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# The Use of Child Support Guidelines in Wisconsin

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# Wisconsin's Child Support Guidelines

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- Child support orders are based on a percentage-of-income standard with the percentage determined by number of children
- Adjustments made for shared or split placement, and when payor has other child support obligations (serial obligor).
- 2004 changes to guidelines add adjustments in cases where payor has especially high or low income

# Determining Guidelines Usage

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- Wisconsin Court Record Data
  - Random sample of paternity and divorce cases in 21 Wisconsin counties.
  - 8 cohorts covering 1996 to 2007
  - Exclude cases where parents are living together, there is no final judgment, there is no placement order, or children are placed with a 3<sup>rd</sup> party.
  - 11,194 child support relevant cases.

# Determining Guidelines Usage

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- Use placement arrangements ordered in case (based on the number of nights with each parent) to determine whether shared placement formula should be used.
- Use the income of the parents, number of children and the placement arrangement to calculate the expected order amount (in dollars) under the guidelines existing at time of first permanent order.
- Convert dollar amount of expected order and actual order to a percentage of payor's income and consider to be consistent if actual order is within 1 percentage point of expected order.

# Issues in Determining Usage

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- How to handle cases with no CS order?
  - This result is possible under the guidelines in cases of equal-shared placement when parents have very similar incomes (approx. 1% of all equal-shared placement cases).
  - In other situations, we presume no CS order to be inconsistent with the guidelines.
- Are low-,high-income guidelines optional?
  - Our primary results consider them non-optional, but we examine how results change if we consider them optional.

# Results

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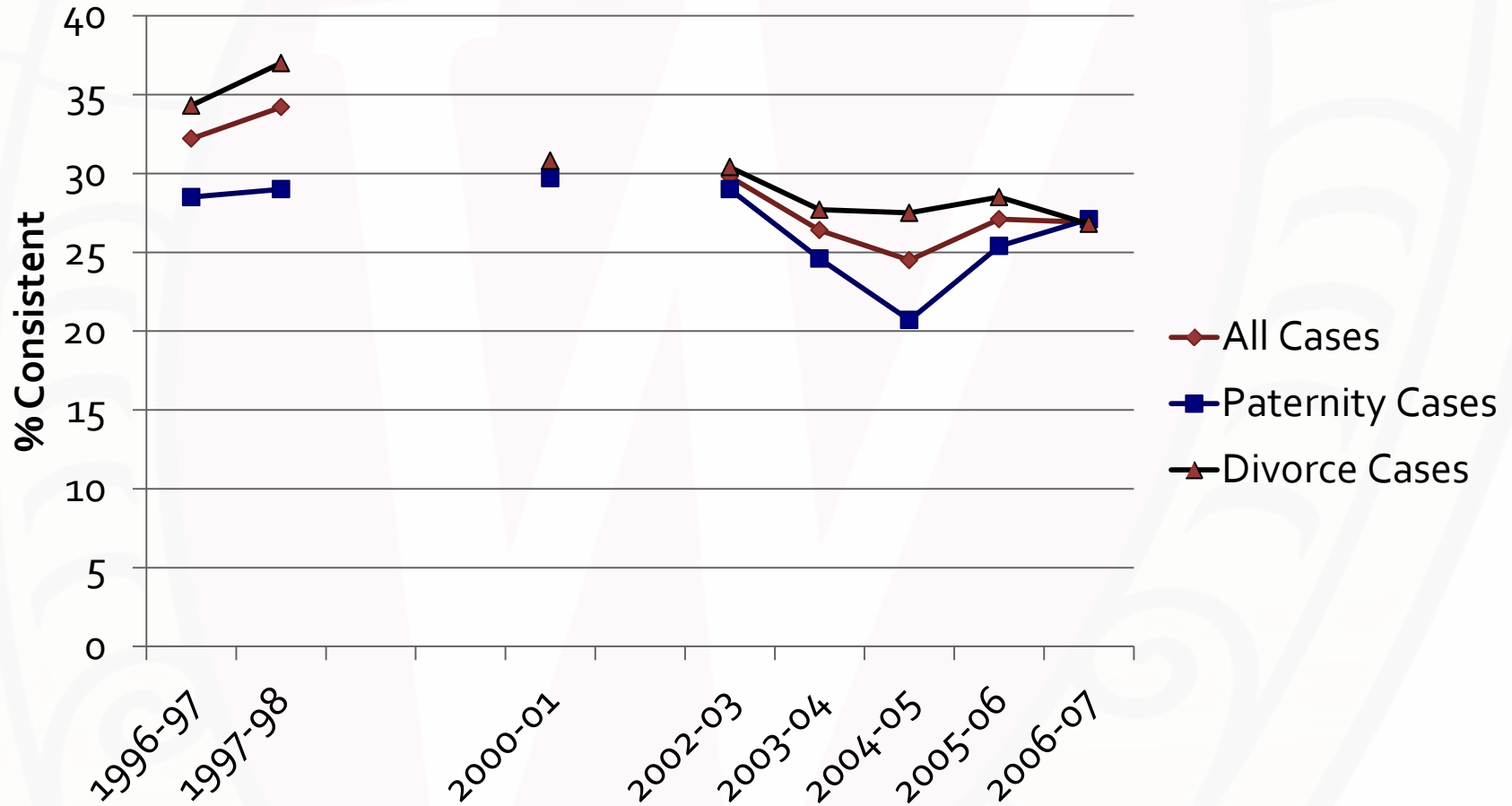
- In 30% of cases we could not determine the guidelines amount: serial obligor cases, complex (split & shared) placement arrangements, missing income information.
- The number of cases where guidelines could not be determined has been higher since 2000, with the virtual elimination of percentage-expressed orders.

# Guidelines Usage, by Case Type

	All Cases	Paternity Cases	Divorce Cases
No CS Order	37.3%	51.0%	27.9%
Order Below Guidelines	17.5%	16.6%	18.0%
<b>Order = Guidelines</b>	<b>28.9%</b>	<b>26.5%</b>	<b>30.6%</b>
Order Above Guidelines	16.3%	5.8%	23.4%

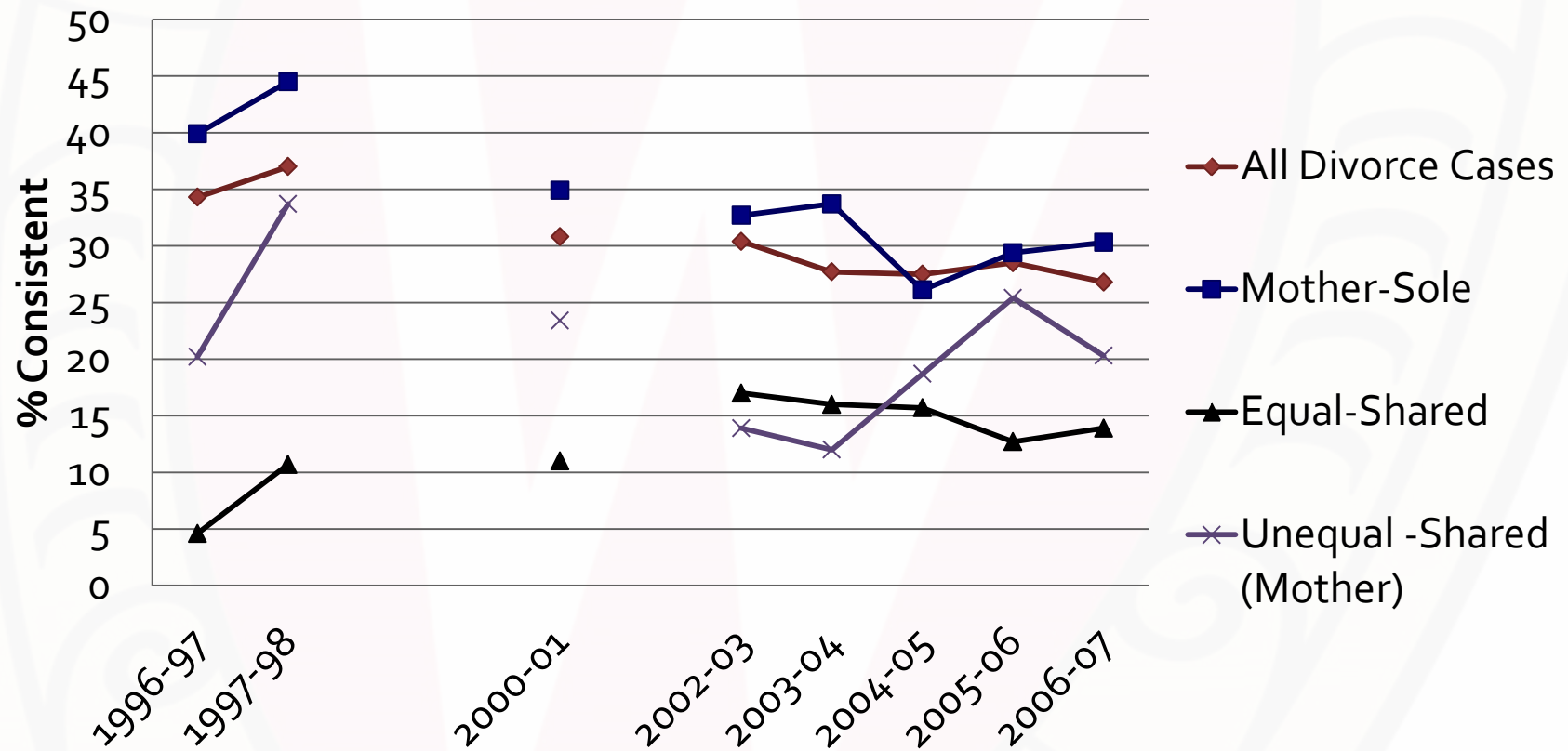
In Cases With Order	All Cases	Paternity Cases	Divorce Cases
Order Below Guidelines	27.9%	33.9%	25.0%
<b>Order = Guidelines</b>	<b>46.1%</b>	<b>54.1%</b>	<b>42.4%</b>
Order Above Guidelines	26.0%	11.8%	32.5%

# Trends in Guidelines Usage





# Trends in Guidelines Usage in Divorce, by Placement



# Guidelines Usage

	1996-2003	2004-2008
All Cases	31.58%	25.61%
By County		
Milwaukee County	27.9%	19.6%
Other Urban Counties	33.9	32.5
Rural Counties	36.6	24.7
By Parents' Income		
\$1-\$25K	24.9	15.3
\$25K-\$50K	34.9	31.9
\$50K-\$75K	34.3	33.1
\$75K-\$100K	34.8	29.8
\$100K+	34.8	27.4

# Use of Low-Income Provisions 2004-07

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- Mother-Sole Paternity Cases
  - 62.5% of fathers meet low-income definition
  - 2.8% of cases considered low-income of father
  - 0.9% explicitly stated low-income provision used
- Mother-Sole Divorce Cases
  - 20.7% of fathers meet low-income definition
  - 1.5% of cases considered low-income of father
  - 0.3% explicitly stated low-income provision used

# Optional Income Provisions

## Guidelines Consistency of Mother Sole Placement Cases: 2004-2007

	Income Provisions Non-Optional	Income Provisions Optional
All	29.23%	29.44%
Paternity Cases	25.51%	25.81%
Divorce Cases	35.01%	35.10%

# Reasons for Deviation

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- In vast majority of deviating cases (>85%) there is no explicit reason for given for deviating from guidelines. Reasons are given more often in cases with no order since 2004 (~50%).
- When they are stated (in order of frequency):
  - Consideration given to earnings or employment status of payor(s)
  - Other costs being paid for by payor
    - Health care, Child care
  - Parents stipulated to the deviation

# Conclusions

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- Overall guideline usage has been declining, especially compared to the late 1990s.
- Part of the explanation is increasing usage of shared placement arrangements, but not all.
- Many shared placement arrangements (60 % of equal, 20% of unequal) have no order.
- High-, low- income guidelines are used very infrequently.
- Explicit deviations are rarely included in case record.