

# Child Support Enforcement Is Working Better Than We Think

*Elaine Sorensen and Ariel Halpern*

The federal and state governments have devoted considerable resources to strengthening child support enforcement over the last two decades, but the proportion of single mothers who receive child support has remained largely unchanged. In 1997, 31 percent of single-mother families received child support, a figure that is only slightly higher than it was 20 years earlier (see figure 1). Although this trend appears impervious to government efforts to increase child support, in fact, considerable progress has been made for certain subgroups of single mothers. This progress is masked by a shift in the marital status composition of single mothers, away from divorced and separated mothers toward never-married mothers, with the latter having a much lower rate of child support receipt than the former.

Improvements in child support receipt rates for some subgroups of single mothers result, in part, from strengthened child support enforcement policies enacted since the 1970s. The child support provisions under the most recent round of welfare reform will likely perpetuate the upward trend in child support receipt rates for many single mothers. To the extent that fathers have the ability to pay child support, continued investment in the child support enforcement program will mean that even more single mothers will be able to count on child support in the future.

## Some Single Moms Have Experienced Dramatic Gains in Receipt of Child Support

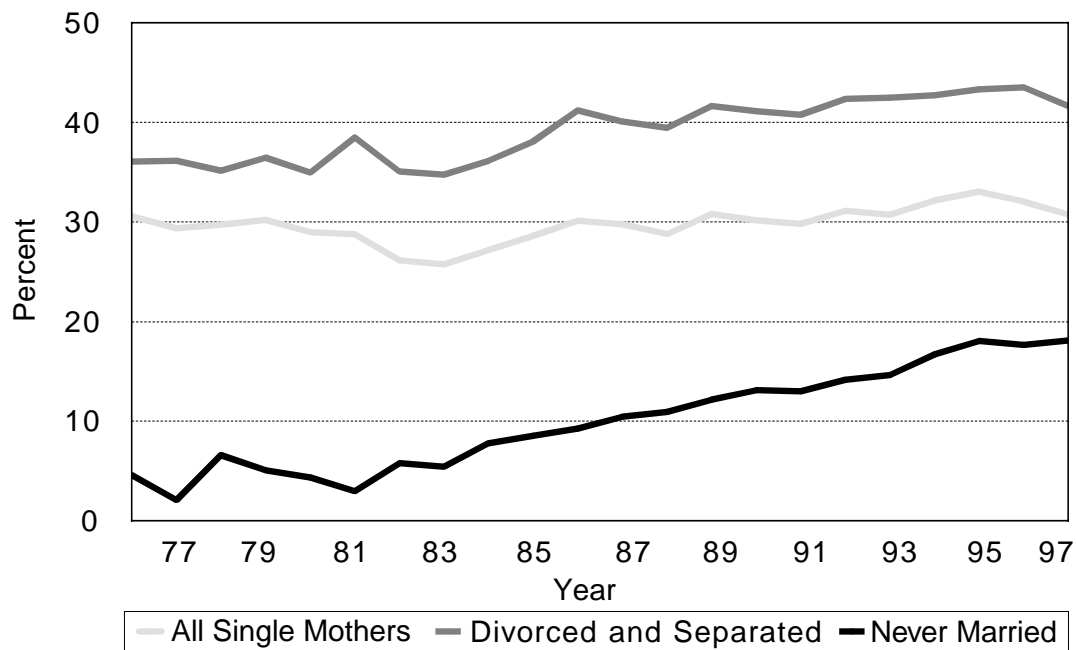
Once we divide single mothers by their marital status, figure 1 shows that never-married mothers saw dramatic improvement in their child support receipt rate over the last two decades.<sup>1</sup> Previously married mothers also experienced gains, though of a smaller magnitude. Never-married mothers experienced a fourfold increase in their child support receipt rate between 1976 and 1997, from 4 percent to 18 percent. Previously married mothers experienced a smaller increase, climbing from 36 percent to 42 percent.

*Never-married mothers experienced a fourfold increase in their child support receipt rate between 1976 and 1997.*

## Increase in Number of Never-Married Moms Skews the Results

The overall fraction of single mothers receiving child support remained largely unchanged during this period because the marital status composition of single-mother families changed dramatically. Figure 2 shows that, in 1976, 83 percent of single moms were divorced or separated (i.e., previously married); only 17 percent had never married. By 1997, the fraction of single moms who were divorced or separated had fallen to 54 percent. In other words, nearly half of single mothers are now in the never-married category.

**Figure 1**  
**Percent of Single Mothers**  
**Receiving Child Support, by Marital Status**



Source: March Current Population Surveys 1977–98.

Figure 1 shows that never-married mothers are much less likely to receive child support than are previously married mothers. Thus, despite significant progress in child support receipt by both never-married and previously married mothers, the dramatic change in the overall marital status composition of single mothers masks any gains in child support receipt.

### How Has Child Support Enforcement Changed?

Traditionally, the states' court systems have been responsible for establishing child support orders, determining their amount, and enforcing them. Since 1975, however, the federal and state governments have taken a more active role in child support enforcement, because of their fiscal responsibility for providing a safety net to poor children.

#### *Shift to More Aggressive Strategies*

By the mid-1970s, it became clear to Congress that father absence was a

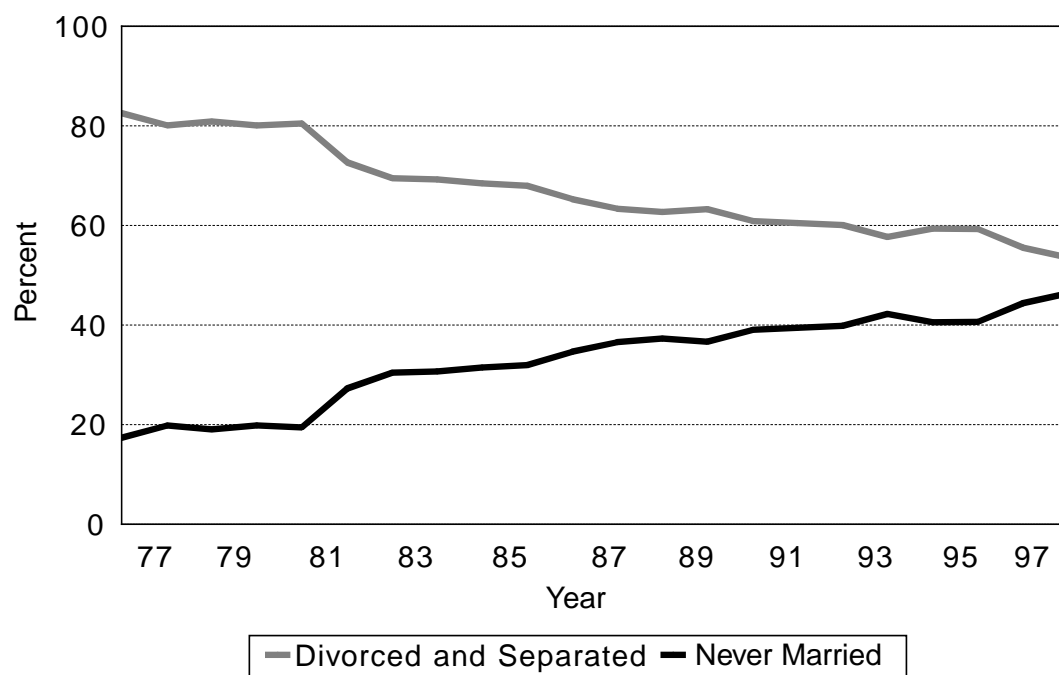
major factor contributing to welfare costs and child poverty. Hence, Congress enacted Title IV-D of the Social Security Act in 1975, establishing an open-ended entitlement to child support enforcement services to all families receiving Aid to Families with Dependent Children (AFDC), as well as to any family requesting such services. This legislation created a federal/state partnership to enforce child support that remains largely unchanged to the present. Congress established the federal Office of Child Support Enforcement (OCSE) to oversee state child support enforcement programs but left the basic responsibility for administering the programs to the states. Every state was required to establish a child support enforcement (IV-D) agency, and the federal government agreed to reimburse 75 percent (later reduced to 66 percent) of the administrative costs of running these programs.

Since 1975, Congress has enacted major reforms of federal child support enforcement policies. Many of these reforms were first developed by state governments and found to be particular-

ly effective enforcement tools. Once enforcement tools prove effective in specific states, the federal government will often require that all states adopt them. Figure 3 shows the year in which states adopted five such child support enforcement policies, all of which were subsequently mandated by the federal government. The sixth enforcement tool described in figure 3—the \$50 pass-through—has had a different history. First mandated by the federal government in 1984 without prior state experimentation, it then became a state option in 1996. Today we see considerable state variation in implementation of the pass-through policy.

The first challenge facing the federal/state partnership was to develop an efficient and effective system of collecting past-due child support from noncustodial parents who were behind in their child support payments. As a result, states began developing a series of enforcement tools to expedite these claims as well as to ensure their payment. One such enforcement tool—state tax intercept programs—was tried by many states,

**Figure 2**  
**Marital Status Composition of Single Mothers**



Source: March Current Population Surveys 1977–98.

which established mechanisms to intercept state tax refunds from noncustodial parents who owe back child support. This reform, along with others, was codified into federal law as part of the 1984 Child Support Enforcement Amendments.

Another enforcement tool—wage withholding—was originally applied only to delinquent obligors. Once noncustodial parents fell behind in their child support payments, states required judges to impose wage withholding. By the late 1980s, however, many states began to implement this mandate even before obligors became delinquent. Based on this experience, Congress enacted “immediate” wage withholding as part of the Family Support Act of 1988, which became effective in January 1994 for all new child support orders. Figure 3 indicates when states first adopted this policy.

States also began to address the lack of horizontal equity in the amounts of child support awards set by judges. Until the adoption of state child support guidelines, judges determined the amount of each award on a case-by-

case basis, with no underlying formula to ensure consistency across families. States began to adopt child support guidelines in the 1970s, through either legislation, court rule, or administrative action. In 1984, the federal government required states to adopt advisory guidelines for judges’ deliberations. In 1988, as part of the Family Support Act, Congress took the additional step of requiring states to make their child support guidelines binding on judges, or presumptive, unless a written finding was issued. States’ adoption of presumptive guidelines is shown in figure 3.

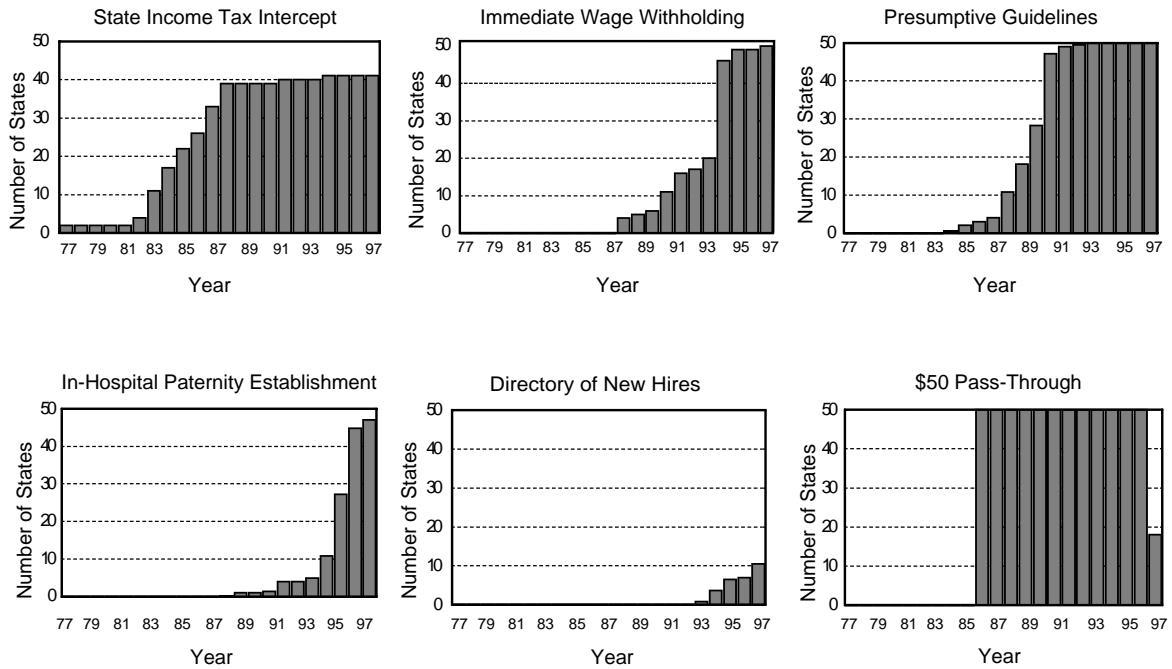
It was not until 1993 that Congress turned its attention to voluntary paternity establishment. Prior to that, although Congress had tried to make evasion of paternity more difficult for noncustodial fathers, it had not established a federal mandate that would allow noncustodial fathers to *voluntarily* acknowledge paternity. In response to successful in-hospital paternity programs in several states, Congress required all states to establish in-hospital paternity programs as part of the Omnibus Budget Reconciliation

Act of 1993. As shown in figure 3, only five states had in-hospital paternity programs in 1993, the year Congress mandated them.

The latest federal effort to reform welfare, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, continued the transformation of the child support enforcement system by increasing its access to information and maintaining its effort to automate caseload processing. The legislation mandated that states require employers to report all new hires within 20 days to child support enforcement authorities. This new requirement is expected to reduce the delay in establishing immediate wage withholding.

PRWORA also eliminated the federal requirement that states pass through the first \$50 of child support paid to welfare families. Following enactment of the child support enforcement program, any child support paid on behalf of a family receiving welfare (i.e., AFDC, replaced by Temporary Assistance for Needy Families [TANF]) was retained by the

**Figure 3**  
**Trends in Child Support Policies**



Source: Authors' review of state statutes, supplemented when necessary by information from legal and policy staff at state child support enforcement offices.

government to compensate it for the cost of providing aid to the family. After 1984, however, the federal government required states to pass through to the family the first \$50 of child support received each month and disregard that amount in the determination of welfare benefits. This policy was meant to give the family on assistance an incentive to cooperate with the child support enforcement program. Under PRWORA, states are no longer required to pass through the first \$50 of child support to welfare families. Figure 3 shows that 32 states have ceased providing a \$50 pass-through.<sup>2</sup>

#### ***Expanded Focus beyond AFDC Mothers***

Another policy shift over the last two decades has been to broaden the reach of the child support enforcement program beyond the AFDC population. Fiscal year (FY) 1997 is the first year in which there were more non-AFDC cases (52 percent) than AFDC cases in the IV-D program. In contrast, 20 years earlier, only 15 percent of the IV-D

caseload consisted of non-AFDC cases. Since 1975, AFDC (and now TANF) recipients have had to assign their rights to child support to the government and cooperate with the IV-D program as a condition of receiving aid. Thus, all welfare families eligible for child support services are IV-D clients. Non-AFDC families, on the other hand, are eligible for services only if they request them. During the initial years of the IV-D program, essentially the entire focus of services was toward AFDC families. Federal matching funds were not available on a permanent basis to serve non-AFDC families until 1980. Incentive funding, which was available for AFDC collections, was not extended to non-AFDC collections until 1984. As Congress boosted the investment of federal dollars to serve non-AFDC families, states increased their efforts to serve this population.

#### ***More Spending on Child Support Enforcement***

As the child support enforcement program has grown in size and respon-

sibilities, its expenditures have also grown. In FY 1997, the federal and state governments spent \$3.4 billion on the child support enforcement program, whereas in FY 1976, they spent only \$390 million (expressed in 1997 dollars). Caseloads have also grown during this period, increasing from 4.2 million in FY 1978 (the first year caseload data were reported) to 18.7 million in FY 1997. Thus, real expenditures per case have doubled during this period, from \$93 per case in FY 1978 to \$182 per case in FY 1997.

#### **How Much of the Rise in Child Support Receipt Can Be Attributed to Expansion of the Child Support Enforcement Program?**

We estimate that 56 percent of the rise in child support receipt rates for never-married mothers and 33 percent of the rise in child support receipt rates for previously married mothers can be

**Table 1**  
**Impact of Child Support Policies on the**  
**Receipt of Child Support among Single Mothers**

	Never-Married Mothers	Previously Married Mothers
Percent of Gain in Child Support Receipt Attributable to Child Support Policies	56%	33%
Impact of Specific Policies		
Tax Intercept Programs	**	**
Wage Withholding		**
Child Support Guidelines	**	**
In-Hospital Paternity Establishment	**	
New-Hire Directories		
\$50 Pass-Through	**	

\*\* Indicates that change in child support receipt rate associated with this policy is statistically significant at the 90 percent level.

attributed to the six enforcement tools described in this analysis, as well as to the overall expansion of the child support enforcement program (see table 1). In other words, if these policies had not been enacted, we estimate that the never-married mothers' child support receipt rate would have increased by 6 rather than 14 percentage points and that the previously married mothers' child support receipt rate would have increased by only 4 instead of 6 percentage points.

With regard to specific child support enforcement policies, we find that the tax intercept program and presumptive child support guidelines significantly increased the likelihood of receiving child support for never-married and previously married mothers. In contrast, the voluntary in-hospital paternity establishment program significantly increased the child support receipt rate of never-married mothers but did not have a comparable result for previously married mothers. On the other hand, immediate wage withholding had a significantly positive impact on previously married mothers' child support receipt rate but not on that of never-married mothers.

More recent enforcement techniques, such as new-hire directories,

which were included in the latest round of welfare reform, have not yet had an impact on single mothers' child support receipt. Most states had not adopted these provisions by 1997, when our data end. In contrast, numerous states eliminated the \$50 pass-through in 1997, which actually reduced the amount of child support received by never-married mothers.

## Looking Forward

As welfare reform has taken hold across the country, single mothers' reliance on private sources of income, including child support, has grown and will continue to do so. The child support enforcement program, with its expanded enforcement tools, has contributed to this trend, but shifts in the marital status composition of single mothers have masked resultant gains. Improving the efficiency and effectiveness of the child support enforcement program will result in greater numbers of single-mother families being able to count on child support, thereby moving more of America's poor families toward self-sufficiency. Without these continued improvements, child support will remain a dream for many poor children.

*This brief summarizes a paper titled Single Mothers and Their Child Support Receipt: How Well Is Child Support Enforcement Doing? by Elaine Sorensen and Ariel Halpern.*

## Notes

1. This study examines *all* single mothers (except widows), on the assumption that single mothers have children with a father living elsewhere and therefore are eligible for child support. Thus, this study is *not* limited to those who are legally owed child support, which is commonly done when examining administrative data on child support. Moreover, married mothers who have children with a father living elsewhere are not included in this analysis because our data cannot identify this subgroup.

2. Under PRWORA, states are allowed to increase or decrease the \$50 pass-through. While most states had eliminated it as of December 1997, when our data end, several states, including Connecticut, Nevada, and Wisconsin, had increased the pass-through.



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*This series is a product of Assessing the New Federalism, a multi-year project to monitor and assess the devolution of social programs from the federal to the state and local levels. Alan Weil is the project director. The project analyzes changes in income support, social services, and health programs and their effects. In collaboration with Child Trends, the project studies child and family well-being.*

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*This series is dedicated to the memory of Steven D. Gold, who was codirector of Assessing the New Federalism until his death in August 1996.*

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