



THE IMPORTANCE OF  
CHILD SUPPORT ENFORCEMENT:  
WHAT RECENT SOCIAL SCIENCE RESEARCH TELLS US

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## *Research Fact Sheet*

### **CHILD SUPPORT SUBSTANTIALLY INCREASES ECONOMIC WELL-BEING OF LOW- AND MODERATE- INCOME FAMILIES**

Research clearly demonstrates that child support payments are a critical source of economic stability for both moderate- and low-income families, including welfare recipients. Child support makes up a substantial portion of household income for many families, helping them out of poverty and keeping them self-sufficient.

#### **For All Families**

- Child support constitutes 16 percent of family income for households that receive it. On average, \$3,795 a year comes to eligible families through this source.<sup>1</sup>
- For single-parent families created through divorce, the economic impact of child support is even greater — constituting 26 to 29 percent of income. In fact, child support reduces the poverty rate in this population by 7 to 11 percentage points.<sup>2</sup>
- For poverty-level children whose families do *not* receive cash assistance, child support is an extremely important source of financial help. About 36 percent of these children receive child support and it makes up more than one-third of their families' income. On average, \$2,751 per year comes to these eligible families through this source.<sup>3</sup>
- When a family with income below the poverty line receives child support, that support constitutes more than a quarter of that family's income — averaging almost \$2,000 per year.<sup>4</sup>

#### **For Families Leaving Welfare**

- Child support is also a significant income source for families who leave welfare. Nationally, about 42 percent of poor children with a non-resident parent whose families have left welfare receive child support. Child support makes up 30 percent of the income of these families. On average, \$2,562 per year comes to eligible families through this source.<sup>5</sup>

- Child support is an important source of income for families affected by welfare time limits. The percentage of these families receiving child support and the amounts these families receive increase once public assistance is terminated.<sup>6</sup>
- Child support is also an important income source to families leaving Temporary Assistance for Needy Families (TANF) for work. State-level research studies find that between one-quarter and one-third of those leaving welfare for work receive child support, averaging between \$250 and \$400 per month.<sup>7</sup>
- According to one state study, an overwhelming majority of former TANF recipients (78 percent) who have child support orders characterize child support payments as making a “very big difference” in their family finances. Another 8 percent say such payments make a “pretty big difference.”<sup>8</sup>

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<sup>1</sup> Sorensen, Elaine and Zibman, Chava. (2000). *To What Extent Do Children Benefit From Child Support?* Discussion Paper 99-11. Washington, DC: The Urban Institute.

<sup>2</sup> Bartfield, Judi. (2000). Child support and the post-divorce economic well-being of mothers, fathers and children. *Demography* 37(2): 203-213.

<sup>3</sup> Sorensen and Zibman (2000).

<sup>4</sup> Sorensen and Zibman (2000).

<sup>5</sup> Sorensen and Zibman (2000).

<sup>6</sup> Gordon, Anne, Kuhns, Carole, Loeffler, Renee and Agodini, Roberto. (1999). *Experiences of Virginia Time Limit Families in the Six Months After Case Closure: Results of an Early Cohort*. Report submitted to the Virginia Department of Social Services by Mathematica Policy Research, Inc. Princeton, NJ.

<sup>7</sup> Minnesota Department of Human Services, Program Assessment and Integrity Division. (2000). *Minnesota Family Investment Program Longitudinal Study: One Year After Baseline*. Minneapolis, MN; Macro International and the Ohio Department of Job and Family Services. (2000). *Ohio Job and Family Services Legislative Outcome Study*. Columbus, OH.

<sup>8</sup> Pearson, Jessica and Thoennes, Nancy. (2000). *A Profile of Former TANF Clients in the IVD Caseload*. Denver, CO: Center for Policy Research.

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**CHILD SUPPORT PAYMENTS BENEFIT CHILDREN IN NON-ECONOMIC AS WELL AS ECONOMIC WAYS**

In addition to improving children's economic well-being, child support brings non-material advantages, such as higher academic achievement, to the children who receive it.

- Young girls often experience academic difficulties when their parents separate. Receipt of child support ameliorates these negative academic affects.<sup>1</sup>
- Receipt of child support also has a positive effect on the academic achievement of older children. Those who receive child support obtain significantly more schooling, are more likely to finish high school and are more likely to attend college than those who do not receive support.<sup>2</sup>

There is also evidence that paying fathers are more involved with their children, providing them with emotional as well as financial support.<sup>3</sup>

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<sup>1</sup> Badar, Nazli and Brooks-Gunn, Jeanne. (1994). The dynamics of child support and its consequences for children (pp. 257-284). In *Child Support and Child Well-Being*, Garfinkel, Irwin, et al. (Eds.). Washington, DC: The Urban Institute Press.

<sup>2</sup> Knox, Virginia. (1996). The effects of child support payments on developmental outcomes for elementary school-age children. *Journal of Human Resources* 31(4): 816-840; Graham, John, Beller, Andrea and Hernandez, Pedro. (1994). The effects of child support on educational attainment (pp. 317-354). In *Child Support and Child Well-Being*, Garfinkel, Irwin, et al. (Eds.). Washington, DC: The Urban Institute Press; Knox, Virginia and Bane, Mary Jo. (1994). Child support and schooling (pp. 308-316). In *Child Support and Child Well-Being*, Garfinkel, Irwin, et al. (Eds.). Washington, DC: The Urban Institute Press.

<sup>3</sup> Seltzer, Judith, McLanahan, Sara and Hanson, Thomas. (1998). Will child support enforcement increase father-child contact and parental conflict after separation? In *Fathers Under Fire*, Garfinkel, Irwin, et al. (Eds.). New York, NY: Russell Sage Foundation.

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**THE CHILD SUPPORT PROGRAM PROMOTES MARRIAGE AND  
REDUCES NON-MARITAL CHILD BEARING**

There is a growing body of research that suggests child support enforcement has positive effects on family formation and stability. States with stronger child support enforcement programs have lower non-marital birth rates and lower divorce rates than states where child support is not as effective.

- By raising the cost of fatherhood to unmarried men, effective paternity establishment and child support enforcement deter non-marital births.<sup>1</sup>
- States with stricter child support enforcement regimes have lower rates of divorce among families with children. The effect is especially strong for couples in which the wife is likely to become a welfare recipient should divorce occur.<sup>2</sup>

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<sup>1</sup> Plotnick, Robert, Inhoe, Ku, Garfinkel, Irwin and McLanahan, Sara. (2000). *The Impact of Child Support Enforcement Policy on Non-marital Childbearing*. Paper presented at the 2000 Association for Public Policy Analysis and Management Annual Meeting, Seattle, WA; Plotnick, Robert, Garfinkel, Irwin, Gaylin, Daniel, McLanahan, Sara, and Ku, Inhoe. (1999). *Better Child Support Enforcement: Can It Reduce Teenage Premarital Childbearing?* Paper presented at the 1999 Association for Public Policy Analysis and Management Annual Meeting, Washington, DC; Case, Anne. (1998). The effects of stronger child support enforcement on non-marital fertility (pp. 191-215). In *Fathers Under Fire*, Garfinkel, Irwin, et al. (Eds.). New York, NY: Russell Sage Foundation Press; Garfinkel, Irwin, Miller, Cynthia, McLanahan, Sara and Hanson, Thomas. (1998). Deadbeat dads or inept states? A comparison of child support enforcement systems. *Evaluation Review* 22(6): 717-750; Gaylin, Daniel, McLanahan, Sara and Garfinkel, Irwin. (1996). *Will Child Support Enforcement Reduce Non-marital Childbearing?* Fairfax, VA: The Lewin Group.

<sup>2</sup> Nixon, Lucia. (1997). The effect of child support enforcement on marital dissolution. *Journal of Human Resources* 32(1): 159-181.

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**THE CHILD SUPPORT PROGRAM BENEFITS THE PUBLIC BY REDUCING PUBLIC ASSISTANCE COSTS**

There is a substantial body of federal- and state-based research that documents public assistance cost savings attributable to child support enforcement. This includes reductions in the cost of cash assistance, food stamps and Medicaid.<sup>1</sup> In addition, it appears that receipt of child support income makes it possible for many families to avoid public assistance in the first place.

**Direct Savings**

- Child support collections significantly reduce the federal, state and local costs of providing cash assistance to single-parent families.<sup>2</sup>
- Child support collections also lower the governmental costs associated with Medicaid and Food Stamps.<sup>3</sup>
- The amount of the public assistance savings can be quite significant not only for families currently receiving benefits, but also for families that received benefits in the past. For example, an Iowa study found that the cost avoidance for families currently receiving public assistance (AFDC, Food Stamps and Medicaid) was 86 cents for every dollar collected. For families who formerly received cash assistance, the savings was 46 cents for every dollar collected.<sup>4</sup>
- The more effective the child support program, the higher the savings in AFDC/TANF, Food Stamps and Medicaid costs. It is estimated that if all custodial families had orders and those orders were fully enforced, cash assistance costs for those families would drop 26 percent, Food Stamp costs would be reduced by 19 percent, and Medicaid cost would be 5 percent lower.<sup>5</sup>

**Effect on Welfare Caseloads**

- Child support enforcement has also played a major roll in recent welfare caseload decline. Improvements in child support collection between 1980 and 1996 reduced welfare caseloads by 12 to 17 percent.<sup>6</sup>

- Strengthened child support has had an even stronger effect on welfare caseload declines in recent years. Between one-quarter and three-fifths of the welfare caseload decline between 1994 and 1996 may be attributable to strengthened child support enforcement.<sup>7</sup>
- Of particular note is child support's role in reducing a family's return to cash assistance. Several studies suggest that families who receive child support when they leave welfare have a much lower rate of return to the program than families who leave but do not have child support income.<sup>8</sup>

## Preventing the Need for Cash Assistance

- Receipt of child support is also a factor preventing families' need to apply for public assistance.<sup>9</sup>

This results in substantial cost avoidance. For example, an Iowa study found that for families who never received cash assistance or Medicaid, 42 cents in public costs were avoided for every dollar of child support collected.<sup>10</sup>

<sup>1</sup> A complete analysis of the studies through 2000 can be found in Barnow, Burt, Dall, Timothy, Nowak, Mark and Dannhausen, Barbara. (2000). *The Potential of the Child Support Enforcement Program to Avoid Costs to Public Programs: A Review and Synthesis of the Literature*. Report prepared for the United States Department of Health and Human Services, Contract No. HHS-100-97-0007.

<sup>2</sup> See, e.g., Mead, Larry. (1999). The decline of welfare in Wisconsin. *Journal of Public Administration and Theory*, 9(4): 597-622; Wheaton, Laura and Sorensen, Elaine. (1998). Reducing welfare costs and dependency: How much bang for the child support buck? *Georgetown Public Policy Review* 4(1): 23-37; Formoso, Carl. (1998). *The Effect of Child Support and Self-Sufficiency Programs on Reducing Direct Support Public Cost*. Olympia, WA: Washington State Division of Child Support; Oellerich, Donald, Garfinkel, Irwin and Robins, Philip K. (1991). Private child support: Current and potential impacts. *Journal of Sociology and Social Welfare* 18(1): 3-23.

<sup>3</sup> Garasky, Steven, Keng, Shao-Hsun, and Jensen, Helen. (1999). *Child Support Enforcement Cost Avoidance: Evidence from Iowa*. Report to the Lewin group. Ames, IA: Iowa State University; Wheaton and Sorensen (1998); Texas Office of the Attorney General. (1997). *Child Support's Effectiveness in Reducing Public Assistance Obligations FY 1996*. Austin, TX: Office of the Attorney General.

<sup>4</sup> Garasky, Keng and Jensen (1999); Advanced Sciences Inc. and SRA Technologies. (1987). *Estimates of Cost Avoidance Attributable to Child Support Enforcement*. Report prepared for the Office of Child Support Enforcement, Contract No. 600-85-0233.

<sup>5</sup> Wheaton and Sorensen (1998).

<sup>6</sup> Huang, Chien-Chung, Garfinkel, Irwin and Waldfogel, Jane. (2000). *Child Support and Welfare Caseload*. Institute for Research on Poverty Discussion Paper No. 128-00. Madison, WI: Institute for Research on Poverty.

<sup>7</sup> Garfinkel, Irwin, Heintze, Teresa and Huang, Chien-Chung. (2002). *Child Support Enforcement: Incentives and Well-Being*. Chicago, IL: Joint Center for Poverty Research.

<sup>8</sup> Formoso (1998); Luttrell, Carol Ann. (1994). *Child Support and the Transition from Welfare to Work: Massachusetts Evidence*. Boston, MA: Massachusetts Department of Revenue, Child Support Enforcement Division; Meyer, Daniel. (1991). *Child Support and Welfare Dynamics: Evidence from Wisconsin*, Discussion Paper 939-91. Madison, WI: Institute for Research on Poverty.

<sup>9</sup> Nixon, Lucia. (1996). *Child Support Enforcement and Welfare Reform*. McLean, VA: Mathematica Policy Research Inc.; Hu, Wei-Yin. (1994). *The Impact of Child Support Reform on Welfare Participation and Labor Supply*. Palo Alto, CA: Stanford University; Robins, Philip K. (1986). Child support, welfare dependency and poverty. *American Economic Review* 76(4): 768-788.

<sup>10</sup> Garasky, Keng, and Jensen (1999).