



CENTER FOR FAMILY POLICY AND PRACTICE

~New Thinking

Policy Briefing

April 2011 – Vol. 13 – No. 2

Also in this issue:

- **Child Support Policy Reforms in President's 2012 Budget Proposal**
- **GAO Report on Child Support: Most States Did Not Implement "Family First" Policy**
- **Study Concludes: "America Is Still Racially Segregated in the Workplace" Leading to Lower Wages for Black Men**
- **US Supreme Court Hears Arguments in Child Support Right to Counsel Case**

HHS Grants Will Focus on Barriers to Self-Sufficiency, Innovation and Proven Track Record in Fatherhood and Marriage Programs

On June 14, the Department of Health and Human Services (HHS) expects to start taking applications for grants totaling \$119.5 million for responsible fatherhood and healthy marriage programs. Details about these requests for proposals are not yet available, but HHS has posted short descriptions on its Grants Forecast website.

The grants include \$58.5 million each for two broad categories: promoting responsible fatherhood, and healthy marriage and relationship education. Additionally there is a \$2.5 million grant to support a National Resource Center for Marriage and Relationship Education.

The majority of these HHS grants include a focus on overcoming or removing the multiple barriers that prevent low-income fathers and families from achieving self-sufficiency. The marriage and relationship education grants intend to address barriers through individuals' and couples' skill development. Recognizing the challenges faced by low-income noncustodial fathers, the responsible fatherhood grants instead focus on overcoming or removing barriers through a broad array of supportive services and case management. Additionally, \$5 million in grants intend to address the greater barriers faced by people leaving prison through a requirement to assist them with employment and housing as needed.

The grants can also be grouped into \$56 million for each of two categories: innovative services, and programs and organizations with proven track records. One set of grants, labeled "Field Initiated..." seeks to support innovation in the quality of services "through approaches identified by the field as promising or cutting-edge." The other set of grants, "Pathways to Responsible Fatherhood" and "Community-Centered Healthy Marriage and Relationship Education," intends to support programs and organizations "that have the capacity and proven track record" to help low-income fathers and families.

For detailed information about specific grants, please visit the HHS Grants Forecast website and search for the keyword "93.086":

<http://www.acf.hhs.gov/hhsgrantsforecast/index.cfm>

Child Support Policy Reforms in President's 2012 Budget Proposal

Several reforms to child support policy are proposed in the President's 2012 budget. These legislative proposals reflect reforms that advocates for low-income fathers and families have sought for many years. The proposals aim to increase the amount of noncustodial fathers' support that goes to their children's households rather than being retained by states to reimburse the government for welfare and Medicaid costs.

The Obama administration's proposed "Child Support and Fatherhood Initiative" would redirect an estimated \$1.9 billion of fathers' child support payments from state reimbursement to the households where children live. Additionally, the 2012 budget requests \$570 million over ten years to expand access and visitation services so that noncustodial fathers can be more involved in their children's lives. The proposals would require changes in federal laws that will have to be considered by Congress.

The following policy proposals are designed to increase the amount of noncustodial fathers' child support payments that go to their children:

- States would be encouraged to pass through all child support directly to families currently receiving public assistance. This legislative proposal would remove the cap on the amount that states can choose to pass through to families before being required to reimburse federal welfare costs. The budget proposes \$1 billion over eight years to incentivize states to implement this policy.
- States would also have the option to eliminate the requirement that parents receiving public assistance assign their rights to child support payments to the state. Custodial parents would retain their legal rights to the father's payments without the barrier of the state as a third party.
- For children in foster care, states would be required to use child support payments collected to directly benefit children rather than being directed into states' general revenue funds.

Three additional proposed reforms would assist low-income fathers and their children by preventing the accumulation of large child support debts:

- Fathers' child support payments could no longer be used to reimburse states for Medicaid costs for a child's birth. In the small number of states that have this policy, so-called birth costs can be so large that low-income fathers have no hope of ever paying it off.
- For fathers who are in jail or prison and therefore have no way to earn an income, states would be prohibited from characterizing this time as "voluntary unemployment." Family courts have used this to justify the accumulation of child support debt even though a father is incarcerated.
- For fathers who owe child support debt to the government, rather than the custodial parent, states would be required to use procedures to review and adjust debts.

Lastly, noncustodial fathers' involvement with their children would be supported by the initiative's expanded funding for so-called "access and visitation" services. The Child Support and Fatherhood

Initiative intends for these services to improve cooperation between parents so that fathers can have meaningful time caring for their children. Proposed policy changes include:

- The purpose of the Child Support Enforcement program as stated in the Social Security Act would be revised to include “activities that help parents cooperate and support their children.”
- Fathers and custodial parents would have access and visitation responsibilities established as a requirement for all new child support orders.
- States would have the responsibility to implement domestic violence safeguards as part of these increased access and visitation activities.

For an overview of the Obama administration’s proposed Child Support and Fatherhood Initiative, please visit the Office of Child Support Enforcement’s website at:

http://www.acf.hhs.gov/programs/cse/pubs/2011/fy2012_ocse_budget_proposal.html

For additional detail, please see the Administration for Children and Families’ Justification of Estimates for Appropriations Committees, pages 278-279:

http://www.acf.hhs.gov/programs/olab/budget/2012/2012_all.pdf

GAO Report on Child Support: Most States Did Not Implement “Family First” Policy

The United States Government Accountability Office (GAO) found that 40 states and three territories did not implement the so-called “family first” policy authorized by the Deficit Reduction Act (DRA) of 2005. This policy allowed states to give, or “pass through,” more of a noncustodial parent’s child support payment to the child’s family if they are currently receiving public assistance rather than retaining the payment to reimburse the government. The GAO’s report is titled “Child Support Enforcement: Departures from Long-term Trends in Sources of Collections and Caseloads Reflect Recent Economic Conditions.”

CFPP’s analysis of state-level data shows that 75% of child support cases in 2009 involving children receiving public assistance were in states or territories that did not improve their pass-through policy after the passage of the DRA in 2005. CFPP’s comparison of data from the GAO report with the Office of Child Support Enforcement’s FY 2009 Preliminary Report also shows the following regarding child support cases for children in families receiving public assistance:

- 32% are in states that do not pass through any of a parent’s child support payments.
- 34% are in states that pass through and disregard \$50 of a parent’s child support payment, an amount that remains unchanged from before 1996’s welfare reform.
- 19% are in states whose pass-through formula is somewhat more generous than the \$50 limit.
- 15% are in states that implemented the “family first” pass-through policy authorized by the DRA.

The GAO also found that the number of child support cases involving children receiving public assistance increased in fiscal year 2009, reversing a 10-year decline. According to the Office of Child Support Enforcement's FY 2009 Preliminary Report, this increase was 6.4% nationally, but with wide variation between the states. CFFPP's state-level analysis shows that nearly all of this increase—93%—occurred in states that did not implement the family first pass-through policy. For example, California saw the number of its “current assistance” cases increase by 16% in 2009. According to CFFPP's analysis, California now accounts for 21% of all child support cases nationwide involving children currently receiving public assistance.

The GAO report also noted other changes influenced by the recent recession. In 2009, child support collected from parents declined for the first time ever since the program was fully operational in 1978. Also, the amount of child support collected by intercepting parent's unemployment insurance benefits almost tripled. A recent article in the Chicago Sun-Times, titled “\$3 Billion Owed in Child Support,” highlighted how these trends are affecting families in Illinois, noting that 57 percent of parents with orders to pay child support have no reported income. The economic climate has also caused legislators in Washington state to repeal its family first pass-through policy. As of May 1, parents' child support payments will no longer be passed through to children receiving public assistance in Washington.

For a complete comparison of states' and territories' pass-through and disregard policies, please see the GAO's child support report on page 23:

<http://www.gao.gov/new.items/d11196.pdf>

Study Concludes: “America Is Still Racially Segregated in the Workplace” Leading to Lower Wages for Black Men

Discrimination against black men in the labor market is the most plausible explanation for their lower wages according to a study from the Economic Policy Institute titled “Whiter Jobs, Higher Wages” co-authored by Darrick Hamilton, Algernon Austin and William Darity Jr. Among full-time workers with less than a high school education, black men earned only 61% of what white men earned in 2008. For black men with a wide range of further education, including a high school diploma, GED, some college, or an associate's or Bachelor's degree, this figure only rose to 74%. After controlling for education, this study found that “black men are disproportionately confined in lower-paying occupations,” with a 7% increase in the proportion of black men in an occupation associated with a \$10,000 decrease in average annual wages.

The EPI study also found that black men experience “severe” and “extreme” underrepresentation in higher-paying construction, extraction, and maintenance occupations while being overrepresented in lower-paying sales, office and service occupations. This finding counters recent arguments that black men have trouble in the labor market due to a supposed lack of soft skills. In fact, this study found that black men are more likely to find work in service occupations that require high levels of interpersonal and people skills.

The following conclusions are especially relevant to service providers and policymakers hoping to improve the economic circumstances of low-income noncustodial fathers:

- “...rather than focusing on policies that promote the development of black male soft-skills, a more effective policy strategy might be aimed at moving blacks from lower-paying high-soft-skill service occupations to higher-paying low-soft-skill construction occupations.”
- “Until we more effectively combat labor market discrimination, black men will continue to earn less than white men.”

To read “Whiter Jobs, Higher Wages,” please visit the Economic Policy Institute website at:

http://www.epi.org/publications/entry/whiter_jobs_higher_wages/

US Supreme Court Hears Arguments in Child Support Right to Counsel Case

The Supreme Court of the United States heard arguments in the case of *Turner v. Rogers* on March 23. Michael Turner, a low-income, noncustodial father in South Carolina, was repeatedly jailed for contempt for not paying child support. The Supreme Court will address the question of whether an indigent person, Mr. Turner in this case, has a constitutional right to be provided with a defense lawyer in a civil contempt proceeding that could result in jail time.

The Center for Family Policy and Practice has published a paper titled “In the Interest of Parents” that examines child support, low-income parents’ ability to pay, and incarceration. For further information about the Turner case, please visit:

<http://www.cffpp.org/childsupportdebt.html>

To read New York Times coverage of the oral arguments that occurred on March 23, please visit:

<http://www.nytimes.com/2011/03/24/us/24scotus.html>

Mission Statement

The mission of the **CENTER FOR FAMILY POLICY AND PRACTICE (CFFPP)** is to strengthen society through the expansion of opportunities for low-income parents – mothers and fathers – to protect and support their children. CFFPP operates as a policy think tank to remove the unique barriers and negative public perceptions that affect low-income men of color. Through technical assistance, policy research and analysis, and public education and outreach, CFFPP works to support low-income families and develop public awareness of their needs.

Contact Us: If you would like to share comments, questions, ideas for future briefing topics, or to sign up for our email list, please contact Nino Rodriguez, Program and Policy Specialist, at nrodriguez@cffpp.org.

This policy briefing is made possible in part by the generous support of the Ford Foundation and Community Shares of Wisconsin. Any opinions, errors or conclusions expressed herein do not necessarily represent the views or positions of CFFPP’s funders.