

POLICY 19:

Child Support

Why Child Support Policy Matters. States can promote the academic achievement of youth and financial opportunity for families through policies that facilitate child support payments by non-custodial parents. Child support is an important source of income for families, representing an average of 26 percent of total family income among low-wage families.⁹⁶ In 2004, 15.9 million children were served by child support programs, which collected \$21.9 billion in private child support dollars.⁹⁷ Studies indicate that reliable child support improves children's academic achievement and helps reduce conflict between parents.⁹⁸ In addition, there is clear evidence that receipt of child support is especially important to families as they transition from public assistance. If child support payments are reliable, these low-wage families are less likely to return to the welfare rolls.⁹⁹ Depending on the choices made by state leaders, however, state policy can encourage or discourage non-custodial parents from making child-support payments.

Key State Policy Measures. States seeking to improve educational outcomes for children and financial opportunity for families can do so through the following policies:

19.1 Pass-through and disregard of child support payments. By allowing parents to retain child support paid to them and disregard this amount in benefits calculation, states can promote family bonds and encourage greater economic opportunity for families. States may limit the amount of child support passed through to the custodial parent and disregarded for benefit determination. Some states set a cap at \$25, \$50, or higher. Other states provide a greater pass-through/disregard by setting the limit at the "standard of need," which is a standard defined by the state (at a level above the federal poverty line) that allows families to earn more (or receive more in child support) beyond their traditional benefits eligibility to better meet their basic needs.

Changes in 2006-07: States made the following changes in 2006-07:

- **Vermont** now passes through all current support, and disregards the first \$50.
- **Washington** will begin to pass through and disregard up to \$200 for two children beginning October 1, 2008.

19.2-3 Forgiveness or suspension of arrears and interest. To encourage both work force participation and child support compliance among non-custodial parents, states could forgive or suspend arrears or interest accrual on child support within reasonable limits. This policy would allow non-custodial parents to avoid the trap of escalating and often uncollectible debt. These forgiveness or suspension policies are often contingent on positive behavior by non-custodial parents. For example, some states forgive or suspend arrears or interest accrual when child support payments are made regularly, and other states forgive arrears altogether if parents marry or reunite. Though there is growing interest in arrears forgiveness, most forgiveness policies have focused on the interest collected on arrears, so both policy options are presented.

No data update available for this measure.

19.4 Modification of child support for the incarcerated. To assist ex-offenders as they reenter the work force and reassume the duties of family life, a number of states allow child support orders to be modified to ensure child support arrearages do not become insurmountable. For example, in some states inmates earn, on average, approximately \$1 or \$2 a day while their child support arrearages average several hundred dollars a month. These policies often create an overwhelming amount of child support debt for incarcerated non-custodial parents when they are released, and serve as a significant barrier to their successful community reentry.¹⁰⁰ States

can implement policies to help ensure a more successful re-entry for incarcerated non-custodial parents and increased compliance with child support payments by allowing incarceration to be considered complete justification or one factor in decisions to suspend the child support arrearages of non-custodial parents.

No data update available for this measure.

Child Support Policy Measures

Measure 19.1: Pass-through and Disregard of Child Support Payments

What amount of child support does the state pass through to the custodial parent and disregard for the purpose of benefits eligibility?

Full amount of child support payment	Wis.
Any amount up to the state-defined "standard of need"	Del., Ga., Maine, S.C., Tenn.
Above \$50	D.C., Mont., Va., Vt., Wash.
Up to \$50	Alaska, Calif., Conn., Ill., Mass., Mich., N.J., N.M., N.Y., Pa., R.I., Texas
Up to \$25	W.Va.
No pass-through	Ala., Ariz., Ark., Colo., Fla., Hawaii, Idaho, Ind., Iowa, Kan., Ky., La., Md., Minn.*, Miss.**, Mo., Neb., Nev., N.H., N.C., N.D., Ohio, Okla., Ore., S.D., Utah, Wyo.

*Minnesota does allow the full amount to pass through, but none of the payment is disregarded when determining TANF benefits.

**Mississippi allows TANF recipients receiving child support to keep the difference between the child support payment and TANF cash assistance payment to family.

Measure 19.2: Forgiveness or Suspension of Arrears and Interest

Which of the following three child support arrears forgiveness policies for low-wage custodial parents do states utilize:

- 1) arrears forgiveness;
- 2) forgiveness or suspension of interest; and
- 3) forgiveness or suspension of arrears when family reunites?

All 3	None
2 of the 3	Conn., Iowa, Mass., Mich., Minn., N.M., Ore., Texas, Wash., Wis.
1 of the 3	Alaska, Calif., Colo., La., Maine, N.Y., N.D., Okla., Pa., S.C., S.D., Tenn., Utah, Vt., Va., W.Va.
None	Ala., Ariz., Ark., Del., Fla., Ga., Hawaii, Idaho, Ill., Ind., Kan., Ky., Md., Miss., Mo., Mont., Neb., Nev., N.H., N.J., N.C., Ohio, R.I., Wyo.

Measure 19.3: Interest Charges on Arrears and Retroactive Support

Does the state charge interest on child support arrears, adjudicated arrears, and retroactive support?

No interest	Conn., D.C., Del., Hawaii, Idaho, La., Mont., Nev., N.H., N.J., N.C., Pa., S.C., Tenn.
Have provision but not enforced	Iowa, Maine, Mass., Mich., Miss., Ohio, Ore., S.D.
Charge interest only on adjudicated arrears	Ark., Ky., Md., N.Y., Utah, Vt.
Charge interest on all arrears, but not on retroactive support	Fla., Ga., Minn., N.M., N.D.
Charge interest on all arrears and retroactive support	Ala., Alaska, Ariz., Calif., Colo., Ill., Ind., Kan., Mo., Neb., Okla., R.I., Texas, Va., Wash., W.Va., Wis., Wyo.

Measure 19.4: Modification of Child Support for the Incarcerated

Does the state allow incarceration to be considered complete justification or one factor in decisions to suspend the child support arrearages of non-custodial parents?

Complete Justification	Calif., Conn., D.C., Idaho, Maine, Md., Mass., Mich., Minn., N.C., Ore., Tenn., Wash., Wyo.
One Factor	Ala., Alaska, Colo., Ill., Iowa, Mo., N.M., R.I., Texas, Wis.
No Justification	Ariz., Ark., Del., Fla., Ind., Kan., Ky., La., Mont., Neb., N.H., N.Y., N.D., Ohio, Okla., Pa., S.C., S.D., Utah, Va.
Data Not Available	Ga., Hawaii, Miss., Nev., N.J., Vt., W.Va.

Selected State Child Support Policies

STATE	19.1		19.2			19.3			19.4		
	PASS-THROUGH AND DISREGARDS		FORGIVENESS PROGRAM			INTEREST SOUGHT BY STATE FOR UNPAID CHILD SUPPORT			EFFECT OF INCARCERATION ON CHILD SUPPORT SUSPENSION		
	Maximum Pass-Through Amount	Pass-Through Disregarded	Arrear's Forgiveness	Forgiveness or Suspension of Interest	Forgiveness or Suspension of Arrears when Family Reunites	No Interest Sought	Not Enforced	Adjudicated Arrears Only	Arrears but not Retroactive Support	Interest on All	
Alabama	–	–	–	–	–	–	–	–	–	Yes	One Factor
Alaska	Up to \$50	Yes	Yes	–	–	–	–	–	–	Yes	One Factor
Arizona	–	–	–	–	–	–	–	–	–	Yes	No Justification
Arkansas	–	–	–	–	–	–	–	Yes	–	–	No Justification
California	Up to \$50	Yes	Yes	–	–	–	–	–	–	Yes	Complete Justification
Colorado	–	–	–	Yes	–	–	–	–	–	Yes	One Factor
Connecticut	Up to \$50	Yes	Yes	–	Yes[g]	Yes	–	–	–	–	Complete Justification
Delaware	Up to Need[a]	Yes	–	–	–	Yes	–	–	–	–	No Justification
District of Columbia	Limit Above \$50	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Complete Justification
Florida	–	–	–	–	–	–	–	–	Yes	–	No Justification
Georgia	Up to Need[a]	Yes	–	–	–	–	–	–	Yes	–	No Data
Hawaii	–	–	–	–	–	Yes	–	–	–	–	No Data
Idaho	–	–	–	–	–	Yes	–	–	–	–	Complete Justification
Illinois	Up to \$50	Yes	–	–	–	–	–	–	–	Yes	One Factor
Indiana	–	–	–	–	–	–	–	–	–	Yes[j]	No Justification
Iowa	–	–	Yes	–	Yes	–	Yes	–	–	–	One Factor
Kansas	–	–	–	–	–	–	–	–	–	Yes[j]	No Justification
Kentucky	[b]	–	–	–	–	–	–	Yes	–	–	No Justification
Louisiana	–	–	–	–	Yes	Yes	–	–	–	–	No Justification
Maine	Up to Need[a]	Yes	–	–	Yes	–	Yes	–	–	–	Complete Justification
Maryland	–	–	–	–	–	–	–	Yes	–	–	Complete Justification
Massachusetts	Up to \$50[c]	Yes	Yes	Yes	–	–	Yes	–	–	–	Complete Justification
Michigan	Up to \$50	Yes	Yes	–	Yes	–	Yes	–	–	–	Complete Justification
Minnesota	Full Amount	–	–	Yes	Yes	–	–	–	Yes	–	Complete Justification
Mississippi	–	–	–	–	–	–	Yes	–	–	–	No Data
Missouri	–	–	–	–	–	–	–	–	–	Yes[j]	One Factor
Montana	Limit Above \$50	Yes	–	–	–	Yes	–	–	–	–	No Justification
Nebraska	–	–	–	–	–	–	–	–	–	Yes	No Justification
Nevada	–	–	–	–	–	Yes	–	–	–	–	No Data
New Hampshire	–	–	–	–	–	Yes	–	–	–	–	No Justification[m]
New Jersey	Up to \$50	Yes	–	–	–	Yes	–	–	–	–	No Data
New Mexico	Up to \$50	Yes	Yes[h]	Yes	–	–	–	–	Yes	–	One Factor
New York	Up to \$50	Yes	Yes[i]	–	–	–	–	Yes	–	–	No Justification
North Carolina	–	–	–	–	–	Yes	–	–	–	–	Complete Justification
North Dakota	–	–	–	–	Yes	–	–	–	Yes[k]	–	No Justification
Ohio	–	–	–	–	–	–	Yes	–	–	–	No Justification
Oklahoma	–	–	–	Yes	–	–	–	–	–	Yes	No Justification
Oregon	–	–	Yes	–	Yes	–	Yes	–	–	–	Complete Justification
Pennsylvania	Up to \$50	Yes	Yes[h]	–	–	Yes	–	–	–	–	No Justification
Rhode Island	Up to \$50	Yes	–	–	–	–	–	–	–	Yes	One Factor
South Carolina	Up to Need[a]	Yes	–	–	–	Yes	–	–	–	–	No Justification
South Dakota	–	–	Yes	–	–	–	Yes	–	–	–	No Justification
Tennessee	Up to Need[a]	Yes	–	–	Yes	Yes	–	–	–	–	Complete Justification
Texas	Up to \$50[e]	Yes	Yes	Yes	–	–	–	–	–	Yes	One Factor
Utah	–	–	–	–	Yes	–	–	Yes	–	–	No Justification
Vermont	†Limit Above \$50[d]	Yes	Yes	–	–	–	–	Yes	–	–	No Data
Virginia	Limit Above \$50[f]	Yes	–	–	Yes	–	–	–	–	Yes	No Justification
Washington	†Limit Above \$50[n]	Yes	Yes	–	Yes	–	–	–	–	Yes	Complete Justification
West Virginia	Up to \$25[e]	Yes	–	Yes	–	–	–	–	–	Yes	No Data
Wisconsin	Full Amount	Yes	Yes[h]	Yes	–	–	–	–	–	Yes	One Factor
Wyoming	–	–	–	–	–	–	–	–	–	Yes[l]	Complete Justification
Year Data Collected	2007		2005			2004–05				2003	

Data Source:

- 19.1 Paula Roberts and Michelle Vinson. "State Policy Regarding Pass-Through and Disregard of Current Month's Child Support Collected for Families Receiving TANF-Funded Cash Assistance." *Center for Law and Social Policy*. Updated August 31, 2004. Retrieved April 2005. http://www.clasp.org/publications/pass_thru3.pdf. Updated with unpublished data from the National Conference of State Legislatures, July 2005.
- 19.2 California Department of Child Support Services. *Arrears Forgiveness Programs in Other States*. Sacramento, August 2005. Updated with unpublished data from the National Conference of State Legislatures in consultation with the Center for Law and Social Policy, August 2005.
- 19.3 U.S. Department of Health and Human Services. Administration for Children and Families. "Intergovernmental Referral Guide (IRG)." *Office of Child Support Enforcement*. Updated various dates 2004-05. Retrieved August 2005. <http://ocse.acf.hhs.gov/ext/irg>.
- 19.4 Jessica Pearson. "Building Debt While Doing Time: Child Support and Incarceration" *Judges' Journal, American Bar Association* 43, no. 1 (Winter 2004): 5-12. American Bar Association, 2004.

Data Table Notes:

- a. Delaware, Georgia, Maine, South Carolina, and Tennessee pass through some or all support for the purposes of "fill-the-gap" budgeting.
- b. Kentucky disregards the first \$50 in its gross income test for TANF eligibility. If the test is met, full amounts are disregarded for eligibility and benefits.
- c. Massachusetts disregards child support payments except when a child is excluded from TANF grant by a family cap, then \$90 is disregarded.
- d. Vermont passes through all current support, and disregards the first \$50.
- e. Texas and West Virginia retain all support collected, but increase the family's TANF grant by the amounts shown.
- f. In addition to a disregard, Virginia TANF payments are increased by 85 percent of the child support retained.
- g. Connecticut allows for arrears liquidation if the obligor is living with the child.
- h. New Mexico, Pennsylvania and Wisconsin are operating pilot or trial programs in a few locations.
- i. New York caps arrears at \$500 for obligors with income below the poverty level.
- j. Indiana, Kansas, Missouri and Washington charge interest only on retroactive support and adjudicated arrears.
- k. North Dakota's IV-D agency does not calculate interest of retroactive support. However, it may be done through the court.
- l. Wyoming charges interest on retroactive support and adjudicated arrears. Interest on arrears is discretionary.
- m. New Hampshire pursues modification in public assistance cases and seeks impositions of statutory obligations of \$50 per month. In nonpublic assistance cases, the obligor would pursue a court modification.
- n. Washington will begin to pass through and disregard up to \$200 for two children beginning October 1, 2008.