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Task 12: Potential Effects of a Self-Support Reserve in Wisconsin

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ABSTRACT

New federal regulations require states to consider the basic subsistence needs of noncustodial parents in setting child support orders and encourages the use of a self-support reserve, an amount of income set aside for the noncustodial parent's own needs, before child support is assessed. We use unique administrative data on matched pairs of Wisconsin parents to simulate child support orders and income under two self-support reserve models. We address the characteristics of noncustodial parents whose orders would change; when and how often a self-support reserve would increase or decrease the income available to noncustodial parents, and to custodial parents and children; and the relative economic well-being of all parties. Implementation of a self-support reserve would on average increase noncustodial parents' post-child support incomes, and reduce poverty levels. However, for custodial parents and children it would on average have the opposite effect, reducing income and increasing poverty levels. Because most low-income noncustodial parents owe support to low-income custodial parents, meeting the basic needs of one often comes at a cost to the other.

Keywords: Child Support; noncustodial parents; poverty

Potential Effects of a Self-Support Reserve in Wisconsin

1. BACKGROUND

High divorce rates and an increasing proportion of births to unmarried parents have led to an increase in single-parent households in the United States where most children spend at least some time living apart from one of their parents (Andersson, Thomson & Duntava, 2017). Children living with a single parent are particularly economically vulnerable, with more than one in three living in poverty (Grall, 2018). With limited public income support available, private child support—typically from a noncustodial father—is essential to many children's economic well-being. The amount of child support owed by the noncustodial parent is determined by each state's specific child support guidelines. Guidelines are a federal requirement, but states have wide discretion over their development and implementation. Guidelines are intended to ensure that children and their resident parent (often a mother) have at least enough resources to meet a child's basic needs and sometimes go further: the Wisconsin guidelines state explicitly that they are "based on the principle that a child's standard of living should, to the degree possible, not be adversely affected because his or her parents are not living together." (Wisconsin Administrative Code, 2009).

This goal is particularly challenging when considering the case of low-income parents. There is growing awareness among policymakers and researchers of the limited economic resources and difficult family circumstances of many noncustodial parents, which may in turn reduce payment of child support (e.g., Cancian, Heinrich, & Chung, 2013; Cancian & Meyer, 2004; Cancian, Meyer, & Han, 2011; Nepomnyaschy & Garfinkel, 2010; Sinkewicz & Garfinkel, 2009; Cancian, Guarin, Hodges & Meyer, 2018). Noncustodial parents with low earnings and high rates of unemployment often owe a higher proportion of income, compared to

median- and higher-income parents (Cancian & Meyer, 2018; Ha, Cancian, & Meyer, 2010; Miller & Mincy, 2012). Past work also suggests that this higher burden may decrease compliance (child support paid as a proportion of the amount owed), if not total payment amount (Ha, Cancian, & Meyer, 2010; Meyer, Ha, & Hu, 2008; Takayesu, 2011). These estimates also echo qualitative work that finds that low-income fathers may not be able to comply with orders due to unstable employment or wages, and, that they may be reluctant to provide financial support if they feel that the child support system is unfair to noncustodial parents (Waller & Plotnick, 2001). National estimates suggest that many noncustodial parents are unable or unwilling make the required payments; just 43 percent of all custodial parents who were owed child support received full child support payments in 2015 (Grall, 2018). While there may be a number of explanations for this, noncustodial parents' ability to pay and lack of economic resources likely play a major role.

Complex family circumstances, which are more common among the most disadvantaged groups, also have implications for noncustodial parents´ ability to pay child support. Studies suggest that unmarried parents, particularly those with low socioeconomic status, have high levels of multiple-partner fertility—that is, parents having children with more than one partner (e.g., Guzzo, 2014; McLanahan, 2009). Thus, low income noncustodial parents may owe child support to multiple custodial parents, which, combined with their already challenging economic circumstances, may further limit the amount of financial support they provide to some or to all of their children. For example, Cancian, Meyer, & Cook (2011) found that the majority of low-income never-married parents served by the child support system are part of complex families, raising challenges for setting appropriate child support order amounts, particularly for noncustodial parents with limited ability to pay. Thus, cases with low-income noncustodial

parents pose a policy challenge for the formal child support system; order amounts must be right-sized. That is, they must balance the noncustodial parent's ability to pay with supporting a reasonable standard of living for the child and the custodial parent. On one hand, setting the support level too high may increase the likelihood that the noncustodial parent: (1) cannot meet his or her basic needs with remaining income; and (2) will be unable to make required payments to the child and custodial parent. On the other hand, setting the support level too low may disadvantage the child and be unfair to the custodial parent.

Indeed, child support is intended to support the economic well-being of children and custodial parents and to respond to the economic vulnerability of single-parent, and especially, single-mother households. Recent data show that in 2015, over one-third (37.2 percent) of all children in custodial-parent families lived in poverty, and that the poverty rate for custodial-parent households was 10 percentage points higher than that for all families with children under 18-years-old. Custodial-mother families are more likely to be disadvantaged than custodial-father families, with 29.2 percent living below the federal poverty line, compared to 16.7 percent of custodial-father families. For custodial mothers with three or more children, that rate increases to 52.3 percent. Thus, child support may be particularly important for custodial mother families. Indeed, for parents who received at least part of the support due to them in 2015, child support payments accounted for more than 8 percent of their personal income, a proportion that rose to 16 percent for parents who received the full amount of the child support order. Child support is particularly important for low-income custodial parents who receive it; for those custodial parents who lived below the poverty line and received full payments in 2015, child support represented 58 percent of their personal income (Grall, 2018).

Given the combination of the increased rates of economic vulnerability for families in the child support system and the potential economic implications for both noncustodial and custodial parents, it is crucial to understand how policy for low-income noncustodial parents affects the economic well-being of all family members—the noncustodial parent and the custodial parent and child. Prior studies suggest that, for divorced families, custodial mothers are worse off than noncustodial fathers, but that the child support system plays an important role in mitigating this inequality (e.g. Bartfeld, 2000; Ha, Cancian, & Meyer, 2018). Among never-married families, the limited available research suggests that fathers begin with an economic advantage, but, once potential child support is taken into account, custodial mothers are, on average, relatively better off (Ha, Cancian, & Meyer, 2018). This highlights the tension inherent in child support policy for low-income families.

A recent update to federal regulations further underscores the need to consider how child support guidelines should treat low-income noncustodial parents, and the importance of better understanding family composition and income in order to avoid unintended consequences. The Flexibility, Efficiency, and Modernization in Child Support Programs rule, published in December 2016, requires states to ensure that their child support guidelines "take into consideration the basic subsistence needs of the noncustodial parent (and at the State's discretion, the custodial parent and children) who has a limited ability to pay by incorporating a low-income adjustment, such as a self-support reserve or some other method determined by the state" (Federal Register 81, 244: p. 93494). Most states, but not all, included some form of a low-income adjustment prior to the updated regulations (National Conference of State Legislatures, 2013; Venohr, 2013). Now, however, states are explicitly required to account for the

noncustodial parent's basic needs, with the possibility of also accounting for the needs of the custodial parent and child.

Currently, the Wisconsin guidelines include a low-income adjustment to the guideline amount for payers with incomes between 75 percent and 150 percent of the federal poverty level (Wisconsin Administrative Code, 2009). Generally, Wisconsin guidelines call for noncustodial parents to contribute 17 percent of income for one child. However, the rate for noncustodial parents with income of 75 percent of the poverty level and below is11.22 percent of income, and gradually increases to 17 percent as income reaches 150 percent of the federal poverty level. Current Wisconsin policy, then, accounts for low-income payers through the use of a formula intended to adjust the proportion of income owed as income rises.

Another possible policy approach, as indicated in the updated federal rule, is the use of a self-support reserve, or SSR. An SSR allows an individual to keep a certain threshold of income to meet basic needs. In some states that have implemented SSRs, child support orders do not apply to income below the SSR threshold; in others a minimum order amount is instituted for noncustodial parents with incomes below the threshold. The new federal regulations provide an opportunity to revisit Wisconsin's current provision for low-income noncustodial parents, and, in particular to consider a self-support reserve as an alternative to the current adjustment.

Like overall child support guidelines, the design of SSRs differs across states. Current SSR amounts or thresholds vary from 100 percent to 135 percent of the federal poverty level, though many SSR amounts are locked in at the level of the poverty threshold in the year they were set and may not have been updated for inflation. Twelve states use 100 percent of the federal poverty level, making it the most common amount (Center for the Support of Families, 2017). Similarly, treatment of income after accounting for the SSR varies. Generally,

noncustodial parents with income that is relatively low, but still above the SSR threshold, are required to pay child support (Venohr, 2013). In some cases, this is a particular percentage of income or an order amount; in others, judicial discretion determines the amount owed. Similarly, some states' guidelines have the SSR amount built into the guideline tables, whereas others apply it after as an adjustment, similar to adjustments that might be made for shared parenting time.[1] Some states apply the SSR only if the payer's income falls below the prescribed level after accounting for the guideline amount and other adjustments (Center for the Support of Families, 2017).

Though very little research exists on the variety of SSR designs and their impact on economic well-being, SSRs aim to ensure that noncustodial parents keep a basic level of income to meet general subsistence needs. On the other hand, one consequence of instituting an SSR is that the resulting orders call for the custodial parent child to receive no or minimal financial support when noncustodial parent earnings are below the SSR threshold. Depending on the design of the SSR, in the absence of compensating changes in the guidelines, child support amounts may be lower for most cases, even when the noncustodial parent is not low-income. Therefore, to understand the consequences of incorporating an SSR in child support guidelines, it is essential to understand the characteristics of cases that might be affected by the application of such guidelines, including the pre-child-support incomes of both parents. Specifically, if low-income noncustodial parents are mostly partnered with low-income custodial parents, then the

[1]For a detailed, recent review of SSR policies by state, see Appendix, Chapter D of a recent report from the Center for the Support of Families (2017). A majority of states employ an income-shares guideline model that considers both parents' income; often in these cases, the SSR reverts to percentage-of-income and considers only the noncustodial parent's income. This may allow states to avoid unintended consequences, such as relatively high order amounts for low-income noncustodial parents connected to higher-income custodial parents (Cancian & Costanzo, 2018).

SSR will typically reduce the child support due to an economically vulnerable child and custodial parent. However, if low-income noncustodial parents are partnered with higher-income custodial parents, the custodial parent may still be able to meet the basic needs of the child, even while being due less child support given the SSR.

Additionally, given high rates of complex families, particularly among the population of low-income noncustodial parents, it is also important to account for child support owed to or from other parents. Noncustodial parents who owe support to multiple families generally face higher total child support amounts due, relative to noncustodial parents with the same number of children with a single partner (Cancian, Meyer, & Han, 2011). An SSR may have a greater impact for these noncustodial parents. By the same logic, a custodial parent owed support from multiple partners may have the support owed to them reduced by a greater proportion with implementation of an SSR. Only with information on both parents, and both parents' other partners, is it possible to evaluate the potential impact on the economic well-being of the noncustodial parent, custodial parent and the child. However, this requires accounting for a complex set of relationships, and having data sources that include all the necessary information.

This study seeks to understand the trade-offs inherent in low-income noncustodial parent policy, and, in particular, how the implementation of an SSR in Wisconsin would affect the economic well-being of (1) the noncustodial parent, and (2) the custodial parent and child. We are interested in understanding the proportion, and characteristics of noncustodial parents whose orders would change with the application of various SSR designs, as well as the implications of each SSR design for the relative economic well-being of both parents and the child. We address how often noncustodial parents, custodial parents, and children might be helped or hurt by the implementation of an SSR (in absolute terms), the relative well-being of both parties, and how

the SSR design itself matters. We use comprehensive administrative data from Wisconsin to address these questions empirically, and to support simulations of alternative policies.

2. DATA, SAMPLE, MEASURES, AND APPROACH

2.1. Data and Sample

We use a unique set of data derived from the state of Wisconsin administrative systems, primarily from the child support enforcement data that is incorporated into Wisconsin's Multi-System Person File (MSPF), a set of merged administrative records. The MSPF allows us to match pairs of noncustodial and custodial parents, and to access data on child support orders and payments from KIDS (the Wisconsin child support data system), earnings records from the Unemployment Insurance system (UI), and data on public benefits such as the Supplemental Nutrition Assistance Program (SNAP, previously known as Food Stamps) and Temporary Assistance for Needy Families. Our data are well suited for this analysis in comparison to other data sets because we have wage and benefit data on matched pairs of parents and their other parenting partners, if any. Thus, we are able to simulate the impact of hypothetical orders on the economic well-being of both noncustodial and custodial parents, and to take into account other partners. This offers a unique opportunity to understand the impact of a variety of child-support policy options on low-income parents.

We begin with the stock of child support cases (N=153,870 cases) for 130,113 noncustodial fathers living in Wisconsin in 2015 and 2016. We limit our sample to cases where the father is the noncustodial parent, since noncustodial fathers account for over 90 percent of noncustodial parents in our data. In order to simulate current orders based on prior years' earnings, we limit the sample to cases in which the noncustodial fathers have recorded earnings or SNAP benefits in 2015 and 2016, resulting in a final sample of 103,762 noncustodial fathers

and 122,925 father-mother pairs (cases). Our earnings records have some important limitations: they exclude individuals who worked outside of Wisconsin, individuals who worked for the federal government, individuals who were self-employed during the three-year study period, individuals employed by multi-state companies that do not report wage records to Wisconsin, and individuals working in Wisconsin whose employers are exempt from reporting wage records in Wisconsin. Relying on SNAP records in addition to earnings records increases our confidence that we have noncustodial fathers living in Wisconsin, and that the fathers with $0 earnings in our sample indeed have no earnings, rather than unobserved earnings.[2]

Because we are interested in how fathers' economic well-being changes under various SSR scenarios, measures of noncustodial father income with and without estimated child support owed are of central interest in our study. To construct these measures, we rely mainly on information about noncustodial father earnings from UI wage records, and also on simulated child support orders amounts under different SSRs. For sensitivity analysis, we construct additional measures of income that are based on noncustodial father earnings and on an expected SNAP benefit amount (assuming a household size of one for all fathers in the sample) as well as on simulated child support orders under different SSRs.

[2]Our concern is that noncustodial fathers with neither earnings nor SNAP benefits may have earnings not covered by the UI system. We expect that not excluding these fathers from the main sample would have resulted in an overestimate of the number of cases with low incomes, and thus an overestimate of the number of cases potentially affected by an SSR. Also, we expect that not excluding them would have resulted in an overestimate of the number of cases with the same order amount before and after an SSR. Because their earnings appear as $0, in our simulations they would have an order of $0 whether or not there was an SSR. We confirm these expectations with a sensitivity test that expands the main sample to include fathers living in Wisconsin with no earnings or SNAP records in 2015 and 2016, and we discuss results in section 3.3. In the expanded sample, 24 percent of all noncustodial fathers have no earnings, including 60 percent of noncustodial fathers with earnings below the poverty level.

2.2. Approach

In line with our research aims, we estimate the number and proportion of child support cases in Wisconsin that are likely to be most affected by the application of an SSR. We do this by examining the number and proportion of fathers in the sample at different poverty levels based on earned income. We then provide descriptive information on the characteristics of these noncustodial fathers, including the proportion of nonmarital compared to marital births, age, race, number of children, number of custodial mothers, and mean and median monthly earnings.

Next, we simulate child support orders based on two potential SSR policy designs, and we examine how each of these designs would change the amount of child support owed by fathers, and fathers' income and economic well-being (assuming that child support orders were paid in full). We include comparisons to amounts owed and net income under current Wisconsin child support guidelines and using the current Wisconsin low-income adjustment. We present results for the overall sample as well as for fathers with earnings below 200 percent of the federal poverty level.

Finally, one of the key concerns in formulating child support policy for low-income fathers is its impact on mothers. That is, while fathers may be better off, mothers and children may be worse off. To understand the effects of an SSR on custodial mother families, we compare net income and income-to-poverty ratios of mothers and fathers under all options assuming orders are fully paid. Again, we present results for the overall sample as well as for lower-income fathers.

2.3. Simulations of orders under different SSR scenarios

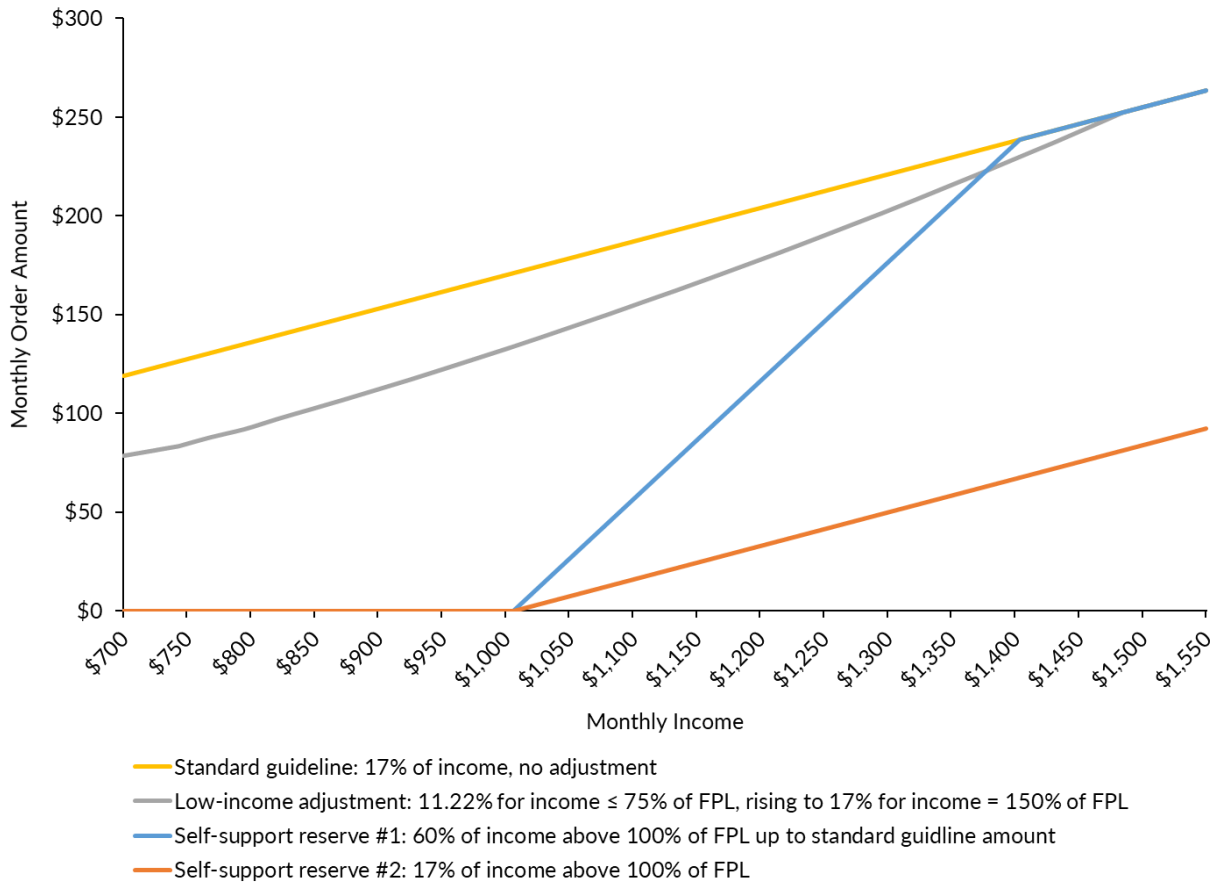
For the main results, we set the SSR threshold at 100 percent of the federal poverty level (the most common SSR threshold), and we use current Wisconsin child support guidelines for

our treatment of earnings above the SSR (we assume that the SSR replaces the current low-income guidelines that judges can apply to cases where fathers have limited abilities to pay).

We use two alternate scenarios for the treatment of earnings above the SSR. In Scenario 1, once the father's earnings are above the SSR, he owes the maximum amount possible to "catch up" to the guidelines order amount based on total earnings. This amount is capped at 60 percent of earnings, the current federal maximum percentage that can be withheld from wages. Essentially, the father owes the lesser of 60 percent of all earnings above the SSR threshold or 17 percent of total income. In Scenario 2, the first dollar of the father's earnings above the SSR is the first dollar of earnings considered in setting the order amount. In Wisconsin, this means that a noncustodial father with only one child would owe 17 percent on any earnings above the SSR. An approach in which the noncustodial parent owes some amount between regular guidelines and the SSR is common among states instituting an SSR, though the exact formula varies (Venohr, 2013).

Figure 1 offers a graphical depiction of these two scenarios compared to current Wisconsin guidelines and Wisconsin low-income guidelines. The Wisconsin guidelines order amount without an adjustment is simply 17 percent of income. Under the low-income adjustment, the order amount is 11.22 percent of income up to 75 percent of the poverty threshold, and then gradually increases to 17 percent at 150 percent of poverty. Both SSR scenarios show no amount owed until 100 percent of poverty is reached; Scenario 1 then increases at 60 percent of earnings until it reached the regular guideline amount at about 140 percent of poverty. Finally, Scenario 2 shows that orders increase by 17 percent for every dollar over the SSR, and never catch up to the unadjusted guideline.

Figure 1. Hypothetical child support owed for one child in Wisconsin under different scenarios



Notes: FPL is federal poverty level for 2016. Under the standard Wisconsin guidelines, the order amount for one child is 17 percent of income. Under the Wisconsin low-income adjustment, order amount is 11.22 percent of income up to 75 percent of the FPL; the rate then rises gradually up to 17 percent of income at or above 150 percent of the FPL. Under both SSR scenarios shown, the SSR threshold is 100% of the FPL; the order amount for any income below that threshold is $0. Under SSR scenario #1, the order amount is 60 percent of income above the SSR threshold until that amount is equal to the standard guideline amount. Under SSR scenario #2, the order amount is 17 percent of income above the SSR threshold.

3. RESULTS

3.1. Sample characteristics

In considering the potential impact of an SSR, we focus on all the noncustodial fathers in our sample, and then consider effects for noncustodial fathers by income (below 100 percent of

the federal poverty line, and below 200 percent of the federal poverty line).[3] Child support guidelines are not generally applied differentially to divorced versus unmarried fathers. However, much of the related policy discussion has focused on low-income fathers who have not been married (e.g., Boggess, 2017; Cancian, Meyer, & Cook, 2011). Accordingly, we also report results separately for fathers who owe support only for nonmarital births, and for fathers who owe support to at least some marital children.

Table 1 provides information on the characteristics of each sample. Among all fathers, about half owe support only to children who were born outside of marriage. The rate of nonmarital births was higher (64 to 65 percent) for fathers with incomes below 200 percent of the federal poverty level. Table 1 shows that fathers in our sample were about 38 years old on average, though lower income fathers, and fathers with only nonmarital births were, on average, younger. In the sample as a whole, 51 percent of fathers were white non-Hispanic, 21 percent were black non-Hispanic, and 14 percent were Hispanic (14 percent were other, or did not have race or ethnicity identified). There were fewer cases with unknown race or ethnicity among lower income samples (as expected, given greater program participation, and more extensive information in the MSPF data set). Among those with incomes below 100 percent of the poverty line, 42 percent were white non-Hispanic, 38 percent were black non-Hispanic and 18 percent were Hispanic (with only 2 percent other or unknown). For lower-income fathers, whites were under-represented, and blacks over-represented, among fathers who only owe support to nonmarital children. Just over half of fathers in our sample had one child, and only 18 percent had three or more. Fathers with some marital children were considerably less likely than the full

[3]Note that this subgroup ignores custodial parent income; those with low noncustodial parent income will include some custodial parents with low-income and some without low-income.

Table 1: Characteristics of noncustodial fathers

	all noncustodial fathers			Fathers with only nonmarital children			Fathers with Any Marital children		
	All	Income below the FPL	Income up to twice the FPL	All	Income below the FPL	Income up to twice the FPL	All	Income below the FPL	Income up to twice the FPL
Percentage of sample	100.0%	26.0%	40.6%	50.8%	17.0%	26.1%	49.2%	9.1%	14.4%
Marital/nonmarital children									
Only nonmarital children	50.8%	65.2%	64.4%						
Any marital children	49.2	34.8	35.6						
Age (mean)	38.2	35.9	35.8	34.6	33.6	33.5	41.9	40.2	40.0
Race and ethnicity									
Non-Hispanic White	51.4%	42.2%	45.3%	46.7%	35.7%	39.2%	56.1%	54.3%	56.4%
Non-Hispanic Black	20.9	38.3	34.7	30.4	45.3	41.5	11.1	25.3	22.5
Hispanic	14.1	17.8	17.7	15.9	17.9	17.6	12.2	17.7	17.8
Other race or race unknown	13.7	1.7	2.3	7.0	1.1	1.7	20.6	2.7	3.4
Number of children owed support									
One	52.1%	53.1%	53.9%	63.4%	58.0%	59.4%	40.4%	43.8%	43.9%
Two	30.0	26.7	26.7	23.1	24.5	24.2	37.2	30.8	31.1
Three or more	17.9	20.3	19.5	13.5	17.5	16.4	22.4	25.4	25.1
Number of custodial parents									
One	85.6%	78.1%	79.4%	82.3%	77.0%	78.2%	89.0%	80.3%	81.4%
Two	11.5	16.3	15.7	13.8	16.9	16.4	9.1	15.1	14.4
Three or more	3.0	5.6	5.0	3.9	6.1	5.4	2.0	4.7	4.2
Earnings									
Monthly earnings 2016 (mean)	$3,025	$300	$727	$2,229	$306	$717	$3,846	$290	$745
Monthly earnings 2016 (median)	2,542	186	605	1,903	200	589	3,299	158	635
Earnings Category									
No Earnings	7.5%	28.7%	18.5%	8.8%	26.3%	17.1%	6.1%	33.2%	20.8%
Earnings > 0 and < 75% FPL	14.9	57.2	36.7	19.9	59.5	38.7	9.7	52.8	33.1
Earnings >=75% and < 150% FPL	10.7	14.1	26.4	13.7	14.1	26.7	7.6	14.0	26.0
Earnings >=150% FPL	66.9	--	18.4	57.6	--	17.5	76.5	--	20.1
SNAP									
Income-eligible for SNAP (%)	31.5%	100.0%	77.6%	40.4%	100.0%	78.6%	22.3%	100.0%	75.8%
Mean Monthly SNAP benefit among recipients	34.6	191.5	170.4	170.6	191.5	170.6	170.1	191.5	170.1
Median Monthly SNAP benefit among recipients	34.0	194.0	194.0	194.0	194.0	194.0	194.0	194.0	194.0
N	103,762	27,026	42,080	52,693	17,624	27,087	51,069	9,402	14,993

Note: FPL is the federal poverty level.

sample to have only one child (40 percent). About one in seven (14 percent) of our overall sample had child support eligible children with more than one partner, and only 3 percent potentially owed support to three or more partners.[4] However, complex obligations were more common among lower income fathers and those with only nonmarital births. For example, among poor fathers with only nonmarital children, almost a quarter potentially owed support to more than one mother, and 6 percent potentially owed support to three or more mothers.

Finally, Table 1 shows median earnings and the distribution of earnings in categories most relevant for the simulations that follow. Median monthly earnings were considerably lower for fathers with only non-marital children ($1,903). Assuming a household size of 1, slightly less than a third of all father in our sample were income-eligible for SNAP. The percentage of fathers who were income-eligible for SNAP increases to 40 percent among those with only non-marital children.

3.2. Simulation Results

As discussed above, it is challenging to design child support policies that ensure that the basic needs of all family members—father, mother, and children—are met, especially in the context of complex families and given that many parents (both custodial and noncustodial) have limited economic resources. With this challenge in mind, we evaluate the consequences of alternative approaches to an SSR that reserves an initial set of resources for the noncustodial parents, before a child support order is determined. We first focus on the consequences of different SSR scenarios for child support order amounts and father economic well-being (income

[4]We do not generally have information for the children of noncustodial parents or custodial parents in new still-married or still-partnered families.

poverty based on amounts owed under different scenarios). We then compare economic well-being for each parent, given variation in the amounts of child support ordered under different SSR scenarios. By illustrating the consequences of each scenario for both fathers and mothers, we provide a more complete view than is available when considering only one perspective. As noted above, we also look separately at fathers with limited economic resources (incomes less than 200 percent of the federal poverty line), and those with only nonmarital children.

3.2.1. Child support orders

The simulations illustrate the potential impact of different policy options, and incorporate a number of simplifying assumptions:

- We assume noncustodial fathers pay, and custodial mothers receive, all child support ordered. To the extent that low-income noncustodial fathers are more likely to comply with lower child support orders (Meyer, Ha, & Hu, 2008; Cancian, Hodges, & Meyer, 2019; Takayesu, 2011), actual payments and receipts may decline less than orders when an SSR is applied. However, our simulations assume full compliance at all levels of support.
- We account for multiple partners, and in doing so assume that couples, and orders, are sequenced in the order of the birth of the oldest child in each sibship. This sequencing is relevant given Wisconsin child support policy for serial payers, which considers each subsequent order based on the income available after paying prior orders.
- We set orders based on father's earnings in 2015 (the year prior to the order), and calculate income poverty based on the resulting order (under each scenario) and 2016 earnings.[5]

Simulated child support orders for our full sample are shown in the first panel of Table 2. The four columns show orders based on (1) current Wisconsin guidelines without the low-income adjustment, (2) with the low-income adjustment, (3) with an SSR with a catch-up provision (up to 60 percent of income above the SSR dedicated to child support), and (4) an SSR with the child

[5]Consequently, noncustodial parents with substantial changes in earnings between 2015 and 2016 will have orders that are higher (if their earnings fell), or lower (if their earnings rose) than would be called for based on their 2016 earnings. This reflects how the child support system typically works, in which orders often do not change when income does (Ha, Cancian, & Meyer, 2010).

Table 2: Simulated child support orders

	Wisconsin guidelines, no adjustment	Low-income adjustment	Self-support reserve #1: 60% of income above FPL up to standard guideline amount	Self-support reserve #2: 17% of income above FPL
All Noncustodial Fathers				
Percentage owing $0	7.7%	7.7%	26.7%	26.7%
Mean order	$671	$662	$639	$485
Distribution of orders				
25th percentile	$187	$143	$0	$0
Median	508	504	497	301
75th percentile	907	907	905	671
Noncustodial Fathers with Only Nonmarital Children				
Percentage owing $0	9.3%	9.3%	35.0%	35.0%
Mean order	$452	$441	$413	$287
Distribution of orders				
25th percentile	$107	$71	$0	$0
Median	359	349	329	154
75th percentile	645	642	638	437
Noncustodial Fathers with Any Marital Children				
Percentage owing $0	6.1%	6.1%	18.1%	18.1%
Mean order	$896	$890	$873	$690
Distribution of orders				
25th percentile	$348	$336	$304	$133
Median	715	713	711	492
75th percentile	1181	1181	1180	931
Noncustodial Fathers with Income Less Than Twice the FPL				
Percentage owing $0	18.8%	18.8%	61.4%	61.4%
Mean order	$214	$196	$149	$82
Distribution of orders				
25th percentile	$15	$10	$0	$0
Median	138	95	0	0
75th percentile	312	293	256	93

Note: FPL is the federal poverty level.

support guideline applied only to income above the SSR. For the full sample, application of the low-income adjustment does not have a major effect on orders, but when we look except at the low end: the 25th percentile of orders falls from $187 to $143. The effect of the SSR with a catch-up provision is also most evident at the low end: the 25th percentile father owes no support (because his income is below the SSR threshold). In contrast, the second SSR scenario, which applies child support guidelines only to income above the SSR, substantially reduces orders at all levels. Fathers at the 25th percentile owe no support, but even those at the 75th percentile see orders decline to $671, from over $900 under each of the other three options.

The remaining panels of Table 2 show the same results for alternative samples. Comparing results for noncustodial fathers with only nonmarital children (panel 2) and those with any marital children (panel 3), we see similar patterns, though the level of orders is higher for those with any marital children (who on average have higher income). In fact, more than one-third of those with only nonmarital children have earnings below the poverty line, so owe nothing under the SSR. As expected, when we restrict the sample to noncustodial fathers with earnings below 200 percent of poverty (panel 4), the distribution of orders changes substantially with each of the four options. Application of the low-income adjustment reduces the mean order from $214 to $196, and substantially reduces the median order (from $138 to $95). Applying the two SSR options, mean orders fall even more—to $149 with the catch-up provision, and $82 without. Median orders fall to zero, most (61 percent) noncustodial fathers in Wisconsin in this lower-income category actually fall below the poverty line, and thus would owe no child support under either SSR scenario.[6]

[6]See Appendix Table 1 for simulated order amounts for additional subpopulations of noncustodial fathers.

3.2.2. Noncustodial father income before and after child support

Reducing child support orders and payments will increase noncustodial fathers' net incomes. Table 3 shows the consequence of alternative approaches to child support for the economic well-being of noncustodial fathers. Mirroring the declining size of orders (shown in Table 2), post-child support income increases with the application of the low-income adjustment, and with the first and second SSR scenarios.[7] Again, mirroring the results for child support orders, the differences are relatively modest when we consider all noncustodial fathers in our sample—post child support median income rises from $2,007 under current guidelines to $2,013 with the low-income adjustment, $2,030 with an SSR with a catch-up provision, and $2,227 with an SSR without a catch-up provision. The simulations show 26.1 percent of noncustodial fathers are below 100 percent of poverty before paying support. After paying child support, poverty rates rise under any of the four scenarios, but rise less with the two SSR scenarios. For example, the most generous SSR (with no catch-up) would cut the proportion of noncustodial fathers who fall below the poverty line due to child support by almost two thirds—from 4.6 percent (30.7-26.1) to 1.6 percent (27.7-26.1). These impacts are concentrated among low-income noncustodial fathers, as can be seen in the panel that follows. Appendix Table 2 shows income before and after child support for the samples of noncustodial fathers with only nonmarital children and those with any marital children.

[7]We code those with child support orders greater than earnings as having zero net earnings after paying support. This affects between 1.4 percent of noncustodial parents under SSR, Scenario 2 and 6.0 percent of noncustodial parents under the Wisconsin guidelines without the low-income adjustment.

Table 3: NCP income before and after child support

		After child support paid			
	Before child support paid	Wisconsin guidelines, no adjustment	Low-income adjustment	Self-support reserve #1: 60% of income above FPL up to standard guideline amount	Self-support reserve #2: 17% of income above FPL
All Noncustodial Fathers					
Percentage with zero income	7.5%	11.1%	10.6%	9.3%	8.5%
Mean income	$3,025	$2,366	$2,373	$2,394	$2,544
Distribution of income					
25th percentile	$922	$653	$678	$740	$819
Median	2,542	2,007	2,013	2,030	2,227
75th percentile	4,161	3,298	3,299	3,304	3,513
Income relative to poverty					
Below FPL	26.1%	30.7%	30.3%	29.2%	27.7%
Between FPL and 200% FPL	14.51	18.73	18.96	19.65	17.26
Noncustodial Fathers with Pre-Child-Support Income Less Than Twice the FPL					
Percentage with zero income	18.5%	27.4%	26.1%	22.8%	20.9%
Mean income	$727	$541	$556	$597	$655
Distribution of income					
25th percentile	$68	$0	$0	$18	$38
Median	605	389	413	467	531
75th percentile	1,299	989	1,011	1,074	1,176
Income relative to poverty					
Below FPL	64.2%	75.1%	74.1%	71.5%	68.0%
Between FPL and 200% FPL	35.8	25.0	25.9	28.5	32.0

Note: FPL is the federal poverty level.

3.2.3. Comparing noncustodial and custodial parent income

The simulation results discussed above show that application of an SSR, especially if there is no catch-up provision, can substantially increase the resources of low-income noncustodial fathers and reduce the proportion for whom payment of their child support obligations would reduce their income to below the federal poverty level. A variety of normative and practical issues underlie judgments regarding appropriate contributions of noncustodial fathers to their children. But, in weighing the tradeoffs, it is important to understand who bears the cost of lower child support orders. In particular, lower child support orders for low-income noncustodial fathers typically mean less child support available to custodial mothers and children.[8] Especially if poverty alleviation or equalizing the incomes of custodial and noncustodial parents is a goal of child support policy, it is important to understand whether the improvements to noncustodial parent economic well-being come at the expense of low-income custodial parents and children.

Table 4 shows the simulated impact of alternative approaches to the guidelines for fathers, and for mothers and children. Across all fathers, we see that median income after paying support is $2,007 under current guidelines without the adjustment, and $2,227 under the SSR with no catch-up provision, as was also shown on Table 3. Thus, median net income increases by $220 from the SSR with no catch-up. Considering the custodial mothers associated with these noncustodial fathers, median income is $1,774 under the Wisconsin guidelines with no

[8]While there is some evidence that noncustodial parents pay a higher proportion of lower orders (i.e. that compliance may increase as burden declines), child support payments generally increase with orders (Cancian, Hodges, & Meyer, 2019).

Table 4: Comparing noncustodial father and custodial mother income and poverty

		After child support paid			
	Before child support paid	Wisconsin guidelines, no adjustment	Low-Income Adjustment	Self-support reserve #1: 60% of income above FPL up to standard guideline amount	Self-support reserve #2: 17% of income above FPL
All Noncustodial Fathers					
Father's mean income	$3,025	$2,366	$2,373	$2,394	$2,544
Father's median income	2,542	2,007	2,013	2,030	2,227
Percentage below FPL	26.0%	30.7%	30.3%	29.2%	27.7%
Fathers with zero income	7.5	11.1	10.6	9.3	8.5
Fathers with income below 50% FPL	11.1	11.2	11.3	11.5	11.2
Fathers with income between 50% FPL and 100% FPL	7.5	8.4	8.4	8.4	7.9
Fathers with income between 100% FPL and 200% FPL	14.5%	18.7%	19.0%	19.7%	17.3%
Fathers with income above 200% FPL	59.5	50.6	50.7	51.2	55.1
Mother's mean income	$1,596	$2,230	$2,221	$2,198	$2,049
Mother's median income	1,214	1,774	1,764	1,737	1,586
Mothers with income < 100% FPL	58.2%	47.1%	47.3%	47.8%	50.8%
Mothers with zero income	24.1	2.2	2.2	7.1	7.1
Mothers with income below 50% FPL	18.0	25.8	26.0	21.8	25.9
Mothers with income between 50% FPL and 100% FPL	16.2	19.1	19.1	19.0	17.8
Mothers with income between 100% FPL and 200% FPL	25.5%	27.8%	27.6%	27.3%	26.6%
Mothers with income above 200% FPL	16.3	25.2	25.1	24.9	22.6
All Mothers with Pre-Child Support Income Below 200% FPL					
Mother's mean income	$727	$541	$556	$597	$655
Mother's median income	605	389	413	467	531
Fathers with income < 100% FPL	64.2%	75.1%	74.1%	71.5%	68.0%
Fathers with zero income	18.5	27.4	26.1	22.8	20.9
Fathers with income below 50% FPL	27.3	27.5	27.7	28.4	27.7
Fathers with income between 50% FPL and 100% FPL	18.5	20.2	20.4	20.3	19.5
Fathers with income between 100% FPL and 200% FPL	35.8%	25.0%	25.9%	28.5%	32.0%
Fathers with income above 200% FPL	0.0	0.0	0.0	0.0	0.0

(table continues)

Table 4, continued

		After child support paid			
	Before child support paid	Wisconsin guidelines, no adjustment	Low-Income Adjustment	Self-support reserve #1: 60% of income above FPL up to standard guideline amount	Self-support reserve #2: 17% of income above FPL
Mother's mean income	$1,244	$1,476	$1,459	$1,417	$1,346
Mother's median income	883	1,125	1,108	1,068	986
Mothers with income below FPL	66.6%	61.6%	62.0%	62.9%	64.5%
Mothers with zero income	26.1	5.1	5.1	15.3	15.3
Mothers with income below 50% FPL	22.3	37.6	38.0	28.9	30.7
Mothers with income between 50% FPL and 100% FPL	18.2	18.9	18.9	18.8	18.5
Mothers with income between 100% FPL and 200% FPL	23.7%	26.4%	26.1%	25.5%	24.7%
Mothers with income above 200% FPL	9.7	12.1	11.9	11.6	10.8

Note: FPL is the federal poverty level.

adjustment and $1,586 under the SSR with no catch-up, so median income decreases by $190.[9] With respect to poverty rates, 26 percent of noncustodial fathers, and 58 percent of associated custodial mothers have earnings below 100 percent of the poverty line prior to child support. The simulated payment of child support according to current guidelines (with no low-income adjustment) increases poverty among fathers to 30.7 percent, and decreases poverty among mothers and children to 47.1 percent; comparable figures for the Wisconsin guidelines with the low-income adjustment are 30.3 percent and 47.3 percent. Applying the SSR with no catch up provision results in 27.7 percent of fathers being poor, and 50.8 percent of mothers and child families being poor. In other words, when the SSR with no catch-up provision is implemented, compared to the Wisconsin guidelines without a low-income adjustment, 3.0 percent of noncustodial fathers are no longer poor, but 3.7 percent of custodial mother and child families fall below the poverty line. Appendix Table 3 shows impacts for alternative samples (i.e. fathers with only nonmarital children and fathers with marital children).

3.3. Sensitivity Tests

We conduct several sensitivity tests to further investigate the effects of an SSR in Wisconsin. In particular, we: (1) expand our sample to include noncustodial fathers with no earnings or SNAP benefits in 2015 and 2016; (2) estimate SSRs at two alternate thresholds (75 percent and 125 percent of federal poverty); (3) simulate an alternate SSR design; and (4) simulate orders and income accounting for expected SNAP benefits. We discuss the results of these analyses below.

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[9]The decreases for custodial mothers are not equal to the increases for noncustodial fathers because the number of parents considered differs, and because this table includes custodial mothers each time they are associated with a noncustodial father in our sample.

When we expand our sample of noncustodial fathers to include those with no earnings or SNAP benefits in 2015 or 2016, approximately one quarter of the expanded sample has no earnings, resulting in a decrease in mean and median earnings pre-child support to $2,434 and $1,798 respectively. As expected, this results in an increase in the number of noncustodial fathers who owe no child support under all scenarios, with 23 percent of noncustodial fathers owing no support under current Wisconsin guidelines and 41 percent with zero-dollar orders under both simulated SSRs. Under both SSRs, this increases the proportion of custodial mothers with no income after child support is paid to 11 percent, compared to 7 percent for our main sample.

Additionally, one policy decision that states must make is the level at which to set the SSR threshold—that is the earnings level below which income is disregarded. Our primary results use an SSR threshold of 100 percent of the federal poverty level, the most common earnings threshold employed. We also simulated the SSRs setting the threshold at 75 percent and 125 percent of the federal poverty level. We find that, as designed, the SSR level affects the number of noncustodial fathers who would owe $0 or an alternate amount under an SSR. Fewer noncustodial fathers, and by extension custodial mothers and children, are affected when the SSR is set at 75 percent of the federal poverty level, and a greater number are affected with a higher threshold. When we examine Scenario #1 compared with the SSR set at 100 percent of the federal poverty level, we find a 3.8-percentage point increase in noncustodial fathers who owe child support using a threshold of 75 percent of the federal poverty level, and a 3.8-percentage point decrease using 125 percent of the federal poverty level. This results, then, in a smaller proportion of custodial mothers with zero income using a threshold of 75 percent and a larger proportion using the higher threshold. This is more pronounced when we focus on low-

income noncustodial fathers. As indicated in the second panel of Table 4, under Scenario #1 at a threshold of 100 percent of the federal poverty level, 15.3 percent of custodial mothers connected to noncustodial fathers with income below 200 percent of the federal poverty level have no income after child support is paid. Whereas at a threshold of 75 percent of the federal poverty level, 13.4 percent have no income after child support is paid (not shown); at a threshold of 125 percent of the federal poverty level, 17.2 percent have no income after child support is paid (not shown).

Beyond different SSR threshold levels, our results are robust to a third SSR design. In addition to the two SSRs with simulation results shown here, we also simulated an SSR identical to SSR Scenario 1, but without the cap on the catch-up. In this scenario, once the noncustodial father's earnings are above the SSR, the noncustodial father owes the maximum amount possible to "catch up" to the guidelines order amount based on total earnings. Essentially, the noncustodial father owes all earnings above the SSR until the order amount accounts for what would have been owed in the absence of the SSR. We find very few differences between this design and SSR Scenario #1. The distributions of simulated order amounts and income after child support for both parents vary only slightly. For example, the estimates of the proportion of both fathers overall, and those with income below 200 percent of the federal poverty level, and the corresponding custodial mothers who are poor or near-poor after simulated child support differ by no more than one percentage point.

Our main results include simulated orders and income based solely on earnings. We do not incorporate other benefits, such as the Earned Income Tax Credit (EITC), which may be

particularly salient for our sample population. Ha, Cancian, & Meyer (2018)[10] do account for these benefits and find more substantial post-transfer differences in economic well-being particularly for non-marital custodial mothers and noncustodial fathers. When we include expected SNAP benefits in our measures of each parent's income, we find less of a gap in poverty levels between custodial mothers and noncustodial fathers. Under Scenario #2, with expected SNAP benefits included, we find a decrease in the proportion of custodial mothers with income below the poverty threshold (from 50.8 percent to 41.2 percent), and a smaller decrease in the proportion of poor noncustodial fathers (from 27.7 percent to 26.1 percent). This results in an eight percentage-point decrease in the difference in the poverty levels of custodial mothers and noncustodial fathers.

4. SUMMARY AND CONCLUSION

Recent federal regulations require states to consider the basic subsistence needs of noncustodial parents and, (at state discretion) custodial parents and children, in setting child support orders. One approach highlighted in the regulations is the use of a self-support reserve, which calls for setting aside an amount of income for the noncustodial parent's own needs before child support is assessed. SSRs necessarily trade off the economic well-being of noncustodial parents with that of custodial parents and children. But, only by considering matched pairs of noncustodial and custodial parents—that is, only by knowing the incomes of individual noncustodial parents and the custodial parent(s) associated with them—can we assess the impact on parents' relative well-being and poverty.

[10]Our sample differs from Ha, Cancian, and Meyer (2018) in some important ways. In particular, we use the stock of child support cases in 2016, while Ha and colleagues examine couples who had their first order child support order beginning in 2000. Additionally, the Ha sample is limited to noncustodial parents who owed to the same custodial parent over three (or more) years.

We use unique administrative data on matched pairs of Wisconsin parents to simulate child support orders and income under two SSR designs, and compare this with current Wisconsin guidelines, with and without a low-income adjustment. We find that noncustodial parents have higher average and median incomes than custodial parents overall. Application of an SSR would increase post-child support incomes, and reduce post-child support poverty, among noncustodial parents. But, it would also reduce the incomes, and increase the poverty, of custodial parents and their children. Because most low-income noncustodial parents owe support to low-income custodial parents, meeting the basic needs of one, often comes at a cost to the basic needs of the other.

Appendix Table 1: Simulated child support orders for NCPS with income <200% by marital/nonmarital children

	Wisconsin guidelines, no adjustment	Low-income adjustment	Self-support reserve #1: 60% of income above FPL up to standard guideline amount	Self-support reserve #2: 17% of income above FPL
All NCPs with Income < 200% FPL and Only Nonmarital Children				
Percentage owing $0	17.9%	17.9%	64.0%	64.0%
Mean order	$190	$171	$124	$64
Distribution of orders				
25th percentile	$16	$10	$0	$0
Median	124	83	0	0
75th percentile	281	263	221	69
All NCPS with Income < 200% FPL and Any Marital Children				
Percentage owing 0	20.3%	20.3%	56.8%	56.8%
Mean order	$257	$240	$194	$114
Distribution of orders				
25th percentile	$14	$9	$0	$0
Median	169	123	0	0
75th percentile	381	363	317	142

Appendix Table 2: NCP income before and after child support

		After child support paid			
	Before child support paid	Wisconsin guidelines, no adjustment	Low-income adjustment	Self-support reserve #1: 60% of income above FPL up to standard guideline amount	Self-support reserve #2: 17% of income above FPL
Only Nonmarital Children					
All NCPs with only nonmarital children					
Percentage with 0 income	8.8%	13.1%	12.4%	10.6%	9.7%
Mean income	$2,229	$1,787	$1,797	$1,822	$1,944
Distribution of income					
25th percentile	$555	$371	$396	$448	$501
Median	1,903	1,514	1,526	1,562	1,721
75th percentile	3,298	2,666	2,669	2,678	2,871
Income relative to poverty					
Below FPL	33.5%	38.7%	38.2%	36.9%	35.1%
>=FPL but < 200% FPL	18.0	21.7	22.0	22.9	20.7
All NCPs with pre-child support income < 200% FPL and only nonmarital children					
Percentage with 0 income	17.1%	25.5%	24.1%	20.6%	18.9%
Mean income	$717	$548	$564	$605	$658
Distribution of income					
25th percentile	$80	$0	$6	$37	$57
Median	589	403	424	480	534
75th percentile	1,270	992	1,016	1,077	1,170
Income relative to poverty					
Below FPL	65.1%	74.9%	74.0%	71.4%	68.2%
>=FPL but < 200% FPL	34.9	25.1	26.0	28.6	

(table continues)

Appendix Table 2, continued

	Before child support paid	After child support paid			
		Wisconsin guidelines, no adjustment	Low-income adjustment	Self-support reserve #1: 60% of income above FPL up to standard guideline amount	Self-support reserve #2: 17% of income above FPL
Any Marital Children					
All NCPs with any marital children					
Percentage with 0 income	6.1%	9.1%	8.8%	7.9%	7.2%
Mean income	$3,846	$2,963	$2,968	$2,983	$3,161
Distribution of income					
25th percentile	$1,628	$1,195	$1,209	$1,257	$1,416
Median	3,299	2,565	2,566	2,573	2,793
75th percentile	5,071	3,950	3,951	3,952	4,175
Income relative to poverty					
Below FPL	18.4%	22.4%	22.1%	21.3%	20.0%
>=FPL but < 200% FPL	11.0	15.7	15.8	16.3	13.7
All NCPs with pre-child support income < 200% FPL and any marital children					
Percentage with 0 income	20.8%	30.8%	29.8%	26.9%	24.5%
Mean income	$745	529	543	583	649
Distribution of income					
25th percentile	$46.25	$0	$0	$0	$5
Median	635	368	391	443	523
75th percentile	1,351	985	1,004	1,070	1,188
Income relative to poverty					
Below FPL	62.7%	75.3%	74.4%	71.7%	67.8%
>=FPL but < 200% FPL	37.3	24.7	25.6	28.3	32.2

Appendix Table 3: Comparing NCP and CP Income and Poverty

	Before child support paid	After child support paid: Wisconsin guidelines, no adjustment	After child support paid: Low-income adjustment	After child support paid: Self-support reserve #1: 60% of income above FPL up to standard guideline amount	After child support paid: Self-support reserve #2: 17% of income above FPL
Only Nonmarital Children					
All NCPs with only nonmarital children					
NCP Mean income	$2,229	$1,787	$1,797	$1,822	$1,944
NCP Median income	1,903	1,514	1,526	1,562	1,721
NCP % with income < 100% FPL	33.4%	38.7%	38.2%	36.9%	35.1%
NCPs % with zero income	8.8	13.1	12.4	10.6	9.7
NCPs % with income < 50% FPL	14.9	14.9	15.0	15.5	15.2
NCP % with income >= 50% FPL and < 100% FPL	9.8	10.7	10.8	10.7	10.2
NCP % with income >= 100% FPL and < 200% FPL	18.0%	21.7%	22.0%	22.9%	20.7%
NCP % with income > 200% FPL	48.6	39.6	39.8	40.3	44.2
CP Mean income	$1,352	$1,797	$1,786	$1,758	$1,634
CP Median income	1,060	1,473	1,461	1,433	1,306
CP % with income <100% FPL	62.4%	52.7%	53.0%	53.7%	56.6%
CPs % with zero income	23.1	2.4	2.4	8.2	8.2
CPs % with income < 50% FPL	21.0	29.9	30.2	25.2	29.1
CP % with income >= 50% FPL and < 100% FPL	18.3	20.3	20.3	20.2	19.3
CP % with income >= 100% FPL and < 200% FPL	25.7%	29.3%	29.1%	28.6%	27.7%
CP % with income > 200% FPL	12.0	18.1	18.0	17.7	15.7
All NCPs with pre-child support income < 200% FPL and only nonmarital children					
NCP Mean income	$717	$548	$564	$605	$658
NCP Median income	589	403	424	480	534
NCP % with income < 100% FPL	65.1%	74.9%	74.0%	71.4%	68.2%
NCPs % with zero income	17.1	25.5	24.1	20.6	18.9
NCPs % with income < 50% FPL	29.0	28.9	29.2	30.1	29.5
NCP % with income >= 50% FPL and < 100% FPL	19.0	20.5	20.7	20.6	19.8
NCP % with income >= 100% FPL and < 200% FPL	34.9%	25.1%	26.0%	28.6%	31.8%
NCP % with income > 200% FPL	--				
CP Mean income	$1,178	$1,391	$1,374	$1,331	$1,265
CP Median income	879	1,096	1,078	1,040	965
CP % with income <100% FPL	67.6%	62.5%	63.0%	64.1%	65.6%
CPs % with zero income	24.0	4.5	4.5	14.4	14.4
CPs % with income < 50% FPL	24.1	37.9	38.3	29.6	31.5
CP % with income >= 50% FPL and < 100% FPL	19.5	20.2	20.2	20.1	19.8
CP % with income >= 100% FPL and < 200% FPL	24.1%	27.1%	26.8%	26.0%	25.2%
CP % with income > 200% FPL	8.3	10.3	10.2	9.9	9.2

(table continues)

Appendix Table 3, continued

	Before child support paid	After child support paid: Wisconsin guidelines, no adjustment	After child support paid: Low-income adjustment	After child support paid: Self-support reserve #1: 60% of income above FPL up to standard guideline amount	After child support paid: Self-support reserve #2: 17% of income above FPL
Any Marital Children					
All NCPs with any marital children					
NCP Mean income	$3,846	$2,963	$2,968	$2,983	$3,162
NCP Median income	3,299	2,565	2,566	2,573	2,793
NCP % with income < 100% FPL	18.4%	22.4%	22.1%	21.3%	20.0%
NCPs % with zero income	6.1	9.1	8.8	7.9	7.2
NCPs % with income < 50% FPL	7.1	7.4	7.4	7.5	7.2
NCP % with income >= 50% FPL and < 100% FPL	5.2	6.0	6.0	5.9	5.6
NCP % with income >= 100% FPL and < 200% FPL	11.0%	15.7%	15.8%	16.3%	13.7%
NCP % with income > 200% FPL	70.6	62.0	62.1	62.4	66.3
CP Mean income	$1,868	$2,713	$2,707	$2,689	$2,513
CP Median income	1472	2221	2214	2192	2022
CP % with income <100% FPL	53.6%	40.8%	40.9%	41.2%	44.3%
CPs % with zero income	25.2	2.0	2.0	5.8	5.8
CPs % with income < 50% FPL	14.6	21.1	21.2	17.9	22.4
CP % with income >= 50% FPL and < 100% FPL	13.7	17.7	17.7	17.6	16.2
CP % with income >= 100% FPL and < 200% FPL	25.3%	26.1%	26.0%	25.8%	25.4%
CP % with income > 200% FPL	21.2	33.1	33.1	32.9	30.2
All NCPs with pre-child support income < 200% FPL and any marital children					
NCP Mean income	$745	$529	$543	$583	$649
NCP Median income	635	368	391	443	523
NCP % with income < 100% FPL	62.7%	75.3%	74.4%	71.7%	67.8%
NCPs % with zero income	20.8	30.8	29.8	26.9	24.5
NCPs % with income < 50% FPL	24.2	25.0	24.9	25.3	24.4
NCP % with income >= 50% FPL and < 100% FPL	17.7	19.6	19.8	19.6	18.9
NCP % with income >= 100% FPL and < 200% FPL	37.3%	24.7%	25.6%	28.3%	32.2%
NCP % with income > 200% FPL	0	0	0	0	0
CP Mean income	$1,368	$1,635	$1,619	$1,578	$1,496
CP Median income	888	1,189	1,176	1,142	1,037
CP % with income <100% FPL	64.8%	59.7%	60.0%	60.7%	62.5%
CPs % with zero income	30.1	6.2	6.2	16.9	16.9
CPs % with income < 50% FPL	18.9	37.1	37.4	27.5	29.4
CP % with income >= 50% FPL and < 100% FPL	15.8	16.5	16.5	16.3	16.2
CP % with income >= 100% FPL and < 200% FPL	22.8%	25.0%	24.9%	24.6%	23.7%
CP % with income > 200% FPL	12.4	15.3	15.1	14.8	13.8

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