

Holding Child Support Orders of Incarcerated Payers in Abeyance: Four Year Outcomes

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April 2017

The research reported in this paper was supported by the Child Support Research Agreement between the Wisconsin Department of Children and Families and the Institute for Research on Poverty at the University of Wisconsin—Madison. Any views expressed in this paper are those of the authors and not necessarily those of the sponsoring institutions. The authors thank Lawrence Berger, Michael Massoglia, Daniel Meyer and Karl Scholz for helpful comments on related research; Pat Brown, Yiyoon Chung, Steve Cook, Katherine Thornton, and Lynn Wimer for expert assistance assembling the original data; Deb Johnson and Dawn Duren for assistance in preparing the report; and colleagues in the Bureau of Child Support and the Milwaukee Department of Child Support Enforcement for advice and assistance in completing this analysis.

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INTRODUCTION

At the close of 2014, 1.6 million individuals were incarcerated in state and federal correctional institutions (Kaeble, Glaze, Tsoutis, & Minton, 2015). While there are no comprehensive centralized data, the best information suggests most of these prisoners are parents of minor children (Glaze & Maruschak, 2010). The significant number of incarcerated parents highlights a broad range of policy issues. These issues include the consequences of incarceration for the parent-child relationship and the behavioral, social, and emotional well-being of their children (see, for example, Hairston, 1998; Johnson & Waldfogel, 2004; Lee, 2005; Nickel, Garland, & Kane, 2009). Another concern that has received increasing attention is the ability of incarcerated noncustodial parents (NCPs) to contribute economically to the well-being of their children through meeting their child support obligations. While there are no national data that directly address the issue, estimates suggest that at least 350,000 incarcerated parents may owe child support.¹ Moreover, there is also evidence suggesting that incarceration may play an important role in explaining child support nonpayment. For example, Ha, Cancian, Meyer, and Han (2008) found that among a statewide sample of noncustodial fathers who did not pay child support, 20 percent had been recently incarcerated.

¹In particular, 54 percent of men in state prison reported they were not living with their children either in the month before arrest or just prior to incarceration (Glaze & Maruschak, 2010). Research completed at the state and local levels provides some additional insight. For example, based on a data match completed in 2001, 21.7 percent of inmates under the jurisdiction of the Massachusetts Department of Corrections and 22.5 percent of inmates within the Suffolk County House of Corrections were part of the child support caseload (Griswold & Pearson, 2003). A similar data match completed in Colorado that same year found that 26 percent of inmates in state prison facilities and 28 percent of parolees were involved in the child support enforcement system (Griswold et al., 2001). These percentages—approximately 22 to 26 percent—equate to between approximately 352,000 and 416,000 NCPs nationwide.

Incarceration raises difficult issues for the child support enforcement system. Confinement virtually eliminates the earnings of incarcerated parents and, therefore, their ability to pay child support. Open child support orders lead to an accumulation of arrears during incarceration (see, e.g., Levingston & Turetsky, 2007; Pearson, 2004; Thoennes, 2002). These arrears may affect post-incarceration behavior related to participation in the formal economy, cooperation with the child support system and, ultimately, payment of support (see, e.g., Pearson, 2004; U.S. Department of Health and Human Services [DHHS], 2006; Washington Department of Social and Health Services, 2003). One suggested policy response is to consider incarceration “a substantial change in circumstances” (42 U.S.C. § 666(a)(10)(b)), and to suspend orders during incarceration. The Flexibility, Efficiency, and Modernization in Child Support Programs final rule issued by the U.S. Department of Health & Human Services’ Office of Child Support Enforcement prohibits the treatment of incarceration as “voluntary unemployment” in establishing or modifying support orders and, if appropriate, requires order modification for prisoners based on their ability to pay (U.S. DHHS, 2016; effective January 19, 2017).

While reducing or completely suspending the orders of incarcerated NCPs may seem appropriate given these NCP’s lack of earnings, the policy is controversial for at least two reasons. First, suspending orders for incarcerated fathers creates horizontal inequities and essentially rewards bad behavior since other low income (e.g. unemployed, but not incarcerated) fathers are generally expected to pay support. Second, suspending orders, so that fathers do not owe additional arrears upon release, potentially deprives children of future support. While supporters argue that suspension of an order while a NCP is incarcerated will help parents avoid the accumulation of arrears, leading to increased payments following release (see, e.g., Griswold, Pearson, & Davis, 2001; Hennepin County Child Support Division & Center for the Support of

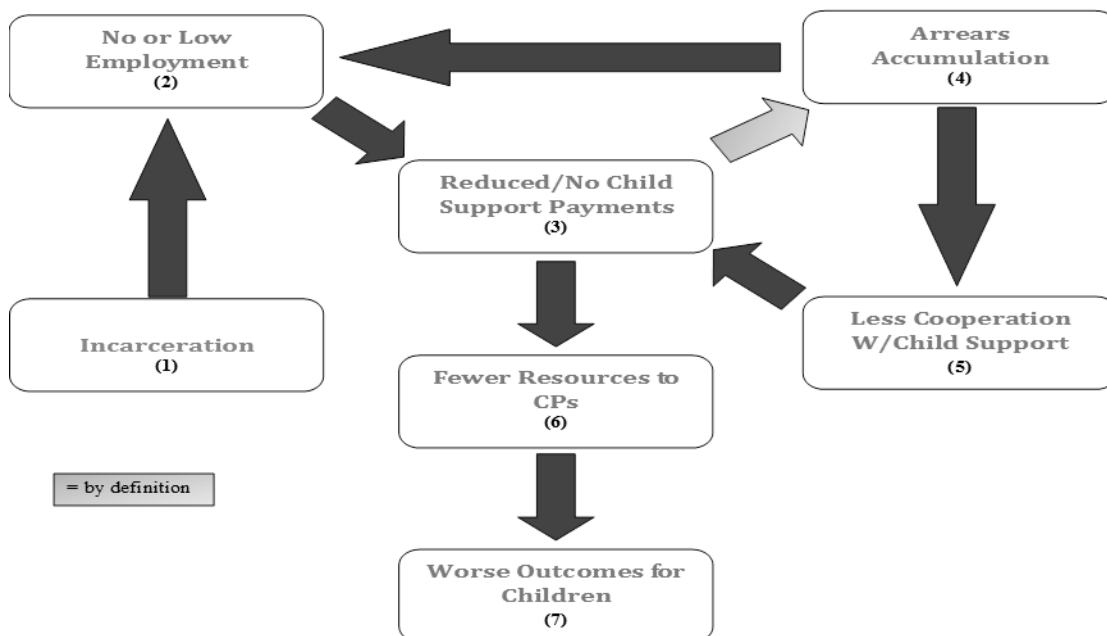
Families, Inc., 2003), there is limited empirical evidence on the effect of order suspension on employment, earnings and child support payments post release. It is that gap that we address in this paper.

REVIEW OF PREVIOUS RESEARCH AND POLICY OPTIONS

The Challenge of Incarcerated Parents with Child Support Orders

There is very limited prior research directly addressing the effect of incarceration-related arrears on post-release child support payments. However, related literature provides a context for our analysis and informs our approach. Figure 1 represents the key relationships underlying the potential for incarceration and child support policies to have unintended negative consequences. Especially given competing objectives, weighing alternative policy options requires an understanding of the strength of the relationships represented. We organize our review of the previous literature with reference to this figure.

Figure 1: The Incarceration of Noncustodial Parents and Related Outcomes



(1) Incarceration – There is a significant body of literature documenting the extent to which incarceration in the United States has grown over the past several decades, particularly for different segments of the population (Pattillo, Weimann, & Western, 2004; Pettit & Western, 2004; Raphael, 2011; Western, 2006). Reports issued periodically by the U.S. Department of Justice, Office of Justice Programs, have documented this increase, which began in 1972 and continued until 2010, when the overall prison population declined compared to the previous year (Guerino, Harrison, & Sabol, 2011; Carson, 2014; Kaeble et al., 2015). Over time, the incidence of incarceration has increased for certain segments of the population. For example, in 2013, black non-Hispanic men had an imprisonment rate that was over 6 times that of white non-Hispanic males (Carson, 2014). There are also differences in the risk of imprisonment. Pettit (2012) has estimated that the cumulative risk of imprisonment by age 34 for blacks increased from 10.4 percent in 1979 to 28.0 percent in 2009; for those with less than a high school education, the risk increased from 14.7 percent to 68.0 percent.

(2) No or low employment during and after incarceration – While incarcerated, NCPs have virtually no opportunity to earn significant income. A history of incarceration limits labor market opportunities after release (Arditti & Parkman, 2011; Holzer, Raphael, & Stoll, 2004) and employment and wage outcomes (Pettit & Lyons, 2009; Raphael, 2011). Moreover, child support enforcement may undercut the incentive for NCPs to work in the formal labor market (Cancian, Heinrich & Chung, 2013). Research has found, however, some evidence that strict child support enforcement limits the labor force activity among young black men, independent of incarceration (Holzer, Offner, & Sorensen, 2005), as do child support arrears (Miller & Mincy, 2012).

(3) The effect of incarceration on child support payments – Because NCPs have virtually no opportunity to earn significant income while incarcerated, they are generally unable

to make child support payments. While it is similarly believed that child support payments decline post-incarceration compared to pre-incarceration, research in this area is limited.

Although several studies have been completed about post-incarceration payment patterns, they do not reference payment patterns prior to incarceration (see, for example, Griswold et al., 2001; Hennepin County Child Support Division & Center for the Support of Families, Inc., 2003).

Therefore, it is not possible to determine the extent to which incarceration had an effect on payment patterns based on prior research.

(4) The effect of incarceration on arrears – A number of previous analyses consider the effect of incarceration on arrears, though they provided limited information on the accumulation of arrears over time. Ovwigho and colleagues found incarcerated NCPs in Maryland—who accounted for 16.2 percent of all active child support cases—accounted for a disproportionate 25 percent of total statewide arrears (Ovwigho, Saunders, & Born, 2005). Thoennes (2002) aimed to quantify the accumulation of arrears during incarceration, focusing on 650 incarcerated NCPs in Massachusetts. These NCPs entered prison with an average of \$10,543 in unpaid child support, but could be expected to accumulate another \$20,461 in child support debt, plus interest and penalties, by the time they were released. These estimates, however, were based on projections rather than measures of actual arrears accumulated, and also did not consider the extent to which arrears would have accumulated if the NCPs had not been incarcerated. A study of an order modification process for incarcerated NCPs piloted in four Colorado county child support enforcement units found that on average, the NCPs identified to participate entered the correctional system owing \$10,249 in arrears, but owed \$12,208 by the time they were offered the opportunity to modify their child support orders (Griswold et al., 2001).

(5) Cooperation with child support – Research has found that many NCPs do not trust the child support system and do not believe that cooperation with the system is in his or her best interest (Pate, 2006). High child support debt may seem overwhelming, and may lead NCPs to avoid interactions with the child support system (Legler, 2003; Waller & Plotnick, 1999). When a NCP secures steady employment, the child support agency begins to intercept tax refunds, garnish bank accounts, and attach wages (Atkinson & Cleveland, 2001).

(6) Fewer resources to custodial parents – Past research has shown the importance of child support as a source of income for families. For example, about 20 percent of families with child support orders depend on them for more than one-half of their measured income (Cancian & Meyer, 2005). More than one in four custodial parents and their children are poor, with incomes below the federal poverty line (Grall, 2013). Low-income families may be most dependent on child support, as the yearly income of approximately one quarter of poor families is raised above the poverty level as a result of child support payments (Park, Cancian, & Meyer, 2005). Further, for those poor custodial parents who receive child support, these payments represent 40 percent of their total income (Sorensen, 2010).

However, child support is often not a stable source of income for these families, either within a year or across years; lower income families are particularly less likely to receive child support on a regular basis (Cancian & Meyer, 2005; Ha, Cancian & Meyer, 2011). Research has shown that this lack of payment on the part of the NCP is, in many instances, due to a lack of income (Cancian & Meyer, 2004; Ha et al., 2011). Research has also shown that the difference in the financial contributions made to their families by formerly incarcerated men compared to those who have never been incarcerated is statistically significant (Geller, Garfinkel, &

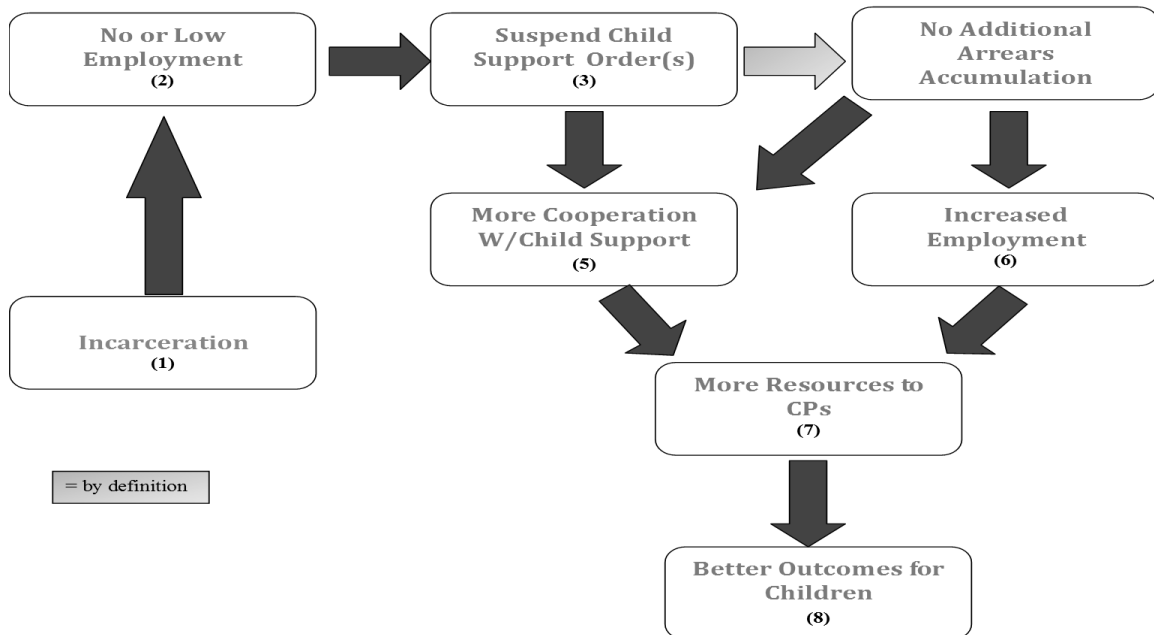
Western, 2011). Further, formerly incarcerated men contribute far less through child support than they do through earnings.

(7) Worse outcomes for children – Ultimately, child support payments are designed to provide financial support and improve the well-being of children. In addition to the general link between income and well-being (Duncan, Morris, & Rodrigues, 2011), some research suggests that child support income, in particular, may improve child well-being (Argys, Peters, Brooks-Gunn, & Smith, 1998; Cancian, Yang, & Slack, 2013; Knox, 1996; Nepomnyaschy, Magnuson, & Berger, 2012).

Potential Policy Solutions

The relationships represented in Figure 1, and discussed above, suggest that child support enforcement during incarceration may have unintended negative impacts on the resources available to children both during and after prison. One suggested policy response has focused specifically on suspending orders while a NCP is incarcerated, thereby stopping the accumulation of additional arrears (Griswold & Pearson, 2005; U.S. DHHS, 2006; U.S. DHHS, 2016). This policy would disrupt the pathway, reflected in Figure 1, above, between Steps 2 and 3. Because no child support payments would be due during incarceration, no additional arrears could accumulate during incarceration, removing a barrier to employment after release and also increasing subsequent cooperation with the child support enforcement system. If the model is correct, ultimately, outcomes for families would improve. The underlying theory of this suggested policy response is reflected in Figure 2.

Figure 2: Suspending Child Support Orders for Incarcerated Parents and Possible Outcomes



The expectation that suspending orders during incarceration will ultimately increase child support payments rests on the assumption that a reduction in the accumulation of arrears will improve child support cooperation and will lead to more employment. A number of studies have addressed these issues indirectly, though the evidence is limited.

The theory that alleviation of arrears will lead to increased child support payments has been tested in several different settings through debt forgiveness pilot projects, the results of which have been mixed (Bartfeld, 2003). In addition, many studies have faced methodological challenges such as low participation rates and the inclusion of simultaneous interventions for which no controls were introduced, making it difficult to reach conclusions about whether outcomes were due to the forgiveness of arrears or some other factor (Ovwigbo et al., 2005; Pukstas, Albrecht, Auten, Drew, & Dabruzzi, 2004). Further, although some debt compromise programs have been effective in the short term for NCPs with current obligations, questions

remain about whether these programs will have an effect on long-term payments (Pearson, Thoennes, & Kaunelis, 2012).

The studies have also been limited in scope. First, they have largely focused on state-owed arrears, rather than those owed to the custodial parent, thereby ignoring a potentially large amount of debt. An exception is an evaluation of a debt compromise program called “Families Forward,” implemented in Racine County, Wisconsin, which reduced state-owed debt by 50 cents for every dollar of current support paid and, with the consent of the custodial parent, also similarly reduced family-owed debt (Heinrich, Burkhardt, & Shager, 2011). Using propensity score matching, this study found that NCPs paid \$70 more per month while participating in the program compared to the time period prior to their enrollment, compared to nonparticipating NCPs. In addition, the frequency of current support payments was higher among participants than nonparticipants. Second, past research has focused on the forgiveness of already accumulated arrears, rather than on the effect of limiting the accumulation of arrears up front. Third, none of the research has focused specifically on the arrears of incarcerated NCPs, although NCPs included in the studies may have been incarcerated at some point in time.

There are also factors that might have an effect on post-incarceration payment patterns that are independent of suspension of an order while incarcerated and will not be affected by the implementation of such a policy. Research has shown, for example, that there is a relationship between incarceration and an ex-offender’s ability to secure employment after release, independent of arrears accumulation (Holzer et al., 2004). A NCP’s ability to secure employment may also be affected by the condition of the labor market, independent of previous incarceration. In addition, many incarcerated NCPs faced labor market challenges prior to incarceration: in the month prior to their arrest, 29 percent of parents in state and 27 percent of parents in federal

prison reported they were unemployed; 54 percent of those parents in state prison and 47 percent of those parents in federal prison reported a personal income of less than \$1,000 in the month before their arrest (Mumola, 2000, p. 9). Finally, many of these NCPs will have other debts when released from prison, including court costs and fines and restitution (McLean & Thompson, 2007; Harris, 2016).

Despite the strong interest in the treatment of incarcerated NCPs' child support orders, there is very little evidence on the effects of alternative policies on outcomes for NCPs, custodial parents, the child support enforcement system, or the correctional system. Previous research has largely been descriptive, focusing on more clearly delineating the interrelationship between the child support systems and the correctional systems. Further, previous studies of pilot or demonstration projects have focused on inputs and process measures. Finally, past studies have not fully considered the pre-incarceration payment patterns or arrears. For example, a 2001 study designed to test a support order modification process for incarcerated parents in four Colorado child support enforcement units focused on the extent to which modifications occurred and whether additional payments were made while in prison (Griswold et al., 2001). A 2003 study of order modifications in Hennepin County, Minnesota, focused on process issues (Hennepin County Child Support Division & Center for the Support of Families, Inc., 2003). One study that found increases in post-incarceration payment patterns compared to pre-incarceration payment patterns was completed in Washington (Washington Department of Social and Health Services, 2003). However, the intervention of interest in this study was more comprehensive than order suspension; it included, for example, in-person visits through which one-on-one counseling and information tailored to an inmate's specific circumstances was provided. Post-release payment

rates increased, but this may have been a mechanical effect, resulting from the downward modification of an order, rather than a behavioral effect reflecting a change in payments.

In sum, understanding the interactions of child support and incarceration policies is a growing concern. Given high rates of incarceration, and the parental obligations of many, if not most, incarcerated individuals, it is critical to develop productive policy alternatives for incarcerated parents and their families. While earlier studies have contributed to an understanding of the range of policy efforts aimed at addressing the challenges of parental incarceration for both the families and the child support enforcement system, none of the previous analyses have been designed to test the effects of a policy to proactively and systematically modify orders.² To address this gap, we analyze the results of a natural experiment that permits a test of the effects of a policy to hold child support orders open on subsequent outcomes. The analysis aims to measure the impacts of suspending orders during incarceration on not only arrears at time of release but also on subsequent earnings and child support payments. We focus on the consequences of policy variation that emerged when Milwaukee County implemented a policy to enable the suspension of orders of incarcerated NCPs, a policy that diverged substantially from prior practice in that county, and from ongoing practice in much of the rest of the State of Wisconsin. While earlier research was limited to considering outcomes in the two years immediately following release (Noyes, Cancian, & Cuesta, 2012), in this report we trace child support and earnings outcomes for four full years following release.

²As part of a demonstration project funded by the federal Department of Health and Human Services, Office of Child Support Enforcement, incarcerated NCPs' orders were to be automatically modified to \$50 in two Colorado counties. Due to a change in state law requiring that actual earnings be used for child support orders for an incarcerated noncustodial parent sentenced to one year of prison or more, the project's objective was modified after funding was awarded (Davis, Thoennes, & Pearson, 2012).

POLICY CONTEXT

Federal regulation requires that orders for child support be reviewed at least every three years or upon the request of either parent or, if there is assignment of the support to it, the state. In the case of review that occurs outside the established three-year cycle, echoing federal requirements, Wisconsin Statutes (s. 767.59(1f)) state that an order can be modified “only upon a finding of a substantial change in circumstances.” While neither state statutes nor administrative code directly address whether incarceration constitutes a substantial change of circumstances, the Wisconsin Supreme Court’s 2003 decision in *Rottscheit v. Dumler* upheld a lower court’s decision denying a NCP’s motion for modification of his child support order because incarceration had reduced his income and he had no other assets that could be used to pay child support. The Supreme Court concluded that “incarceration is a change in circumstances sufficient to give a court competence to review a child support order, but should not be the sole determinative factor.”³ The recent change in federal regulation, which is intended to “ensure that States consider incarceration a substantial change of circumstances that warrants the child support order be reviewed” (U.S. DHHS, 2016), will likely require reconsideration of related policy in Wisconsin.

During the time period of the analysis included in this paper, there was substantial variation in the practices in Wisconsin’s 72 counties with respect to the treatment of orders for incarcerated parents to pay child support. Although all counties process requests for modifications as required under the law by providing the appropriate paperwork as requested and filing requests for modifications with the court, the treatment of these requests by the courts

³As noted in the annotations to s. 767.59, Wis. Stats., *Rottscheit v. Dumler*, 2003 WI 62, 252 Wis. 2d 292, 664 N.W.2d 525, 01-2213.

ranges from uniform rejection to consideration on a case-by-case basis, as outlined in *Rottscheit v. Dumler*. In addition, through their enforcement efforts, some counties identify incarcerated payers and reach an agreement, through stipulation, to suspend the order during incarceration on a case-by-case basis. Milwaukee County has taken this process of identifying incarcerated NCPs during the enforcement process an additional step. Known as the Prison Project, Milwaukee County's practice is to be proactive in the identification of incarcerated NCPs with the goal of suspending their orders during incarceration.

Through interviews with officials in each county, we confirmed that Milwaukee County was the only county to undertake a systematic proactive approach to modify the orders of incarcerated NCPs during the time period of this study. We identified twelve counties that took some sort of proactive, although not systematic, effort to inform NCPs that their orders could be modified due to incarceration; we exclude these counties from our analysis (for additional details, see Cancian, Noyes, Chung, Kaplan, & Thornton, 2009). The remaining 59 counties made no proactive efforts during this time. In these counties, individual requests for modifications—initiated by the custodial parent or the incarcerated NCP—were processed as required by law. Because the practices in these counties differ substantially from those of Milwaukee County, these counties can be treated as “control” counties for the purposes of the analysis.

Milwaukee Prison Project

The Milwaukee Prison Project grew out of county efforts to locate nonpaying NCPs. As part of this process, Milwaukee County case workers would often find information suggesting the NCP was incarcerated. Based on intensive review of specific caseload information, Milwaukee County staff estimated that about 20,000 Milwaukee child support cases were

associated with incarcerated NCPs. Given that, on average, two and two-thirds cases are associated with each NCP, Milwaukee County believed there were between 7,000 and 8,000 incarcerated NCPs with child support orders at any given time. According to Milwaukee County staff, it was apparent that efforts to “work” these cases in order to generate payments were futile, yet nonpayment would be reflected in efforts to measure the county’s performance. Therefore, the decision was made to develop a policy through which these orders could be suspended during the period of incarceration.

Incarcerated NCPs are eligible for the Milwaukee Prison Project if they have an open child support order, a release date prior to the youngest child’s emancipation age, a release date at least seven months in the future, and are not serving time for felony non-support or for a crime against the custodial parent or child. The practice of proactively identifying large numbers of NCPs who appeared to be incarcerated, and modifying orders using simplified forms developed as part of the effort, was implemented on a broad scale in April 2005.

After an eligible incarcerated NCP has been identified, the simplified forms are sent to both the NCP and the custodial parent. Rather than only informing the NCP that the opportunity exists to modify the existing child support, the letter allows the NCP to indicate that he or she would like the order suspended during incarceration. The letter to the custodial parent, which is sent simultaneously, includes a simplified form that allows for the custodial parent to agree to suspend the order. If both the custodial parent and the NCP agree the order can be modified, then a change to the order is stipulated. The order suspension is put in place until 60 days after mandatory release date or upon the NCP entering a work release program. If the NCP requests the order be modified and the custodial parent does not respond, a motion is sent to Family Court for a hearing regarding the request. If the custodial parent appears in court and objects, then the

order is not held open. However, if the custodial parent does not appear, then the NCP's request is usually approved. Again, the order suspension is put in place until 60 days after mandatory release date or upon the NCP entering a work release program. If the custodial parent objects, Milwaukee County does not pursue the case.

This process is unique to Milwaukee County, and is substantially different from the approaches of other counties. This difference creates a “natural experiment” that can be used to test the effects of order suspension for incarcerated parents.

METHODS

A naïve approach to estimating the effect of the treatment would compare NCPs whose orders were modified—in any county or period—with those whose orders were not modified. However, these estimates would be biased if there were any systematic differences between NCPs with and without modified orders. If, for example, NCPs with larger orders were more likely to pursue an order modification, we might find that suspending orders leads to larger arrears, not because of the policy but because those fathers with larger orders who pursued a suspension were also more likely to have high arrears because of those high orders, independent of the policy. Alternatively, if NCPs who are more knowledgeable about, or more cooperative with, the child support system are more likely to seek suspension, we might inappropriately conclude that order suspensions increased post-release payments, although those differences in behavior pre-dated the suspension. While we can hope to control for some factors (e.g. amount of order), others are unobserved (e.g. attitude regarding the child support system) and cannot be controlled.

An ideal alternative would randomly assign incarcerated NCPs to alternative policies regarding child support order modifications. While we do not have the benefit of such an

experiment, the Milwaukee Prison Project did result in important policy variation in Milwaukee relative to other jurisdictions. Incarcerated NCPs participating in the Milwaukee Prison Project were not randomly assigned, nor was the opportunity to participate in the Milwaukee Prison Project made uniformly available. The offer was dependent on a Milwaukee County case worker determination that a NCP was incarcerated and the NCP's receipt of information about the project. However, NCPs in Milwaukee after 2005 were given, on average, different choices than NCPs in the control counties. Thus, as our primary approach we can adopt a quasi-experimental design, comparing those in Milwaukee and the control counties, taking steps to control for other observable differences. Further, the variation in county practices over time allows us to employ a difference-in-difference-in-difference (DDD) strategy to better identify consequences of the policy.

Specifically, our primary evaluation strategy rests on comparing the differences in outcomes (1) *before and after incarceration*, observed (2) *before and after the policy change*, as observed in (3) *Milwaukee County relative to the control counties*. This method uses variation in policy as a natural experiment with a treatment group subject to the policy change and a control group not subject to the policy change (Bertrand, Duflo, & Mullainathan, 2002, p. 1). This approach is designed to account for changes over time unrelated to the intervention: the change experienced by the treatment group is adjusted by the change experienced by the control group. The underlying assumption of this method is that the “time trend in the control group is an adequate proxy for the time trend that would have occurred in the treatment group in the absence of the policy intervention” (Athey & Imbens, 2002, p. 1). In this analysis, we add the additional contrast between the first and second cohorts (i.e. before and after the policy change), a DDD approach, in order to account for differences between Milwaukee and the control counties.

The analysis sample was constructed in a two-step process using data extracted from the Child Support Enforcement data system (KIDS), the Wisconsin Department of Corrections' master prisoner record system, and the Milwaukee County Jail inmate information system. The sample includes NCPs with (1) child support orders in Milwaukee County or the 59 control counties that (2) met the Milwaukee Prison Project eligibility criteria during (3) the periods immediately before or after policy implementation (2005). In addition, the study was restricted to incarcerated NCP *fathers* because there were not enough cases identified to analyze NCP mothers separately, and child support outcomes for noncustodial mothers and fathers are too different to reasonably include both in the same analysis.

Table 1 shows the time frames selected, which allow for a comparison of outcomes for incarcerated fathers meeting the Milwaukee project criteria prior to the policy's implementation (Cohort 1) and after the policy's implementation (Cohort 2).⁴

Table 1. Timing of Incarceration and Release for Research Samples

	Cohort 1	Cohort 2
Enter Prison	1/98 – 12/02	1/01 – 12/05
Release Date	1/03 – 12/05	1/06 – 12/08
First Year Post-Incarceration Ends	1/04 – 12/06	1/07 – 12/09
Second Year Post-Incarceration Ends	1/05 – 12/07	1/08 – 12/10
Third Year Post-Incarceration Ends	1/06 – 12/08	1/09 – 12/11
Fourth Year Post-Incarceration Ends	1/07 – 12/09	1/10 – 12/12

⁴Although there is a one year overlap in the two cohorts—2005—a NCP serving a single sentence could not have been included in both cohorts due to this overlap because: 1) individuals released in 2005 did not participate in the program, given that the time remaining on their sentence, combined with the time required to process requests made, was inadequate for enrollment relative to the April 2005 policy implementation date, and 2) individuals incarcerated in 2005 were eligible for the program given an expected length of sentence greater than seven months and assuming all other eligibility criteria were met.

Table 2 reflects the distribution of the four-part sample of incarcerated fathers with child support orders selected. This sample includes fathers who were incarcerated in Wisconsin before (Cohort 1) and after (Cohort 2) policy changes in Milwaukee, in Milwaukee or in control counties (two cohorts X two samples = four subsamples). In addition, for this longer-term analysis, we exclude cases with hybrid orders from our sample, resulting in a total sample of 4,548 (rather than the 5,022 used in Noyes et al., 2012).⁵

Table 2. Final Analytic Sample of Fathers Meeting Eligibility Criteria

	Milwaukee	Control	Total
Cohort 1	1,250	737	1,987
Cohort 2	1,493	1,068	2,561
Total	2,743	1,805	4,548

It should be noted that of the 1,493 fathers within Milwaukee County, Cohort 2, identified as potentially eligible for the Milwaukee Prison Project, only 479, or 32 percent, were actually treated, based on records provided by the Milwaukee County Department of Child Support Enforcement. That so few of those eligible for treatment actually participated in the Milwaukee Prison Project during the time period of interest substantially limits the potential for a DDD analysis to measure the impact of order modifications. In particular, a comparison between the “treatment” and control groups will involve comparing outcomes for NCPs that largely did not have their child support order modified, regardless of their group membership.

Given the limitations of the DDD analysis, we also provide estimates of the effects of order suspension comparing outcomes among the 1,493 NCPs in Milwaukee County in Cohort 2.

⁵The data for this report are largely drawn from the IRP Multi System Person File (MSPF), which does not include full information on hybrid orders. In order to appropriately estimate changes over time in orders, we exclude cases with hybrid orders observed prior to incarceration or in Year 1 or 2.

In comparing outcomes for those who did and did not receive order modifications, in addition to estimates from a standard regression controlling for other observable differences, we estimate models using propensity score matching to adjust for differences between participants and nonparticipants—with and without trimming the samples to include only those NCPs with the best matches. The final estimates, using propensity score matching to identify two comparable samples of NCP fathers, further reduce the potential for observed differences to bias the results, even while the narrower sample raises some concerns about generalizability.

Each estimation strategy has limitations. However, by using these combined methods and comparing the results in light of the different advantages and disadvantages of each approach, we are able to develop a more robust body of evidence related to the effects of the Milwaukee Prison Project.

Outcomes of Interest

A key rationale for suspending, or reducing, the child support orders of incarcerated NCPs is to reduce the amount of arrears at time of release in order to, first, remove disincentives to participating in the formal economy and, second, increase payment of support given this participation in the formal economy. In addition, the possibility exists that order suspension could have a potential positive effect on a NCP's willingness to work cooperatively with the child support system following release, which could also lead to increased formal employment and payment of support, independent of the effects on arrears.

We cannot directly test a NCP's willingness to cooperate with the child support system as part of this study. However, we do consider, first, whether the policy had the expected mechanical effect on the accumulation of arrears during incarceration; second, whether this or other effects of the policy had an effect on participation in the formal labor market; and third,

whether this reduction in arrears or other effects of the policy had an effect on child support payments or compliance. We consider both payments (i.e. the dollars paid) and compliance (e.g. dollars paid as a proportion of dollars owed), because both outcomes are important, and because the policy might be expected to have differential effects. Failure to comply with an order triggers enforcement efforts that have consequences for both the father and the child support system. In other words, if two fathers each pay \$100, but one owes \$100 while the second owes \$200, these payments will have different implications. Because participation in the Milwaukee Prison Project may affect order amounts directly (enforcement workers may be more likely to modify orders to account for post-incarceration employment and payment expectations) or indirectly (by improving fathers' attitudes towards the enforcement system, and their willingness to pursue modifications), it is possible that the policy could, for example, decrease payment amounts while increasing compliance.

Data and Measures

All of the analyses rely on administrative data from four different systems: the State of Wisconsin Department of Children and Families' child support information system known as KIDS; the State of Wisconsin Department of Workforce Development's Unemployment Insurance tax and wage record data base; the State of Wisconsin Department of Corrections Master Records system of offenders under control; and the Milwaukee County Jail inmate information system. Further, information regarding those fathers who actually enrolled in the Milwaukee Prison Project was provided via Excel spreadsheet by officials with the Milwaukee County Department of Child Support Enforcement.

Key measures include arrears, child support orders earnings, child support payments, and compliance. *Arrears* are inherently a cumulative measure (since they measure debt accumulated

over time). We measure whether arrears are owed (a dichotomous variable), and total amount owed (a continuous variable). Arrears are measured at five different points: at the beginning of the incarceration spell (the first month of the quarter in which the father was admitted to prison), the end of the incarceration spell (the last month of the quarter in which a father was released), and one, two, and three years following release (the last month of the fourth, eighth, and twelfth quarter following release). In some instances, we also differentiate between total arrears owed (principal plus interest) versus principal only.⁶

Our measures of *Child Support Orders*, *Earnings*, *Child Support Payments*, and *Compliance* all use the same reference points: the year prior to incarceration (five to two quarters prior to incarceration), and the first year (one to four quarters following the first full quarter after incarceration), second year (five to eight quarters following), third year (nine to twelve following the full quarter after incarceration), and fourth year (thirteen to sixteen quarters following the full quarter after incarceration). We use a continuous measure of child support order amount. For earnings and payments, we employ both a dichotomous variable (for any earnings or payment) and a continuous measure of the magnitude of the earnings or payments. The earnings measures are based on Wisconsin's Unemployment Insurance (UI) wage records. Our measure of compliance is a calculation of the percentage of the order actually paid (a continuous variable). We considered any payment in excess of the amount due to be fully compliant, represented by a 100 percent compliance rate. Therefore, compliance ranged from 0 to 100 percent.

Control Variables – In addition to indicators for pre-/post-incarceration status, county, and cohort, we control for father's education, age, and race; parents' marital status (whether a

⁶In both cases (total arrears and principal only) the amounts include arrears owed to both the state and the custodial parent.

divorce or paternity case); number of mothers and children; the age of the youngest child; and the length of incarceration.

RESULTS

Sample Characteristics

The first two sets of columns in Table 3 show the characteristics of fathers in Milwaukee County and the control counties for each cohort. Considering Milwaukee County cases, there is no statistically significant difference between the two cohorts with the exception of the age of the youngest child at time of release, and the number of female partners with whom the father had a child. In both cohorts, most fathers are over 30 years old⁷ (65 percent); have never been married (about 86 percent); and are black (about 80 percent). Most fathers have only one or two children (about 57 percent), but about 23 percent have legal obligations for four or more children.

Most fathers in the Milwaukee sample also have low levels of education: few had any college (about 5 percent) and the majority had less than a high school education (about 59 percent). In terms of the number of years the fathers had been incarcerated, for the Milwaukee sample, about 60 percent were incarcerated for one to two years. We find similar patterns when comparing the characteristics of the two cohorts in the control counties. The only statistically significant differences between the two cohorts in the control counties are marital status and the number of years incarcerated.

However, while there are few statistical differences across the two cohorts within Milwaukee County or the control counties, there are significant differences between Milwaukee County and the control counties for both cohorts, as shown in the third set of columns. Fathers in

⁷Father's age and the number of children are measured at father's release.

Table 3. Sample Characteristics^a

	Milwaukee			Control			Signif. within cohorts		Milwaukee		
	Cohorts		Signif. C1 vs C2	Cohorts		Signif. C1 vs C2	Milwaukee vs Control		Treatment Status		Signif. Treated vs. Not Treated
	C1	C2		C1	C2		C1	C2	Treated	Not Treated	
Total Number	1,250	1,493		737	1,068				479	1,014	
Age of Father at Release											
18 to 24	10.88	10.18		14.38	10.86				7.72	11.34	
25 to 29	24.4	25.05		23.2	26.97				28.18	23.57	
30 to 34	25.68	27.39		19.4	22.19				30.27	26.04	
35+	39.04	37.37		43.01	39.98				33.82	39.05	
Marital Status^b						***	***	***			**
Paternity	86.56	85.87		59.7	66.2				89.14	84.32	
Divorce	13.44	14.13		40.3	33.8				10.86	15.68	
Race of Father							***	***			***
White	10.96	10.85		59.7	56.93				5.64	13.31	
Black	80.8	80.38		27.82	31.18				86.43	77.51	
Hispanic	7.04	7.7		5.43	5.99				6.47	8.28	
American Indian	0.96	0.8		6.65	5.24				0.84	0.79	
Others ^c	0.24	0.27		0.41	0.66				0.63	0.1	
Number of Children (under 18) at Release^d							***	***			***
1	28.8	29.34		41.11	42.23				26.3	30.77	
2	28.08	28.33		32.43	31.74				27.14	28.9	
3	19.68	18.49		15.2	14.98				18.37	18.54	
4+	23.44	23.84		11.26	11.05				28.18	21.79	
Age of the Youngest Child at Release			**				**				*
<1	7.12	3.08		4.07	2.72				0.42	4.34	
1 to 2	14.8	13.26		11.53	12.36				11.9	13.91	
3 to 4	16.96	19.69		20.22	18.54				20.46	19.33	
5 to 8	27.04	31.28		28.09	32.68				36.95	28.6	
9+	34.08	32.69		36.09	33.71				30.27	33.83	
Number of Female Partners with Whom the Father Had a Child under 18 at Release			*				***	***			***
1	47.68	45.68		62.01	63.3				40.08	48.32	
2	31.84	30.94		28.77	25.94				30.69	31.07	
3	12.24	12.79		6.24	6.09				12.53	12.92	
4+	8.24	10.58		2.99	4.68				16.7	7.69	

(table continues)

Table 3, continued

	Milwaukee			Control			Signif. within cohorts		Milwaukee		
	Cohorts		Signif.	Cohorts		Signif.	Milwaukee vs Control		Treatment Status		Signif. Treated vs. Not Treated
	C1	C2		C1 vs C2	C1		C2	C1	C2	Treated	
Education at Incarceration Admission											
Less than high school	58	60.01		47.76	44.85				63.67	58.28	**
High school	25.04	20.36		35.55	37.27				18.37	21.3	
At least some college	5.76	5.29		8.14	7.4				6.26	4.83	
Missing	11.2	14.33		8.55	10.49				11.69	15.58	
Ever Enrolled in Milwaukee's Prison Project			NA			NA	NA	NA			NA
Not participating	NA	67.92		NA	NA					100	
Participating	NA	32.08		NA	NA				100		
Years Incarcerated						***	**	***			***
<1	12.32	11.99		8.41	13.86				1.46	16.96	
1	33.44	35.7		36.09	37.83				24.22	41.12	
2	26.64	24.11		24.69	25.94				29.65	21.5	
3	14.08	14.53		14.25	13.11				21.29	11.34	
4 to 5	12.32	12.46		14.52	8.24				21.29	8.28	
6+	1.2	1.21		2.04	1.03				2.09	0.79	
Year of Admission			NA			NA					NA
1998	3.84			4.61							
1999	6.4			7.87							
2000	13.44			12.62							
2001	25.68	3.22		27.95	1.59				4.59	2.56	
2002	50.64	7.37		46.95	4.59				8.98	6.61	
2003		15			11.33				21.5	11.93	
2004		27.6			29.03				37.79	22.78	
2005		46.82			53.46				27.14	56.11	
Year of Release			NA			NA					NA
2003	54.24			48.17							
2004	29.76			34.74							
2005	16			17.1							
2006		57.13			56.65				41.75	64.4	
2007		27.66			28.75				34.86	24.26	
2008		15.2			14.61				23.38	11.34	

* p < .10; ** p < .05; *** p < .01.

^aSample includes fathers in each cohort who entered state institutions with positive current child support owed during the 5-1 quarters prior to incarceration. For details of sample definition, see Noyes et al., 2012.

^bWhether a father ever had a divorce case.

^cCategory includes "Asian or Pacific Islander" fathers and fathers of unknown race.

^dNumber of children for a father, not a couple.

the control counties are more likely to have been married, to be white, to have fewer children, to be more educated at incarceration admission (in the second cohort), to have older children (in the first cohort), and to have children with fewer female partners. The distribution of years incarcerated also differs between Milwaukee County and the control counties for both cohorts.

Overall, these results suggest the need to control for observed differences between Milwaukee County and control counties, and, to a lesser extent, for changes over time. The significant differences in the observed characteristics of fathers in Milwaukee and the control counties also raise concerns about unobserved differences between these groups. The DDD approach will account for those differences unless the effect of any unmeasured differences between the groups changes over time.

The final set of columns of Table 3 compare the characteristics of treated and untreated fathers in Milwaukee County in Cohort 2. Those participating in the Milwaukee County Prison Project are more likely to have never been married; be black; have more than one child and children with a different distribution of ages; have had children with more than one female partner; and have been incarcerated for longer. There is also some indication that they are less likely to have graduated from high school, though the comparison is complicated by more missing data for those not treated. These differences suggest that adjustments for observable characteristics will be important for making comparisons of outcomes. Moreover, to the extent that we are unable to account for unobserved differences between treated and untreated fathers that are important for the outcomes, the estimates may be biased.

Outcomes: Descriptive and Multivariate Analyses

We are interested in whether suspending child support orders during incarceration has an effect on post-incarceration child support arrears, child support orders, earnings, child support

payments, and compliance (child support payments as a percentage of orders). For each outcome we briefly discuss simple descriptive patterns for the period before incarceration, presented in Table 4. We then discuss the results of the DDD and alternative multivariate analyses, presented in Table 5.

Arrears

As reflected in Table 4, in Milwaukee County, fathers in Cohort 1 owed mean arrears of \$20,523 at entry, and \$31,534 at release—a statistically significant 54 percent increase.⁸ For Cohort 2, although mean arrears at the time of incarceration were significantly higher compared to Cohort 1—\$24,627—they accumulated less quickly—to \$33,315—such that there is no significant difference in arrears between the two cohorts at the time of release or in any of the following three years. Although the amount of arrears at incarceration (\$15,936 and \$18,250, for Cohorts 1 and 2), and at release (\$25,858 and \$26,514) are significantly lower in the control counties compared to Milwaukee, the same pattern of growth during incarceration is observed. All else equal, given the implementation of the Milwaukee Prison Project and the resulting holding open of orders during incarceration, the fact that arrears accumulated less quickly for fathers in Cohort 2 in Milwaukee is expected; but the similar (if somewhat smaller) reduction in control counties is noteworthy.

For the DDD analysis, the primary coefficient of interest is the three-way interaction for post-incarceration in Milwaukee in Cohort 2. As shown in the first panel of Table 5, while the coefficient estimates from the DDD model are all negative, none of the estimated declines are statistically significant. That is, there is no discernible difference in arrears for cases potentially

⁸All amounts are shown in 2010 dollars.

Table 4. Fathers' outcomes by cohort and treatment status

	Cohort 1					Cohort 2				
	Pre	Post1	Post2	Post3	Post4	Pre	Post1	Post2	Post3	Post4
1. Arrears										
<i>Milwaukee</i>										
%>0	97%	98%	99%	98%	97%	99%	99%	98%	98%	96%
Median	\$14,319	\$23,707	\$27,145	\$29,775	\$32,483	\$16,691	\$24,886	\$26,882	\$29,705	\$31,565
Mean	\$20,523	\$31,534	*** \$34,755	*** \$37,777	*** \$40,103	\$24,627	\$33,315	*** \$35,566	*** \$37,775	*** \$40,406
Sig. C1 vs. C2	***									
<i>Control</i>										
%>0	95%	96%	93%	93%	92%	98%	97%	96%	94%	92%
Median	\$7,852	\$16,739	\$18,430	\$19,652	\$20,847	\$10,077	\$18,711	\$20,001	\$21,326	\$22,583
Mean	\$15,936	\$25,858	*** \$27,466	*** \$28,990	*** \$30,484	\$18,250	\$26,514	*** \$28,179	*** \$29,524	*** \$30,996
Sig. C1 vs. C2	**									
Sig. MKE vs. Control	***	***	***	***	***	***	***	***	***	***
2. Orders										
<i>Milwaukee</i>										
%>0	96%	93%	89%	84%	80%	97%	90%	87%	81%	76%
Median	\$2,416	\$2,522	\$2,297	\$1,993	\$1,908	\$2,755	\$2,223	\$1,914	\$1,864	\$1,792
Mean	\$3,271	\$3,017	*** \$2,781	*** \$2,505	*** \$2,307	\$3,373	\$2,689	*** \$2,501	*** \$2,254	*** \$2,043
Sig. C1 vs. C2		***	***	***	***					
<i>Control</i>										
%>0	94%	89%	86%	82%	78%	95%	92%	88%	81%	76%
Median	\$2,862	\$3,004	\$2,901	\$2,701	\$2,505	\$3,146	\$2,866	\$2,629	\$2,429	\$2,100
Mean	\$3,842	\$3,399	*** \$3,262	*** \$3,020	*** \$2,785	\$3,714	\$3,261	*** \$2,975	*** \$2,701	*** \$2,447
Sig. C1 vs. C2			**	***	***					
Sig. MKE vs. Control	***	***	***	***	***	***	***	***	***	***
3. Earnings										
<i>Milwaukee</i>										
%>0	65%	54%	51%	48%	45%	49%	51%	42%	37%	39%
Median	\$923	\$128	\$62	\$0	\$0	\$0	\$50	\$0	\$0	\$0
Mean	\$4,187	\$4,729	* \$5,148	*** \$4,931	** \$4,551	\$3,269	\$4,899	\$4,405	\$3,872	* \$4,405
Sig. C1 vs. C2	***		*	***	***					**
<i>Control</i>										
%>0	78%	66%	56%	57%	54%	65%	60%	51%	47%	48%
Median	\$3,577	\$2,430	\$774	\$734	\$390	\$1,196	\$1,161	\$30	\$0	\$0
Mean	\$8,266	\$8,223	\$8,455	\$7,495	* \$7,384	** \$5,718	\$7,213	*** \$6,238	\$5,688	\$6,051
Sig. C1 vs. C2	***	*	***	***	**					
Sig. MKE vs. Control	***	***	***	***	***	***	***	***	***	***

(table continues)

Table 4, continued

	Cohort 1					Cohort 2												
	Pre	Post1	Post2	Post3	Post4	Pre	Post1	Post2	Post3	Post4								
4. Payments																		
<i>Milwaukee</i>																		
%>0	46%	46%	48%	46%	46%	38%	49%	45%	43%	45%								
Median	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								
Mean	\$668	\$848	***	\$921	***	\$982	***	\$906	***	\$672	\$955	***	\$963	***	\$935	***	\$913	***
Sig. C1 vs. C2																		
<i>Control</i>																		
%>0	71%	80%	75%	76%	74%	72%	80%	77%	75%	73%								
Median	\$617	\$1,090	\$724	\$734	\$605	\$482	\$867	\$683	\$448	\$450								
Mean	\$1,703	\$2,102	***	\$2,036	***	\$1,956	**	\$1,853	\$1,556	\$1,962	***	\$1,936	***	\$1,672	\$1,645			
Sig. C1 vs. C2																		
Sig. MKE vs. Control																		
5. Compliance																		
<i>Milwaukee</i>																		
%>0	48%	46%	48%	49%	49%	39%	50%	47%	45%	48%								
Median	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%								
Mean	17%	22%	***	23%	***	25%	***	27%	15%	26%	***	26%	***	25%	***	27%	***	
Sig. C1 vs. C2																		
<i>Control</i>																		
%>0	75%	82%	78%	81%	80%	74%	81%	79%	78%	79%								
Median	28%	41%	34%	35%	40%	21%	32%	32%	27%	31%								
Mean	37%	48%	***	46%	***	46%	***	48%	***	35%	46%	***	45%	***	43%	***	45%	***
Sig. C1 vs. C2																		
Sig. MKE vs. Control																		

* p < .10; ** p < .05; *** p < .01.

Table 5. All Model Results

	Milwaukee Cohort 2							
	Full Sample DDD	Multiple Regression Full Sample	Propensity Score Matching ^a					
			Matched Sample	0.2 < Pscore < 0.8				
Sample Size	9,096	1,493	946	757				
1. Total Arrears								
At Release	-\$665	-\$3,199	***	-\$3,448	***	-\$5,220	***	
First Year of Exit	-\$1,693	-\$4,319	***	-\$4,723	***	-\$6,338	***	
Second Year of Exit	-\$2,326	-\$4,983	***	-\$5,170	***	-\$6,622	***	
Third Year of Exit	-\$1,999	-\$6,072	***	-\$6,410	***	-\$7,837	***	
2. Principal Only								
At Release	-\$1,005	-\$2,346	***	-\$2,779	***	-\$3,856	***	
First Year of Exit	-\$1,815	-\$2,987	***	-\$3,486	***	-\$4,408	***	
Second Year of Exit	-\$2,251	-\$3,322	***	-\$3,656	***	-\$4,365	***	
Third Year of Exit	-\$2,072	-\$3,833	***	-\$4,229	***	-\$4,876	***	
3. Child Support Order Amount								
First Year of Exit	-\$419	*	-\$289	**	-\$367	***	-\$441	***
Second Year of Exit	-\$223		-\$144		-\$229		-\$317	*
Third Year of Exit	-\$162		-\$55		-\$55		-\$150	
Fourth Year of Exit	-\$156		-\$36		-\$62		-\$170	
4. Any Earnings								
First Year of Exit	1.26		1.21		0.05		0.07	*
Second Year of Exit	0.83		0.90		-0.02		-0.03	
Third Year of Exit	0.94		1.02		0.02		0.01	
Fourth Year of Exit	0.98		1.21		0.05		0.04	
5. Earnings Amount								
First Year of Exit	\$839		\$1,101		\$514		\$104	
Second Year of Exit	\$133		-\$592		\$155		-\$588	
Third Year of Exit	-\$591		\$633		\$610		-\$35	
Fourth Year of Exit	\$254		\$1,751		\$837		\$63	
6. Any Child Support Payments								
First Year of Exit	1.67	**	0.95		0.01		0.00	
Second Year of Exit	1.14		0.98		0.01		0.00	
Third Year of Exit	1.40	*	0.85		-0.03		-0.05	
Fourth Year of Exit	1.48	**	1.10		0.03		0.02	
7. CS Payment Amount								
First Year of Exit	\$533	*	-\$79		-\$3		-\$110	
Second Year of Exit	\$164		-\$19		\$36		-\$187	
Third Year of Exit	\$353		-\$209		\$83		-\$61	
Fourth Year of Exit	\$376		\$214		\$187		\$55	
8. Compliance								
First Year of Exit	0.11	***	0.00		0.01		-0.02	
Second Year of Exit	0.04		0.00		0.02		-0.02	
Third Year of Exit	0.05		0.00		0.02		0.00	
Fourth Year of Exit	0.06		0.01		0.04		0.02	

* p < .10; ** p < .05; *** p < .01.

^aStandard errors were bootstrapped 500 times.

eligible for the Milwaukee Prison Project, net of other differences across cohorts, counties, and incarceration status. As noted above, this estimation strategy depends on a comparison between a treatment group, in which only 32 percent are treated, and the control group. The failure to detect this (mechanical) effect of the policy change may reflect this limitation.

The remaining columns in the first panel of Table 5 show the estimated difference in arrears using three approaches that compare groups within Milwaukee County Cohort 2. These estimates suggest effects that are both substantially larger in magnitude and statistically significant. Comparing Milwaukee County fathers in Cohort 2 who did and did not participate, we find that the amount of arrears decreased with participation in the Milwaukee Prison Project. These results, relying on variation within the second cohort in Milwaukee, were statistically significant in each of the three models we estimated, for total arrears as well as principal at release and one to three years after exit. Further, the final approach, employing a matched and trimmed sample to maximize the comparability of the treatment and comparison groups, yields the largest point estimates. These estimates suggest arrears were \$5,220 lower at the time of release for overall arrears and \$3,856 lower at the time of release for principal. These estimates remain statistically significant ($p < 0.01$) despite the smaller sample size.

Child Support Orders

Virtually all fathers in our sample have a child support order at the time of incarceration (96 to 97 percent in both cohorts in Milwaukee County, 94 to 95 percent in the control counties), as shown in the second panel of Table 4. Orders are somewhat less likely in the year following release, falling to 89 to 93 percent. In considering the amount of mean child support owed (including zero orders), there are statistically significant declines across both cohorts in both Milwaukee County and the control counties. In Milwaukee County, mean annual child support

owed fell in the first cohort from \$3,271 to \$3,017 in the first year post release, and \$2,307 in the fourth year post release. In the second cohort, pre-incarceration orders were not significantly different from the first cohort but declines were larger, leading to lower orders for the second cohort in Milwaukee in each of the four years post release. Orders were significantly higher in the control counties, but mean orders also declined in each year, and were significantly lower in the second cohort for the second through fourth years post release.

The DDD analysis, shown in the third panel of Table 5, suggests that orders are lower for cases potentially eligible for the Milwaukee Prison Project (Milwaukee Cohort 2), net of differences across cohorts and counties. The point estimates suggest that orders were \$419 lower one year after release, a difference that is substantively and statistically significant, suggesting that the Milwaukee Prison Project led to lower child support orders immediately post-incarceration. However, while the point estimates remain negative in each of the following three years, they are substantially smaller and no longer statistically significant.⁹ When we estimate the difference in orders for fathers in Milwaukee County Cohort 2 using the alternative methodologies, we get similar results: participation in the Milwaukee Prison Project is negatively associated with mean child support order amounts in the first year (or two, in the final column) after release. While point estimates for subsequent years are consistently negative, they are substantively small and not statistically significant.

⁹In an earlier report (Noyes et al., 2012) we similarly reported declining differences in orders over time, but the initial difference was greater, and the difference was significant in both the first and second years. Our sample excludes cases with hybrid orders, and generally shows smaller declines.

Earnings

Father's earnings, as reflected in the Unemployment Insurance wage database, varied widely across our subsamples. In Milwaukee County, as shown in the third panel of Table 4, the proportion of fathers with earnings fell from 65 to 54 percent in the first cohort, and rose modestly from 49 to 51 percent in the second cohort. Estimates of mean earnings for the first cohort rose from \$4,187 before incarceration to \$4,729 and \$5,148 in the first and second years after incarceration, and then declined, whereas for the second cohort they rose from \$3,269 to \$4,899, and then fluctuated. In contrast, in the control counties earning rates declined across both cohorts, from 78 to 66 percent in Cohort 1, and from 65 to 60 percent in Cohort 2, as did mean earnings—in the third and fourth years post release for the first cohort, and in the first year post release for the second cohort. The coefficient estimates, shown in the fourth and fifth panels of Table 5, are consistent with the descriptive findings, with no substantively significant changes (and only one marginally statistically significant change) either for the likelihood of having any earnings, or the mean amount of earnings. None of the analytic approaches provide evidence of a discernible effect on labor market outcomes.

Child Support Payments

Less than half of the Milwaukee County fathers in our sample made a child support payment at any of the points measured, as shown in the fourth panel of Table 4. In Cohort 1, 46 percent paid before incarceration, and between 46 and 48 percent paid in each of the four years post release, while in Cohort 2, 38 percent paid before incarceration and 43 to 49 percent paid post release. The proportion making payments was higher in the control counties, and was also higher after release than prior to incarceration. There were significant increases in the mean amounts paid which were sustained for four years post release for both cohorts in Milwaukee

County and for two to three years in the control counties. In Milwaukee County, the mean amount paid in increased from \$668 to \$848 in the first year in the first cohort, and from \$672 to \$955 in the first year in the second cohort. In the control counties the means were higher, but relative increases were roughly similar: from \$1,703 to \$2,102 in the first cohort, and from \$1,556 to \$1,962 in the second.

The DDD analysis, reported in the sixth and seventh panels of Table 5, found a 67 percent greater likelihood that a child support payment would be made in the first year following release from prison for cases potentially eligible for the Milwaukee Prison Project, net of differences across cohorts, counties, and incarceration status. This result was statistically significant ($p < .05$). The point estimates suggest an increased likelihood of payment in the following years as well, though the difference was not statistically significant in the second year. Further, we found a marginally significant increase ($p < .10$) in the amount paid in the first year following release from prison for cases potentially eligible for the Milwaukee Prison Project, net of differences across cohorts, counties, and incarceration status. The estimated difference in amount paid in the following three years was positive but not statistically significant. In estimating the differences in child support payments using three approaches that compare groups within Milwaukee, we find no evidence of a discernible difference in payments. In sum, we find limited evidence suggesting an increase in payment outcomes.

Compliance

Our final outcome measure is compliance—that is, payments as a proportion of the child support due. For a given order, compliance rates increase with payments; for a given payment, compliance rates increase as orders fall. While payment levels are most directly consequential for the economic well-being of the mother's family, changes in compliance rates are important

because low compliance triggers enforcement actions with substantial consequences for fathers, and for the child support enforcement system. As shown in the fifth panel of Table 4, the mean level of compliance for the sample in Milwaukee County is low, but increases when comparing pre-incarceration and the first year post-incarceration: from 17 to 22 percent in the first cohort and, more dramatically, from 15 to 26 percent in the second. Compliance rates are somewhat higher in the control counties, with a comparable increase between pre- and post-incarceration across the two cohorts, from 37 to 48 percent in Cohort 1 and from 35 to 46 percent, in Cohort 2).

The DDD analysis is consistent with these findings. While the final panel of Table 5 shows a statistically significant increase of 11 percent in the level of compliance in the first year following release ($p < .01$), net of differences across cohorts, counties, and incarceration status, point estimates for the following three years are positive, but small and not statistically significant. Moreover, we find no evidence of a discernible difference in compliance when we compare fathers within Milwaukee Cohort 2. Overall, the estimates suggest relatively small, and statistically insignificant differences in compliance.

DISCUSSION

The significant number of incarcerated parents in the United States highlights a range of policy issues. This paper has addressed one specific concern; the ability of incarcerated NCPs to meet their child support obligations. In particular, it has been noted that incarceration substantially reduces the amount of income available from which child support can be paid, leading to the accumulation of arrears, which in turn can affect post-incarceration behavior relating to participation in the formal economy and cooperation with child support, leading—ultimately—to fewer resources for custodial parents and worse outcomes for children. One

suggested policy response is to suspend orders during incarceration, thereby severing the pathway from incarceration to arrears accumulation and the associated negative outcomes for children and families. The recently published federal regulations, which include a provision that incarceration may not be treated as voluntary unemployment and that states should consider incarceration a substantial change of circumstances that warrants order review, may increase the incidence of zero or very low order amounts during incarceration.

The Milwaukee Prison Project provided proactive child support order modifications for incarcerated noncustodial parents starting in 2005. The approach differed markedly from earlier policy in Milwaukee, as well as from policy in most other counties. By tracing changes in arrears, orders, earnings, child support payments, and compliance for a large sample of 4,548 fathers as well as a subsample of 1,493 fathers in Milwaukee County during the time period in which the policy was implemented, we have derived estimates of the effect of alternative policies on post-incarceration outcomes. As detailed above, our DDD estimates have the advantage of accounting for unobserved differences that are time-invariant. However, since only one third of those eligible to participate actually received the treatment, these estimates may understate the effects of the policy. In contrast, estimates from our analysis of the second cohort in Milwaukee, based on a direct comparison of participants and nonparticipants, are vulnerable to biases given that propensity score matching does not account for unobserved differences.

Overall, although the findings are mixed, this analysis provides suggestive evidence that proactive order modifications improve child support outcomes, though we found no discernible effect on employment (as measured by having any earnings). Specifically, we find suggestive evidence of declines in arrears in all years (though the DDD estimates are not statistically significant), and substantive and significant declines in child support order amounts (across all

models) in the first year post release. For the DDD models only, we find a substantial increase in the likelihood of a child support payment (significant in three years out of four), and the amount paid and compliance in the first year following release. Clearly, additional research is needed to confirm or contradict these suggestive findings, and to better understand the mechanisms underlying the outcomes. But, notwithstanding their limitations, this analysis provides some of the first systematic evidence regarding the consequences of a much discussed policy option over a longer (four year) time period, and provides a starting point for future efforts.

Incarcerated parents, generally with no ability to pay child support while incarcerated, face the prospect of substantial growth in child support arrears while in prison. A range of concerns motivate calls to modify child support orders for incarcerated parents, while other concerns motivate calls to maintain these same orders. For example, some argue that burdensome arrears are counterproductive and will simply compound post-incarceration challenges contributing to recidivism, while others suggest that it is unfair to excuse incarcerated parents from the obligations faced by other noncustodial parents. A key question is whether child support order modifications will ultimately increase, or decrease, the support available to children.

The findings presented here indicate that holding open the child support orders of incarcerated parents may not only produce the mechanical effect of reducing their arrears at the time of release, it may also have an effect on the behavior of these parents in ways that are consequential to their children and the custodial parents as well as related systems. Specifically, although a custodial parent would not receive the amount due to her for support of a child as delineated in an order while the NCP is incarcerated, the likelihood she will receive payments subsequent to release may increase. Further, the child support enforcement system would also

benefit from an increased likelihood of collecting current support, reducing arrears, and preventing the accumulation of additional debt subsequent to the release of incarcerated parents. While we cannot directly measure cooperation with child support enforcement, we do not find evidence that improvements in employment or earnings account for improved child support outcomes. Thus, the results are consistent with arguments that the experience of order modification during incarceration may increase fathers' subsequent cooperation with child support enforcement.

Despite interest in the policy option of suspending the child support orders of incarcerated NCPs, there is little evidence regarding the effect of such a policy change on child support and employment outcomes of interest. We have presented information, derived from a natural experiment, which begins to fill a gap in the available empirical evidence related to the implementation of a policy to hold open the child support orders of incarcerated NCPs. Although the findings are mixed, they provide suggestive evidence that the policy may have some of its intended effects on the behavior of NCPs post-incarceration, particularly as related to child support payments subsequent to release. This represents an initial step in the effort to disentangle the relationships between child support and incarceration and provide some insight to policymakers regarding the treatment of the child support orders of incarcerated NCPs.

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