

How Does the Child Support Receipt Rates Affect the Poverty Level of Single Parent Families?

Author: Jennifer L. Hiefnar

The poverty rate of single parent families hovered at around 45 percent since the 1970's. The economic insecurities and significance of the adversity single parent family's face have been well known for many years. There have been many policies enacted to assist families in collecting child support but in spite of these reforms the poverty rate continues to rise. There are many goals to child support collection reforms but the most prominent is that of decreasing the poverty rate among parents who are ordered to receive child support (Meyer & Hu, 1999).

The federal and state governments have spent a significant amount of time and money over the past 25 years attempting to improve child support enforcement systems. In 1996, there was a major child welfare reform that enlisted many changes. The child support receipt rate has remained constant over time while some groups of single parents have better receipt rates than others. Never married mothers receipt rates have dramatically increased since 1976 while previously married mothers have not seen such improvements (Sorensen, E. & Hill, A. 2004).

Case, Lin and McLanahan, 2003, suggests that one argument for the lack of improvement in child support receipt rates in unilateral divorce. There have been many changes in divorce laws over the past several decades especially since the 1970's when unilateral divorce took place and damaged women's bargaining power in court to obtain large amounts of child support. Another reason for no improvement in child support receipt rates is demographic composition. The change of marital status of the population of women eligible for child support has shift over past few decades. "In 1976, the vast majority of single mothers (83%) were divorced or separated. By 1997, the proportion was just over half (54%). The shift in marital status made it more difficult to obtain child support awards and reduced the value of the average child support award" (Case, Lin & McLanahan, 2003, p.173).

Child Support Policies

Two authors from *The American Economic Review* reported how one study examined the different effects that different child support policies have on different family situations including divorce. It looked the impact of income distribution from the "ordered" father to the mother and found a decrease in the poverty level of the mother and child. This particular policy ordered the fathers to give 17% of their income to the mothers out of their paycheck. They were also encouraged to give any other money they felt was appropriate (Daniela, D. & Rocio, R., 2001).

The states adoption of the unilateral divorce policy has had a significantly negative impact on child receipt rates and a definite impact on the poverty rate of single parent families especially on previously married women. One state found that child support payments were lowered up to \$300. The universal withholding policy however, increased the child support payment for previously married women (Case, Lin & McLanahan, 2003).

Ineffective child support policies are a significant factor in the decrease in receipt rates and increase in policy. Case and McLanahan, 2003, suggests that the government might not take child support seriously and are quite slow in implement policies that will benefit the recipients of child support.

Table 1. explains the trend in child support receipt rates from 1968 to 1997.

Table 1. Weighted Sample Means, PSID 1968–1997

Variable	Sample Average for 1968	Sample Average for 1984	Sample Average for 1997
Any Alimony and Child Support	0.39	0.28	0.46
Alimony and Child Support (1982 dollars)	1,549.98	660.72	1,356.35
Proportion of Never-Married Mothers	0.08	0.21	0.36
Mother's Age	35.82	32.82	36.02
Proportion Black	0.39	0.40	0.40
Proportion White	0.57	0.57	0.55
Mother's Completed Education	11.44	12.57	12.67
Mother Less Than High School	0.39	0.23	0.18
Number of Children Aged 0–5	0.61	0.53	0.39
Number of Children Aged 6–12	1.11	0.75	0.66
Number of Children Aged 13–18	0.85	0.51	0.74
Inflation Rate (%)	4.34	4.32	2.29
Cumulative Inflation Rate (%)	4.34	48.46	33.69
Female/Male Wage Ratio	0.58	0.65	0.77
State Allows Unilateral Divorce	0.02	0.50	0.52
Genetic Testing	0.00	0.55	1.00
Withholding for Delinquent Payments	0.02	0.66	1.00
Immediate Withholding Enacted	0.00	0.03	1.00
Universal Withholding Enacted	0.00	0.03	0.98
Paternity Established to Age 18	0.01	0.56	1.00
State Has Numeric Guidelines	0.00	0.20	1.00
State Has Presumptive Guidelines	0.00	0.02	1.00
Income Tax Return Intercepted	0.04	0.42	1.00
Number of Unweighted Observations	484	697	736

Notes: Years of education are missing for 4 observations in 1968 and 21 observations in 1997. Information regarding income tax return is missing for 58 observations in 1968, 77 observations in 1984, and 88 observations in 1997 because some states do not have income taxes. The female/male wage ratio, calculated using the March CPS, is the ratio of the median earnings of women working full-time relative to the median earnings of men working full-time in each year.

Recommendations

Due to significant receipt rate increase to never-married single mothers the 50 dollar pass through policy should be reinforced in each state.

In terms of child support, unilateral divorce laws should have no bearing on the case thus giving the parent who receives the child back the power to bargain for a higher percentage.

There should be more support given to women who seek paternity tests to determine the father of the child. This would increase the number of paternity tests taken, child support ordered thus decreasing the amount of welfare the women receive. The responsibility of paying for the child should be put back in the hands of both parents.

Child support should be ordered and determined on a strictly case by case basis. Child support payments should not be reduced because the average number of women now have higher salaries than 30 years ago.

Social service workers should make it high priority to help move along the laws and policies that are await approval by officials.

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