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IN THIS ISSUE:

- Obama Plans Change in Child Support Payment Rules for Prisoners
- Felony Disenfranchisement Prohibits More than 6 Million from Voting
- Proposals Would Increase Minimum Wage, Eliminate Subminimum for Disabled
- High Rates of Mental Illness in US, but Little Access to Services
- Survey Documents Access to Banking Services Among US Households
- Race Gap Persists Even at Higher Income and Education Levels
- Public Housing Assistance Has Some Long-Term Benefits for Children
- State Child Support Enforcement and TANF News
- Also of Note

Obama Plans Change in Child Support Payment Rules for Prisoners

President Obama is planning to put new regulations in place that would provide relief to incarcerated parents

with child support orders. The rules are part of a package that was drafted in 2014; the final version of the draft rules is still not public, but was sent to the White House for review in July. A White House official reports that the administration is confident the new rules will be completed before Obama leaves office.

Currently, in 14 states, incarceration is treated as voluntary unemployment, with no adjustment or modification made to child support orders to reflect a lack of income while in prison. The rules would prevent states from prohibiting reductions in child support obligations during incarceration. If the rules are changed, they would require that all states allow prisoners to lower the amount of child support they pay while in prison (depending on their available financial resources) and mandate that state courts base their orders on a prisoner's actual income.

In 2010, an estimated 51,000 federal prisoners had child support orders, and almost 29,000 of them were behind in their payments. The average amount owed was nearly \$24,000. The changes could help reduce prison populations because when individuals leave prison with high levels of child support debt, and are subject to the associated interest, fees, and wage garnishment, the prospects for becoming financially stable are diminished. In many states this puts the parents at risk of being arrested again for non-payment of child support.

The rules package originally contained a range of measures to address the often harmful effect of child support enforcement policy on families with low incomes; it is not clear which other measures, if any, might be included in the final regulations. Other measures that were originally proposed would:

- Give state child support agencies the option to use federal funds for certain job services and activities (but with a focus on increasing child support payments instead of increasing incomes);
- Add criteria for case closure that provide new opportunities for relief for poor and fragile families by stopping the accumulation of child support arrears (but would be applied to individual cases and would not provide for broad change in agency policy and practice); and
- Require that child support guidelines take into consideration the noncustodial parent's subsistence needs and be based on actual income (but provide no regulatory direction for applying guidelines to child support orders in default cases).

In a TakePart article describing the proposal, CFFPP Director Jacquelyn Boggess advises, "There are so many things in the child support system that need to be reconsidered given the way it's impacting the very poorest families. This change is very meaningful, but it's just the tip of the iceberg."

For the comments from CFFPP on the proposed rules, see http://cffpp.org/wp-content/uploads/2015/10/Child_Support_Enforcement_2015.pdf

<http://www.takepart.com/article/2016/10/24/child-support-prison>

<http://www.reuters.com/article/us-usa-criminaljustice-childsupport-idUSKBN12E0X2?il=0>

Felony Disenfranchisement Prohibits More than 6 Million from Voting

An estimated 6.1 million Americans are prohibited from voting because of "felony disenfranchisement," or laws

that restrict voting rights for those convicted of felony-level crimes, according to a recent report from The Sentencing Project. The report's key findings:

- The accelerated rate of incarceration over recent decades has produced an associated growth in the number of disenfranchised felons. There were an estimated 1.17 million people disenfranchised in 1976, which climbed to 3.34 million in 1996, and reached 5.85 million by 2010.
- Approximately 1 of every 40 adults in the United States is disenfranchised due to a current or previous felony conviction. One in 13 African Americans of voting age is disenfranchised, a rate more than four times greater than that of non-African Americans. Over 7.4 percent of the adult African American

population is disenfranchised compared to 1.8 percent of the non-African American population.

- In four states—Florida (21 percent), Kentucky (26 percent), Tennessee (21 percent), and Virginia (22 percent)—more than one in five African Americans is disenfranchised.
- Of the total disenfranchised population, 50 percent are individuals who have completed their sentences but live in the twelve states that disenfranchise people post-sentence, totaling almost 3.1 million people. In six states – Alabama, Florida, Kentucky, Mississippi, Tennessee, and Virginia – more than 7 percent of the adult population is disenfranchised.
- The state of Florida alone accounts for more than a quarter (27 percent) of the disenfranchised population nationally, and its nearly 1.5 million individuals disenfranchised post-sentence account for nearly half (48 percent) of this national total.

The report, *6 Million Lost Voters: State-Level Estimates of Felony Disenfranchisement, 2016*, is available at:

<http://www.sentencingproject.org/wp-content/uploads/2016/10/6-Million-Lost-Voters.pdf>

Proposals Would Increase Minimum Wage in Four States, Eliminate Subminimum Wage for Disabled Workers

According to the Economic Policy Institute, the 2014 federal minimum wage of \$7.25 is worth nearly 10 percent less than when it

was last raised in 2009, after adjusting for inflation, and its inflation-adjusted value is 24 percent below its peak value in 1968. In 2015, 12 states and the District of Columbia increased their minimum wage through legislation and 11 states increased it through indexing to inflation. More than 30 local governments have increased it beyond the state minimum. For states that raised their minimum wage, low-wage workers benefited the most. Still, 42 percent of the workforce makes less than \$15 per hour.

Broad, bipartisan popular support for raising the federal minimum wage might be influencing congressional elections and encouraging candidates to support an increase, however. There are 24 Republicans up for election in the Senate who live in states where a combined 27 million workers are paid less than \$15 per hour, and where nearly 20 million make less than \$12 per hour. In addition to legislative support, four states—Arizona, Colorado, Maine, and Washington—have measures on the November ballot that would increase the minimum wage. South Dakota will instead vote on whether to lower its minimum wage.

In another development related to wages, there is an effort to prohibit the common practice at sheltered workshops of paying disabled workers subminimum wages that can be as low as pennies an hour. Because of current laws that allow such wages in certified workshops, approximately 400,000 disabled Americans earn

wages that make it difficult for them to work their way out of poverty. According to the most recent US Census Report, the percentage of disabled adult Americans living in poverty increased from 25.9% to 26.5% in 2015. For American adults without disabilities, the poverty rate decreased from 14.1% to 12.8%. A small number of states, led by Vermont, have taken the lead in eliminating the subminimum wage, and a bill to eliminate it federally has bipartisan support and the support of the Obama administration, but no action has been taken on it to date.

See “Lawmakers Want to Close the Loophole That Pays Disabled Workers Pennies An Hour”: <https://talkpoverty.org/2016/10/14/lawmakers-want-close-loophole-pays-disabled-workers-pennies-hour-2/>

The reporting on increasing the minimum wage is available at <http://www.epi.org/publication/wages-grew-more-for-low-wage-workers-in-states-that-raised-their-minimum-wage-in-2015/>

High Rates of Mental Illness in the US, But Little Access to Services

A report from Mental Health America provides a snapshot of the prevalence of mental illness among adults and youth in

the United States and their access to treatment services. Among the reports findings:

- In 2012-2013, more than 40 million, or 1 in 5, adults with a mental illness in the United States were uninsured. States with the highest rates of uninsured adults with mental illness have residents who are three times more likely to be uninsured than states that have the highest rates of insurance access. For example, in Nevada, where 33.4 percent of residents experience some form of mental illness, these adults are 10 times more likely to be uninsured than are adults with mental illness in Massachusetts, where the rate of mental illness is just 3.3 percent.
- Among adults with mental illness, 56% received no treatment. Even in Vermont, which was ranked best for access to services, 43% did not receive treatment.
- Among youth with depression, 64 percent do not receive any treatment. Even for those with severe depression, 63 percent do not receive any outpatient services. Just 22 percent of youth with severe depression receive any kind of consistent outpatient treatment, which constitutes 7 to 25 or more visits in a year.
- States with low rankings for access to mental health care have more adults who are in the criminal justice system. Six out of ten of the states with the least access to mental health care also have the highest rates of incarceration. These states include Alabama, Arkansas, Mississippi, Texas, Georgia, and Florida. Arkansas, Mississippi and Alabama had the least access to care for the mentally ill and the highest rates of imprisonment, with a total of more than 57,000 incarcerated men and women in these states suffering mental-health conditions.
- In the overall rankings, the three states with the lowest prevalence of mental illness and best access to care were all in New England: Connecticut,

Massachusetts and Vermont. The worst on this measure were Oregon, Arizona and Nevada. The four states with the most movement from last year to this year were Wisconsin, which dropped from eighth to 35th and Indiana from 19th to 45th, and New Mexico, which improved from 44th to 22nd and Oklahoma from 41st to 24th.

The report, *The State of Mental Health in America 2017*, is available at <http://www.mentalhealthamerica.net/new-state-rankings-shines-light-mental-health-crisis-show-differences-blue-red-states>

**Survey Documents Access to
Banking Services Among US Households**

A survey conducted by the FDIC in June of this year assessed access to mainstream financial services. The

survey results have been documented this month in an FDIC report. Key findings include:

- In 2015, 7 percent of US households were “unbanked,” meaning that no one in the household had a checking or savings account. This represents a drop in the unbanked rate of 0.7 percentage points from 2013, when the rate was 7.7 percent. The rate was lower in 2015 than in any of the years the survey has been conducted. Approximately 9 million US households, made up of 15.6 million adults and 7.6 million children, were unbanked in 2015.
- Nearly 20 percent of US households were “underbanked,” meaning that the household had an account at an insured institution but also obtained financial services and products outside of the banking system. The underbanked rate was found not to have changed since 2013.
- Unbanked and underbanked rates were higher among lower-income households, less-educated households, younger households, black and Hispanic households, and working-age disabled households.
- For black households, for whom the unbanked rate decreased from 20.6 percent in 2013 to 18.2 percent in 2015, the underbanked rate also decreased, resulting in a large increase in the fully banked rate from 40 percent in 2013 to 45.5 percent in 2015.
- Unbanked rates among households with income that was reported to vary somewhat or a lot from month to month were 8.7 and 12.9 percent, respectively, compared to 5.7 percent among households with income that was reported to remain about the same each month.
- Almost one in four households (24.0 percent) in the survey had used alternative financial services (AFS), such as money orders, check cashing, international remittances, payday loans, refund anticipation loans, rent-to-own services, pawn shop loans, or auto title loans, in the past 12 months. Use of AFS continued to be much higher among unbanked households than banked households, with 57.3 percent of unbanked households using an AFS in 2015, compared to 21.4 percent of banked households.

The report is available at:

https://www.economicinclusion.gov/surveys/2015household/documents/2015_FDIC_Unbanked_HH_Survey_Report.pdf

Race Gap Persists Even at Higher Income and Education Levels

A series of charts produced by the Brookings Institute provides evidence to counter the common assumption that racial

disparities can be explained by economic factors or poverty alone. The charts demonstrate the following key findings:

- The black infant mortality rate is twice that for whites, and the difference is not explained by poverty. Babies born to well educated, middle-class black mothers are more likely to die before their first birthday than babies born to poor white mothers with less than a high school education.
- Upon earning a bachelor's degree, black college graduates owe \$7,400 more than their white counterparts in college debt. Four years later, the average black graduate has \$52,726 of student loan debt, compared to \$28,006 for whites. This disparity has grown in recent years, and appears to result in part from an increasing rate of black enrollment in for-profit graduate programs.
- Affluent black families, with annual incomes of more than \$100,000, are four times more likely to live in poor neighborhoods than comparable white families, and only half as likely to live in affluent areas.
- The typical black parent with an advanced degree lives in an area with lower performing schools than the typical white parent with just a high school diploma or GED.

<https://www.brookings.edu/blog/social-mobility-memos/2016/10/21/6-charts-showing-race-gaps-within-the-american-middle-class/>

<https://www.brookings.edu/research/black-white-disparity-in-student-loan-debt-more-than-triples-after-graduation/>

Public Housing Assistance Has Some Long-Term Benefits for Children

A study from the nonpartisan National Bureau of Economic Research estimates the long-term effects of

living in public housing and voucher-assisted housing as a teenager on adult earnings and incarceration, comparing the programs to each other and to private market housing.

In order to minimize differences between the groups that could be explained by factors inherent to a family, the study compared groups of siblings who had grown up in the same households, but who had spent different amounts of time in public housing. Comparing the oldest children in families where they had spent less time in the housing project to younger siblings allowed researchers to look at the effect of housing assistance on the children in families and so to estimate the long-term

effects of public housing and voucher-assisted housing as a teenager on adult earnings and incarceration. Approximately 2.2 million people currently live in public housing and another 5 million use vouchers to pay rent in private buildings.

The surprising results suggest that there are benefits to housing assistance, particularly for minority girls. The researchers suggest that this might result from parents' being relieved from worrying about paying private sector rents and because they are able to spend more time with their children on homework, providing protection and guidance toward a more successful adulthood.

Key findings include:

- Children who spend more time in public housing earn hundreds of dollars more each year than they would have if their parents had not received housing assistance from the government during those years. Children who benefit from public housing are also less likely to be incarcerated.
- For girls, an additional year in public housing increased their annual earnings when they were 26 years old by \$488 on average and reduced the likelihood that they were in prison by about 11 percent. An additional year with Section 8 vouchers increased their earnings at 26 by \$468, while lessening their chance of incarceration by about 9 percent.
- For white girls, there were no distinguishable effects of housing assistance, and the reasons for this are unclear.
- An additional year in public housing increased boys' average annual earnings at 26 by about \$508, and they became 6.5 percent less likely to be in prison. Another year with vouchers increased boys' earnings as adults by about \$256 and reduced their chance of incarceration by about 2 percent. It was also not clear why vouchers benefit girls so much more than boys.
- For African American boys in the poorest projects, the benefits of housing assistance when they entered the labor force were also not distinguishable. While the reasons for this are not clear, the authors suggest that the geographic concentration of disadvantages is particularly hard to overcome for this cohort.
- Families receiving vouchers may have had similar, and not better, outcomes than families in public housing developments because they live in census tracts with almost identical levels of poverty, around 22-23%.

A Washington Post article on the study:

<https://www.washingtonpost.com/news/wonk/wp/2016/10/12/the-remarkable-thing-that-happens-to-poor-kids-when-you-help-their-parents-with-rent/>

The NBER report:

http://www.nber.org/papers/w22721?utm_campaign=ntw&utm_medium=email&utm_source=ntw

State News

- A testing protocol enacted in **Mississippi** in 2014 requires applicants to the state's Temporary Assistance for Needy Families (TANF) program to be screened and referred to take a drug test as a condition of eligibility. To date, the policy has not provided treatment to any of the 17 who tested positive for drugs out of 307 applicants referred for screening since its inception. A total of 56 applicants have been denied benefits as a result of the test, 39 because they refused to take it. Supporters of the bill to require drug testing had stated that the intent of the bill was to help people get treatment, but to date none of those sanctioned has received drug treatment.
- A private contract in **Rhode Island** with Deloitte consultants to modernize computer systems for its public assistance programs has resulted in numerous problems, leaving thousands of recipients without benefit payments. The rollout of the state's \$364 million consolidated computer system has been plagued by problems including wait times of an hour and 40 minutes for clients on the phone and 2 1/2-hour waits to talk to someone in person. The \$364-million cost is currently more than triple the initial \$110-million cost estimate and could grow to \$487.4 million by 2018.

Deloitte has won contracts for government computer systems with states across the country, and has a history of coming in behind schedule, over budget, and plagued by problems. Problems with multimillion-dollar projects have surfaced in Florida, Pennsylvania, California, and Massachusetts among others. The company, its affiliated firms, employees and a political action committee it formed have spent nearly \$2.2 million on lobbying, campaign contributions and gifts to officials in the last ten years. Over the last two years, the company has spent more on influencing legislators than any other competing firm in its field.

- **Georgia** will be the first state to make a full-service child support mobile app available to its customers. The app will allow clients to make child support payments, review payment history, view scheduled appointments, and receive notifications and alerts about their cases on any mobile device. It provides easy access to case details and general information about programs and services provided by DHS Division of Child Support Services. The app is available on Apple and Android devices and can be downloaded via the App Store or the Google Play Store. Keywords to find the app to download are DCSS, GA DCSS, Child Support, Georgia Child Support, DHS and DHS Child Support.

Also Of Note

- A collection of maps has been recently made available online called [Mapping Inequality](#), which includes maps and notes from the Home Owners' Loan Corporation (HOLC), a federal program established during the Great Depression to shore up the housing market. The maps document the government's role in the 1930s in preventing African Americans and other minorities from achieving home ownership. It was a part of the federal government's attempts to determine where to provide loans that would have the least investment risk for banks. To produce the maps, HOLC consulted with real estate agents and lenders, who often judged neighborhoods based solely on race and socioeconomics. Areas considered a high risk for loans were colored in red, and banks were then given a basis on which to refuse loans. The process has become known as redlining and continues to have an impact on home ownership and financial stability in American cities.

According to Nathan Connolly, an urban historian at Johns Hopkins University, "These residential decisions had decades-long consequences. So much of the wealth inequality that exists in America is driven by inequality in the real estate market and the ability to generate equity and pass it down from one generation to the next."

The collection is now available online following the link above.

- A chart (see link below) from the Economist illustrates the stark differences in paid parental leave policies between OECD countries and makes clear that the United States is unique as the only country in the OECD that provides for no national-level paid leave at all. The chart compares the amount of parental leave that must be provided by law in terms of the full-pay equivalent portion of the leave, or the length of leave that would be covered if it were paid at 100% of the average worker's earnings.

Estonia and Hungary have the longest leave—at 3 years—when looked at from this metric. Their policy is attributed to the countries' efforts to encourage families to have more children amid shrinking populations. Japan is has the most generous leave policies for men, giving them a full year at a rate equivalent to 34 full-pay weeks, but just 2% of new fathers in the country take it.

<http://www.economist.com/blogs/graphicdetail/2016/10/daily-chart-10?fsrc=scn/fb/te/bl/ed/whichcountriesaremostgeneroustonewparents>

- The US Department of Health and Human Services' Administration for Children and Families (ACF), through its Office of Child Support Enforcement (OCSE) has awarded grants totaling \$2.1 million to six child support agencies to design and implement projects that "attempt to increase the *perception* [emphasis added] of

fairness in child support proceedings” through a demonstration project called Procedural Justice-Informed Alternatives to Contempt (PJAC). According to OCSE, “procedural justice practices refer to the idea that how individuals regard the justice system is tied more to the perceived fairness of the *process* and how they were treated rather than to the perceived fairness of the *outcome*.” It does not appear to refer to a goal of providing tangible relief to noncustodial parents with low incomes who owe child support. OCSE suggests that such practices “may help improve the perception of the child support program in low-income communities of color, where distrust of the child support program is high. We expect there to be a positive relationship between reliable payment of child support and the use of procedural justice practices.”

OCSE hopes that the PJAC demonstration project will change the image currently held by noncustodial parents of the child support agency and its processes that they are frustrating and difficult to navigate.

The five-year demonstration project will allow grantees to examine whether incorporating what the agency terms “procedural justice principles” into child support business practices increases reliable child support payments. Each grantee was awarded \$200,000 the first year, with additional funding of up to \$581,000 over the next four years.

Grantees include child support services agencies in Arizona, California, Michigan, two counties in Ohio, and Virginia.

<https://www.acf.hhs.gov/media/press/2016/millions-awarded-for-procedural-justice-informed-alternatives-to-contempt-child-support-cases>

- According to data collected by ThinkProgress, seven states, including Missouri, Indiana, Ohio, Pennsylvania, Michigan, North Dakota, and Texas, use federal TANF dollars to fund crisis pregnancy centers. Over the past four years these states have diverted a total of more than \$30 million of federal TANF funds meant for welfare recipients to anti-abortion programs that fund crisis pregnancy centers (CPCs). The funds are diverted with states making the argument that this use conforms with one of the four purposes of the TANF legislation: providing assistance to needy families, promoting job preparation and work, preventing and reducing out-of-wedlock pregnancies, and/or encouraging marriage and two-parent families. States are able to create their own reasoning to justify the use of CPCs to fit any of these purposes.

According to the National Abortion and Reproductive Rights Action League (NARAL), CPCs are often purposely made to look like medical offices and are commonly situated near an actual abortion provider or women’s health clinic. They promise to offer holistic counseling for women with unintended pregnancies, but their ideological mission is in fact to eliminate abortion by steering women away from it. CPCs commonly provide false information to

women. In Massachusetts, seventy percent of CPCs gave out pamphlets that claimed abortion leads to a number of severe medical risks despite the fact that it is one of the safest medical procedures. Most of the organizations' literature makes false claims about a risk of breast cancer, infertility, and "post-abortion syndrome."

UCSF researchers have found that in fact women who were unable to obtain an abortion that they sought were three times more likely than the women who successfully obtained abortions to fall below the poverty line within the subsequent two years. As states have successfully reduced welfare rolls through time limits, lack of available services, and difficult to meet job requirements, the use of funds for CPCs is particularly harmful to vulnerable women and families. <https://thinkprogress.org/tanf-cpcs-ec002305dd18#.kzeaht3lm>