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Child Support as Income

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Outline and Disclaimer

- Child support (CS) policy
- CS as an income source
 - What do we know about CS as an income support for families?
 - What do we know about how CS augments (or replaces) other sources of income?
 - What don't we know?
- My opinions, not necessarily my collaborators, the institution where I work, or those who have funded my research

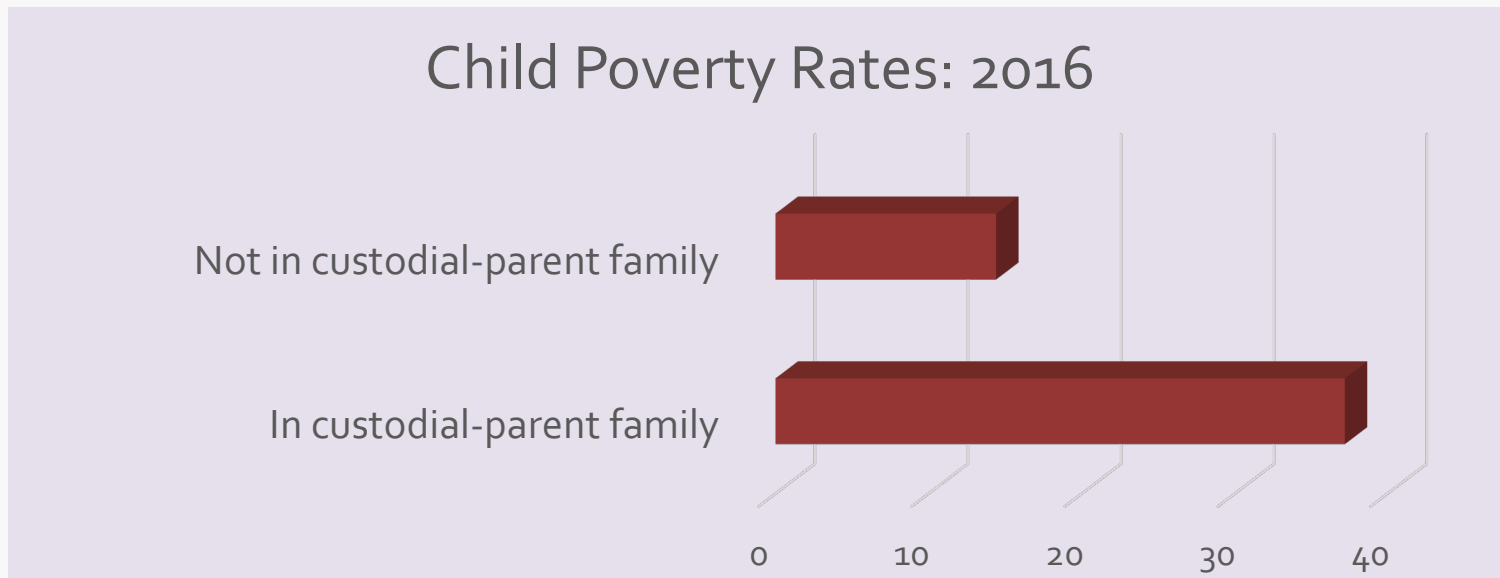
Need for Child Support (1)

- Affects a little more than half of US children
 - Births in early 2000s:
 - 15% to lone mother
 - 22% to cohabiting couple;
 - 73% split by age 15
 - 63% to married mother;
 - 34% split by age 15
 - 52% of children have lived with only one parent by age 15

- Source: Andersson, Thomson & Duntava, 2017.

Need for Child Support (2)

- Expectation: parents provide for their children; government provides only when parents cannot
- Children in custodial-parent families economically vulnerable



Source: Grall, 2018.

Child Support Policy History

Domain	History	Changes
Paternity	Adversarial, court-based process; lengthy	In-hospital, voluntary paternity acknowledgement
Orders	Optional, set case-by-case, based on costs, unchanging	Required for benefit recipients; set with numerical formula, based on sharing income, review and adjustment possible
Collections	Limited monitoring, no prevention, no incentives to pay for those receiving AFDC	Centralized monitoring, prevention and early intervention (routine withholding & new hires), some incentives for those receiving TANF

Challenges in 2019

- Declining or stagnant earnings for low-skill men
- Mass incarceration (mostly of men)
- Many men have had children with more than one woman; not enough resources for all children
- Increase in precarious employment
- Changes in roles toward dual earner/carer

Child Support as an Income Source

- Relatively few custodial parents (CPs) receive formal support (30% of all CPs in 2015)
- Key reason: few are due support (43% of all). Why?
 - Other parent provides what he or she can: 39%*
 - Did not feel need to make legal: 38%*
 - Other parent could not afford to pay: 34%*
 - % of those without legal agreement; multiple answers possible
- When received, amount is important:
 - \$4,976 on average. Represents 14% of personal income

Source: Grall, 2018.

CS and other Sources of Income

- Earnings: workers more likely to receive CS; receive more (Grall, 2018)
 - But more sophisticated research shows little effect of receiving CS on earnings (Cuesta & Cancian, 2015)
- Benefit programs: benefit recipients less likely to receive CS; receive less (Grall, 2018)
 - But more sophisticated research shows small effects of receiving CS on leaving or reentering benefits (Miller et al., 2005)
 - Passing through all CS paid to TANF participants increases payments and cooperation with the CSS, at little cost (Cancian et al., 2008; Lippold et al., 2010)

What Do/Don't We Know? (1)

- Early research that suggests CS regularity may have effects over and above its amount (e.g., Ha et al., 2011)
 - Can this be replicated? Are there effects of regularity on self-sufficiency or wellbeing?
- Very high levels of CS debts (arrears); some research on causes and potential effects (e.g., Sorensen et al., 2009)
 - How does CS debt interact with other debts? What is the NCP's perspective on debts?

What Do/Don't We Know? (2)

- Some research suggests CPs who receive more CS are less likely to receive other programs (Miller et al., 2005)
 - But does an NCP receiving other programs *increase* the amount of support paid/received?
- Some information on CS policies in place in different states (e.g., Venohr 2017)
 - But what factors might be associated with more generous child support policies?

THANK YOU!

- For more information: drmeyer1@wisc.edu