State Policy Choices: Child Support
(SEPTEMBER 2004)

Introduction

Child support is vital to the economic well-being of low-income families. For families in poverty who receive child support, it amounts to more than one-quarter of their income. However, states have considerable discretion in how they implement their child support enforcement efforts.

State Child Support Enforcement

Paternity Establishment

Almost two-thirds of children in the child support enforcement system are born outside marriage. Establishing paternity is the first step in collecting child support for these children. In 2001-2002, about 1.6 million paternities were established within the child support enforcement system; however, states vary widely in their rates of paternity establishment.

- In 21 states, paternity has been established for 81-100% of children born outside marriage in the child support caseload.
- In 24 states, paternity has been established for 61-80% of children born outside marriage.
- In 5 states, paternity has been established for 41-60% of children born outside marriage.
- In the District of Columbia, paternity has been established for less than 40% of children born outside marriage.

Map 1: State paternity establishment, 2002

Court Orders

The second step in collecting child support is to establish a child support order. States’ speed and effectiveness in establishing orders varies widely.

- 13 states have child support orders for 81-100% of the caseload.
- 30 states have child support orders for 61-80% of the caseload.
- 7 states have child support orders for 41-60% of the caseload.
- The District of Columbia has child support orders for less than 40% of the caseload.

Map 2: State child support orders, 2002*

Collection

State child support agencies have many options for enforcing the collection of child support from noncustodial parents. Over 60 percent of all child support is paid through direct withholding of noncustodial parents’ income. Parents who fall behind in child support payments face serious repercussions, including government retention of federal and state income tax refunds; liens on property; suspension of driver, professional, occupational, and recreational licenses; and freezing and seizing bank accounts.

- Only 1 state has collected child support for 81-100% of the caseload.
- 13 states have collected child support for 61-80% of the caseload.
- 31 states have collected child support for 41-60% of the caseload.
- 5 states have collected child support for 21-40% of the caseload.
- The District of Columbia has collected child support for less that 20% of the caseload.

Map 3: State child support collection, 2002*
Many of the families who need child support the most—those receiving Temporary Assistance for Needy Families (TANF)—benefit little, if any, from the child support collected on their behalf because states may opt to retain the money as reimbursement for TANF benefits.

State “pass-through” and “disregard” policies determine how much families who receive TANF benefit from the child support collected for them.

Pass-Through

A pass-through is the amount of child support forwarded to families on whose behalf it was collected. A pass-through does not financially benefit a family, unless it is also disregarded. A disregard is the amount of child support that the family can keep without lowering their TANF benefits.

- 16 states pass-through and disregard $50 or more of child support per month.
- 3 states pass-through and disregard some or all child support for purposes of fill-the-gap budgeting.
- 2 states do not pass-through child support to families, however, their TANF grants are increased.
- 2 states pass-through $50 per month, but do not disregard that amount for TANF eligibility and benefits.
- 27 states and the District of Columbia do not pass-through or disregard any child support for families receiving TANF.

Map 4: State TANF pass-through and disregard, 2003
Policies Toward Noncustodial Parents

While low-income, custodial parents need child support to insure the well-being of their children, many noncustodial parents do not have the resources to pay it.

One out of three noncustodial parents is poor\textsuperscript{11}

Many low-income, noncustodial parents face the same barriers to employment and suffer the same economic hardships as their custodial counterparts. The majority of states enact strict policies in an effort to increase child support collection; however, these policies often result in child support orders that are too high for low-income noncustodial parents to pay. Also, noncustodial parents can face a large child support debt before they even begin paying child support.

• 14 states require noncustodial parents to pay a mandatory minimum child support award regardless of employment status.
• The majority of states allow retroactive support to be sought for the period prior to court orders.
• 17 states charge noncustodial parents interest on retroactive support orders and the accumulated debt.

Endnotes

1. This fact sheet was prepared by Heather Koball and Ayana Douglas-Hall of NCCP based on NCCP’s 50-State Policy Database <www.nccp.org> unless otherwise noted.


3. All figures in this section are for all child support enforcement cases, regardless of TANF status.


5. Ibid.

6. Ibid.


8. 17% of child support enforcement cases currently receive TANF, 46% formerly received TANF, and 37% never received TANF.

9. Some states allow TANF recipients to use child support to fill-in-the-gap between the maximum TANF benefit and the TANF income eligibility standard.

10. Those families do not benefit financially from child support because their TANF benefits are lowered when they receive child support.

11. Sorensen, E. & Oliver, H. (2002). Policy reforms are needed to increase child support from poor fathers. Washington, DC: Urban Institute <www.urban.org/url.cfm?ID=410477>. In this report, poor was defined as either having a family income below the poverty line or having a personal income below the poverty line for a single person.