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UNIVERSITY OF WISCONSIN-MADISON

Holding Child Support Orders of Incarcerated Payers in Abeyance: Final Report

2009-2011 Child Support Policy Research Agreement Task 1

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September 2012

Purpose

- All states required to conduct reviews of their guidelines every four years
- Treatment of incarcerated payers has been a “hot” topic nationally
- Research plan established to inform Wisconsin policy
 - Information about national conversation
 - “Exploitation” of a natural experiment in Wisconsin

Where does this final report fit?

- This is the final in a series of reports completed under the plan. It:
 - Consolidates previously presented information
 - Updates our methodology
 - Addresses outcomes
 - Discusses the implications of the information presented
- Report series
 - First report set the national context, focusing on policy and practice options and their implications (12/2006)
 - Second report shifted focus to a study designed to measure the impact of suspending child support orders during incarceration on subsequent earnings and child support payments (11/2007)
 - Third and fourth reports discussed preliminary findings from quantitative as well as qualitative analyses (12/2009)
 - Fifth report updated information provided in 2006 regarding state policy choices (12/2011)

Wisconsin's Current Policy Context

- Child Support Bulletin 13-04 (February 2013)
- Upon request of an incarcerated payer:
 - Local child support agencies must evaluate the case to determine if a review is appropriate
 - Review is to determine ability to pay considering assets, income and length of incarceration
- Bulletin states policy developed in response to concerns about “equal treatment and fairness”

Outline

- Background (National and Wisconsin-specific)
- Research Design
- Sample Characteristics
- Results
- Overall Conclusions
- Other Observations
- Next Steps

Background:

To what extent are NCPs incarcerated?

- No national data base
- In 2007:
 - 53.3 percent of state and federal prisoners reported having a child under the age of 18
 - 48 percent of prisoners who were parents reported they did not live with at least one child in the month before or just prior to their arrest (Glaze & Maruschak, 2008)
- State-level data indicates that 20-30 percent of inmates and parolees are involved in the child support system (Griswold & Pearson, 2003)

Background:

What are the consequences of incarceration?

- Substantially decreases the income available from which child support can be paid
- Lack of payment leads to an accumulation of arrears (and adds to the arrears that may have existed at the time of incarceration)
- Interest and penalties further add to the debt

Background:

What are the implications for individuals?

- NCP
 - Upon release, may face a significant debt that could contribute to re-entry challenges and discourage participation in the formal economy
- Custodial Parent
 - Does not receive child support while NCP is incarcerated
 - May also not receive payments subsequent to release

Background:

What are the implications for systems?

- Child Support Enforcement System
 - Ability to collect current support, reduce current arrears and prevent accumulation of additional debt may be compromised
- Correctional System
 - Ability to minimize recidivism may be compromised due to increased barriers to ex-offender's successful re-entry into society

Key Decision

Does incarceration constitute a “substantial change of circumstances” for the purposes of order review and adjustment as allowed under federal law?

[42. U.S.C. § 666(a)(10)(B)]

Background:

What choices have states made?

- 15 states (including Wisconsin prior to 2013): incarceration is one possible factor among many that could lead to order modification
- 17 states: incarceration is not a reason to modify an order
- 18 states: incarceration is in and of itself a reason to consider order modification

(Noyes, 2006 updated by Meyer & Warren, 2011)

Background:

What other policies have been pursued?

- New order establishment
- Treatment of income earned while in prison
- Approaches to re-entry
- Treatment of arrears
- Treatment of interest

Background:

Why are there policy differences?

- Trying to balance different perspectives
 - Incarcerated NCPs
 - Similarly situated but not incarcerated NCPs
 - Custodial parents
 - Child support enforcement system
 - Correctional system
 - Judicial system

Example:

Differences in Perspectives About Payers

- Pre-incarceration behavior
 - Should the unemployment resulting from incarceration be considered voluntary or involuntary?
- During incarceration
 - Should all incarcerated payers be treated the same?
- Post-incarceration
 - Should perceived barriers to re-entry be minimized?

Background:

What has been the effect of policies and practices?

- Studies to date have:
 - Described relationships between the child support and correctional systems
 - Focused on input and process measures
 - Identified barriers to policy implementation
- As a result, little is known about long-term effects of different policies and practices

Wisconsin: Key Question of Interest

- Do NCPs with suspended orders during incarceration have **better** post-incarceration outcomes?
 - Reduced arrears (a mechanical effect)
 - Improved child support compliance
 - Higher earnings in the formal economy
- To evaluate outcomes, we need to ask: **better** than whom?

Wisconsin: Variation in County Practice

- There was variation in policies and practices regarding modification of orders for incarcerated NCPs in Wisconsin's counties
- Based on interviews, counties fell within three categories:
 - Proactive (Milwaukee County)
 - Mixed (n = 12)
 - Reactive (n = 59)

Milwaukee Prison Project

- Grew out of an effort to locate non-paying parents
- Incarcerated NCPs eligible if they:
 - Have an open child support order
 - A release date prior to youngest child's emancipation and at least seven months in the future
 - Are not serving time for felony nonsupport or for a crime against the custodial parent or the child
- Broad scale implementation began in 2005

Research Design: Statewide Analysis

- Compare outcomes for fathers statewide before and after policy implementation
- How?
 - “Difference in difference” design
 - Before/after Milwaukee Prison Project implementation
 - Milwaukee/non-participating counties
 - Before/after Prison Project (in Milwaukee) comparison assumes Prison Project was the only important change over time
 - Milwaukee/non-participating counties assumes Prison Project was the only important difference across counties
 - Comparing before/after differences across counties gives us more confidence in our conclusions

Research Design: Within Milwaukee Analysis

- Compare outcomes for fathers in Milwaukee County with and without modified orders
- How?
 - Controlling for other observable differences using multiple regression
 - Using a propensity score matching strategy designed to adjust for differences between participants and nonparticipants before estimating the effect of order modification
 - “Trimming” the samples created by using propensity score matching to include those NCPs with the best matches

Sample Size

Table 2. Final Sample of Fathers Meeting Eligibility Criteria

	Milwaukee	Control	Total
Cohort 1	1,345	1,009	2,354
Cohort 2	1,520	1,148	2,668
Total	2,865	2,157	5,022

Note: Only 32 percent of the 1,520 fathers identified as potential eligible for the Milwaukee Prison Project were actually treated.

Sample Characteristics: Cohorts 1 (Before) and 2 (After)

- Data drawn from DOC, KIDS, UI
- Compare across cohorts and counties
- Cohorts: Few major differences between Cohort 1 and Cohort 2
- Counties: Control county cases are more likely to be white, married, have fewer children, have fewer female partners

Sample Characteristics: Milwaukee Cohort 2 (After)

- Data drawn from DOC, KIDS, UI
- Compare within Cohort 2, Milwaukee
- Within Cohort 2: Differences between those who participated and those who did not
- Participants are more like to have more than one child, less education, longer periods of incarceration, and more female partners

Results

- Arrears
- Child Support Orders
- Earnings
- Child Support Payments

Effects on Arrears

- Statewide analysis
 - No statistically significant differences across cohorts, counties, and incarceration status
- Within Milwaukee analysis
 - Statistically significant differences in total arrears and principal at release and one year after exit for those who participated in the Milwaukee Prison project

Arrears: All Model Results

Table 5a. All Model Results - Arrears

	Full Sample DDD	Milwaukee Cohort 2			
		Multiple Regression Full Sample	Propensity Score Matching		
			Matched Sample	0.2 < Pscore < 0.8	
Sample Size^a	10,044	1,520	972	778	
Total Arrears					
At Release	-\$1,020	-\$3,011 ***	-\$3,301 **	-\$5,455 ***	
Second Year of Exit	-\$2,111	-\$4,066 ***	-\$4,475 ***	-\$6,705 ***	
Principal Only					
At Release	-\$1,171	-\$2,239 ***	-\$2,641 ***	-\$3,904 ***	
Second Year of Exit	-\$2,028	-\$2,848 ***	-\$3,342 ***	-\$4,610 ***	

* p < .10; ** p<.05; *** p<.01.

^aBecause the final quarter could not be observed for 115 fathers in Milwaukee and 69 fathers in control counties at the time our analyses were completed, the sample size for all second year outcomes in Milwaukee County is 1,405; for control counties, 1,079.

Effect on Child Support Orders

- Statewide analysis
 - Statistically significant differences in mean order amounts at release and one year after exit across cohorts, counties, and incarceration status
- Within Milwaukee analysis
 - Statistically significant differences in mean order amounts at release and one year after exit for those who participated in the Milwaukee Prison project

Effect on Earnings

- Statewide analysis
 - No statistically significant differences in employment and earnings across cohorts, counties, and incarceration status
- Within Milwaukee analysis
 - No statistically significant differences in employment and earnings for those who participated in the Milwaukee Prison project

Effect on Payments

- Statewide analysis
 - Statistically significant difference in likelihood of payment and the amount paid in the first year following release across cohorts and counties
- Within Milwaukee analysis
 - No statistically significant difference in likelihood of payment and the amount paid in the first year following release for those who participated in the Milwaukee Prison project

Overall Conclusions

- Findings are mixed but provide suggestive evidence that the Milwaukee Prison Project improved the child support outcomes of interest (but with no discernible effect on employment)
- Specifically, post-policy implementation, we find some evidence of:
 - Lower arrears at and one year after release
 - Lower child support orders
 - Greater likelihood of child support payments
 - Higher payment amounts

Other Observations

- Competing interests and perspectives
- Shifting policy landscape
 - Pre-incarceration behavior versus post-incarceration outcomes (or do the ends justify the means?)
 - Influence of the *Turner v. Rogers* decision
- Implementing change
 - Proactive vs. reactive
 - Administrative vs. judicial
 - Resumption of obligations

Next Steps

- Task I, 2012-2014 Child Support Research Agreement: local adoption and implementation of Child Support Bulletin 13-04
- Main components:
 - Analyzing administrative data to estimate the extent to which order modifications have occurred
 - Conducting interviews to determine the extent to which the policy has been adopted and perspectives on how it is working
- Report due December 2014