

SEVEN KEY ISSUES FOR CHILD SUPPORT RESEARCH

Results of a Joint AEI/HHS-ASPE Conference

Douglas J. Besharov

Paul N. Tramontozzi

On December 2, 1988, the American Enterprise Institute and the Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, brought together twenty of the nation's leading researchers on child support to consider current and future research developments in the area. (The Appendix includes the papers presented.)

Discussions at the conference were wide-ranging, and dealt with nearly every aspect of child support policy. This report, however, does not seek to summarize the conference proceedings. Rather, it identifies what we believe to be the seven most important policy-related issues that emerged during the discussion:

1. To what extent can unwed fathers be compelled to support their children?
2. Are child support awards declining? If so, why?
3. Do underlying social mores and certain legal restrictions help to explain why payments are so low, and seem to be declining?
4. Will mandatory guidelines and periodic review increase the size of awards?
5. Will strengthened enforcement tools increase payments?
6. To what extent can heightened child support reduce the poverty of female-headed families?
7. How effective is the federal child support program? Who benefits from it?

This report discusses each of these issues and lists, at the end of each discussion, some of the specific research priorities proposed by participants. The report concludes with a discussion on the kinds of information necessary to support more precise child support research.

PATERNITY ESTABLISHMENT

To what extent can unwed fathers be compelled to support their children? Overall, 61 percent of the 8.8 million women with children from a noncustodial father have child support awards. However, the likelihood of having an award is substantially lower for never-married mothers than for mothers who have been married. Only 18 percent of never-married mothers with children from a noncustodial father have awards, compared to 82 percent of divorced mothers.¹

Additionally, never-married mothers without awards are disproportionately represented among the population of women eligible for child support. Even though never-married mothers make up only 23 percent of all women eligible for awards, they make up 48 percent of the women without awards. In contrast, divorced women account for 35 percent of all eligible women, but only 16 percent of all women without awards.²

In many cases, it is in the financial interests of never-married mothers to seek child support awards. Awards to never-married mothers are lower than awards to ever-married mothers (\$1,419 per year compared to \$2,575)³; yet, once an award is established, the rate of payment is as high for never-married mothers as it is for ever-married mothers--about 75 percent.⁴ For never-married mothers not on AFDC, the average child support payment would increase family income by about \$100 per month,⁵ but for women receiving AFDC, the increase is limited by law to \$50 over the amount of their monthly AFDC payment. (The average family income of never-married women who do not have a child support award is \$6,247 per year.⁶)

Why are so few unwed fathers required to support their children? According to Wattenberg, "the low incidence of child support awards to never-married women with children reflects in large part the low rate of paternity establishment."⁷ Paternity establishment is the critical first step in obtaining child support for the children of unwed

¹U.S. Bureau of the Census, Child Support and Alimony: 1985 (Advance Data from March-April 1986 Current Population Surveys) (Current Population Reports, Series P-23, No. 152), p. 5, table E.

²Ibid. For women who have divorced and remarried, the respective percentages are 26 percent and 12 percent.

³U.S. Bureau of the Census, Child Support and Alimony: 1985 (Supplemental Report) (Current Population Reports, Series P-23, No. 154), p. 40, table 7.

⁴Ibid., p. 11, table H.

⁵Ibid., p. 30, table 3.

⁶Ibid.

⁷Wattenberg, E., "Young, Unmarried Parents and Paternity Decisions: What is Known and Not Known" (Paper prepared for the Child Support Research and Policy Conference, co-sponsored by the American Enterprise Institute, and the Office of the Assistant Secretary for Planning and Evaluation, U.S. Department and Human Services, December 2, 1988), p. 2.

mothers. Without it, there can be no child support award; and without an award, you simply cannot enforce parental financial responsibilities. To develop policies that will facilitate increased paternity establishment, we need to identify the factors that have led to such a poor performance.

Even though many researchers and government policy makers believe that paternity establishment is one of the most important issues in child support, very little is known about it. For instance, we do not even know how many children born out of wedlock have had paternity established (although what little data is available suggests that the percentage is not significantly higher than the percentage of never-married mothers with awards).

Unlike information on births and deaths, or marriages and divorces, data on paternity have never been considered "vital statistics," and have never been routinely collected by states. One obstacle is the legitimate privacy concern raised by the whole issue. For example, if legal paternity has not been established, how can we collect information on the fathers of out-of-wedlock children? This, combined with the complex and state-specific procedures for identifying when legal paternity has been established means that no national surveys--including those specifically related to fertility and child support--have ever included questions on paternity establishment. Unless some efforts are made to expand data collection in this area, it will be difficult to develop effective strategies.

General

- o What are the barriers, real or perceived, to paternity establishment?
- o Are local courts and child support enforcement agencies "creaming," that is, are they only pursuing cases against fathers who seem to have money?

Characteristics of Unwed Parents

- o What are the demographic/socioeconomic characteristics of unmarried parents? [Williams, p. 3]
- o What are the demographic/socioeconomic characteristics of those who admit paternity compared to those who do not? [Wattenberg, p. 10]
- o How many children (from the same or different parents) do unmarried parents have? How much contact do unmarried noncustodial parents have with their children? [Williams, p. 3]
- o Do young unmarried mothers and fathers understand the basic information about paternity (their legal rights and responsibilities; visitation, custody, etc.)? [Wattenberg, p. 11]

- o What barriers to services for paternity establishment do young unmarried mothers and fathers believe exist? [Wattenberg, p. 11]
- o Why do young, unmarried parents question the benefits of paternity establishment? Are there any demographic experiences or attitudinal characteristics that correlate? [Wattenberg, p. 10]

Unwed Mothers

- o What proportion of unwed mothers receive AFDC? Eventually get married (to the father of their child, or some other man)? Have paternity established through private proceedings? Or, put their children up for adoption? [Williams, pp. 3-4]
- o How do the living arrangements of young unmarried mothers affect paternity establishment? Are unwed mothers who live with their parents less likely to seek paternity? [Wattenberg, p. 10]
- o Why do so many never-married mothers not want paternity established and child support awarded? [Williams, p. 3]
- o Are unwed mothers on AFDC less likely to seek paternity or a support award?

Unwed Fathers

- o Do unwed fathers stay unwed?
- o What are the incomes and other characteristics of unwed fathers? [Garfinkel, p. 9]
- o What is the capacity and willingness of young unmarried fathers to contribute to child support? [Wattenberg, p. 10]
- o To what extent do young unmarried fathers already contribute to child support (financially and non-financially)? [Wattenberg, p. 10]
- o What are the potential child support collections from unwed fathers? [Oellerich, p. 1; Williams, p. 3]
- o Do unwed fathers have sufficient earnings [or potential earnings] to make intensive paternity establishment efforts worthwhile? [Williams, p. 3]
- o What are the potential long-term gains from public policies that enhance the

income capacity of absent unwed fathers? [Oellerich, p. 5]

- o Would heightened paternity enforcement act as a deterrent to irresponsible sexual behavior among males? (Might it increase use of contraceptives among males?) [Sonnenstein, p. 3].
- o How much do young men know about the possible consequences of teenage childbearing (i.e., paternity, child support)? Are there differences by race, age, educational attainment, and family type (particularly single-parent families)? [Sonnenstein, p. 3].

Children Born Out of Wedlock

- o How many children born out of wedlock have had paternity established?
- o Does paternity establishment per se have an effect on the well-being of children?
- o Does paternity establishment increase the likelihood of sustained and positive father-child relationships?

Institutions

- o How do the ratios of paternities established to out-of-wedlock births vary across states [and within states], and what policies and institutions contribute to, or account for these variations? [Garfinkel, p. 8]
- o How do paternity procedures differ from jurisdiction to jurisdiction, and do these differences influence the programs' effectiveness? [Williams, p. 3]
- o To what extent does the utilization of child support enforcement services improve a mother's chances of establishing paternity? [McNaught, p. 6.]
- o In those cases where paternity is established and awards are ordered, are the levels of orders different from the levels ordered in cases of divorce? [Williams, p. 3]
- o Will national eligibility for AFDC-UP (which allows welfare payments while fathers are in the home) increase paternity adjudication? [Wattenberg, letter, 2/6/89.]
- o If eligibility for jobs training, and other benefits (child care, rental assistance, food stamps, etc.) were conditioned on paternity adjudication, would this increase the rate of paternity establishment? [Wattenberg, letter, 2/6/89.]

- o What are the benefits and costs of a program like the one in Prince George's County, Maryland, that twice each month devotes the county court exclusively to paternity establishment? [Haskins, pp. 4-6]

DECLINING AWARDS

Are child support awards actually declining? If so, why? Census data indicate a substantial decline in child support awards--even in the face of major changes in child support enforcement at the federal level. In 1985, the average child support award was \$2,495, compared to \$2,003 in 1978; however, accounting for inflation, that is a decline of 24 percent.⁸

Is it possible that these are not actual declines, but rather, artifacts of the way in which average awards are measured? Data on the size of awards is based on awards that are as old as 21 years. Older awards, made by judges in fixed dollar amounts and rarely updated, may have been eroded by inflation, thereby obscuring the value of more recent awards. To parse out this effect, we need to determine the age distribution of the existing stock of child support orders, and their value by age of award.

Such a determination would allow us to see whether new awards are substantially higher than these averages. If initial awards are, in fact, higher, it is possible that the various guidelines now being adopted--which assume a low level of awards--may not raise the size of awards significantly. Worse, they may place a ceiling on them--or even reduce them. Knowing the average amount of new awards, therefore, is crucial in assessing whether various proposed child support guidelines will actually raise or lower awards, or whether modifying existing awards is a better strategy.

More research is also needed on two related issues that could affect the size of initial awards over time: the number of children covered by awards, and the length of marriage prior to divorce.⁹ Clearly, as the number of children covered by a child support award increases, the size of the award increases. If families became smaller between 1978 and 1985--and the average number of children covered by awards decreased--we would expect to see a decline in awards.

There is a tendency for judges to order smaller awards in shorter marriages. Some analysts have suggested that the length of marriage prior to a divorce is a reasonable proxy for the father's earning power at the time of divorce. As the length of a marriage increases, the father's earnings--and any subsequent child support award--is likely to increase as well. Thus, if the average length of a marriage prior to divorce decreased significantly between 1978 and 1985, we would expect initial awards to decline over this period.

Finally, research on the earnings of mothers would be useful. Various legal rulings

⁸Derived from Child Support and Alimony: 1985 (Advance Data from March-April 1986 Current Population Surveys), pp. 5-6, and Child Support and Alimony: 1978 (Current Population Reports, Series P-23, No. 112), pp. 5 and 8.

⁹See O'Neill, J., Determinants of Child Support (Washington D.C.: The Urban Institute, under contract with DHHS/National Institute of Child Health and Development, 1985).

in the early 1980s held that mothers share an equal responsibility for child support. If female earnings rose relative to male earnings between 1978 and 1985 (as Robins' preliminary findings suggest), then this would also help to explain why real awards declined over this period.

General

- o Are there marked differences in the amount of support ordered over time?
- o What is the age distribution of the existing stock of child support orders? [Williams, p. 4.]
- o What are the determinants of different aspects of divorce (including property division, child support awards, custody and visitation)? [Willis, p. 1]
- o Are rising female earnings (relative to male earnings) responsible for the recent real dollar decline (1978-1985) in child support awards? [Robins, p. 1]
- o Will including health insurance coverage in the child support award affect the amount of the award?

DETERMINANTS OF NONPAYMENT

Do underlying social mores and certain legal restrictions help to explain why payments are so low and seem to be declining? The average payment received in 1985 was \$2,215, compared to \$1,800 in 1978.¹⁰ But after taking inflation into account, that is a decline of 25 percent. Most efforts to increase child support have focused on administrative and procedural reforms. But more deep-seated factors also need attention. Because the value of payments appears to have decayed over time, we need to explore the degree to which this trend can be more fully explained by legal rules and changes in family demographics--including remarriage, the aging of the child, and the mother's increasing income.

It appears that payments decline when the mother gets a better paying job or remarries--even though she may have unmet economic needs. Preliminary evidence indicates that payment compliance may also be negatively affected by receipt of AFDC, or by the length of time since divorce or separation.¹¹ Can other such factors be identified, and can these factors be used to make fundamental changes in child support laws?

We need to determine whether fathers pay more irregularly, or stop paying altogether, when the mother remarries. Similarly, if the father starts a second family, do his payments tend to increase or decrease? How do child support receipts change with the age of the child and the number of children? Are mothers living with their parents less likely to receive child support? How does geographic separation change family bonds over time? Would an increase in visitation induce a father to pay more and to pay regularly?

The purpose here is not to excuse or justify noncompliance. But we do need to understand how changes in circumstances affect patterns of child support payments in order to get a more precise idea of where action is needed and where the dangers lie in adopting potentially harmful policy prescriptions. Before we make a change in policy, we should be careful to know the most likely result of that change.

Mothers

- o How does remarriage of the mother affect payment?
- o How does employment of the mother affect payment?

¹⁰Derived from Child Support and Alimony: 1985 (Advance Data from March-April 1986 Current Population Surveys), pp. 5-6, and Child Support and Alimony: 1978 (Current Population Reports, Series P-23, No. 112), pp. 5 and 8.

¹¹See Beller, A. and Graham, J., "Trends in Child Support Payments" (Paper prepared for presentation at the First Annual Women's Policy Research Conference, Washington, D.C., May 19, 1989), and current research.

- o Does receipt of welfare by the mother affect payment?
- o Do the living arrangements of the mother (e.g. with her parents, with her boyfriend) affect payment?

Fathers

- o How does a father's age, employment status and income at the time of divorce/paternity establishment affect the likelihood of there being a support agreement? [Petersen, p. 4]
- o How do a father's characteristics affect payment of child support? [Petersen, p. 5]
- o In what way are indicators of fathers' responsibility (avoiding criminal activity, completing high school, or armed forces experience) associated with payment of child support? Do these vary by race and age? [Lerman, p. 5]
- o What is the labor force participation of absent fathers? [Lerman, p. 5]
- o Are fathers paying child support more or less likely to complete their education; marry or remarry; or form cohabitating relationships? [Teachman, p. 4]
- o What happens to support when a father's financial situation changes? [Petersen, p. 5]
- o How often do fathers voluntarily increase their support with increases in income? [Petersen, p. 5]
- o How often do fathers seek a downward adjustment when their income drops? [Petersen, p. 5]
- o Are absent fathers more or less likely to go to jail or join the armed forces than childless men with similar personal characteristics? [Lerman, p. 6]
- o Do absent parents with no obligation pay something? If so, how does it vary over time? [Hill, p. 4]

Situational Factors

- o Do the circumstances of the divorce/separation or paternity establishment

affect payments? (For example, in a more amicable separation, would the noncustodial parent be more likely to comply)?

- o Is mediation an effective way of improving compliance?
- o Do modifications affect compliance?

Second Families

- o Are fathers who pay child support more likely or less likely than other fathers to marry and start second families? [Lerman, p. 6]
- o Are support payments more or less likely to continue after the beginning of a second family? [Lerman, p. 6]
- o What is the relationship between earnings, child support payments, and subsequent marital status among young men? To what extent do increased earnings translate into added support payments, or into the formation of second families? [Lerman, p. 2]
- o How does subsequent marriage influence receipt of child support? [Lerman, p. 4]
- o How do family bonds change over time? [Hill, p. 4]
- o How does geographic separation change family bonds over time? [Hill, p. 5]

Visitation/Custody

- o What are the determinants of different aspects of divorce (including property division, child support awards, custody and visitation)? [Willis, p. 1]
- o Will increased payments of child support (through income withholding or some other means) induce an increase in absent parent demand for visitation? [Robins, p. 5]
- o Are fathers with higher obligations more likely to visit their children than those with lower obligations? [Petersen, p. 5]
- o Would an increase in visitation induce a father to pay more and to pay more regularly? [Petersen, p. 5]

THE IMPACT OF GUIDELINES AND PERIODIC REVIEW

Will formal guidelines and periodic review increase the size of awards? As federal lawmakers became aware of the low level of awards and payments, their legislative interest and activity heightened considerably. Thus, during the last decade, Congress mandated a number of major changes in the way authorities determine child support awards.

The 1984 Child Support Amendments required states to develop specific guidelines for judges to consider in setting the amount of new child support awards. The Family Support Act of 1988 went further by making the guidelines binding on judges; in order to make exceptions to the guidelines in individual cases, judges must rebut them with a written finding that they would be unjust or inappropriate in that particular case. Moreover, the law requires states to review guidelines at least once every four years to make certain that they are still appropriate.

The Family Support Act of 1988 also takes some initial steps towards requiring universal periodic review and update of awards. First, all child support cases handled by the federally funded child support enforcement system (established in 1975 under Title IV-D of the Social Security Act) will soon need to undergo periodic review and update of their awards. (Beginning in November 1990, this review must take place if one of the parents, or the IV-D agency itself requests it; then, beginning in November 1993, all IV-D cases must be reviewed and updated periodically.) Second, in order to determine the impact of universal periodic review on awards and the courts, the law also authorizes four state demonstration projects to test model procedures.

Congress has mandated both guidelines and periodic review in order to raise the value of initial awards, and to maintain their value over time. Ensuring adequate child support depends, in large part, on the effectiveness of both of these central policy tools. The impact and cost-effectiveness of these tools should be evaluated as completely and as quickly as possible.

Guidelines

- o Will mandatory guidelines increase the size of awards and do the type of guidelines make a difference in the amount of that increase?
- o How do states differ in how they determine levels of support (method)? What types of income and what assets do they factor in when determining levels of support?
- o How are states applying guidelines in practice? [Robins, p. 8]

Periodic Review

- o Will periodic review increase or decrease the amount of child support awards? Will these increases (or decreases) disproportionately affect different subgroups?
- o How cost-effective is periodic review? Is the aggregate cost greater than the aggregate value of increases in awards? Who benefits most from the increases? Is the public cost greater than the public benefit?
- o How do child support payments change when the fathers' earnings increase or decrease? [Lerman, p. 5]
- o What are the obstacles to modifications (including legal and institutional obstacles, attitudes of custodial and non-custodial parents)? [Williams, p. 4.]

Effects on Compliance

- o Is there a trade-off between setting higher awards (and updating them periodically) and receiving smaller payments? [Beller, p. 4]
- o How will guidelines and periodic review affect compliance? (If guidelines and periodic review raise awards, will compliance go down?) [Williams, p. 4]

ENFORCEMENT

Will strengthened enforcement tools increase payments? Congress has also sought to step up enforcement of existing child support obligations. States are now required to adopt and implement a number of enforcement tools. For example, the 1984 Child Support Amendments contained provisions that required states to confiscate state and federal tax rebates to pay arrears in child support; establish automated tracking and monitoring systems; and to expedite procedures to obtain support orders and establish paternity.

One of the most significant enforcement measures in the 1984 law was the requirement that states withhold child support from wages after a one-month lapse in payments. The Family Support Act of 1988 strengthened and expanded this tool by mandating universal wage withholding. Beginning in November 1990, states must provide for immediate wage withholding of child support orders for all cases processed through the local child support enforcement office--regardless of whether payments are in arrears. Then, in 1994, states will be required to provide for immediate wage withholding for all support orders. Exceptions will be made only in those cases where there is good cause, or when both parties agree, in writing, to some other arrangement.

Will these and other mandates increase the amount of child support received by custodial parents? The Office of Child Support Enforcement is already assessing the impact of the 1984 Amendments (see Ohls), but additional evaluation is needed.

The 1984 Amendments

- o Will the three major features of the 1984 Amendments--expedited processes, liens and wage withholding--increase the amount of child support received? [Beller, p. 2]
- o To what extent are the procedures required by the 1984 Amendments being implemented by the states and local offices? What are the outcomes of those procedures in terms of effects on individual cases? [Ohls, p. 2]
- o To the extent that administrative processes differ among offices, are there correlations between the processes which are used and observed outcomes? [Ohls, p. 2]
- o What are the costs and benefits of the procedures which are in use? [Ohls, p. 2]

Family Support Act of 1988

- o Which system is more cost-effective: a system which utilizes wage withholding only after the obligor is in arrears, or one in which withholding begins immediately after the child support award is established?
- o Which is more cost-effective: applying immediate wage withholding to all child support cases, or just to IV-D cases (cases processed by the local child support enforcement office)?
- o Will immediate wage withholding for IV-D cases increase the demand for child support enforcement services by non-AFDC custodial parents?

Interstate Enforcement

- o What are the impediments to interstate modifications? [Williams, p. 5]
- o Do absent fathers move at greater rates than childless men? Are movement patterns for fathers who pay child support different from other fathers? [Lerman, p. 6]
- o Is there a "home court" advantage for obligors in interstate cases? [Williams, p. 5]
- o Will enhanced financial incentives to states for interstate cases improve collections? [Haskins, p. 7]
- o Will enhanced computer capability improve interstate enforcement? [Haskins, p. 8]

Indirect Effects

- o What are the potential effects of heightened enforcement on rates of divorce and remarriage?
- o Are mothers receiving child support more or less likely to complete their education? Marry or remarry? Form cohabitating relationships? Work for pay? [Teachman, p. 4]
- o Do large and stable child support payments encourage mothers heading families to increase earnings? [Lerman, p. 2]
- o How will income withholding affect the noncustodial parent/child relationship (increased contact and visitation)? [Robins, p. 8]

- o Will increased payment of child support (through income withholding or some other means) induce an increase in demand by noncustodial parents for visitation? [Robins, p. 5]

CHILD SUPPORT AND POVERTY

To what extent can heightened child support reduce the poverty of female-headed families? During the 1980s, the "feminization of poverty" became a major concern for social welfare researchers and government policy makers. In turn, addressing the effects of family breakdown has been recognized as an increasingly important element in efforts to fight poverty. In 1985, 85 percent of the children on Aid to Families with Dependent Children (AFDC) were on welfare because of divorce, separation and illegitimacy--and the lack of financial support from the noncustodial father.¹²

The amount of uncollected child support is enormous. Estimates of what noncustodial parents could pay in child support range from \$22 billion to \$30 billion.¹³ In 1985, they actually paid only \$7.2 billion.¹⁴ Poor and low-income women and children are the biggest losers.

Mothers who are poor are simply not being served by the child support system--even though they account for nearly one third of all women with children from absent fathers. In 1985, only 40 percent of women with incomes below the poverty level even had child support awards.¹⁵ Of the poor women who were supposed to receive payments that same year, only 42 percent received all of what they were due; 24 percent received only partial payments, and 34 percent received nothing at all. To appreciate fully the magnitude of the problem, it helps to consider these subgroups as a proportion of all eligible poor women. Of all eligible poor women, only 14 percent got full payments, 8 percent received only partial payments, and 71 percent received nothing at all, with an additional 8 percent owed awards not due in 1985.¹⁶

There are a number of factors that help explain the low participation of poor women in the child support system. First, there may be legal barriers. One reason why child support is so low among separated couples is that the statutory law in many states discourages its award. For many poor families though, separation is synonymous with divorce; because of expense or other reasons, they often do not bother with a formal

¹²U.S. Department of Health and Human Services, Family Support Administration, Characteristics and Financial Circumstances of AFDC Recipients: 1986 (1988), p. 43, table 15.

¹³See Garfinkel, I. & Oellerich, D., "Noncustodial Fathers' Ability to Pay Child Support" (University of Wisconsin-Madison, Institute for Research on Poverty, IRP Discussion Paper # 815-86, August 1986); and Haskins, R., Doblestein, A., Akin, J. & Schwartz, J., "Estimates of National Child Support Collections Potential and the Income Security of Female-Headed Families" (U.S. Department of Health and Human Services, Social Security Administration, Office of Child Support Enforcement, Final Report, Grant #18-P-00259-4-01, April 1985).

¹⁴Child Support and Alimony: 1985 (Advance Data from March-April 1986 Current Population Surveys), p. 6.

¹⁵Child Support and Alimony: 1985 (Advance Data from March-April 1986 Current Population Surveys), p. 5, table E.

¹⁶Derived from Child Support and Alimony: 1985 (Supplemental Report), pp. 40-44, table 7.

proceeding, thereby shutting themselves off from the child support system. Thus, the relatively low rate of awards for poor mothers who have been married (56 percent v. 80 percent for non-poor mothers) is explained, in part, by the fact that they are nearly twice as likely to be separated than to be divorced (59 percent v. 31 percent).¹⁷

Another barrier for poor families concerns their preferences. When asked why they did not have an award, about 18 percent of poor women responded that they did not want one.¹⁸ Federal policy is clear that parental preferences are not taken into account if the family is receiving AFDC or Medicaid; unless the parent can show "good cause," the government will pursue child support from the noncustodial parent. The government's job becomes much harder when the clients of mandatory services are not invested in the outcome. For poor families not receiving these benefits, though, the policy is less clear. Should the government pursue child support when it is not wanted by the custodial parent? Is it in the best interests of the child?

No one suggests that increased child support enforcement, by itself, would be a panacea for the economic difficulties facing many female-headed families. Nevertheless, it seems likely that markedly higher levels of child support would benefit large numbers of mothers and children. Research should explore the extent to which child support can: (1) improve the financial situation of female-headed families, and (2) reduce AFDC costs.

- o Do fathers from low-income and/or welfare families earn enough to make substantial support payments?
- o Do these fathers have sufficient earnings to make intensive enforcement efforts worthwhile?
- o Why do so many women not want awards established?
- o Forty percent of currently divorced mothers live in poverty. What proportion of these women did not want child support awards? [Sonnenstein, letter, 6/9/89]
- o Will heightened enforcement lift the incomes of female-headed families above poverty?
- o Will heightened enforcement reduce the welfare dependency of female-headed families?
- o Is child support enforcement a cost-effective way of reducing AFDC costs?

¹⁷Ibid., pp. 26-28, table 2.

¹⁸Ibid., pp. 26-29, table 2.

- o Are fathers from low-income and/or welfare families more or less likely to make support payments? [Lerman, p. 5]
- o What are the effects of child support collections on AFDC costs and caseloads? [Ohls, p. 2]

Note: Many questions relevant to this issue are listed under "Paternity." They are not listed here to avoid duplication.

THE FEDERALIZATION OF CHILD SUPPORT ENFORCEMENT

How effective is the federal child support program? Who benefits from it? Since 1975, there have been substantial federal efforts to improve state child support enforcement (IV-D) programs. Between 1976 and 1985, federal spending on child support enforcement went from \$139 million to about \$571 million; accounting for inflation, that is an increase of 118 percent.¹⁹ Despite the infusion of federal resources, however, national data have shown little improvement in the aggregate amount of child support being collected. And, as already noted, between 1978 and 1985, the value of child support payments declined by 25 percent after accounting for inflation.

After nearly a decade and a half of effort, the proportion of custodial parents who have received none, some, or all of what they were owed in child support has remained remarkably stable. For example, in 1978, 49 percent of noncustodial fathers paid all of what they owed, compared to 48 percent in 1985. About 28 percent of noncustodial fathers paid nothing, compared to 26 percent in 1985.²⁰ Does this stable profile mask important changes in who receives child support? For example, did poor women receive more child support in 1985 than in 1975?

While national data show a lack of progress, the Office of Child Support Enforcement (OSCE) maintains a positive public profile. Each year, OSCE's annual report to Congress invariably shows record increases in collections. (The report for fiscal 1987, for instance, indicates that the program collected \$3.9 billion that year, a 20 percent increase over the previous year.²¹)

Is the federal government paying for more and getting less? This is a complex and troubling question. From the federal perspective, the child support program has become less cost-effective over time. In fiscal 1987, the net loss to the government was the largest in the history of the program--\$327 million despite collections of almost \$4 billion. States, however, received \$349 million more than they spent of their own money to administer the program.²²

Does this type of financing arrangement encourage states to invest in their own

¹⁹Federal expenditures for 1987 totalled \$745 million, a real increase of 24 percent since 1985. U.S. Department of Health and Human Services, Office of Child Support Enforcement, Child Support Enforcement: Twelfth Annual Report to Congress for the Period Ending September 30, 1987 (1988), volume II, p. 10, table I; and Child Support Enforcement: Fifth Annual Report to Congress for the Period Ending September 30, 1980 (1981), p. 69.

²⁰Child Support and Alimony: 1978, p. 23, table 4; and Child Support and Alimony: 1985 (Advance Data from March-April 1986 Current Population Surveys), p. 13, table 3.

²¹Child Support Enforcement: Twelfth Annual Report to Congress for the Period Ending September 30, 1987 (1988), volume I, p. 7.

²²*Ibid.*, pp. 7-14.

child support systems, or does it merely allow them to transfer the costs of services they would have otherwise provided? Are families using the IV-D system to obtain free services for which they normally would have paid? To improve overall program accountability and effectiveness, research in this area is critical. We must also be prepared to address the broader question at the center of so many current research and policy debates. Should child support enforcement services be a universal entitlement or a carefully targeted "safety net" program?

- o Is the IV-D system collecting payments that would have been made privately?
- o What are states doing with this federal money?
- o Do federal expenditures improve services?
- o Who are the IV-D clients? What are their economic and demographic characteristics, such as marital status? [Williams, p. 5]
- o Do IV-D services increase collections in a cost-effective manner? [Williams, p. 5]

New Directions

- o For privately represented cases, what is the potential effectiveness of limited IV-D services (i.e., locate, interstate income withholding, tax intercept)? [Williams, p. 7]
- o What is the potential effectiveness of expanding simplified pro se procedures for income withholding and modifications, and expanding user-fee based services (such as collection, monitoring, and distribution) for non-IV-D cases? [Williams, pp. 6-7]

INFORMATIONAL NEEDS

Throughout the conference (and throughout this report), numerous references were made to missing or incomplete information, information that could possibly illuminate the policy debate.

There are a variety of reasons why so many questions in the area of child support remain unanswered. Historically, child support has been a "family matter" under the exclusive jurisdiction of the states. Thus, until the federal government got involved in 1975 there was little systemic collection of any information related to child support. The federal government did initiate national data collection specific to this area in the late 1970s, but in the past ten years, federal responsibilities have continued to expand. Resources are limited, though, and data collection efforts have not kept pace with the expanding public and private interest in child support. Yet, in a number of key areas, the failure to collect information significantly inhibits the formation of more effective policies. Researchers at the conference identified shortcomings with existing data bases:

- o There has been no national or state data collection on paternity establishment.
- o Data collection efforts on male fertility, especially regarding children born outside of marriage or within prior marriages, are inadequate.
- o To permit analysis on the effects of child support for specific subgroups (e.g., Hispanics, AFDC recipients), matched pair data for custodial and non-custodial parents are necessary.
- o A system of case record data for the child support enforcement program must be developed. This type of data is available for other programs such as AFDC, Food Stamps, and Medicaid.
- o Data is needed on the mobility of child support obligers and obligees, particularly never-married and separated parents. [Williams, p. 4]
- o There needs to be better data on receipt of child support by AFDC families. [Robins, p. 9]
- o An effort should be made to collect data on absent parents at the national level. The effort could be patterned after the recent successful Survey of Absent Parents Pilot Study conducted by the Urban Institute and NORC. [Robins, p. 8]
- o The Child Support Supplement to the Current Population Survey (CPS) should be expanded to include survey questions on: (a) fathers' contact with children; (b) parents' employment status and income at the time of marital disruption; (c) the date and amount of the initial child support award; (d) whether the award was ever updated, reasons for update, the amount of update, and the characteristics of the parents at the time of the update; and

(e) whether income withholding is being used to collect child support.
[Robins, p. 9]

- o The Census Bureau made a mistake in dropping the absent father income question after the initial poor experience with the 1979 CPS-CSS survey. More questions on father education, employment status at time of divorce, and last known income would have been the way to go rather than abandoning the attempt altogether. Alternatively, a special survey of absent parents might be funded. There is some justification in my view for focusing on the fathers of children with unwed mothers because we are in a better position to piece together data on the divorced and separated fathers. [Garfinkel, p. 9]
- o A project jointly funded by ASPE and OCSE to examine the policies and institutions that account for . . . stark differences in paternity establishment would be very useful. [Garfinkel, p. 9]
- o Is there a way to increase the general usefulness of OSCE audit data for policy purposes? [Ohls, p. 5]
- o There is a need for long-term longitudinal data. [Hill, letter, 6/12/89]

Some data needs are best met through the enhancement and/or modification of existing surveys, namely CPS-CSS and SIPP. Other data would be more economically collected through more specialized surveys. More generalized surveys have also provided important information and their further use should be explored. These include the Panel Study of Income Dynamics; the National Survey of Children; the National Longitudinal Surveys, Youth Cohorts; the National Survey of Family Growth; and the National Longitudinal Study of the High School Class of 1972. Underlying a number of discussions was a desire to have HHS, through ASPE and OSCE, collect or analyze such data.

Some data needs are greater than others, of course. We would, therefore, suggest that ASPE conduct a systematic inventory of existing data, assess data gaps, and then establish research and data collection priorities within the context of the seven key questions identified above.