Exploring Reasons for the Decline in Child Support Orders among Paternity Cases

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October 2012

This report was prepared under a research agreement between the Wisconsin Department of Children and Families and the Institute for Research on Poverty. Any views expressed in the report are those of the authors and not the sponsoring institutions. The authors thank Pat Brown, Steve Cook, David Chancellor, and Dawn Duren for assistance with the data and preparation of the report.

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Improving child support enforcement is a key family policy goal because child support is the primary policy tool used to assure private financial support of the children of divorced or never-married parents. Over the last 30 years, increases in nonmarital childbearing (Hamilton, Martin, & Ventura, 2010; Martin et al., 2009) and continued high levels of divorces (Bramlett & Mosher, 2002) have increased the population potentially served by the child support system, at the same time that political and economic changes have reduced the availability of alternative public economic support for children in low-income families (e.g., welfare) (Cancian, Meyer, & Caspar, 2008). Together these changes have created new challenges and opportunities for the child support system.

Child support enforcement policy has been expanded and strengthened in an effort to improve the economic wellbeing of children, and to reduce costs to taxpayers of alternative public supports (Garfinkel, Meyer, & McLanahan, 1998; Pirog & Ziol-Guest, 2006). Although the records from the Office of Child Support Enforcement showed growth in the number of child support cases with payments and improvement in the proportion of cases with orders through the end of the 1980s,¹ Census reports for this period showed that for the population of custodial parents as a whole, there were few improvements, and even declines (e.g., Hanson, Garfinkel, McLanahan, & Miller, 1996). With new policy changes and continued focus on implementation and enforcement, the Census figures began to improve, with increases over the 1990s in the proportion of demographically eligible parents with orders and in payment levels (Grall, 2011). But this success has been short-lived; in recent years the trends in outcomes for the formal child support enforcement system appear to have stagnated or even declined.

This recent decline can be readily seen in the proportion of custodial-parent families with a child support order. According to national survey figures drawn from the Current Population Survey-Child Support Supplement (CPS-CSS), the proportion of custodial-parent families who report having a child

¹See OCSE annual reports and statistics, the most recent of which are available at <u>http://www.acf.hhs.gov/programs/cse/pubs/</u>

support order increased somewhat from 1993 (57.0 percent) to 2003 (60.0 percent), but then declined to 57.3 percent in 2005, 54.0 percent in 2007, and 50.6 percent in 2009 (Grall, 2011). The decline in the prevalence of child support orders is particularly important in that the system's attempts to improve the economic situation of vulnerable families cannot proceed if there is not a formal child support order; that is, the system's monitoring and enforcement tools come into play only when there is a legal order.

This decline in orders in the face of continued policy attention is something of a mystery. Some have argued that this merely reflects a change in the types of cases coming into the child support system, with more nonmarital cases which typically have a lower likelihood of orders. While this may be part of the story, it is not the only story. The proportion of ever-divorced custodial parents with a child support order declined from 1999 to 2009. The proportion of never-married custodial parents with an order reached its highest level in 2001, but by 2009 had declined by 6 percentage points from its peak.² Because the trend lines for divorce and nonmarital cases differ, we explore them separately, with divorce cases analyzed in a companion paper (Meyer et al., 2012). In this paper we focus on the likelihood of orders among paternity (nonmarital) cases, exploring whether a variety of factors are associated with the trend. We examine the likelihood of orders at the time of paternity establishment, rather than looking at orders for the entire never-married caseload, because outcomes among those entering the system are more responsive to changes in the environment and are likely to have long-lasting effects. We examine four potential explanations for the decline in orders: (a) because cases in which children spend substantial time with both parents are less likely to have orders, changes in where children live could be associated with changes in order probabilities; (b) if more noncustodial fathers have low incomes, orders may be less likely; (c) if fewer custodial mothers are required to cooperate with the child support system, given declines in welfare caseloads, there may be fewer orders; and (d) there may be a lower likelihood of an

²These numbers are calculated from information in the detailed tables available on the U.S. Census Bureau web site; see <u>http://www.census.gov/hhes/www/childsupport/cs09.html</u>.

order in cases in which the custodial mother has higher income than the noncustodial father, and the proportion of this kind of case could be increasing.

I. POLICY CONTEXT AND LITERATURE REVIEW

We begin with a discussion of paternity establishment, providing information on the policy context and the trend in establishment rates. We then focus on the establishment of child support orders in paternity (nonmarital) cases, providing data on the policy context, factors associated with having an order and the trends in orders.

Paternity Establishment

The establishment of a child support order for a nonmarital child requires a formal finding of paternity. Policies surrounding paternity establishment have changed significantly over the years. A review study suggests that the prevalence in child support orders among mothers who had not been married was as low as 20 percent in the late 1970s, and that most of the problem was presumably a lack of formal paternity establishment (Garfinkel et al., 1998). The proportion of nonmarital births with established paternity has been gradually increasing, due in part to federal legislation in the 1980s and 1990s and advancements in blood testing that identify the biological father with more certainty (Miller & Garfinkel, 1999). Early legislation included the ability to establish paternity at any time until the child's eighteenth birthday and improved procedures for parents residing in different states. During the early 1990s, the federal government required all states to adopt in-hospital voluntary acknowledgment procedures as a condition of receiving funds for their child support office. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) went even further, including bonuses to states that improved paternity establishment rates; the act also set the goal of paternity establishment for 90 percent of all nonmarital births.

Data on the prevalence of paternity establishment do show improvements. About two-thirds of nonmarital children born in large U.S. cities between 1998 and 2000 had paternity established by age one

(Mincy, Garfinkel, & Nepomnyaschy, 2005), and most of these were established in hospitals through a voluntary paternity acknowledgement (VPA) form (Mincy et al., 2005). Child support offices now report about as many paternities established or acknowledged as there are nonmarital births (U.S. DHHS, 2011).

Child Support Orders

Depending on whether paternity is voluntarily acknowledged or established by the court, there is a somewhat different process for order establishment. With voluntary acknowledgement, paternity is considered established unless the noncustodial parent rescinds the acknowledgement within 60 days. Even within the 60 days, if custodial parents with VPAs want a child support order, they can seek the assistance of the child support agency. The case would then come to court for order establishment. Paternities established by the court usually have a decision about whether there is to be a child support order in the same court action, or shortly thereafter.

Once the court considers whether a paternity case should have an order, the process is identical, regardless of whether there was initially a VPA. Every state has a numerical guideline that governs whether there is supposed to be a child support order. Although the guidelines differ across states, most require child support orders in typical cases, whether paternity or divorce, and, within paternity, whether court-established or voluntary. There are two types of cases in which the guideline may suggest that an order is not required. In many states, there is an adaptation of the guideline for low-income noncustodial parents, and in some of these states the guideline suggests that no order would be required (Cancian, Meyer, & Han, 2011). Second, in some states the guideline suggests that there be no order if the child lives approximately equal time with each parent (Brown & Brito, 2007). Guidelines do differ across states, however. The Wisconsin guidelines result in an order unless a noncustodial parent has zero income; low income still results in an order in the guidelines. In contrast, the Wisconsin guidelines can result in no order in equal-time cases if the parents have very similar incomes.

In addition to these types of cases in which guidelines may explicitly allow for no order, there may be other reasons for not having an order. For example, parents may make an agreement that no order

is required, and a court may accept the agreement. Some types of cases in which the court may be particularly likely to allow no order are those in which the noncustodial parent has lower income than the custodial parent and those in which the custodial parent is not receiving public benefits. (Those receiving welfare benefits are required to cooperate with the child support agency as it tries to establish an order, giving the custodial parent less discretion).

Trends and Characteristics Associated with Orders

During the mid-1980s, fewer than 20 percent of never-married mothers had orders (Peterson & Nord, 1990). By the early 1990s, 35 percent of those with nonmarital births had a child support order (Argys, Peters, & Waldman, 2001). There has been little research on trends in orders among unmarried parents, as most of the studies in this literature examine trends for the entire child-support eligible population or divorced parents only (Case, Lin, & McLanahan, 2003; Hanson et al., 1996). Moreover, the few studies that there are vary in the unit of analysis (nonmarital births or never-married mothers). The most consistent series comes from the detailed tables from the Current Population Survey – Child Support Supplement. The proportion of never-married custodial parents who have child support agreements increased from 43 percent in 1993 to 51 percent in 2001 and 2003, but then declined to 48 percent in 2005 and 43 percent in 2007, before a small increase to 44 percent in 2009.³

There have been few studies of characteristics associated with child support orders among paternity cases; most imply that both the policy environment and parental characteristics are likely related to having an order. Prior studies have consistently identified parents' income as one of the most important factors in many child support outcomes, but generally these studies do not show separate results for paternity cases. Another consistent finding is that, among parents who have never been married to each

³These figures are calculated from information in the detailed tables available on the U.S. Census Bureau web site; see <u>http://www.census.gov/hhes/www/childsupport/cs09.html</u>

other, an order is less likely for racial and ethnic minorities and for mothers with low levels of education (Argys & Peters, 2001; Argys et al., 2001; Miller & Garfinkel, 1999; Sorensen & Hill, 2004).

Drawing this limited research together, we expect child support orders to be less likely when the father has very low income and/or when he has less income than the mother. We also expect orders to be less likely when placement is shared between the parents (or at least not awarded solely to the mother). Finally, orders may be less likely among those who have not received welfare, since they have more choice in the process. If the prevalence of any of these factors increased over time, or if these factors became more important, that could then lead to lower orders. We present data on the time trend in orders among paternity cases and then explore factors that may be related to the trend.

II. DATA AND METHODS

Data and Sample

We use the most recent cohorts of the Wisconsin Court Record Data (CRD), which include information collected from the court records of paternity cases. The data include information from paternities established by the court as well as VPAs.⁴ Data come from 21 Wisconsin counties, including Milwaukee. These data are unique in providing detailed information on parents and children. These data have been collected at various points since the 1980s; for our analysis here we use the period between 1997 and 2007. These data are merged with administrative records of employment and earnings from the Unemployment Insurance system, and with Wisconsin Works (TANF) payments and Supplemental Nutrition Assistance Program (SNAP) benefits found in Wisconsin's administrative data system, called CARES.

Between 1997 and 2007, there are 6,778 paternity cases in the CRD. Because sometimes the court will establish paternity but defer setting a child support order until more information is gathered, we

⁴Some cohabiting couples have filed VPAs; the CRD did not collect these cases unless there was evidence the parents were living apart for at least a year.

examine court actions within six months of paternity establishment. Requiring that cases have at least six months of information post-establishment eliminates 11 cases from our sample. We also exclude cases in which parents were living together during the period of data collection, leaving us with 6,051 cases. Finally, we also eliminate 250 cases in which physical placement was awarded to the third party and another 7 cases in which the minor child reached age 18 before an order was established. The final sample is 5,794 paternity cases. For descriptive analyses, we select a subset of these cases, contrasting the 894 early-cohort cases (from 1996 to 1998) and the 2,403 later-cohort cases (from 2004 to 2007). For statistical comparisons over time and multivariate analyses, we further eliminate cases in which split placement is awarded. This step drops only additional 3 cases for the late cohorts, leaving a sample of 3,294 cases.

Measures

The outcome variable is whether there is a child support order. We examine whether there is an order at the time of paternity establishment, and, if not, continue looking at any action within the first six months after establishment. All other variables are measured at the time of establishment unless there is no order at establishment but there is one within six months, in which case we use the action that established the order to determine the time period for other variables. (For simplicity, we refer to this as the "time of establishment.")

We have four key independent variables, beginning with placement type. We have detailed information on placement, so we separate five types based on the number of overnights: sole-mother placement (75 to 100 percent of the overnights); shared, mother-primary (mother with 51 to 75 percent of the overnights), equal time (each parent has 50 percent of the overnights), father-majority (in which the father has 51 percent or more of the overnights; this combines shared, father-primary and sole-father placement), and split (in which one child has one placement and another has a different placement). Because sole-mother placement is so predominant, in our multivariate analyses we combine all other

possibilities and compare them to mother sole-placement.⁵ A second key variable is welfare receipt; this is coded as one for cases in which a parent received TANF or SNAP at any point in the year prior to the time of establishment and zero otherwise.⁶ Our third and fourth variables measure income, both whether the father has low income and the relative incomes of the parents (whether the mother has more income than the father, or less, or about the same). We have two measures of each parent's income. The first measure is the annualized income as listed in the court record combined with SNAP benefits from the year prior to the time of establishment (the court record does not include SNAP benefits in its measure of income). Our second measure is from administrative records, and is the sum of earnings, TANF, and SNAP, all measured in the year prior to establishment. We use the maximum of these two measures; alternative algorithms provide similar results. We construct dummy variables for those missing income, and assign the median income within gender, cohort, and placement type to cases that are missing income. When the income of both parents is known, we construct dummy variables for relative income, measured as whether the mother's income.⁷ Finally, we construct a dummy variable indicating whether the father's income.⁷ Finally, we construct a dummy variable indicating whether the father's income (if known) is below the poverty threshold for a single individual.

In addition to income and placement, we also include demographic information from the court record, factors in the legal process that may affect the outcome, and county type. We consider the age of

⁵We deleted cases with split placement from the multivariate analysis. The treatment of split placement cases matches our treatment in the companion paper on divorce cases. However, the categories in the multivariate analysis differ from those used in the divorce paper. In that paper, we use the more detailed categorization of placement; here we combine mother primary, equal time, and father-majority placement into one group called other placement types.

⁶There have been differences in the child support cooperation requirements for TANF and SNAP (or Food Stamps) after the requirement for SNAP participants was removed in late 2007 (State of Wisconsin, 2007). Given potential differences, we also estimated models which distinguish TANF and SNAP participants. The results suggest similar relationships between the probability of orders and participation in both TANF (usually with SNAP), or participation in SNAP alone.

⁷This treatment is identical to the treatment of income in the companion paper examining divorces, with two exceptions. First, in the divorce paper, our income measures are based on placement (e.g., whether the custodial parent's income is about the same as the noncustodial parent's), rather than gender (e.g., whether the mother's income is about the same as the father's). Second, in the divorce paper we construct a combined variable for whether the either of the parents were receiving TANF or SNAP; in this paper we examine the father's receipt separately from the mother's.

children (differentiating between cases in which the youngest child was aged 0 to 5 from those who do not have young children) as well as variables reflecting the gender and number of children. We also consider other characteristics of the parents, including whether they had had children with other partners, whether the father is substantially older than the mother, and which parent (or the child support agency) petitioned for the first action. We differentiate between Milwaukee, other urban counties, and rural counties.⁸

Research Questions and Empirical Approach

We begin with descriptive data on the likelihood of orders. We then provide information on the trend in placement and the trend in income and benefit use. We then estimate two linear probability models. In Model 1 we include an indicator variable for whether a case is in the later cohort, including a variety of control variables. If the coefficient of the cohort is negative and statistically significant, this implies that more recent paternities are less likely to have an order, even controlling for background characteristics. In Model 2, we add variables denoting relative income, whether the father has low income (below poverty), whether the parents had received welfare benefits and placement, to see if late-cohort cases are still less likely to have an order, controlling for these factors associated with other potential explanations. ⁹

⁸There are minor differences in these variables from the companion paper that examines divorces. Because fewer paternity cases have more than one child in the case and relatively few have older children, we use a simplified differentiation here for the number of children and gender, and we use only two (rather than three) age categories. In addition, in this paper we follow a procedure similar to our procedure for income and operationalize variables by gender, rather than by custodial/noncustodial status.

⁹This approach is similar to the approach in the companion paper for divorce cases. However, divorce cases have a broader array of placement outcomes, whereas paternity cases are primarily sole-mother placement. As a result, in the companion paper for divorce cases, we include a separate model focusing on placement type; in this paper we test all four explanations in the same model (Model 2).

III. RESULTS

What Is the Time Trend In Orders?

Figure 1 presents the trend in the proportion of paternity cases with child support orders in Wisconsin. The rate of an order decreased from about 90 percent in 1996 to 1997 to 73 percent in 2003 to 2004 and increased only slightly through 2006 and 2007, when it was 77 percent. Comparing the early (1996 to 1998) and the late periods (2004 to 2007), the likelihood of having a child support order has declined by about 15 percentage points.

Do Paternity Cases In the Most Recent Cohorts Have Similar Placement Outcomes and Similar Characteristics to Paternity Cases In the Earlier Cohorts?

The trend in physical placement is shown in Table 1. In 1996 to 1997, virtually all cases (97.7 percent) had sole-mother custody. This had declined to 88.9 percent by 2006 to 2007. Increases can be seen for shared, mother-primary (from 0.1 percent to 3.1 percent), equal-time (from 0.9 percent to 5.3 percent) and the combination father-sole and shared, father-primary (from 1.3 percent to 2.4 percent). There are only a few cases with split placement. If the placement types other than mother-sole are less likely to have an order, these placement trends could lead to a decline in the prevalence of orders over time.

Changes in other factors may have also contributed to the decline in order rates. Table 2 presents changes in income or benefit use between the early and the late cohorts, i.e., the periods of focus for our analysis. The mean father's income is about \$17,000 to \$18,000 per year and declined over time; the mean mother's annual income is about \$14,000 and was stable over time.¹⁰ The next rows show that we are missing income information in almost one-quarter of the cases, especially for fathers. When income is known, it is more common for mothers to have less income than fathers in the early period, but the proportion of cases in which the mother has less income has declined, and the proportion in which the

¹⁰All income measures are in 2010 dollars.



Figure 1: Likelihood of Orders for Paternity Cases

Year of Petition

Table 1: Trends in Physical Placement

| | 1996–1997 | 1997–1998 | 2000-2001 | 2002-2003 | 2003-2004 | 2004–2005 | 2005-2006 | 2006-2007 |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Ν | 451 | 443 | 820 | 843 | 834 | 811 | 801 | 791 |
| Mother Sole | 97.7% | 96.3% | 96.8% | 92.3% | 93.0% | 91.8% | 92.6% | 88.9% |
| Shared, Mother Primary | 0.1% | 1.2% | 0.3% | 1.8% | 2.4% | 2.7% | 1.9% | 3.1% |
| Equal Shared | 0.9% | 1.4% | 1.1% | 4.3% | 3.5% | 3.5% | 4.6% | 5.3% |
| Split | 0.0% | 0.0% | 0.0% | 0.1% | 0.3% | 0.3% | 0.0% | 0.3% |
| Father Sole & Shared, Father Primary | 1.3% | 1.0% | 1.7% | 1.5% | 0.7% | 1.7% | 0.9% | 2.4% |

| Variable | 1996–98 | 2004–07 | Significant Trend? |
|---|----------|----------|-----------------------|
| Father's income (s.d.) | \$18,494 | \$16,944 | * |
| | (626) | (429) | |
| Mother's income (s.d.) | \$14,139 | \$14,059 | |
| | (417) | (261) | |
| Missing father's income; mother's income known | 0.19 | 0.19 | |
| Missing mother's income; father's income known | 0.03 | 0.03 | |
| Missing both parents' income | 0.02 | 0.01 | |
| Mother's income < 80% father's income | 0.38 | 0.34 | * |
| Mother's income > 120% father's income | 0.28 | 0.33 | * |
| Mother's and father's income similar (80%-120%) | 0.10 | 0.11 | |
| Father's income below poverty | 0.31 | 0.34 | |
| Mother received TANF or SNAP | 0.66 | 0.76 | ** |
| Father received TANF or SNAP | 0.10 | 0.24 | ** |

Table 2. Characteristics of Paternity Cases, 1996–98 and 2004–07

** p < 0.01; * p < 0.05Note: The sample size is 3,294 paternity cases, which includes 894 in the early cohorts and 2,400 in the late cohorts.

father has less income has increased over time. About one-third of fathers have income below the federal poverty line; while the estimates suggest fathers' poverty increased between the periods, the increase was not statistically significant. Finally, the likelihood of receiving TANF or SNAP in the previous year has increased both for mothers and fathers. Further analysis shows that the increase is completely due to more parents receiving SNAP; fewer parents received TANF in the latter period.

Appendix Table 1 summarizes changes in the other variables we use in our models. Over this period, paternity cases are more likely to have two or more children, and are more likely to include a young child. Paternity cases are increasingly likely to include fathers who have had children with other partners, or to have both parents who have had multiple-partner fertility. There is also a trend away from mothers and towards the child support agency being the plaintiff of court actions. The proportion of cases in which father is substantially older than the mother has increased, but it is still not a large share of cases (14 percent). The shares of cases in each location have not changed; the majorities (62 percent) of the paternity cases are in Milwaukee County.

In summary, considering the potential explanations for the decline in orders, we see a decline in cases with sole mother placement, which, all else equal, would be expected to lead to a lower likelihood of having an order. There has been a decline in the proportion of mothers receiving TANF (though not SNAP), and there are more cases in which the mother has more income than the father, which both would be expected to contribute to a decline in orders. On the other hand, there is no change in the proportion of fathers with incomes below the poverty line, so this explanation seems unlikely to be a major factor explaining the decline. A multivariate analysis enables us to examine these relationships holding other factors constant.

Does Controlling for Characteristics, Income, or Placement Account for the Decline In rhe Likelihood of an Order?

A preliminary linear probability model, which includes only a dummy for the later period and an intercept, shows that the later period is associated with a decrease in the probability of a child support

order by 8.4 percentage points (p < .01). Table 3 presents two multivariate models that explore whether the decline can be explained by the variables in our models. When control variables are added to the preliminary model in Model 1, we continue to find a decline in the probability of a child support order, and the coefficient on period is of about the same magnitude, suggesting later-period cases are 9 percentage points less likely to have orders once a variety of background factors are controlled. Model 2 adds the main variables of interest: income, benefit use, and placement. It shows that controlling for these variables, the later period is associated with a 6.7 percentage point decline in orders, still statistically significant. The coefficient on placement is quite large, suggesting that cases with sole mother placement are associated with a 31 percentage-point increase in the likelihood of an order compared to cases with other types of placement. The economic circumstances of parents are generally related to the probability of an order as expected. When fathers have low income, it is less likely for there to be an order, by 12 percentage points. The parents' relative income has no discernible relationship to the likelihood of an order. Cases in which either parent's incomes are missing (a category that might suggest the lack of income) are less likely to have orders. The relationship between the likelihood of an order and benefit use is complicated. Orders are significantly less likely among cases in which the father receives benefits, but significantly more likely when the mother receives benefits. The direction of relationship for mothers is as expected, given that the child support agency is likely to be involved when mothers receive benefits. However, while the number of SNAP cases is increasing, the number of TANF cases is falling. In auxiliary models, we consider TANF and SNAP participation separately to try to understand these relationships more fully. We find that mothers who receive SNAP with or without TANF are more likely to have orders, and that fathers who receive SNAP are less likely to have orders.

Coefficients on the control variables are generally consistent with our expectation. Orders are more likely when there is a young child and when the father (but not the mother) has had children with other partners. A child's gender is not related to the likelihood of an order. Orders are less likely in Milwaukee.

Table 3: Linear Probability Model of Having an Order

| | Model 1 | | Model 2 | |
|---|-----------|---------|-----------|---------|
| - | Coeff | StdErr | Coeff | StdErr |
| Late period | -0.091*** | (0.015) | -0.067*** | (0.015) |
| Non-mother-sole custody | | | -0.308*** | (0.022) |
| Father's income below poverty, non-imputed | | | -0.121*** | (0.019) |
| Mother's income < 80% Father's income, non-imputed | | | -0.018 | (0.022) |
| Mother's income > 120% Father's income, non-imputed | | | 0.013 | (0.025) |
| Both parents' income missing | | | -0.100 | (0.058) |
| Only father's income missing | | | -0.234*** | (0.025) |
| Only mother's income missing | | | -0.081* | (0.038) |
| Father received TANF or SNAP | | | -0.058* | (0.018) |
| Mother received TANF or SNAP | | | 0.078*** | (0.015) |
| One child, boy | 0.020 | (0.019) | 0.024 | (0.019) |
| One child, girl | 0.017 | (0.020) | 0.016 | (0.019) |
| One child, gender unknown | -0.008 | (0.036) | -0.007 | (0.034) |
| Age of Youngest 0–5 | 0.081*** | (0.024) | 0.063** | (0.023) |
| Only mother has children from previous partner | -0.023 | (0.027) | -0.031 | (0.026) |
| Only father has children from previous partner | 0.078*** | (0.017) | 0.044** | (0.016) |
| Both parents have children from previous partners | 0.091** | (0.031) | 0.058 | (0.030) |
| Plaintiff—father or others (base: CSE) | -0.141*** | (0.039) | -0.030 | (0.038) |
| Plaintiff—mother (base: CSE) | 0.021 | (0.032) | 0.026 | (0.031) |
| Father is 8+ years older | -0.014 | (0.020) | -0.018 | (0.019) |
| Rural | -0.011 | (0.017) | -0.005 | (0.016) |
| Milwaukee | -0.118*** | (0.016) | -0.120*** | (0.016) |
| Constant | 0.822*** | (0.032) | 0.896*** | (0.036) |
| Observations | 3294 | | 3294 | |
| R-squared | 0.044 | | 0.141 | |

Standard errors in parentheses. * p<0.05, ** p<0.01, *** p<0.001.

Robustness Tests

The models discussed above constrained the estimated relationships between family characteristics and probability of an order to be identical across the two time periods, allowing only for a fixed difference in the probability of an order in the later period. An alternative fully interacted model reveals some statistically significant differences in the coefficient estimates across the two periods. We find statistically different relationships across the two periods in the relationship between the likelihood of an order and (a) low-income fathers (with low-income fathers less likely to have an order in the later period); (b) whether there was a placement outcome other than mother sole (with the less of a reduction in the probability of an order in non-mother sole placement cases in the later period); (c) Milwaukee County (cases less likely to have an order in the later period); and (d) the father (but not the mother) having children with a previous partner (more likely to have an order in the later period).¹¹ An F-test shows that the fully interacted model provides a better fit. Nonetheless, we show the simpler model for parsimony and ease of interpretation. Moreover, our basic conclusions—that paternity cases are less likely to have an order in the later period, controlling for a variety of characteristics, and that placement, income, and benefit use explain some, but not all of the decline—hold in both models.

IV. DISCUSSION

The proportion of custodial parents with child support orders has been decreasing, despite significant policy attention. We have focused on recent paternities to measure changes in the prevalence of child support orders for this group, and to begin to explore whether these changes can be accounted for by changes in placement, or by changes in the number of parents required to cooperate with the child support system, the number of fathers with low income, or the number of couples in which the mother's income is higher or comparable to the father's. We find that changes in placement and the proportions of

¹¹The variable denoting that income was missing for only the father also shows a different relationship between the periods. In both periods these cases are less likely to have an order, but this is even stronger in the later period).

fathers with low income explain part of the decline in orders: there are more cases with non-mother-sole placement, and somewhat more fathers with low incomes,¹² and both these types of cases are less likely to have orders. On the other hand, changes in relative incomes do not seem important to the decline in orders, and changes in benefit patterns are not fully consistent with the time trend in orders either. After controlling for a variety of characteristics of parents and the legal environment, we still find a lower likelihood of orders in the later period, a trend that was not explained by the observable characteristics we include.

Complex connections and processes make it difficult to distinguish the relationship between orders, placement, and other characteristics. Because families' characteristics—for example the father's income—may influence placement decisions, the likelihood of an order, and the likelihood of an order given placement, the simple exercise we undertake here is limited. Nonetheless, it provides some indication of factors related to the decline in orders.

This research may be limited in that the majority of cases are located in Milwaukee County. The degree to which our results can be generalized to metropolitan counties in other states or the nation is uncertain. Moreover, the sample is somewhat limited because only unmarried parents who go to court are included (both those who go to court to establish paternity and those who had paternity set through a VPA who go to court for an order). Nevertheless, our analysis offers information on an important outcome, an order for child support, for families in which paternity has been established, a population that is underresearched and less understood. Children in families that do not have orders are unable to receive formal child support. A more complete understanding of the process by which nonmarital children do (or do not) have child support ordered would be useful in devising strategies to improve the economic well-being of vulnerable children.

¹²Although the proportion of fathers with low income increases between the periods from 31 to 34 percent, the difference is not statistically significant at conventional levels.

| Variable | 1996–98 | 2004–07 | Significant Trend? | | |
|---|---------|---------|-----------------------|--|--|
| Characteristics of Children | | | | | |
| One child, boy | 0.41 | 0.37 | | | |
| One child, girl | 0.40 | 0.36 | | | |
| One child, gender unknown | 0.07 | 0.05 | | | |
| 2+ children | 0.12 | 0.22 | ** | | |
| Age of Youngest 0–5 | 0.87 | 0.93 | ** | | |
| Only mother has children from previous partner | 0.10 | 0.12 | | | |
| Only father has children from previous partner | 0.14 | 0.21 | ** | | |
| Both parents have children from previous partners | 0.05 | 0.11 | ** | | |
| Neither parents has children from previous partners | 0.72 | 0.56 | ** | | |
| Legal Inform | mation | | | | |
| Plaintiff—father or others | 0.02 | 0.02 | | | |
| Plaintiff—mother | 0.14 | 0.01 | ** | | |
| Plaintiff—State/Child Support Enforcement | 0.84 | 0.97 | ** | | |
| Other Infor | mation | | | | |
| Father is 8+ years older | 0.11 | 0.14 | * | | |
| Rural | 0.06 | 0.07 | | | |
| Milwaukee | 0.62 | 0.62 | | | |
| Other urban county | 0.32 | 0.31 | | | |

Appendix Table 1. Trends in Control Variables

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