example accompanied this question).

ANSWER: Child support enforcement workers have a variety of techniques available to them in the collection of past due current support or arrears. Below is a list of these enforcement remedies:

Earnings withholding

Unemployment Compensation Interface System (UCIS)

Driver's License Suspension (DLS)

Business, Occupational, and Professional License Suspension

Court Remedies for Violation of Court Order

Financial Institution Data Match (FIDM)

Tax Refund Intercept Program (TRIP)/Tax Refund Offset Program (TROP)

Administrative Offset Program

U.S. Passport Denial Program

Consumer Reporting Agencies

Lottery Intercept

32. Are you concerned about the timing of these proposed revisions?

ANSWER: The proposed revisions pertain to the future. It is about fairness. Modifications have always been an option.

33. If quadrennial review, as federally mandated, is the floor, and New Jersey's automatic adjustment is the ceiling, why not the best? As Jimmy Carter said, "Why not let Maryland lead?"

ANSWER: The Income Shares Model, which forms the basis of the Maryland guidelines calculations, strives to ensure that children's needs are met as if they are in an intact family.

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34. What about individuals and families that are either out of work – unemployed, both receiving unemployment and unemployment benefits are exhausted?

ANSWER: The parties can go back to court for a modification if there is a material change in circumstances, usually 25% plus or minus. This will not change.

35. What about those incarcerated?

ANSWER: We attempt to identify those with orders so that modifications can be done to keep them from accruing arrears while incarcerated. We then work with correctional services to connect the individuals to employment opportunities when they are released. The PIP, or Payment Incentive Program, is available for those who qualify. This program offers forgiveness for arrears owed to the state to those meeting regular payment conditions.

36. How many non-custodial parents participate or are enrolled to pay child support?

ANSWER: 76% pay something toward their support obligation. Just fewer than 65% of non-custodial parents pay on current support obligations; 71% pay on arrears.

37. Are there federal incentives or rewards paid to the State of Maryland or child support enforcement that consider the amount of child support collected? Please describe the program or law and amounts received.

ANSWER: Federal incentive dollars are paid for performance. Based on performance against other states, we receive money to reinvest in our programs. The four performance areas are:

Court orders established

Payment on current support

Payment on arrears

Paternity establishment

38. How many African-American men reside on the committee of child support guidelines?

ANSWER: While we did outreach with fatherhood and other interest groups to participate in the discussion, none participated on the committee. We do, however, have strong ties to groups such as the Center for Urban Families, and communicate regularly with Joe Jones on the guidelines and other issues.

39. What programs are set up to make sure child support is going to the children?

ANSWER: This is not something we believe can be legislated.

40. Why was the legislation unsuccessful in 2009?

ANSWER: We believe there were too many other issues mixed in with the bill that potentially overshadowed this issue.

41. How does the raise of child support help children if payments of child support are not consistent?

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ANSWER: We still believe an increase to reflect current costs are right and best for the children. We will continue to pursue aggressively enforcement of orders.

42. What if only one has income, the non-custodial parent, and the income is minimum wage. If you are considering the child, then why are you considering lowering the child support payment down to none?

ANSWER: Our goal is to allow sustainable income with reasonable child support amounts to protect an individual's ability to pay his/her own bills, and to encourage regular payment.