

Colorado Multiple Intervention Grant

A Profile of Former-TANF and Non-TANF Clients in the IV-D Caseload

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Introduction

This report provides a profile of the non-TANF IV-D caseload in Colorado. It compares IV-D clients who have previously received TANF (former-TANF) and those with no TANF history (non-TANF). The analysis of former- and non-TANF IV-D clients is further divided into custodial mothers, custodial fathers, and relative caretakers.

There are a number of reasons to focus on the non-TANF caseload within the child support agency. First, the declining national TANF caseloads – down from a high of 5 million families in 1994 to 2.7 million at the close of 1998¹ – means fewer TANF cases enter the child support system each year. In Colorado, the drop in the welfare caseload has outpaced the national average, declining 50 percent between July 1997 and June 1992.² In the years ahead, the IV-D program will presumably serve more and more families who have either left TANF or who never entered the system. To provide the best services, the child support agency must understand who these clients are, what their needs are, and what their experiences have been in the past.

Second, a cornerstone of the welfare reform movement has been the assumption that child support will play an increasingly important role in helping those who leave TANF to attain self-sufficiency. Indeed, in signing the welfare reform legislation, the President said, “If every parent paid the child support that he or she owes legally today, we could move 800,000 women and children off welfare immediately.”³ Given the importance placed on child support in the welfare reform effort, it is critical that child support agencies understand how well former-TANF clients now in the IV-D caseload are being served.

¹ Welfare Reform: States’ Implementation Progress and Information on Former Recipients. General Accounting Office, May, 1999.

² Evaluation of the Colorado Works Program: First Annual Report. Berkeley Planning Associates, November 1999.

³ President Clinton quoted in Children Today, 1997.

Finally, as IV-D agencies serve more and more non-TANF families, it is important to document the economic status of these families. Policy makers need to know what types of resources are available to these families to help them establish and collect support. It is important to document whether non-TANF IV-D clients can afford private attorneys to pursue these actions in court, and whether they indeed use private attorneys in addition to the IV-D agency.

To explore the issues surrounding the non-TANF IV-D caseload, the Center for Policy Research designed a study to address the following types of research questions:

- What is the financial situation of former-TANF clients? How are those who have left welfare faring?
- Do IV-D clients who have previously received TANF and those with no history of TANF appear to be comparable or dissimilar with respect to their general demographic profile?
- Do IV-D clients who have never been on TANF have the same types of child support needs as former-TANF clients?
- Are former and non-TANF clients equally satisfied with their experiences in the IV-D agency? What is the level of satisfaction, and what are the sources of dissatisfaction?
- What is the overall economic well-being of former- and non-TANF clients, and to what extent do child support collections improve their economic standing?
- To what extent are IV-D clients who have never received TANF economically capable of utilizing other resources, such as private attorneys, to deal with their child support problems?

Research Methods

To address these research questions, the Center for Policy Research (CPR) developed a random sample of former and non-TANF clients currently receiving IV-D services. Information on these custodial parents, including contact information and child support data, was extracted from the Child Support automated data system for 1,000 former-TANF and 500 non-TANF clients.⁴ Each of the

⁴ Clients who were former recipients of TANF were over-sampled on the assumption that they might be more geographically mobile, and therefore more difficult to contact, relative to non-TANF families.

clients was sent a letter from the child support agency notifying them that they might be contacted by a research firm and asked to answer some questions about their experiences with the child support system. They were told that participation was entirely voluntary, responses would be anonymous, and participation would not affect the services provided by the child support agency.

Trained interviewers completed telephone surveys with 300 former-TANF and 301 non-TANF clients. If they could be reached, most parents and relative caretakers agreed to be interviewed. Fewer than 20 refused to be interviewed. In fact, many were so eager to give their input that they phoned the research firm directly when they received the letter from the child support agency. Due to phone disconnects, answering machines, wrong numbers, and busy signals, researchers interviewed 60 percent of the respondents they attempted to phone in the non-TANF sample and 53 percent of the respondents they attempted to phone in the former-TANF sample.

Table I: Interview Outcomes for Custodial Mothers, Custodial Fathers, and Relative Caretakers

	Former-TANF	Non-TANF
Random Sample Generated	1,000	500
Number phoned by interviewers	677	500
Wrong number	68	52
Disconnected	54	69
Refusals	11	6
Could not reach after call-backs	244	72
Completed interviews	300	301

The interview guide covered client demographics, child support orders and payment patterns, visitation and contact with the noncustodial parent, experiences with the child support agency, the use of private attorneys, the receipt of government benefits, financial hardship, the importance of child support payment to the family’s overall financial well-being, and household income. A copy of the questionnaire appears in Appendix A to this report. Since a substantial proportion (22% to 24%) of respondents in both the non-TANF and former-TANF samples proved to be relative caretakers, a variation of the questionnaire was adapted for this group. This modified survey changed the language to make the interview appropriate for relatives rather than parents, and it included a few questions specific only to relative caretakers, such as information on the number of

children cared for by this person. Table 2 indicates the number of interviews conducted with custodial mothers, custodial fathers, and relative caretakers.

Table 2: Distribution of Completed Interviews with Custodial Parties		
	Former-TANF (n=300)	Non-TANF (n=301)
Custodial Mothers	73% (218)	67% (202)
Custodial Fathers	5% (14)	9% (26)
Relative Caretakers	22% (67)	24% (73)
Unusable	(1)	

Table 3 provides a profile of all 1,500 custodial parties who were sampled. The 600 custodial parties with completed telephone surveys did not differ from the random sample on any of the variables presented below. This indicates that those interviewed are representative of clients with open IV-D cases in both the former-TANF and non-TANF categories. It is important to note, however, that if a custodial party had any active court case, this was captured in the extract. This may explain why virtually all custodial parties in our sample had at least one court order. By the same token, since there may be several child support cases associated with one court order, the distribution of child support categories does not match the percentage with an order.

Table 3: Selected Characteristics of the Random Sample of Custodial Parties with Open Child Support Cases ^a

	Former-TANF (n=1,000)	Non-TANF (n=500)
Average year child support case opened	1991	1993
Percent of custodial parties with at least one court order	99%	100%
Average monthly support order	\$257	\$329
Average arrearage	\$14,996	\$12,608
Enforcing county:		
Denver	19%	11%
Arapahoe	10%	23%
Adams	11%	8%
Boulder	3%	4%
Jefferson	11%	11%
Total Metro	54%	57%
Child support category for all cases for custodial parties in the		
1 [paying non-custodial parent]	42%	55%
2 [enforcement]	17%	16%
3 [locate and enforce]	24%	22%
4 [establish support]	1%	3%
5 [locate and establish support]	1%	—
6 [establish paternity]	—	—
7 [locate and establish paternity]	—	—
9 [suspense]	16%	4%
Intrastate case	92%	88%
Average number of child support orders per custodial party	1.2	1.1

^a If there is more than one father per custodial party, the target father is the father of the mother's oldest child.

The child support caseload looks somewhat different depending on whether you focus on custodial parties, child support cases, or orders. For example, a total of 83 percent of the former-TANF and 93 percent of the non-TANF cases in the IV-D caseload have support orders. This may initially seem high. However, the numbers are less surprising, given overall state patterns. Even including current TANF cases, 71 percent of all IV-D cases in Colorado are in enforcement categories. These

figures probably reflect improved locate and enforcement techniques and the current practice of closing cases that cannot be productively worked due to a lack of information. In the next section of the report, we present an analysis of the interviews.

Custodial Mothers

The largest group of respondents in both the former-TANF and non-TANF samples are custodial mothers. Interviews were completed with 218 custodial mothers who had been former recipients of public assistance (former-TANF) and 202 mothers who had never received public assistance (non-TANF). A comparison of the two groups shows that although they share a number of characteristics, they are significantly different in other respects. The following discussion highlights some of these similarities and differences.

Ethnicity, Education, and Family Background: While the majority of both groups are Anglo, a higher proportion of former-TANF versus non-TANF mothers are Latina (25% v. 13%). The two groups also differ dramatically with respect to educational attainment. Nearly half (43%) of the former-TANF mothers have no more than a high school diploma, compared to 18 percent of non-TANF mothers. At the other end of the educational spectrum, we found that 42 percent of non-TANF mothers have a college degree or post-graduate education, as compared with 19 percent of former-TANF mothers.

Table 4: Ethnicity and Education of Custodial Mothers

	Former-TANF (n=218)	Non-TANF (n=202)
Race*		
Anglo	64%	79%
African American	7%	4%
Latina	25%	13%
Education*		
Less than high school	14%	3%
High school	29%	15%
Some college/trade	38%	40%
College	13%	20%
Post-graduate	6%	22%

* Differences statistically significant at .08 or less.

Relatively few mothers in either group were raised in homes where their parent was supposed to be paying child support (16% v. 13%). Among those with parents who had child support orders, non-TANF mothers reported better payment patterns than did former-TANF mothers. Among non-TANF mothers, 35 percent say support was paid regularly, compared to 18 percent of the former-TANF mothers.

Table 5: Child Support in the Respondent's Family of Origin

	Former TANF (218)	Non-TANF (202)
Respondent's father was supposed to pay child support	16%	13%
Among those supposed to pay, percent paying* . . .		
Very regularly	18%	35%
Somewhat regularly	12%	—
Not very regularly	21%	8%
Did not pay	49%	58%

* Differences statistically significant at .08 or less.

Family Structure: On the average, former-TANF mothers have more children than do women who never received welfare (2.4 v. 2.0). In the former -TANF sample, 57 percent report having three or

more children and only 18 percent have one child. Among non-TANF mothers, nearly half (43%) have one child. In addition to having more children, former-TANF mothers are more apt to have children who live with a third party, such as a foster parent. For this reason, they are more likely to be required to pay child support for at least one of their children (7% v. 1%). They are somewhat less likely than non-TANF mothers to have another adult in the home (44% v. 49%). However, when there is another adult present, the groups are no different in the probability of this adult being employed; the figure is 61 percent in both groups.

An identical 24 percent of mothers in both groups report that they are living with a spouse or partner. Non-TANF mothers, however, are significantly more likely to have been married and divorced than their former-TANF counterparts (68% v. 59%) and less apt to have had a child out-of-wedlock (15% v. 40%). Although the majority of women in both samples have had children with just one man, former-TANF mothers are more likely to have had children with two or more men with whom they do not live (49% v. 33%).

Table 6: Family Structure Reported by Custodial Mothers

	Former-TANF (n=218)	Non-TANF (n=202)
Number of children*		
One	18%	43%
Two	25%	32%
Three or more	57%	25%
Average	2.4	2.0
Children who don't live with custodial mothers*	6%	3%
Mother is required to pay child support*	7%	1%
Other adults in household*		
None	56%	51%
One	29%	39%
Two	13%	7%
Three or more	2%	3%
Number of employed other adults in household*		
None	28%	26%
One	61%	61%
Two or more	10%	13%
Currently living with spouse/partner	24%	24%
Marital status*		
Married	21%	23%
Divorced	59%	68%
Never married	10%	6%
One or more children out of wedlock*	40%	15%
Total number of men with whom she does not currently live with whom she has had children		
One	52%	69%
Two	38%	15%
Three or more	10%	16%

* Differences are statistically significant at .05 or less

Employment Status: The majority of women in both samples work full-time; however, the non-TANF mothers are more likely to be employed full-time than are the former-TANF mothers (55% v. 74%). Compared to non-TANF mothers, former-TANF mothers are significantly more likely to report that they are unemployed (23% v. 8%) or engaged in only part-time employment (13% v. 9%). Former-TANF mothers are also newer to the world of work, with employed women reporting beginning their jobs in 1995, compared to 1990 among non-TANF mothers. Former-TANF mothers also average fewer hours of work per week than non-welfare mothers (36.1 v. 39.5), and are less apt

to work at a job that offers benefits. More than a third of the former -TANF mothers (36%) report no benefits at all, and only half say that they receive health insurance, vacation pay, or sick leave. In contrast, approximately three-quarters of the employed women in the non-welfare sample report receiving key benefits like health insurance and vacation pay, and only 23 percent say their employer provides no benefits.

When interviewed, most (74%) unemployed mothers in the former-TANF sample said that they were not looking for work. The chief reason they gave for not looking was having a disability that prevented them from working (82%). Among unemployed, non-TANF mothers, 59 percent were not looking for work, frequently because of a disability (39%) but also because of family responsibilities (26%) and other factors (30%).

Table 7: Employment Characteristics of Custodial Mothers

	Former-TANF (n=218)	Non-TANF (n=202)
Employment Status*		
Full-time homemaker	6%	7%
Employed full-time	55%	74%
Employed part-time	13%	7%
Unemployed	23%	8%
Average year started working*	1995	1990
Average hours/week*	36	39.5
Benefit Provided*		
Vacation	58%	70%
Sick leave	51%	71%
Medical insurance	53%	73%
No benefits	36%	23%
If unemployed, percent looking for work*	26%	41%
Reasons for not seeking employment among unemployed*		
Disabled	82%	39%
Young children	—	4%
Family responsibilities	7%	26%
Other reasons	9%	30%

* Differences statistically significant at .02 or better.

Income Status: On average, former-TANF mothers who are employed full-time earn \$20,555 per year, while their non-TANF counterparts earn \$33,353. A comparison of total household incomes also favors the non-TANF sample. More than half of the former-TANF mothers report an annual household income that is below \$15,000, while this is the case for 21 percent of non-TANF mothers. By contrast, only 11 percent of former-TANF mothers had a household income that exceeded \$30,000; this was the case for nearly half (44%) of the non-TANF mothers.

Table 8: Income Status of Custodial Mothers

	Former-TANF (n=218)	Non-TANF (n=202)
Average annual salary of full-time employed mothers*	\$20,555	\$33,353
Total household income*		
Under 15,000	59%	21%
15,000-20,000	16%	14%
20,000-30,000	15%	21%
30,000-40,000	5%	13%
40,000-50,000	3%	12%
50,000-75,000	2%	15%
75,000-100,000	1%	2%
100,000+	—	2%

* Differences are statistically significant at .00.

Financial Distress: Given their larger families and lower earnings, it is not surprising that former-TANF mothers report more financial distress than non-TANF mothers. Only 3 percent said that they had enough money to meet their needs; 37 percent said that they were “not at all” able to meet their financial needs. In contrast, 14 percent of non-TANF mothers said that they could cover their financial needs “very well” and only 10 percent said that this was not at all possible. Former-TANF mothers and their children were also much more likely than non-TANF mothers to experience serious financial difficulties in the 12 months preceding the interview. The problems experienced include going hungry (12% v. 1%), relying on shelters or food banks to provide meals (18% v. 1%), neglecting to pay utility bills (30% v. 5%), or having to move in with relatives (8% v. 2%). Most former-TANF mothers (53%) rent their homes, while non-TANF mothers tend to own or be purchasing a home (73%). An identical small percent (4 to 5%) of both groups live with others.

While former-TANF mothers are significantly more apt to have applied for some type of public assistance (94% v. 27%), those who have applied in both groups report similar patterns of benefit receipt, with 15 percent reporting that they are current recipients, 6 percent reporting receipt within the past 12 months, and similar proportions reporting benefit receipt in the more distant past.

Custodial mothers in the non-TANF group may well have been the recipients of food stamps, Medicaid, disability, and Aid to Women, Infants and Children (WIC).

Table 9: Selected Indicators of Financial Distress for Custodial Mothers

	Former-TANF (n=218)	Non-TANF (n=202)
Percent saying household income covers family financial needs*		
Very well	3%	14%
Fairly well	27%	46%
Not very well	33%	30%
Not at all	37%	10%
Percent reporting the following in past 12 months due to a lack		
Going hungry*	12%	1%
Getting free food or meals*	18%	1%
Missing a utility payment*	30%	5%
Moving in with relatives or others*	8%	2%
Housing situation*		
Renting	53%	22%
Owning/buying	41%	73%
Living with others	5%	4%
Ever applied for benefits*	94%	27%
Among applicants, most recent date of receipt of benefits		
Current recipient	15%	15%
Past 12 months	6%	6%
1-3 years ago	7%	9%
3-5 years ago	17%	6%
More than 5 years ago	55%	65%

*Differences significant at .00

Child Support Payment Patterns: Most mothers in both the former and non-TANF samples have had children by only one man with whom they are not currently living. In order to simplify the discussion of support of support payments, we first focus on a single non-custodial parent (NCP) per case. For mothers with children by two or more fathers, this target non-custodial parent is the

father of the oldest child. Subsequent analysis provides a composite picture across all the fathers in the case (see Table 11). Over half of the mothers in both the former and non-TANF categories report receiving either very (39%) or somewhat (12%) regular child support payments from this target father. Nearly one-fifth (19%) of former-TANF mothers and 14 percent of non-TANF mothers received no payments at all. While comparable percentages of non-TANF and former-TANF mothers say they receive child support very irregularly or not at all (38% and 44%, respectively), non-TANF mothers are more likely to see the target father as able to provide support. Fully 80 percent of the non-TANF but only 68 percent of the former-TANF mothers say the child’s father is employed and able to provide support.

On average, the target NCP in former-TANF cases have monthly support orders of \$308, while orders for non-TANF target NCPs average \$376 per month. Average arrearages for former and non-TANF NCPs are \$19,837 and \$13,337, respectively. Despite these grim payment patterns, most custodial parents say that child support from the target NCP makes a very big difference to their financial well-being. The proportions of former and non-TANF mothers characterizing the impact of child support as “very big” are 78 and 61 percent, respectively.

Table 10: Child Support Reported by Custodial Mothers for the Target Father ^{a, b}		
	Former-TANF (n=218)	Non-TANF (n=202)
Supposed to receive child support from father of children*	92%	96%
Average monthly order (for those with orders)*	\$308	\$376
Percent with an arrearage	46%	54%
Average arrearage*	\$19,837	\$13,337
Percent reporting receiving payments (for those with orders)*		
Very regularly	39%	39%
Somewhat regularly	12%	12%
Somewhat irregularly	11%	5%
Very irregularly	19%	30%
No payment at all	19%	14%

Table 10: Child Support Reported by Custodial Mothers for the Target Father ^{a, b}		
	Former-TANF (n=218)	Non-TANF (n=202)
Impact of child support on family finances (for those with orders)*		
No difference	6%	4%
Somewhat of a difference	8%	18%
Pretty big difference	8%	17%
Very big difference	78%	61%
Father working and able to pay support (for those with orders)*		
Definitely yes	68%	80%
Don't know	21%	12%

* Differences statistically significant at .04 or better
^a If there is more than one father per case, the target father is the father of the oldest child.
^b The figures in this table differ from those in Table 3 because they are self-reports from a subset of the sample.

Table 11 adds in the reports from the 48 percent of the former-TANF and the 31 percent of the non-TANF mothers who have more than one NCP. While nearly all (95%) non-TANF cases are covered by a child support order, this is the case for 89 percent of cases for custodial mothers who have previously received TANF. In addition to having fewer cases under order, former-TANF clients have slightly lower amounts of child support due to them each month, and higher arrearages due them. About half of both former- and non-TANF mothers say the non-custodial fathers who owe child support pay very or somewhat regularly, and 70 to 80 percent in both groups say all of the non-custodial fathers can afford to pay.

Table II: Child Support Patterns Including Cases with One or Multiple NCPs

	Former-TANF	Non-TANF
Percent of all cases covered by a support order	89%	95%
Average amount due from all orders (for those with orders)	\$309	\$378
Average arrearage (for those with arrearages)	\$25,855	\$18,895
Payment from all non-custodial parents		
Very or somewhat regular by all NCPs	49%	51%
Very irregular (or none) by all NCPs	37%	44%
Mixed	14%	5%
Mothers' report of fathers' ability to pay		
All can definitely or probably pay	72%	81%
All can definitely or probably not pay	6%	5%
Mixed responses	22%	14%

Experiences with the Child Support Agency: Although former-TANF mothers and non-TANF mothers have different demographic and income characteristics, they share many of the same experiences when it comes to the child support agency. Similar proportions report that the child support agency has collected child support on their behalf (81% v. 73%); relatively few report that the child support agency has arranged for their children to receive medical coverage (17% v. 13%). Given the higher incidence of never-married mothers, it is not surprising that former-TANF mothers are more apt to report receiving help with paternity establishment (18% v. 10%). They have also had more help with locating the other parent (33% v. 17%), and order establishment (85% v. 64%).

As to satisfaction with the agency, the groups are identical in their evaluations. About a quarter to a third of the mothers in both groups are very satisfied with the agency's collection of current and back due support. Less than 20 percent are satisfied with the information they get about their case. Conversely, equal and high proportions express dissatisfaction with the collection of child support (40% to 46%), the collection of arrearages (51% to 59%), and being kept informed about their case (68%-70%). Mothers in both groups reported hearing about the child support agency from a worker at a social services agency, although this was more true for former-TANF mothers (89%) than non-TANF mothers (76%) who also heard about the child support agency from family and friends (5%) and other sources (17%).

Survey respondents were not asked to explain why they were dissatisfied with the child support agency. However, there is evidence that among both former and non-TANF mothers satisfaction is correlated with reporting the agency has been successful in collecting support; reporting that the agency has arranged for the non-custodial father to provide medical coverage for the children; and (for non-TANF mothers) reporting that the agency helped in establishing paternity and establishing an order. Among former-TANF recipients, dissatisfaction with the child support agency is also related to the mothers' financial situation. For example, among those who report financial hardships in the past 12 months (measured by using food banks, going hungry, failing to pay bills, or moving in with family or friends), 80 percent are very dissatisfied with the agency's performance, compared to 56 percent who have not experienced such financial stress. Dissatisfaction is at the 95 percent level among former-TANF mothers who have experienced these financial stresses *and* report the agency has not helped collect support.

Table 12: Experiences with Child Support Agency Reported by Custodial Mothers

	Former-TANF (n=218)	Non-TANF (n=202)
Percent reporting the child support agency has . . .		
Collected child support	81%	73%
Arranged for medical support	17%	13%
Helped with establishing paternity*	18%	10%
Located the other parent*	33%	17%
Established a support order*	85%	64%
How satisfied are you with how child support collects support?*		
Very satisfied	30%	34%
Somewhat satisfied	24%	26%
Not satisfied	46%	40%
How satisfied are you with how child support collects back due		
Very satisfied	26%	30%
Somewhat satisfied	15%	19%
Not satisfied	59%	51%
	Former-TANF (n=218)	Non-TANF (n=202)
How satisfied are you with how child support keeps you informed?		
Very satisfied	17%	18%
Somewhat satisfied	15%	12%
Not satisfied	68%	70%

Table 12: Experiences with Child Support Agency Reported by Custodial Mothers

Table 12: Experiences with Child Support Agency Reported by Custodial Mothers		
How mother heard about child support agency*		
Friends/family	2%	5%
TV/radio	1%	1%
Social services	89%	76%
Legal aid	1%	—
Other	5%	17%

* Differences statistically significant at .03 or better.

Use of Private Attorneys: Relatively few mothers in either the former or non-TANF group have turned to private attorneys for assistance in collecting child support. Among former-TANF mothers, 10 percent have sought such assistance, as have 27 percent of non-TANF mothers. Among those who have tried, non-TANF mothers report more satisfaction, with 45 percent characterizing the private attorney as “very” helpful. Only about a quarter of the few former-TANF mothers who used private attorneys rated them favorably. Non-TANF mothers are significantly more likely to use private attorneys for other matters too, although the rate of usage is still relatively low. Only 30 percent of non-welfare mothers report using an attorney for any other matter during the past five years. Among former-TANF mothers, the overall rate of attorney usage was only 17 percent. In other words, mothers who turn to the child support agency rather than private attorneys when child support problems emerge generally do not hire private attorneys for other types of matters.

Table 13: Use of Private Attorneys by Custodial Mothers

	Former-TANF (n=218)	Non-TANF (n=202)
Used a private attorney for child support*	10%	27%
Helpfulness of private attorneys		
Very helpful	27%	45%
Somewhat helpful	32%	30%
Not helpful	41%	25%
Used private attorney in past five years for other issue*	17%	30%
Used IV-D agency for child support and private attorney for other matters*	15%	26%

* Differences statistically significant at .01 or better

Visitation Patterns: Visitation arrangements for former and non-TANF mothers are quite different. These differences are perhaps to be expected, given that non-TANF mothers are significantly more likely than former-TANF mothers to have been married to the child’s father. Non-TANF mothers are much more likely to report that the other parent is supposed to visit and that they have a court order for visitation. A quarter of the former-TANF mothers say that the other parent is not supposed to visit; many arrange visitation on an informal basis. Former-TANF mothers are also more likely than non-TANF mothers to report that the other parent has lost contact with the children, with 59 percent reporting that visitation never occurs, versus 44 percent of non-TANF mothers. Finally, when asked about their relationship with the child’s father, former-TANF and non-TANF mothers are equally likely to say that they have no contact with the father (54% v. 50%), and to report good cooperation (32% v. 29%).

Table 14: Visitation Patterns Reported by Custodial Mothers

	Former-TANF (n=218)	Non-TANF (n=202)
Father supposed to visit*	75%	88%
Father has a court order to visit*	47%	74%
Level of visitation in past 12 months*		
None	59%	44%
Once or twice	20%	21%
Every other month	6%	11%
Once or twice per month	7%	14%
Once a week	6%	8%
More than once a week	1%	1%
Mother’s relationship with other parent*		
No contact	54%	50%
Poor cooperation	14%	21%
Cooperate well	32%	29%

* Differences are statistically significant at .03 or better.

Custodial Fathers

Interviews were completed with 14 custodial fathers who were former-TANF recipients and 26 custodial fathers who never received TANF. A comparison of the two groups of fathers reveals that former-TANF fathers were more likely to be Latino, while non-TANF fathers were more likely to be Anglo. Although a higher percentage of non-TANF fathers had completed high school, the differences in educational level between former and non-TANF custodial fathers is not statistically significant.

There were no significant differences between the two groups with respect to the percent reporting that there is another adult in the home, the number of children they have, or the number of these children living with them. However, former-TANF fathers were significantly more likely than non-TANF fathers to report that at least one of these children was born out-of-wedlock.

	Former-TANF (n=14)	Non-TANF (n=26)
Race *		
Anglo	57%	81%
Latino	36%	11%
Other	7%	8%
Percent with less than high school degree	14%	4%
Percent with child born out-of-wedlock *	29%	4%
Average number of children	2.3	2.0
Average number of children living with him	1.5	1.6

* Differences between former and non-TANF fathers significant at .1

Compared to the non-TANF custodial fathers, the former-TANF fathers are significantly more likely to be unemployed or employed only part-time. The former-TANF fathers are also less likely to have employment that provides benefits such as medical insurance, sick leave, or vacation.

There are no significant differences in the incomes of employed former- and non-TANF custodial fathers. Both groups have average annual individual incomes of approximately \$26,000. Although former-TANF fathers are slightly more likely than non-TANF fathers to describe their earnings as

inadequate to meet their needs, the differences between the two groups are not statistically significant. However, former-TANF fathers are significantly more likely than non-TANF fathers to report going hungry or missing utility payments during the past 12 months.

Table 16 Financial Status of Former and Non-TANF Fathers Receiving IV-D Services

	Former-TANF (n=14)	Non-TANF (n=26)
Employment status		
Employed full-time	50%	81%
Employed part-time	21%	0%
Unemployed	29%	11%
Student, retired, other	0%	8%
Of employed fathers, percent reporting no benefits through job *	60%	10%
Of full-time employed fathers, average annual individual income	\$25,240	\$26,847
Percent reporting income does not meet their needs	69%	46%
Percent reporting going hungry in past 12 months*	14%	0%
Percent reporting missing utility payment in past 12 months*	36%	11%

* Differences between former and non-TANF fathers significant at .1

Most former and non-TANF custodial fathers say that receiving child support makes a “very big” difference in their economic situation. Former-TANF fathers are more likely than non-TANF custodial fathers to report that the child support agency has helped them to locate the other parent and establish a child support order. Somewhat more than half the custodial fathers in each group say the agency has also collected child support.

Table 17: Child Support Status of Former and Non-TANF Fathers Receiving IV-D Services

	Former-TANF (n=14)	Non-TANF (n=26)
Amount of difference child support makes for them		
None	7%	12%
Some	29%	21%
Pretty big	7%	21%
Very big	57%	46%
Percent reporting child support agency has helped to		
Locate other parent *	29%	11%
Establish child support order *	86%	58%
Collect child support	50%	61%
Arrange medical coverage	14%	19%

* Differences between former and non-TANF fathers significant at .1

Custodial fathers were asked how satisfied they are with the way the agency collects support, collects back due support, and keeps them informed about their case. On each item, about 20 percent say they are very satisfied, and between half and three-quarters are not at all satisfied. Former and non-TANF fathers are comparable on the ratings they give the agency.

Table 18: Child Support Ratings by Former and Non-TANF Fathers Receiving IV-D Services

	Former-TANF (n=14)	Non-TANF (n=26)
How satisfied are you with...		
How the agency collects support		
Very satisfied	14%	27%
Somewhat satisfied	21%	15%
Not satisfied	64%	58%
How the agency collects back due child support		
Very satisfied	21%	19%
Somewhat satisfied	21%	15%
Not satisfied	57%	65%
How well the agency keeps you informed		
Very satisfied	21%	24%
Somewhat satisfied	7%	12%
Not satisfied	71%	64%

Relative Caretakers

A total of 140 interviews were completed with relatives who are providing care for children. Typically, these children were placed in relative custody by the court. Relative caretakers are usually eligible to receive child support from one or both of the children’s parents. About half (48%) of the relative caretakers were former-TANF recipients.

Like the custodial mothers and the custodial fathers who receive IV-D services, the relative caretakers tend to be Anglos and Latinos, and most have fairly modest earnings. However, the former-TANF recipients who are providing relative care are clearly experiencing more financial stress than are the non-TANF relatives. Approximately 44 percent of the former-TANF relative caretakers say their income does not do a good job of meeting their needs, compared to 27 percent of the non-TANF relatives.

The majority of all relative caretakers have custody of only one child; however, a third care for two or more children, and 12 percent care for the children of two different sets of parents.

Table 19: Profile of Relative Caretakers by TANF Status

	Former-TANF (n=67)	Non-TANF (n=73)
Race		
Anglo	56%	70%
Latino	35%	25%
Other	9%	5%
Annual household income		
Less than \$15,000	32%	25%
\$15,000-\$20,000	21%	16%
\$20,000-\$30,000	23%	20%
More than \$30,000	25%	39%
How well does your current income meet your needs *		
Very well	23%	30%
Fairly well	33%	43%
Not very well	15%	26%
Not at all	29%	1%

* Differences between former and non-TANF relatives significant at .05

When asked what actions the child support agency has taken, equal percentages of former and non-TANF relative caretakers say the agency has established paternity, established a child support order, or collected support. However, while 36 percent of the former-TANF relatives say the agency has located the parent who is supposed to pay child support, only 18 percent of the non-TANF relatives say this is the case. Despite this, former-TANF relatives are less satisfied with the overall performance of the child support agency.

Table 20: Child Support Status of Relative Caretakers by TANF Status

	Former-TANF (n=67)	Non-TANF (n=73)
Percent reporting the child support agency has...		
Established paternity	19%	17%
Located the NCP *	36%	18%
Established a child support order	70%	71%
Collected child support	69%	64%
Arranged medical coverage	24%	23%
How satisfied are you with how child support collects support *		
Very satisfied	24%	42%
Somewhat satisfied	19%	21%
Not satisfied	57%	37%
How satisfied are you with how child support collects back due		
Very satisfied	20%	32%
Somewhat satisfied	20%	18%
Not satisfied	60%	50%
How satisfied are you with how child support keeps you informed *		
Very satisfied	7%	26%
Somewhat satisfied	21%	15%
Not satisfied	72%	58%

* Differences between former and non-TANF relatives significant at .05

Discussion

This analysis of the IV-D caseload in Colorado is based on interviews with 601 custodial mothers, fathers, and relative caretakers. The former group, custodial mothers, constituted the single largest group of interviews (70%). Custodial fathers accounted for another 7 percent of the interviews, and 23 percent of the interviews were conducted with relative caretakers. In our summary of research results, we revisit each of the primary research questions outlined on page 2 of this report.

What is the financial situation of former TANF clients? How are those who have left welfare faring?

Although the average custodial mother in the survey had been employed since 1995, with more than half (55%) working full time, many struggle to make basic ends meet. On average, custodial mothers working full time earn only \$20,555 per year; more than one-third receive no benefits, such as health insurance or vacation pay. Like other workers at the low end of the labor market, they experience many of the hardships endemic to the poor.

- More than half (60%) say that their household income does not cover the financial needs of the family.
- Substantial proportions say that due to a lack of money in the past 12 months, they have missed a utility payment (30%), received free food at a shelter (18%), gone hungry (12%), or moved in with relatives (8%).
- More than one-fifth are current recipients of government benefits (15%) or have received them in the past year (6%).
- Nearly all (78%) say that the payment of child support makes a very big difference in their family finances, although a substantial proportion (32%) are not sure whether the father of their children is working and able to pay support.

Do IV-D clients who have previously received TANF and those with no history of TANF appear to be comparable or dissimilar with respect to their general demographic profile?

There are a number of differences between custodial mothers in the IV-D caseload who have never received TANF and former-TANF recipients. A comparison of these mothers reveals that compared to their former-TANF counterparts, non-TANF mothers:

- Have completed more years of school;
- Have fewer children;
- Are less likely to have had a child outside of marriage; and
- Are more likely to have only one father for their children.

Do IV-D clients who have never been on TANF have the same types of child support needs as former-TANF clients?

The analysis revealed some basic differences, but similarities as well, in the way the former and non-TANF populations use the IV-D system. Specifically:

- Former-TANF parents and relative caretakers are more likely than non-TANF clients to use the child support agency to aid in locating the other parent.
- Former-TANF parents are more likely than non-TANF parents to use the child support agency for order establishment.
- Former-TANF mothers are also more likely than non-TANF mothers to use the child support agency for paternity establishment.
- Former and non-TANF IV-D clients are equally likely to report they use the agency for help in collecting support.

Are former and non-TANF clients equally satisfied with their experiences in the IV-D agency? What is the level of satisfaction, and what are the sources of dissatisfaction?

Despite their different demographic characteristics and child support situations, most interviewed parents tended to rate the child support system in similar ways.

- About a fifth to a third of custodial mothers, custodial fathers, and relative caretakers express strong satisfaction with the child support agency's collection of current and back due support.
- At least half of custodial mothers, custodial fathers, and relative caretakers (and sometimes as many as 70%) say they are dissatisfied with how the agency collects child support, collects back due support, and keeps them informed about their case.

What is the overall economic well-being of non-TANF clients, and to what extent do child support collections affect their economic standing?

A comparison of these mothers reveals that compared to their former-TANF counterparts, non-TANF mothers:

- Are more likely to work full-time;
- Have worked outside the home for a longer period of time;
- Are more likely to have benefits, such as medical coverage, through their employer;
- Have higher average earnings;
- Experience less financial stress;
- Say the father of their children is working and able to pay support;
- Have higher monthly support orders and lower arrearage levels.

Nevertheless, both groups of parents say that child support “makes a big difference” to their family finances, especially former-TANF mothers who have significantly lower household incomes and frequently cite having a disability as a reason for not working.

To what extent are IV-D clients who have never received TANF economically capable of utilizing other resources, such as private attorneys, to deal with their child support problems?

Although the non-TANF population is financially better off than are former-TANF recipients, there is also evidence that the non-TANF population has limited financial resources:

- Over a quarter of the non-TANF mothers have applied for public assistance of some type in the past.
- The average household income of non-TANF mothers is typically in the \$30,000-\$40,000 range, and this income must support an average of 2.0 children.
- Only about a quarter of the non-TANF IV-D mothers have ever consulted an attorney about their child support problems, and only 30 percent have consulted an attorney about any problem in the last five years.
- Over a quarter (27%) of non-TANF relatives and (44%) of former-TANF relative caretakers experience financial stress.
- Close to half of the relatives report household incomes of less than \$20,000, and over a third are caring for two or more children.

Conclusion

In many respects, the findings presented above are comparable to the national profile of the IV-D population. For example, an analysis based on a match of the March 1996 Current Population Survey with the April 1996 Child Support supplement confirms that most IV-D clients are low-income. Most IV-D families earned less than \$20,000 annually: among those also receiving public assistance, the figure is 80 percent; among non-public assistance clients, the figure is 25 percent. Over two-thirds of non-public assistance clients were at or below 200 percent of the federal poverty

level.⁵ Nationally, custodial mothers who received child support had average, individual incomes of only \$21,829.⁶

Like national studies and Colorado's evaluation of its welfare reform program, our survey finds that most (55%) former welfare recipients work. Nationally, 61 percent of former welfare recipients work.⁷ In Colorado, between 52 to 55 percent of former Colorado Works recipients were employed in their first calendar quarter after exit and the overall proportion remained relatively unchanged four or five quarters later.⁸ All the studies show that despite their participation in the labor market, former welfare recipients struggle to make ends meet and face severe financial hardships. According to national surveys, a quarter of those not working say they are ill or disabled. Only a quarter have employer-sponsored health insurance, and many experience serious financial distress, with 57 percent worrying about food running out, one-third reporting having to cut down on meals in the last year, 38 percent neglecting to pay rent or utility bills because of a lack of money, and 7 percent moving in with others to cut on housing costs.⁹ These patterns parallel those observed for former TANF recipients in our study.

Although Colorado's non-welfare population is somewhat better off financially, many also live close to the edge and, like their national counterparts, face many of the same problems of former recipients. Based on the 1997 National Survey of America's Families, one-fifth of all mothers with children were near-poor and had incomes at 150 percent of poverty; one-third were "low-income" and had incomes at 200 percent of poverty. Like welfare leavers, these custodial parents work at about the same rate, and once employed, they earn similar wages. And although near-poor and low-

⁵ Lyon, Matthew. Characteristics of Families Using Title IV-D Services in 1995. May, 1999.

⁶ Scoon-Rogers, Lydia, Child Support for Custodial Mothers and Fathers: 1995. Current Population Reports, P60-196, March 1999.

⁷ Loprest, Pamela, How Families that Leave Welfare Are Doing: A National Picture. Urban Institute, Series B, No. B-1, August 1999.

⁸ Berkeley Planning Associates, *supra*, note 2.

⁹ Loprest, *supra*, note 7.

income parents have not been recipients of cash assistance and are less apt to receive other public benefits, a third to a half of these mothers face serious struggles providing food for their families, and about one-fifth have problems paying their housing costs.¹⁰ A 1995 assessment of child support eligible families in the U.S. showed that while nearly half (45.6%) of non-TANF cases receiving IV-D services had incomes below 200 percent poverty, this was the case for only 30 percent of non-public assistance, single-parent households that did not receive child support services through the IV-D program.¹¹

The research also confirms that most IV-D clients do not receive regular child support payments. Nationally, nearly two-thirds of all IV-D families had child support agreements, while 46 percent reported the receipt of some amount of child support payment. Non-TANF families reported higher rates of child support receipt (52%) than those who received cash assistance (28%) or some other form of government benefits (34%).¹² The child support status of welfare leavers is more difficult to discern. For example, one study in Washington state found that about 35 percent of those with at least one child had received some child support in the two to four months since they left welfare.¹³ Another study estimates the figure to be 34 percent among welfare leavers who did not work.¹⁴ Although not focusing exclusively on a IV-D population, an analysis of Current Population Survey data found that “[w]omen who received at least a portion of the child support income that was owed received an average of \$3,767 in 1995.” Nationally, 70 percent of custodial mothers due child support (and 57% of custodial fathers) received at least some amount of the child support that they were owed, although its receipt varied across socio-economic groups, with racial minorities, poor, never-married, and uneducated women receiving the least amounts.¹⁵ Although the percentage of

¹⁰ *Ibid.*

¹¹ Lyon, *supra*, note 5.

¹² *Ibid.*

¹³ General Accounting Office. Welfare Reform: Information on Former Recipients' Status. April, 1999.

¹⁴ Loprest, *supra*, note 7.

¹⁵ Scoon-Rogers, *supra*, note 6.

never-married mothers who actually receive child support has increased from about 5 percent in the late 1970s, it still remains low at the end of the 1990s, ranging from 17 to 27 percent, depending upon the age of the child.¹⁶

Like the Colorado surveys, national research confirms that receiving child support makes a big difference to the recipient. According to the same analysis of Current Population Survey data, about 32 percent of custodial parents with child support awards who did not receive any support were below the poverty level, compared to 22 percent of those who received at least some of the support owed. Child support comprises 17 percent of the income of custodial mothers (and 11% of the custodial father's income) among those who received child support that was due.¹⁷ Among the minority of never-married mothers who benefit from child support, it constitutes 12 to 28 percent of their other income.¹⁸ Among AFDC families, it contributes only 11.8 percent of total family income, and due to low award levels, such families would only realize an extra \$2,949 per year if they received the full amount of support due to them.¹⁹

Finally, the national data confirms Colorado patterns that most custodial parents turn to the child support agency to collect child support due and to establish an order.²⁰ Nationally, 63 percent of custodial parents with children under age 21 participated in the IV-D system. Although families with no public assistance had higher incomes than those reporting some sort of welfare, families participating in the IV-D program generally had lower incomes than non IV-D families. Nearly two-thirds of non IV-D families had incomes above 200 percent of the poverty level, while only 32

¹⁶ Bartfeld, Judi and Dan Meyer, "The Changing Role of Child Support Among Never-Married Mothers." Institute for Research on Poverty, University of Wisconsin-Madison, April 1999.

¹⁷ Scoon-Rogers, *supra*, note 6.

¹⁸ Bartfeld, and Meyer, *supra*, note 16.

¹⁹ Witkowski, Kristine and Hsiao-Ye Yi, "How Much Can Child Support Provide: The Role of Child Support in Family Income Packages and Its Determinants among Single-Mother Families." Institute for Women's Poverty Research, Publication # D435, March 1999

²⁰ Scoon-Rogers, *supra*, note 6.

percent of IV-D families fell into this category. Thus, regardless of their welfare status, the IV-D agency serves more impoverished families who are typically below, at or close to the poverty level.²¹

All of these patterns point out the similarities between former recipients and their non-welfare counterparts, their fragile financial status, and the importance of continuing to provide and improve child support services to both TANF and non-TANF clients. Although it is probably overly optimistic to expect that child support can be the sole safety net for poor families and replace government transfers for single-mother families receiving public assistance, it can make an important difference to family well-being and prevent many low-income families from slipping into poverty.

²¹ Lyon, *supra*, note 5.

Appendix A: Questionnaire

† Slight modifications were made to the Non-TANF Survey to adapt it for Former-TANF and Relative Caretaker interviews. The surveys are substantively identical and thus only the Non-TANF Survey has been included in this Appendix.