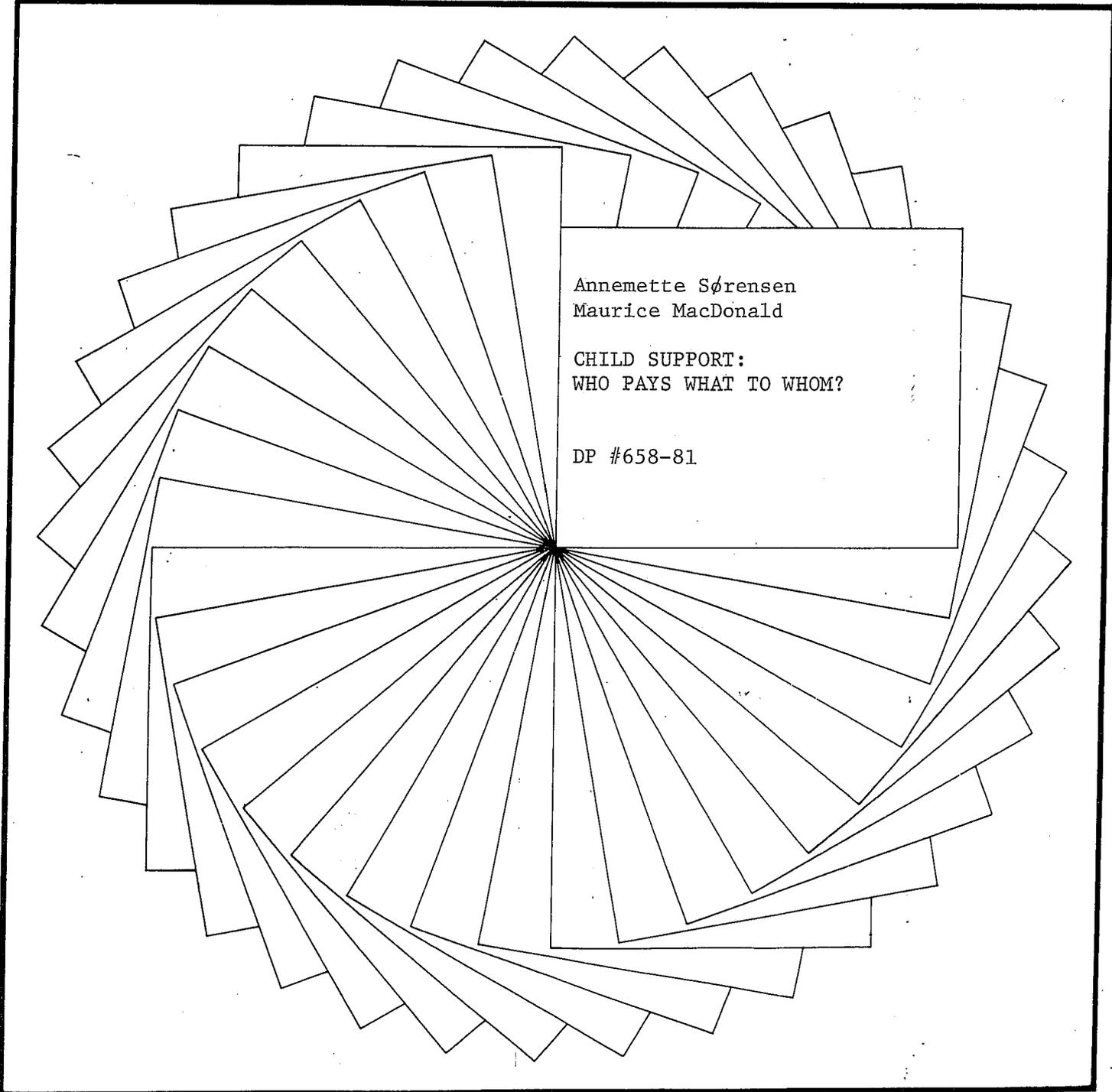




# Institute for Research on Poverty

## Discussion Papers



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CHILD SUPPORT:  
WHO PAYS WHAT TO WHOM?

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## ABSTRACT

The paper reviews findings from recent descriptive data on child support and estimates a multivariate model of the determination of child support income. The descriptive data show large differentials in award status among sociodemographic subgroups of women. Once an award has been made, variation in reciprocity rates is small. Payments constitute a significant part of the incomes of women receiving child support, although the average payment per child is only \$1800 per year. The multivariate analysis of child support income for AFDC recipients supports these findings. In addition, it shows relatively large differences among states in the percentage of women with an award and in the percentage of those who receive any payments. The almost complete lack of data about the absent father's ability to pay and his reasons for not paying makes it difficult to answer the question, Who pays what to whom? and to assess the equity of the current child support system. Future studies of the child support problem should therefore attempt to gather direct information about the absent parent's ability and willingness to provide support for his children.

## CHILD SUPPORT: WHO PAYS WHAT TO WHOM?

### 1. INTRODUCTION

To answer the question of who pays what child support to whom, we shall review and summarize descriptive empirical evidence and begin to expand upon this by conducting a multivariate analysis of 1977 AFDC survey data.<sup>1</sup>

First the paper develops a perspective on the information needed to evaluate the payment of child support. We take two approaches. First, we discuss the evidence needed to determine whether child support constitutes a serious social problem; for this, the adequacy and equity of support income are considered. Then we examine how an empirical analysis of the process by which a custodial parent obtains child support income might inform policies of public intervention. The support system is characterized as having stages, with the transitions between them providing opportunities for intervention.

The body of the paper reviews findings from descriptive data and estimates a multivariate model of the determination of child support income. We review published data from three large, representative, national surveys to describe the characteristics of child support recipients, the variation in their support award status, and differentials in reciprocity rates, and compare the adequacy of their child support income. This leads to a modeling strategy to exploit the advantages of the larger

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<sup>1</sup>We would have preferred to analyze the recent Current Population Survey supplement on child support, but the Public Use Tape for these 1979 data was not released in time.

data sets that have become available since Cassetty (1978) and Jones et al. (1976) conducted their pioneering work. After discussing the policy implications of our findings we speculate about what might be further revealed by an analysis of the 1979 Current Population Survey supplement on child support. We also comment on needs for more data collection.

## 2. PERSPECTIVE ON INFORMATION NEEDS

### Is Child Support a Social Problem?

Child support from absent parents may be judged a social problem if there are children whose support is deemed inadequate, or if it seems that the distribution of child support income among recipients is inequitable. Although equity and income adequacy are inherently subjective concepts, there is some general agreement about how to define them for child support income.

The official poverty lines frequently serve as a gauge for determining whether a household has an adequate income. Thus it seems sensible to consider how well child support payments contribute to reductions in the incidence of poverty among children eligible for support. If the data indicate there are many eligible children who remain needy, this might be taken as important evidence of widespread lack of support. Yet this may be only circumstantial evidence, because the absent parent's ability to pay must also be accounted for. For instance, if most officially poor support-eligible children remain poor, although they receive payments from absent parents that constitute high proportions of those parents' ability to pay, then there would be an income adequacy problem, but not necessarily a child support problem. Hence it seems

clear that the adequacy of child support payments ought to be assessed with respect to both recipients' needs and absent parents' ability to pay. Unfortunately, there are very little data on absent parents. The Michigan Panel Study is the only nationally representative data set currently available that has information on the income of absent fathers, and even this is restricted to a subsample of all absent fathers. For about three quarters of the approximately 600 respondents who were eligible for child support, current information was only available for the mother and her children. Cassetty and Jones et al. had to rely on pre-divorce income for many absent parents; this may not represent the absent parents' actual ability to pay. And the relatively small Michigan Panel sample of support-eligible households also restricts our ability to analyze important differences in support income that are associated with variation in state child support enforcement.

There is less consensus about equity. What constitutes evidence that child support incomes are unfairly distributed? Two ideas about child support equity often appear in the literature. Perhaps the more prevalent one is that similarly situated children ought to receive about the same amount of support from absent parents, ability to pay permitting. Another common idea, of vertical equity, is that insofar as possible the children's standard of living should be maintained at the level they experienced before becoming eligible for child support. The former idea is much easier to assess with available data, since it only requires information on the characteristics of support-eligible children and the amounts of child support they receive. Our review of the empirical knowledge provides this type of assessment. Evaluating how well children are able to maintain their living standard after they become eligible for

support payments requires an analysis of panel data that has not been conducted. We note that the Panel Study of Income Dynamics would permit these comparisons of children's well-being before and after support eligibility. Saul Hoffman (1977) has analyzed relationships between changes in marital status and the economic status of women and children, but he did not specifically examine the influence of child support on children's economic status after marital disruption.

#### Policy Issues and Analysis of the Support Process

It is widely believed that child support is a serious social problem, despite the increased efforts of State IV-D agencies and the 1975 expansion of federal powers to assist the states under PL 93-647. Policy analysts have proposed various mechanisms to improve child support collection, but these differ substantially and it is difficult therefore to use them as guides for collecting specific information. To limit our scope and yet remain policy-relevant, we will focus primarily on two general aspects of the current support process that are seen as the logical opportunities for policy intervention. These are the process that establishes a child support award, and payment enforcement once an award status is established. If the policy concern is to remedy inequities in child support, then these can be viewed as originating in an inequitable awards process, and/or in an unfair or haphazard enforcement process. If the policy is mainly concerned with the adequacy of child support for the needy, it is likely that an increase in award amounts will be advocated. However, such a policy must be concerned with enforcement, since better awards are ineffective without it. Therefore it seems generally worthwhile to have some fairly accurate knowledge of the relative impor-

tance of award status and of the enforcement process in determining child support income.

Later in the paper we attempt to provide the kind of multivariate analysis that is needed to separate the influences of the award process and award status from those of payment enforcement. In that analysis we find it useful to think of award status as having two important antecedents--demographic eligibility, that is, the characteristics that describe an eligible child support recipient unit, and legal marital status (divorced, separated, etc.). These variables condition the likelihood and amount of the support award and may also have their own effects on child support income. To illustrate, children of never married mothers must have paternity established to benefit from a court order, making it more difficult to obtain support. Once such an order is established it may also be more difficult to enforce.

Obviously the data requirements for disentangling the relative importance of awards and enforcement are quite demanding.

### 3. DESCRIPTIVE KNOWLEDGE

#### Data on Child Support

Here we employ data from three recent studies, the 1975 Survey of Income and Education (SIE), the March 1979 supplement to the Current Population Survey (CPS), and the 1977 AFDC survey. Each of these provides data on a national sample of households. All women in the SIE and CPS sample households who were living with one or more children whose father was absent from home were interviewed about the support the absent father provided his children. The SIE, conducted in 1976, provides data

on child support payments during 1975 for about 5000 women. The CPS conducted in 1979 provides data on child support payments for 7000 women during 1978; it also notes whether the woman has been awarded child support. Supplementing the data from these two surveys are data on women receiving AFDC in 1977. The AFDC survey consists of a sample of case histories reported by social workers. For this study we selected women who received AFDC in March of 1977, and who had at least one child living at home whose father was absent because the marriage had dissolved or because he had never been married to the mother. The AFDC survey provides data on child support award status--and about the amount awarded--and on payments of child support during the survey month, either directly to the family or to the IV-D agency. The payment figures used in this study are obtained by summing these two figures. Similar information was collected in the CPS study, but no published data were available on support awards at the time of writing. The AFDC survey was, therefore, in one respect the most complete data source at our disposal. Its drawback, clearly, is that women on AFDC are a very special subsample of the population of women who are potentially eligible for child support.

It is characteristic for all three data sources that little or no information on the absent parent is collected. The CPS study did ask the woman about the absent parent's income during 1978; no tabulation based on these questions have been published, which leads us to believe that the quality of data may be problematic. In the AFDC survey, the case worker was asked to supply some information about the absent parent, but the proportion of unknowns on these questions is very high, and reduces the usefulness of such items. It is fair to say that these recent studies of child support provide a reasonably good basis for describing and

evaluating the child support situation for the custodial mother, that is, they provide sufficient data to evaluate the need for child support and analyze the role of child support in the economic well-being of children living away from their father. But these data provide only indirect information on the absent parent's situation, on his reasons for not agreeing to a child support award or not complying with one, and on the impact of child support payments on his economic well-being. In other words, these data sources allow us to study and gain an understanding of the child support payment process only indirectly, by relying on the assumption that the mother's characteristics and current situation will tell us something about the absent father's ability and willingness to pay child support. This may be unfortunate, because in light of previous findings (Jones et al., 1976; Cassetty, 1978) the absent father's ability to pay is the most important determinant of the likelihood that a woman will ever receive any child support payments. The Panel Study of Income Dynamics data used by Jones et al. and by Cassetty are in many ways inferior to the recently collected CPS data, but this study is still the best available source of information about the absent parent. It is ironic that none of the recent surveys have focused on the party who is to pay child support; after all, if this problem is to be remedied it is most likely not sufficient to show the consequences of nonpayment--its causes also must be assessed. In this paper we approach this problem by assuming that the mother's characteristics at least to some extent reflect the absent parent's ability and willingness to pay child support. We have no way of assessing the validity of such an assumption with the available evidence.

### Who is Getting Child Support?

Previous research has demonstrated that a large proportion of women living alone with children never receive any support from the child's absent father, and that the women who do receive child support often receive this in insufficient amounts and at irregular intervals (Jones et al. 1976; Cassetty 1978). This conclusion is not contradicted by more recent data on national samples of women living with children whose father is absent from home. Table 1 gives the percentage of women, living with children eligible for child support, who actually received some child support payment during a specified time period.

It is evident from Table 1 that only a minority of demographically eligible women receive any child support payments. One in four of the women surveyed by SIE reported that they received some child support payments during 1975; in the CPS data close to 35% of the women had received some child support payments during 1978. While the recipiency rates for women in the SIE and CPS surveys are not impressive, they certainly are much better than that reported for mothers on AFDC in 1977. This of course should come as no great surprise, since one of the main reasons for women to receive AFDC is the absence of support from the children's father. On the other hand, AFDC rules require efforts on the part of both the mother and the child support enforcement agency to collect child support from the absent father. In only one of ten cases did the absent parent actually pay child support, either directly to the mother or to the IV-D agency. (The tax rate on child support payments is 100% for many AFDC recipients. It is, therefore, likely that AFDC recipients would underreport child support, either because the recipients

Table 1

Child Support Reciprocity Rates for Women Living  
with Children Eligible for Child Support

Characteristics of Mother	% Receiving Some Child Support Payments		
	1975 SIE	1977 AFDC	1979 CPS
All women	25.3	10.5	34.6
<u>Race or origin</u>			
Black	10.7	5.4	13.7
White	31.2	15.3	42.6
Spanish origin	16.5	8.2*	24.0
<u>Marital Status</u>			
Divorced	42.0	23.3	51.9
Separated	18.1	21.9	26.7
Never-married	4.0	4.8	6.3
Remarried	26.2	--	39.0
Nonlegal sep.	--	7.7	--
<u>Education</u>			
< 12 years	14.6	9.5	22.6
High school	29.2	13.1	38.1
12 years +	38.4	14.8	45.6
<u>No. of children</u>			
1 child	23.1	--	30.2
2 child	27.8	--	41.9
3+ child	25.9	--	35.0

Sources: Col. 1, Table 8 in CPR 1979; Col. 2, Table 1 in CPR 1980;  
Col. 3, tabulations from AFDC Survey, 1977.

never see the money being paid to the IV-D agency, or because private payments would be kept private. Since the AFDC survey relies on case worker reports, only the last possibility presents a problem for this analysis. IV-D payments are reported separately by the case workers, and counted as child support payments.)

The remainder of Table 1 describes sociodemographic differentials in reciprocity rates. In all three data sources, white women are at least twice as likely to receive child support as black women. Divorced women are more likely to receive child support, while women who have never married their child's father very rarely receive any payments. The education differentials in all three data sets show that women with the fewest years of schooling also are least likely to receive child support. In the 1979 CPS data the reciprocity rate for women with more than a high school diploma is twice that for women with less than 12 years of schooling.

Although caution is needed, it seems that there may have been some increase in the percentages of women receiving child support. The SIE data report that 25% received some support payments in 1975, while the CPS data estimate the percentage to be close to 35%. No similar improvement seems to have taken place for women who receive AFDC. Both the 1973 and the 1975 AFDC survey estimate that about 10% received child support payments during the survey month (Jones et al., 1978; MacDonald, 1979). To the extent that women who receive child support can get off AFDC or avoid becoming dependent on the program, the lack of change in reciprocity rates for the AFDC population is not inconsistent with an improvement in rates for the population in general.

The data reported in Table 1 demonstrate three things: (1) That only a minority of women demographically eligible for child support receive any child support payments; (2) that there is a great deal of variation in reciprocity rates for sociodemographic groups of women; and (3) that the child support situation may have improved somewhat during the latter part of the 1970s in the general population. No improvement was observed for the AFDC population.

#### Child Support Awards and Payments

Although data on the reciprocity rates give a clear picture of the scope of the child support problem, they tell us little about the process of collecting child support. The first step toward it is to obtain a child support agreement with the child's father. Many women living with children whose father is absent from home are not legally eligible for child support because they have never obtained any award or an agreement from the child's father to contribute to the support of the child. Table 2 shows who, among potentially eligible women, actually have child support awards and who among legally eligible women receive any child support payments.

Three out of five women have a legally binding child support agreement. If every legally liable absent parent paid child support, then only 60% of mothers living with children who have an absent father would have received any such payments during 1978. Furthermore, award status varies dramatically among subgroups of women. Poor women are much less likely to have such an award: only 38% of mothers on AFDC and of poor women in the 1979 CPS sample report that they do. The legal status of the mother vis à vis the child's father is another important deter-

Table 2. Child Support: Award Status and Reciprocity

Mother's Characteristics	1979 CPS Total Sample		1979 CPS Poor Women <sup>b</sup>		1977 AFDC	
	% With Award	% Received Payment <sup>a</sup>	% With Award	% Received Payment <sup>a</sup>	% With Award	% Received Payment <sup>a</sup>
All	59.1	71.7	38.1	58.9	37.4	38.6
<u>Race or origin</u>						
Black	28.8	63.0	22.4	61.4	15.4	39.9
White	70.7	72.9	53.1	58.3	37.4	38.2
Spanish	43.8	65.4	28.2	59.2	20.5	31.0
<u>Marital Status</u>						
Divorced	79.8	73.3	70.2	55.1	67.8	34.7
Separated	45.1	72.6	38.0	62.8	47.0	47.7
Nonlegally sep.					17.0	47.7
Never married	10.6	81.3	8.3	74.4	12.7	42.6
Remarried	77.1	68.3	54.9	55.0	NA	NA
<u>Education</u>						
< 12	46.3	61.4	31.1	51.1	27.4	36.1
High school	63.7	72.9	48.0	64.1	32.2	40.3
12 year +	69.3	79.4	43.3	69.7	34.0	41.0

Sources: Data from 1977 AFDC survey, Table B, Col. 2 and 4, CPR 1980; Table 1, Col. 2, 3, 4, CPR 1980.

<sup>a</sup>Percentages of all those with child support awards who actually received payments.

<sup>b</sup>Women with incomes below the poverty line in 1978.

minant of award status (Panel 2, in Table 2). Black women and women with less than 12 years of schooling are much less likely than other women to have a child support award--to a large extent they are more likely to have children out of wedlock and to be poor. The importance of marital status is well illustrated by Table 3, which shows the proportion of black and white women with a child support award, by marital status. There are still race differentials within marital status groups, but they are much smaller than the difference between all white and all black women.

The data presented in Table 2 and 3 show that there are great differences in child support award status among sociodemographic subgroups of women. Legal status is important, but the data also suggest that the mother's resources and the absent parent's ability to pay are factors which determine whether a woman has a child support award or not.

Given that a woman has a child support award, what is the likelihood that she will receive child support payments? As shown in Table 2, almost 3 out of 4 women with an award surveyed in 1979 reported that they had received some child support payments during 1978. Poor women in the CPS sample were less successful at collecting their payments: only 59% received payments during 1978, and among women receiving AFDC in 1977, only 39% reported any child support payments, either directly to the family or to the IV-D agency. The reciprocity rate for women with a child support award varies very little with other characteristics of the mother. Black women in the CPS sample are slightly less likely to receive payments than are white women, but in both samples of poor women there are no differences between white and black women. Interestingly enough, never-married women who have a child support award are more successful at collecting this award than other women. Women with many years

Table 3

Child Support Award Status by Mother's  
Race and Marital Status

Marital Status	Black Women	White Women
Divorced	50.0	73.4
Separated	34.1	57.1
Nonlegally separated	18.3	33.0
Never married	14.1	17.4

Source: Tabulation from 1977 AFDC Survey.

of schooling also are more likely to receive payments, maybe because the absent parent's ability to pay is greater.

The striking thing about these results is the very small variation in reciprocity rates among subgroups of women. No characteristic of the custodial parent, save for her economic standing, is strongly related to whether she receives any child support payments. This is, of course, in sharp contrast to the results for award status, which was found to vary greatly among subgroups of women. These findings suggest that obtaining the child support award is not only a necessary first step, but is also a relatively effective way to obtain support from the absent parent. There is room for a great deal of change at that stage of that process. Once child support is awarded the likelihood of collecting at least some of the award is relatively similar for women whose resources may differ with their race, education, and marital status. The fact that poor women are less likely to collect does suggest that the absent parent's ability to pay is an important factor, but none of the available data sources allow us to show directly how that ability influences payment performance.

#### The Economic Importance of Child Support

The average amount received during 1978 by CPS respondents who received any support was \$1800 per year, \$150 per month (Table 4). The support increases with the number of children, from an average of \$1288 for women with one child to \$2752 for women with four or more children. The support per child is lower the more children there are to support. Divorced and separated women receive somewhat more child support than women who have remarried. Whether this reflects a decline in the need for support, or other characteristics of women who remarry, we cannot tell

from the data in Table 4; Cassetty (1978) also found that the custodial parent's remarriage had a negative effect on the amount of support received. Never-married women receive only an average of \$976 per year. There may be different reasons for this low level of support; these women and their partners tend to be very young and thus to have low income, often there is only one child involved, and the support award may be lower for children born out of wedlock than for other children. The absent parent's ability to pay may be the reason for the relatively high support paid to older women (whose partners would have been older men with high incomes) and to women with many years of schooling, and for the relatively low child support received by poor women.

Although the average child support payment is relatively low, it constitutes a significant part of the family income for many custodial parents. In Table 4, the mean money income for women with no child support award is lower than for women with an award, whether they receive payments or not.

Money income varies, of course, by the mother's characteristics, but in most subgroups of women we find that women who receive child support payments are much better off economically than are other women. This is not, however, solely due to the fact that they are awarded and receive child support. The women who get child support also tend to have higher incomes before child support than other women (column 3 compared to columns 1 and 2 in Table 4). There are some interesting exceptions to this pattern that suggest that women who live at the margin of poverty and who receive child support do not have incomes of their own higher than other poor women. Women whose total income was below the poverty line and who did receive child support had, for example, a mean income of

Table 4

Mean Money Income of Custodial Parents by Child Support Award  
and Reciprocity Status

Mother's Characteristics	Mean Money Income				Payments as % Total Income
	No Award	No Payment	Support Award		
			Own income	Support income	
All	\$4841	\$6126	\$7145	\$1799	20.1%
<u>Marital status</u>					
Divorced	7500	7837	8631	1951	18.4
Separated	4815	5425	6271	1906	23.3
Never married	3915	(B)	3546	976	21.6
Remarried	4372	4587	5585	1602	22.3
<u>Race</u>					
Black	4444	6872	5977	1294	17.8
White	5154	6140	7322	1861	20.3
Spanish	4555	(B)	5604	1318	19.0
<u>Educational attainment</u>					
< 12 years	3497	4507	5108	1503	22.7
High school	5252	6149	6273	1664	21.0
College	6078	8777	8306	2089	20.1
4 years +	10,949	(B)	13,865	2576	29.7
<u>No. of children</u>					
1 child	5077	7047	7219	1288	15.1
2	4584	5720	7173	1995	21.8
3	4605	5230	7182	2528	26.0
4+	4311	(B)	6500	2752	29.7
<u>Poverty status</u>	2742	3003	2317	1219	34.5

Source: From 1979 CPS. See Table 1, CPR, 1980.

(B) means population base is less than 75,000.

their own of only \$2317--\$400 less than women who had no award and \$700 less than women with an award who did not receive any payments. This pattern is also reflected in the figures for black women and for never-married women, a large proportion of whom have incomes below the poverty line. This may simply mean that poor women who do not receive child support income are eligible for a larger AFDC grant than women in similar circumstances who do get child support.

Child support constitutes an important part of the custodial parent's income, especially if there are many children in the family or if the mother's income is very low. For a woman with one child getting child support, the payments constitute 15% of total money income; if the woman has 4 or more children, child support payments constitute almost a third of income. For women with incomes below the poverty line, child support payments constitute fully 34% of total money income.

Another way of measuring the economic importance of child support for the custodial parent is to study the relationship between child support and poverty rates. Table 5 presents data on the percentage of women with incomes below the poverty level, by child support status. In 1975, a third of the women who did not receive child support had incomes below the poverty line, while only 12% of those who did receive support were poor. This does not imply that the payment of child support brought these women out of poverty; in fact if this group of women had not received any child support at all during 1975, the poverty rate would only have gone up to 19%. Again we see that women who in other ways are not well off also tend not to get child support. These findings are supported by the 1979 CPS data. Of those women who did not receive child support in 1978, 38% had incomes below the poverty line, compared to only

Table 5

## Poverty Rates by Child Support Reciprocity Rates

Support Status	% with Income Below the Poverty Level
<u>SIE 1975<sup>a</sup></u>	
No support payments in 1975	32.3%
Received support payments in 1975	12.4
If no support had been received in 1975	18.9
<u>CPS 1979<sup>b</sup></u>	
No support payments in 1978	37.9
No award	42.1
Did have award	25.3
Received support payments in 1978	14.3
If those with award had received full payment in 1978	14.0

<sup>a</sup>From Table 7, CPR, 1979.

<sup>b</sup>From Tables 1 and 2, CPR, 1980.

14% of the women who get child support. Women who had an award, but received no payments, were better off than women with no award. This, again, suggests that although child support payments are important for the family economy, much of the association between child support and the custodial parent's total money income is because the better off economically the custodial parent is, the more likely she is to have an award, and to collect it.

### Equity of Support

The results reported here as well as those previously reported (Jones et al. 1976; Cassetty 1978; CPR 1979, 1980) make it very clear that the current child support system results in gross inequities, both horizontally and vertically. The horizontal inequities are strongly reflected in the fact that only 60% of demographically eligible mothers have been awarded child support, and in the great variation in award status between subgroups of women. Vertical inequity arises if the support a child receives from a father it lives with is different from the support it receives from an absent father. Clearly, the many instances where no support award exists mean that children in those families are much worse off economically after a marital dissolution than before. In cases where child support is awarded, the lack of payments by many absent fathers likewise results in vertical inequities. Where payment is forthcoming, it is more difficult to assess the degree to which the child is worse off after the father has left the household. The relatively low level of support reported in the CPS survey suggests that many children who receive child support do not receive a fair share of their absent father's income. The data presented here, however, allow no satisfactory

assessment of the degree to which there is an equity problem in cases where child support is being paid.

The tables presented so far allow us to give a fairly good description of which demographically and legally eligible women are receiving child support and how much they receive. They can further demonstrate the gross inequities and the inadequacies existing under the current child support system, although the lack of data on the absent parent's ability to pay does limit our knowledge of whether the absent father supports his children to his full ability. But to gain a better understanding of the process by which a custodial parent obtains child support income, we need to analyze the different stages of the child support collection process in a multivariate context. To this we turn next.

#### 4. THE PROCESS OF COLLECTING CHILD SUPPORT INCOME

The first step in collecting child support is to obtain a child support award; then the problem becomes one of enforcing the support order. Here we analyze the support collecting process in four steps. First, we estimate a model for award status--what determines the likelihood that a woman has a child support award. Next we look at the determinants of the level of child support awarded, given that there is an award. This is followed by a model for recipiency status, that is whether a woman who has an award receives any payments. The fourth and last model estimates the amount of child support paid, given that there is an award and that some payment was made. Each of these four models is estimated by ordinary least squares regression.

To estimate these four models we need data on child support awards and payments. The CPS data would be well suited for this analysis, but

unfortunately the public use version of the data did not become available in time. The analysis we present here therefore makes use of the 1977 AFDC data, which provide sufficient information about child support awards and payments. The limitation of the sample to women who receive AFDC does present a problem the moment we want to infer from the results obtained for this population to all women eligible for child support. We shall address this issue in the concluding remarks, but we note at this point that the data presented so far do suggest that the process of child support collection is quite similar for poor women and women in general. We showed previously that the likelihood of having a child support award and of collecting the award was lower for poor women; however, socioeconomic differentials in both award and reciprocity status were quite similar in the two population groups.

Although there may be problems in generalizing from results based on the AFDC survey, these data are in one sense more appropriate for the analysis of the child support collection process. Policies of public intervention are primarily aimed at securing child support for women who, in lieu of child support income, must depend on AFDC. From a public policy point of view, a study of the child support collection process among AFDC mothers may be more informative than one based on data for the general population of women eligible for child support.

#### Variables Used in the Analysis

The research of Cassetty (1978) and Jones et al. (1976) suggests that four sets of factors explain variations in award status and child support income: the absent father's ability and willingness to pay, the custodial parent's need for support, and the enforcement of child support

awards. In their studies, and in the one we report here, it is necessary to rely on indirect measures of these factors, since no data set provides any direct measures. In each of the four models we estimate we use the following variables as indicators of one or more of these factors:

Marital status. The mother's legal status vis à vis her youngest child's father is used to construct four dummy variables for marital status. Women who are divorced from the absent father are the reference groups, and legally separated women, nonlegally separated (deserted) women, and never-married women make up the three categories included in the regression equation. The mother's marital status is primarily used as an indicator of the ease with which a child support award may be made. A women who has never married the child's father not only has to obtain a child support award, but also has to establish paternity for the child, something which often proves difficult. In addition, it may be reasonable to see marital status as an indicator of the absent father's willingness to pay child support. A father who has lived for some time with his children may be presumed to take more interest in their well-being than a father who never married the mother and never lived with the child.

Schooling. The number of years the mother has attended school is used as an indicator of the mother's resources for obtaining and collecting child support, and of the absent parent's ability to pay. It also is an indicator of the custodial parent's need for support. The education variable is constructed as 3 dummy variables, less than 12 years schooling, more than 12 years, and education unknown. The left-out category is women with 12 years of school.

Race. Race, like schooling, is seen as an indicator of the mother's resources or need for support, and of the absent father's ability to pay. Black women and women of Spanish origin are compared to white women in all the regression models.

Age of youngest eligible child. The age of the youngest eligible child is introduced as a proxy for the duration of time since the marital dissolution. It may be seen as an indicator of the absent parent's willingness to pay, which declines with time, and of the time available to the custodial parent to obtain a child support award.

Number of children eligible for support. This variable is seen as an indicator of the custodial parent's need for support. Since we here measure both support awards and actual payments per child we expect this variable to have a negative effect on both awards and payments. This does not mean that women with more children get less support, only that the average payment per child is lower the more children there are. The number of children eligible for support may also be an indicator of the absent father's previous commitment to the family; if that is the case we may expect this variable to have a positive effect on the probability of having a child support award and maybe on payment of support as well.

Location of absent parent unknown. This dummy variable simply tells whether the whereabouts of the absent father is known. It is seen as an indicator of the absent father's willingness to pay child support.

#### A Model for Child Support Award Status

The dependent variable in this model is a dummy variable, taking the value of 1 if one or more of the mother's eligible children has been awarded child support. If none of the children have a child support

award, the variable takes on the value of 0. The OLS estimates of the model for child support award status are given in the first two columns of Table 6.

Divorced women are much more likely to have an award than other women are. The effect of the dummy variables for marital status are  $-.22$  for legal separation, and  $-.48$  for nonlegal separation and never married. Since the range of the dependent variable is from 0 to 1, these differences between marital status groups are quite large. It is quite clear that the problems of establishing paternity and of locating a spouse who has deserted have quite substantial effects on the likelihood that the mother will have a child support award.

The mother's race has a significant effect on award status, but her educational attainment does not. Nonwhite women are less likely to have a child support award than white women, even after we have controlled for marital status and the other variables in the model. This may mean that nonwhite women find it more difficult to obtain a child support award, either because it is too costly for them, or because they consider the absent father's ability to pay so low that the payoff is not worth the trouble.

The positive effect of age of youngest child means that the older the child, the more likely the mother is to have an award; this presumably just means that it takes time to get an award. The positive effect of the number of eligible children we interpret as reflecting greater commitment to the children on the part of fathers with many children. Although both of these effects are small in magnitude, knowledge of the absent father's whereabouts is strongly related to the probability that

Table 6: Regression Models of the Child Support Collection Process<sup>a</sup>

Independent Variables	Award Status		Support Award per Child		Reciency Status		Payments per Child	
	b	S.E.	b	S.E.	b	S.E.	b	S.E.
Support award per child	--	--	--	--	.0002	.0002	.69*	.02
Legal separation	-.22*	.02	6.21	2.63	.04	.03	12.00*	3.69
Nonlegal separation	-.48*	.01	1.00	1.80	.02	.02	-1.26	3.03
Never married	-.48*	.01	-9.30*	1.57	.07*	.02	-2.04	2.67
Less than 12 years schooling	-.01	.01	-4.51*	1.42	-.02	.02	-4.67	2.41
More than 12 years	.02	.01	-2.50	2.57	.02	.03	-1.87	4.14
Education unknown	-.03*	.01	-3.01*	1.46	.001	.02	.86	2.39
Black	-.05*	.01	-5.52*	1.64	-.04	.02	1.08	2.91
Other non-white	-.10*	.01	-8.33*	3.25	-.07	.04	-4.00	6.18
Age of youngest child	.002*	.001	-.86*	.12	.00	.001	-.14	.21
No. of children	.04*	.002	-9.13*	.41	.02*	.005	-3.80*	.70
Location of absent parent unknown	-.13*	.01	1.63	1.22	-.20*	.01	2.09	2.60
Constant	.23*	.02	99.95*	3.30	.50*	.04	35.41	5.25
State dummies:								
(Michigan reference category)								
# states similar to Michigan	11		44		17		44	
# states worse off than Michigan	39		7		34		6	
Mean b	-.16		-21.35		-.24		-23.55	
Range of b	-.07 to -.25		-14.96 to -40.38		-.11 to -.44		-18.12 to -33.62	
# states better off than Michigan	1		0		0		1	
Mean b	.21		-		-		36.00	
Range of b	-		-		-		-	
Adjusted R <sup>2</sup>	.37		.14		.08		.45	
F for regression	173.51 (62, 18339)		15.87 (62, 5537)		8.57 (63, 5536)		25.48 (63, 1825)	
F for state dummies	14.83 (51, 18339)		3.20 (51, 5537)		5.29 (51, 5536)		2.64 (51, 1825)	
Mean	.3043		62.23		.3373		59.76	
Standard Deviation	.4601		41.87		.4728		50.50	

\*significant at .01 level

Source: AFDC 1977 survey data.

the mother has an award. If the location of the absent parent is unknown, the mother's probability of having an award is reduced by .13.

In addition to the variables characterizing the mother we introduced a series of dummy variables for states, in order to assess whether the likelihood of having a child support award varies significantly between states, after we have controlled for compositional differences in the AFDC population. Because Michigan can be identified as a state with one of the most efficient child support collection systems (Chambers, 1980; U.S. DHEW, 1980), it was used as a reference category in the equation for award status. The 51 dummy variables for other jurisdictions (Puerto Rico is included) add a significant 2.6% to the explained variation in award status. We find 11 states are similar to Michigan, and one better, while fewer percentages of women in the remaining 39 states have a child support award. The mean difference between this group of states and Michigan is 16%, with a range of 7% to 25%. These differences are relatively large in light of the fact that the range of variation in the dependent variable is between 0 and 1. In the state with the lowest proportion of women with a child support award, the percentage of women with an award is fully 25% below the Michigan level.

#### The Amount of Child Support Awarded

The child support award per child per month is the dependent variable in the second model estimated in Table 6. The model is estimated for women who have been awarded child support. We expect the father's ability to pay to be an important factor in the determination of child support awards, but the custodial parent's need for support should also be expected to have an influence. The estimates reported in Table 6 lend

some support to these hypotheses. Black women and women with fewer than 12 years of schooling are awarded less child support than other women, and women who never married the child's father also have lower awards. It is reasonable to view these results as evidence of the importance of the absent father's ability to pay in the determination of child support awards. Women with little schooling, black women, and never-married women would on the average be expected to have partners with lower income than other groups of women. At the same time, these groups of women are those where the need for support may be greater; if that is indeed the case, the ability to pay dominates the need for support when child support is awarded.

The negative effect of the number of children on child support awards reflects the well-known fact that the award per child decreases with the number of children. This partly reflects the assumption that the cost of the first child is higher than costs of subsequent children, but it presumably also is a function of the absent parent's ability to pay.

The negative effect that the age of the youngest child exercises on awards probably just reflects the fact that many awards are not indexed. The older the youngest child is, the lower the average award. This effect is small though, only 86 cents per year. In other words, a woman with a child of 12 would get about 8 dollars less per child per month than a woman with a child 2 years old.

In this equation we again introduce a set of dummy variables for states, after all the variables characterizing the custodial parent have been introduced. The reference category is Michigan. The addition of the 51 state dummies to the model increases the explained variation by 2.5%; an increase that is significantly different from zero. In contrast

to the model for award status, we find that the vast majority of states are similar to Michigan; that is, the amount of child support awarded per child does not vary among these states after we have controlled for the custodial parent's characteristics. In 7 states, however, the average award is significantly lower; there, the mean is \$21 below that for Michigan; in the worst state, it is fully \$40 per child per month below Michigan and most other states--bear in mind that these differences are net of any compositional differences in the population of custodial parents.

#### A Model for Reciprocity Status

Once a woman has been awarded child support, the question becomes whether she collects any of the money awarded. In the third model, we predict whether a woman with a child support award receives any payments under it. The dependent variable is a dummy variable taking the value of 1 if the woman or the IV-D agency received some payments during the survey month. The most remarkable feature of this model is that it is not very successful at predicting who, among women with child support awards, actually will receive payments at a given point in time. This, of course, is consistent with the small variation in the reciprocity status of subgroups of women that we observed in Table 2. Somewhat surprisingly, never-married women with a child support award are more likely to collect payments than other women. The more children a woman has, the more likely she is to collect, and if the absent parent's location is unknown, the likelihood of collecting is dramatically lower. None of the other variables in the model have any effect on reciprocity status. There are no racial differences in reciprocity rates, net of the other variables

in the model, and the amount of support awarded does not affect the probability of receiving payments.

The positive effect of 'never married' is difficult to interpret without additional data. It may mean that once the hurdle of obtaining an award is surpassed for the never-married mother, collecting it does not present a big problem. Or, we may speculate that the few never-married mothers who do get an award constitute a very select group of people whose partners for one reason or another are willing and able to pay child support. This may also explain the positive effect of number of children. A possible interpretation is that the custodial parent's need for support does prompt absent fathers who have agreed to pay child support actually to do so. That women who do not know where the absent parent is, are much less likely to receive payments, just goes to show that disappearance is one way to get out of paying child support.

Although these effects are significant, the variables characterizing the custodial parent together explain only 3.6% of the variation in reciprocity status--less than the set of dummy variables for states, which add 4.4% to the explained variance. Seventeen of the states are similar to the reference category, Michigan, but in 34 states, women with a child support award are less likely to receive payments than Michigan women are. On the average, women who live in these states are 34% less likely to receive payments than women who live in Michigan. Given that we have controlled for the support award amount and the custodial parent's characteristics, this seems to suggest that some states are more efficient than others in enforcing child support awards, and that better state enforcement efforts may improve the situation of custodial parents considerably.

Determinants of Child Support Income

The last step in modeling the child support collection process is to look at the determinants of the actual payments received by the custodial parent or by the IV-D agency on her behalf. In this model, the payment received per child during the survey is the dependent variable. The model is estimated for women who have child support awards and who received some payment during the survey month. If child support awards were paid as stipulated, the only variable should be the amount of child support awarded. However, there are reasons to suspect that the world is not perfect, so we estimate the model including all the independent variables used in the previous models. The results are given in the last two columns of Table 6.

The most important variable in the model is, not unexpectedly, the amount of child support awarded, which explains 41% of the variation in payments. For every dollar awarded the payoff is 69 cents. After we have controlled for amount of support awarded, the characteristics of the custodial parents do not tell us much about how much they receive in child support. Legally separated women tend to get higher payments than other women, presumably because the award has not been in effect for a very long period of time. Women with many children tend to get less of their child support award, maybe because the total support obligation increases with the number of children, putting more of these fathers in a situation where they feel they cannot pay the full amount. It is noteworthy that neither race nor education of the custodial parent have any effect on the payments received.

In this model there are significant differences between states; the 51 dummy variables add 2.2% to the explained variation. Forty-four states are similar to Michigan; in 6 states, women who collect child support are paid less per dollar awarded than women living in the rest of the country. The difference is not trivial; in the worst state, women with the same child support award and the same individual characteristics received almost \$34 less per child per month than women in Michigan and similar states.

## 5. SUMMARY AND DISCUSSION OF THE RESULTS

The results of the multivariate analysis have provided further support for many of the findings reported in earlier studies. The analysis has extended our understanding of the process of collecting child support by showing how important it is to distinguish between the two stages of that process--obtaining an award and enforcing it--and by suggesting that state enforcement efforts may well be significantly improved over present levels. Summarizing the results of the multivariate analyses, we first discuss the characteristics of the custodial and absent parents, and then the results for state differences at different stages of the child support collection process.

### Characteristics of the Parents

Previous studies of child support collection (Jones et al., 1976; Cassetty, 1978) have shown that child support income varies greatly with the custodial mother's characteristics and with indicators of the absent father's ability and willingness to pay child support. Jones et al. did

attempt to distinguish between the process of obtaining and of enforcing an award, but they had to rely on a very crude indicator of award status, namely whether the mother had ever received child support. In this paper, we had data which allowed us to distinguish clearly between the two. As suggested by Jones et al.'s tentative results, this turned out to be a very important distinction to make.

The analysis clearly shows that it is at the stage of awarding child support that the inequities of the current system are the greatest. Women who either had to locate the father or to establish paternity for the child were at a clear disadvantage in getting a child support award. This is of course not surprising, but it does point out that the women who most need the support of child support enforcement agencies are the never married and those who have been deserted by their husbands. It was also evident from the analysis that there are nontrivial race differentials in award status, and that these cannot be explained by the fact that a larger proportion of nonwhite women are never married. The most straightforward interpretation of this effect is that nonwhite women not only have fewer resources of their own, and maybe less support by institutions such as the child support collection agencies and the courts, in getting a child support award; they are also more likely to have former husbands or partners who are unable to provide any support for the child, a fact which may discourage attempts to get a support order or may make judges hesitant to impose one.

The analysis also showed the custodial parent's characteristics to be of some importance for the amount of support awarded. Awards made by the courts or by voluntary agreement are determined by the absent father's ability to pay and by the custodial parent's need for support (Chambers,

1980). The fact that women with few years of schooling, nonwhite women, and women who never married the child's father have lower child support awards lends support to the hypothesis that the absent father's ability to pay is an important determinant of how much he is legally obliged to pay. The data do not provide any support for the contention that the custodial parent's need also enters into the setting of child support levels. This is probably because we have to rely on very crude and indirect indicators of both the absent father's ability to pay and the custodial parent's need for support.

When we examine reciprocity status and actual child support income, we find them to be virtually independent of the custodial parent's characteristics. The model for whether women with a child support award receive any payments explains a very low proportion of the variance, and only two of the variables characterizing the mother have significant and positive effects--number of children and being a never-married woman with a support award.

The actual child support income obtained by women who do receive some payments is primarily determined by the amount of support awarded, and there are few and small differences among the returns to subgroups of women.

It is of interest to note that there are no race differentials in reciprocity status nor in the amount of child support actually collected for each dollar awarded. Nonwhite women are less likely to have a child support award, and they are awarded less child support per child, but once they have an award, they receive payments as frequently as white women do, and they collect the same proportion of each dollar awarded.

### Differences Between States

In addition to variables characterizing the parents of the child eligible for child support, we also introduced a series of dummy variables for states in the regression analysis that allowed us to compare Michigan (the left-out category) to the 51 other states and jurisdictions in the sample. We have ascertained that there are indeed differences among states, net of compositional differences in the AFDC population, though we have no information about the sources of these differences. It is fairly well established that some states put more effort into the child support collection process than others (U.S. Department of Health and Human Services, 1980), so this finding of differences among states supports the hypothesis that public policy interventions may indeed be successful.

There are significant differences between states at each stage of the collection process; there always are some states which are significantly worse off than Michigan. In fully 39 of 51 states women demographically eligible for child support were less likely to have been awarded support than women in Michigan and the remaining 12 states. For those women who did have a support award, the state in which they lived did not make much difference in setting the amount of support, since only 7 set lower awards than Michigan. This may suggest that the courts, despite the lack of common rules, set child support in similar ways.

We also found, that once child support had been awarded, the probability of collecting any of the award varied significantly by state. The difference was quite large; it is clearly possible to improve collection of awarded child support. Once some payment is received, however, the

payment on each dollar awarded does not differ much from state to state, except for 6 states, where on the average women receive 24 dollars less per month per child than women living in other states who have been awarded the same amount of child support.

This simple analysis of state differences in the child support collection process has convinced us that state policies of public intervention do indeed have an impact on the child support income received by custodial mothers, and that these policies matter most at the stages of helping women obtain a child support award and of locating the absent father. We have no direct evidence that differences observed between states actually reflect differences in state policies, but we believe that our interpretation is a reasonable one.

We should also emphasize that the multivariate analysis is based on data for women receiving AFDC. We suspect that the pattern of effects will be quite similar for the general population of women given the similarities in simple tabulations based on the CPS and AFDC data (see Table 2). The fact that our results based on AFDC data are consistent with those based on the Panel Survey of Income Dynamics data (Jones et al., 1976; Cassetty, 1978) lends some support to this expectation.

## 6. FUTURE STUDIES OF CHILD SUPPORT

In our analysis of child support in the United States in the 1970s, we have used data on AFDC mothers and a national sample of mothers, demographically eligible for child support, to attempt to answer the question posed in the title of the paper: Who pays what to whom?

It should be clear by now that we can give only a very partial answer to that question, because none of the recently collected data on

child support allow us to say much about the absent father who is supposed to pay child support. We know much more about who, among potentially eligible women, have child support income. This paper has, therefore, been limited almost exclusively to analyses of the situation faced by the mother with custody of the child. We believe that this is insufficient for a clear understanding of the processes of child support collection. The almost total lack of knowledge about the absent father's ability to pay and his reasons for not paying makes it difficult, if not impossible, to assess whether the current child support system is equitable once a child support award has been made. It is clear that a great many inequities arise because so many women never become legally eligible for child support. We can say next to nothing about the extent to which the inequities would continue should this problem be solved.

Future studies of the child support problem should therefore be concerned with this particular problem. There is very little else to be learned from additional studies of the custodial mother's situation, unless it can be seen in the context of the absent father's ability and willingness to provide support for his children.

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