

Getting More Child Support to Children

Too much child support is not going to families. Child support helps low-income families work and avoid welfare. When poor families get child support, the support amounts to over one-fourth of the family budget—the family’s largest income source after earnings. Yet under current TANF assignment and distribution rules, families sign over their rights to child support to the government when they go on welfare. Even after families leave welfare, many of the payments are kept by the government to repay welfare costs. About half of support arrears collected for families who have left welfare are kept by the government and not paid to the families. By letting families include the child support in their budgets, distribution reform would help families make the transition off of welfare and stay off.

The support paid by fathers should go to their children because it helps children and their fathers. When low-income non-resident parents pay child support, the children often do not see the money. Because the money goes to the government and does not go to the children, fathers sometimes are driven into the underground economy and avoid paying formal child support. However, if the money goes to their children, these fathers may be more likely to support and stay involved with their children. Research from Wisconsin indicates that when the child support directly benefits their children, fathers are more willing to establish paternity and pay support.

What must be done: distribution rules must be simplified. The current rules are too complicated and costly for states to administer, make no sense to parents or child support workers, and result in families not getting all the money they are supposed to get. Sometimes the state keeps the money and sometimes the family gets the money, depending upon the family’s welfare status, when the support was due, when the support was paid, and how the support was collected. Problems with automating complicated rules have been cited by many federal and state administrators as a cause of computer systems delays and costs. One expert estimates that 6-8 percent of all child support program costs—up to \$360 million per year—are spent maintaining existing rules.

Several bills with child support distribution provisions are pending in Congress. Last session, the House passed H.R. 4678 (the “Child Support Distribution Act of 2000”), by a vote of 405-18. This session, 8 bills have been introduced in the Senate and House that would let states pay more child support directly to families and bring the rules into line with the family self-sufficiency goals of the 1996 welfare law, including S. 685 (the “Strengthening Working Families Act of 2001,” sponsored by Sen. Bayh and 15 co-sponsors); S. 916 (sponsored by Sen. Kohl); S. 918 (sponsored by Sen. Snowe); S. 940 (sponsored by Sen. Dodd); H.R. 1471 (sponsored by Rep. Nancy Johnson and Cardin); H.R. 1990 (sponsored by Rep. George Miller); H.R. 3113 (sponsored by Rep. Mink); and H.R. 3625 (sponsored by Rep. Cardin).

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