

## **Child Placement Arrangements and Post-Divorce Economic Outcomes**

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## **Abstract**

This report examines differences in post-divorce economic well-being for Wisconsin parents with different placement outcomes, focusing primarily on differences between parents with shared compared to sole mother placement, and primarily on mothers' outcomes. We consider earnings and income-to-poverty ratios, and focus on absolute levels of economic well-being, changes from pre- to post-divorce well-being, and estimates of the causal impacts of shared placement on economic outcomes. Mothers with shared placement have higher earnings than their sole-placement counterparts, and higher income-to-poverty ratios, both before and after divorce. Between the pre- and post-divorce periods, mothers with shared placement experience larger increases in earnings, but also larger declines in income-to-poverty ratios, compared to mothers with sole placement. Multivariate analyses consider whether these relationships are causal. Results provide some evidence that shared placement may contribute to an increase in mothers' earnings after divorce, relative to mothers with sole placement; the effect of shared placement on income-to-poverty ratios is less clear, and depends substantially on assumptions about the actual costs of children to parents with shared placement arrangements. So long as there are at least some reductions in costs to parents with shared compared to sole placement, it is unlikely that shared placement has led to decreased economic well-being among mothers compared to what they would have experienced with the more traditional sole-mother placement arrangements. Our findings with regard to economic outcomes of shared placement pertain to the kinds of cases in which shared placement is currently used, and would potentially differ if shared placement were more extensively used in different kinds of families, including families with lower pre-divorce incomes.

## **Child Placement Arrangements and Post-Divorce Economic Outcomes**

### **INTRODUCTION**

Research in Wisconsin has documented dramatic changes in children's post-divorce placement arrangements. The most recent data show over 45 percent of divorces involving children result in shared placement, in which the children spend at least 25 percent of their time with each parent—an increase from 14 percent of cases in the early 1990s (Cancian, Meyer, Brown, & Cook, 2014). Placement outcomes differ widely by income, with shared placement ranging from 11 percent among the lowest-income parents to 67 percent among those with the highest income (Brown & Cook, 2012). Placement arrangements may have important effects on economic outcomes, both by altering the degree to which resources are transferred between parents' households, but also by potentially affecting parents' employment patterns and their need and eligibility for public assistance. Virtually no research to date has attempted to assess causal impacts of placement arrangements on economic outcomes. This report addresses the question of whether and to what extent shared placement is associated with different economic outcomes for parents relative to sole mother placement, and also assesses the extent to which shared placement appears to play a causal role.

### **BACKGROUND**

Divorce has long been recognized as economically harmful to women, both overall and relative to men. Mothers, on average, experience larger drops in their standard of living post-divorce than do fathers, and divorced women as a group are much worse-off economically than are divorced men (see, e.g., Bartfeld, 2000; Bianchi, Subaiya, & Kahn, 1999; Bradbury & Katz, 2002; Gadalla, 2008; Gadalla, 2009). This stems, in part, from what had long been the normative arrangement of children living with mothers following divorce, with costs associated with children a factor in parents' differential outcomes. At the same time, child support from nonresident parents has also played a role in offsetting divorced mothers' child-related economic costs (Bartfeld, 1997; Bartfeld, Ahn, & Ryu, 2011). The shift in recent years away from traditional mother placement arrangements, and the concurrent increase in the prevalence of shared

placement arrangements, has changed the economic calculus of divorce in ways that are only beginning to be explored.

The growth in shared placement in Wisconsin has been well documented. Rates of shared placement in divorce cases in Wisconsin more than tripled between the 1990 to 1993 period and 2007, increasing from 14.2 percent to 45.4 percent of divorces over the 17-year span (Cook & Brown, 2006; Brown & Cook, 2012). Growth in equal-shared placement was the most pronounced, with five-fold growth over the period—from 5.7 percent to 30.5 percent (Brown & Cook, 2012). The rise in shared placement has been accompanied by a concomitant decline in traditional sole mother placement arrangements—from 74.6 percent to 45.7 percent over the same period.

While shared placement is now widely used, there remain substantial differences across income groups—with increasing polarization between relatively higher income families, where the growth in shared placement has been the most dramatic, and relatively lower income families, where change has been slower (see Bartfeld, 2011 for summary of recent placement trends). Looking across income categories, the prevalence of shared placement during 2006 to 2007 ranged from 11 percent among households with pre-divorce income below \$25,000, to a high of 64 percent among households with pre-divorce income over \$150,000 (Brown & Cook, 2012). The differences are not unexpected, given that shared placement is more expensive than sole placement due to the duplication of fixed costs associated with children; the arrangement is, presumably, more economically feasible when more collective income is available.

While trends and patterns among placement outcomes have been well documented in Wisconsin, there has been far less attention to the economic implications of different placement arrangements. Placement could affect economic well-being in at least three broad ways. First, it is clearly relevant to direct costs incurred. There are both fixed costs (such as housing) and variable costs (such as food) associated with a child living in the home—and the variable portion, at least, is reduced with shared compared to sole placement, from the perspective of the sole-placement parent. Placement arrangements also have important implications for child support payments and receipts. Almost all states, including

Wisconsin, explicitly address shared placement in their child support guidelines (Brown & Brito, 2007). In Wisconsin, like many states, there are significant reductions in support obligations in shared compared to sole placement arrangements. As such, there are competing financial effects of shared placement: mothers will presumably have lower direct expenses if the children live part-time rather than full-time in the home, but they can also expect lower child support receipts. Complicating matters further, placement arrangements may have effects on parents' employment and earnings, in that they alter the time constraints facing parents who are balancing employment and parenting. Past work, simplified in that it treated income as fixed regardless of placement arrangements, found that mothers with shared placement fared somewhat worse economically than they would have under a standard sole placement outcome, although the differences were small and varied with assumptions about how costs were shared between homes under different time sharing arrangements (Bartfeld, Brown, & Ahn, 2009). That work found that equal shared placement was more detrimental to mothers than mother primary placement (that is, shared placement in which the child(ren) spend between 51–75 percent of time with the mother), and under certain assumptions about child costs, there was a small improvement in economic well-being under mother primary shared placement relative to sole mother placement (Bartfeld, Brown, & Ahn, 2009).

This report adds to our understanding of the economic implications of placement arrangements by addressing the question of whether and to what extent shared placement leads to different economic outcomes for parents relative to sole mother placement, focusing both on earnings and on income-to-poverty ratios. Note that the relationship between placement and economic outcomes is not necessarily the same for the two economic outcomes in question (earnings and income-to-poverty ratios); earnings are one factor in income-to-poverty ratios, but income from other sources, notably child support, plays a role, as do differences in child-related costs between households with different placement types. Thus, we look explicitly at both earnings and income-to-poverty ratios in considering economic outcomes. While some of our analyses focus on both mothers and fathers, other analyses are limited to mothers because of data limitations.

## DATA AND METHODS

### Data and Sample

Our sample consists of parents drawn from divorce cases in Cohorts 24 through 27 of the Wisconsin Court Record Database, coming to court between July 2003 and June 2007. The sample is limited to parents with at least one child born as of the time the case initially came to court (the petition date), and for whom two full years of income data (described below) following the divorce are available. It is further limited to cases with unambiguous placement arrangements, and excludes a small number of cases in which placement differs among children, and cases that are missing a social security number for one or both parents (required for matching with earnings records).

The Court Record Database includes detailed information on physical placement arrangements at the time of the final divorce judgment. Almost all of the parents in these cohorts came to court for a final divorce judgment after the January 2004 change in the Wisconsin administrative guidelines, which changed both the threshold and the formula for calculating child support in shared placement cases. The threshold of time defining shared placement was lowered, and thus a larger percentage of divorce cases are now affected than in the past. Our focus on cases that entered the system after the guidelines change ensures that the outcomes are as relevant as possible to the current policy context. In addition to the court record data, we draw on several other datasets for our analyses: KIDS data are used to determine child support and maintenance payments and receipts; CARES data are used to calculate public assistance benefits, including cash benefits from Wisconsin's Temporary Assistance for Needy Families program Wisconsin Works (W-2) and the value of FoodShare received; and wage records from Unemployment Insurance data are used to determine quarterly earnings for jobs in Wisconsin.

Our final sample includes 2,978 couples. We classify the cases according to placement arrangements, differentiating between sole mother placement, shared placement, and sole father placement. Within the shared placement group, we further classify cases as either mother primary, equal

shared, or father primary. Shared placement cases are defined as those in which the final judgment specifies that the child spends at least 25 percent of time with each parent.

## Methods

Our analysis addresses the following questions:

- How do pre-divorce economic circumstances differ among households that subsequently receive different placement outcomes?
- How do post-divorce economic circumstances differ among parents with different placement outcomes, looking separately at mothers and fathers?
- How do economic circumstances change from the pre-divorce to post-divorce period, among parents with different placement outcomes, looking separately at mothers and fathers?
- Is shared placement associated with differences in mothers' post-divorce earnings and/or needs-adjusted incomes, relative to sole mother placement, after controlling for measurable differences between groups? Is there a causal relationship between placement and subsequent economic outcomes?

### *Measuring Income and Economic Well-Being*

We consider several different measures of economic well-being:

*Total income:* We use an expanded definition of income that includes earnings as reported in the Unemployment Insurance wage record data; cash assistance from W-2; the dollar value of FoodShare; and net private transfers (receipts minus payments). Private transfers include child support and maintenance and family support associated with the current divorce; to the extent possible we also include support payments and receipts associated with other children, although we only know of those if they stem from a child support case in Wisconsin and are paid through the courts. All income amounts are adjusted to 2010 dollars using the Consumer Price Index.

*Income-to-poverty ratio (two different measures):* To construct the income-to-poverty ratio, we divide the total income of each parent by the poverty line corresponding to that parent's household size, for the appropriate year. In the case of parents with sole placement, determining the household size and thus the appropriate poverty line is straightforward. In the case of shared placement—where children by definition live in both of their parents' separate homes—determining the household size and the

appropriate poverty line is less clear. Following our past work in this area (Bartfeld, Brown, & Ahn, 2009; Bartfeld, Ahn, & Ryu, 2011), we consider two alternative ways of defining household size in such cases. The first counts shared placement children as members of both mothers' and fathers' households, since both households are likely to have substantial fixed costs even though the children do not live full time in either home. The second definition counts shared placement children in proportion to their time in each household, based on the court order, such that a child with equal shared placement would count as a 0.5 member of each household.

We consider two different income-to-poverty ratios, reflecting the two different household sizes (one with children allocated in full to both households, one with children allocated in proportion to their time in each household). In the latter case, where household sizes are not always whole numbers, we impute the appropriate poverty line proportionally to the household size. For instance, for a household with 1.5 members (such as a parent and 1 child with equal shared placement), we impute a poverty line midway between the 1-person and 2-person line.

The first measure assumes all child-related costs are fixed, and thus, that the cost of a child is constant as long as the child lives at least 25 percent of the time in the household. This assumes, then, complete duplication of costs in shared placement cases. The second measure assumes all child-related costs are proportional to time in the household, and thus no duplication of costs in shared placement cases. We view these as upper and lower bounds on the costs of children. A reasonable assumption is that some child-related costs are fixed and do not depend on the specific share of time in the home, whereas other costs are proportional to time in the home, such that the "true" measure of economic well-being lies between the two measures that we report.

#### *Limitations of Economic Well-Being Measures*

Our measures of well-being—regardless of the poverty threshold used—are imperfect. With regard to household size and composition, we do not have a household roster. We assume that each parent's household consists of the parent, any children that are not also children of the other parent in the



case, and the children associated with the current divorce case according to the terms of court-ordered placement arrangements. We include children in the household through the quarter in which they turn 18. With regards to the presence of children outside of the marriage, we do not know whether these children live in the parent's home, but count them as such under the assumption that the parent likely incurs some costs for them regardless of where they live. Such children have very little effect on our measures of household size and economic well-being. We have no information about other adults who may be in the household, including those who live there due to cohabitation or remarriage. And, we have no information about income associated with other adults, or income from any sources other than those explicitly listed above. We also do not consider the fact that actual living arrangements of children may vary from those in the order. Because of these limitations, our measures of economic well-being are best understood as the level of economic well-being achievable by the parents for themselves and their court-ordered resident children following divorce, on the basis of their personal incomes from earnings, child support and maintenance, FoodShare, and W-2.

As noted, we do not have a comprehensive record of income sources. The most important missing sources of income include earnings from outside of Wisconsin, self-employed earnings, unemployment compensation, and investment income. This is relevant to the calculation of mothers' and fathers' incomes, and means that we are likely underestimating economic well-being, and potentially overestimating declines in income from pre- to post-divorce. We expect the issue of missing income due to out-of-state earnings to be disproportionately relevant to fathers in cases in which the mothers have sole placement, as we expect mobility out of Wisconsin to be most important for that group, an issue we note when relevant in our discussion of results. While we often know if parents have moved out of state as of the final judgment if that information is in the court record, we do not have information about whether parents move in the post-divorce period.

*Modeling Post-Divorce Earnings*

We estimate a series of models to explore the relationship between placement and mothers' post-divorce earnings, using three different strategies to measure the effect of shared relative to sole mother placement. Because of the differential likelihood of missing earnings data due to out-of-state earnings (and thus false zeros) for fathers when mothers have sole placement, and the substantial bias that would introduce to our analysis, we limit our multivariate analyses to mothers' outcomes.<sup>1</sup> In order to focus the analysis on the most relevant comparison groups, we exclude two subgroups from our regression sample: couples with father primary placement and couples with sole father placement, which together comprise less than 10 percent of the sample. Thus our models address, specifically, the extent to which economic outcomes in equal and mother primary shared placement cases differ from those in sole mother placement cases. We combine the two shared placement groups, though also conduct sensitivity tests to assess whether outcomes differ between them.

Our baseline model is an ordinary least squares regression of post-divorce earnings (separately for year one and year two post-divorce), where we control for a wide range of attributes that may be correlated with both placement and economic outcomes, with an indicator variable denoting shared placement as our key policy variable of interest. In addition to mothers' pre-divorce earnings and earnings squared (to allow for nonlinearities), we control for both parents' pre-divorce employment status, pre-divorce household welfare receipt (W-2 or FoodShare), prior marriages and children to both parents, length of marriage, mothers' age, number of children from the marriage, legal representation in the divorce, which parent was the plaintiff in the divorce, and the year of the final judgment. Conceptually, this model reveals the difference in post-divorce earnings between mothers who have comparable pre-divorce earnings profiles and who are likewise comparable in terms of numerous other characteristics as detailed above, but who differ in placement outcome. To the extent that we have adequately controlled for

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<sup>1</sup>We discuss this issue in the descriptive results, as those results contribute to our concern over disproportionate missing income for fathers with sole mother placement.

underlying differences between households that have different placement outcomes, the shared coefficient placement can be interpreted as causal.

We also consider two primary strategies to control for unmeasured differences between parents with different placement outcomes, which might otherwise bias our interpretation of the relationship between placement and subsequent earnings. First, rather than including a variable for shared placement, we instead include a variable denoting the share of divorce cases in the county with shared placement. This model addresses the question of whether mothers' earnings, net of pre-divorce differences in earnings and other attributes, differ systematically in counties in which use of shared placement is more common. This has the effect of removing unmeasured differences within counties between cases with different placement types. While there are certainly other ways counties differ besides in their prevalence of shared placement, those other differences would only bias our results to the extent they are correlated with both the prevalence of shared placement and with post-divorce earnings.

Finally, we use a two-stage instrumental variable approach to try to control for unmeasured differences between parents with different placement outcomes. Instrumental variable models require an "instrument", or a variable that influences the "treatment" (in this case placement type) but has no effect (other than indirectly through an effect on the treatment) on the outcome of interest (in this case mothers' earnings). We estimate a probit two-stage least squares regression model in which we first model the probability of having shared placement, and use those predicted probabilities in lieu of actual placement as the key independent variable in the second-stage earnings model. We use fathers' baseline earnings as an instrument in our first-stage model, under the expectation that fathers' pre-divorce earnings help to determine placement type, but do not directly influence mothers' post-divorce earnings. In assessing the legitimacy of this assumption, it is important to note that our earnings model already controls for mothers' own pre-divorce earnings, and for pre-divorce employment status of both parents (differentiating among couples with mothers, fathers, both, or neither employed). Analyses of the direct relationship between fathers' baseline earnings and mothers' post-divorce earnings show no significant or substantive relationship.

None of our three estimators are perfect: there may indeed be unobserved variables that affect placement and earnings; there may be unmeasured county differences that similarly influence the prevalence of shared placement and mothers' post-divorce earnings; and it may be that fathers' baseline earnings do in fact influence mothers' later earnings, above and beyond the other controls in the model, even though we find no evidence of that. Nonetheless, by considering three different approaches, we hope to gain some insight into the likely relationship between placement and later earnings. To the extent findings are consistent across approaches, we can be more confident in our findings.

### *Modeling Post-Divorce Income-to-Poverty Ratios*

Our next models focus on the relationship between placement and mothers' income-to-poverty ratios, which is related to but distinct from mothers' earnings. As discussed above, placement may influence needs-adjusted income by, among other things, altering the number of people in the household (and thus the denominator of the "income-to-needs" ratio); the amount of child support that is paid; and the level of mothers' earnings. As such, the effect of placement on earnings may differ from its effect on the more comprehensive needs-adjusted total income.

The general structure of the models is similar to the earnings models described above. We consider two different income-to-poverty ratios, with different assumptions about the costs associated with shared-placement children. We include a case-level placement indicator for shared placement, and an alternative model with the county shared placement rate, as described above. We do not include an instrumental variable model, because fathers' earnings would be expected to have a direct influence via an effect on child support payments (with higher-earning fathers paying more support and thus having a direct effect on mothers' total income). We thus explicitly control for both mothers' and fathers' baseline earnings in our model.<sup>2</sup>

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<sup>2</sup>While it is fathers' current earnings that would potentially affect mothers' income via child support, we control for baseline compared to current earnings because fathers' current earnings are potentially affected by placement type.

## RESULTS

### Pre-Divorce Economic Circumstances and Placement Outcomes

We begin by examining the economic well-being of households in the year prior to their divorce petition, examining overall economic well-being and mothers' and fathers' separate earnings (Table 1). During the year prior to filing the divorce petition, parents' combined incomes averaged \$62,249, with median income of \$54,582. Considering income and household size, the mean income-to-poverty ratio was 3.0. 18 percent of the subsequently-divorcing households were poor in the year prior to filing for divorce, while 42 percent had income at least three times the poverty line. Economic circumstances prior to divorce provide some hints regarding what to expect for parents after divorce, with mothers earning, on average, 60 percent of what fathers earn, though both are equally likely to have at least some earnings (82 percent). Overall, mothers are less well positioned economically for divorce than their husbands, though neither mothers nor fathers, as a group, are particularly well-off in terms of their separate earnings.

We next look at how pre-divorce economic well-being varies between households that ultimately end up in different placement statuses. We begin by noting the prevalence of various placement arrangements. Sole mother placement, while the most common arrangement, accounts for only half of the divorcing families. Most of the remainder have some form of shared placement (44 percent)—most often equal placement (28 percent), followed by mother primary shared (13 percent) and only a small subset with father primary shared (2 percent). The remaining 7 percent end up with sole father placement arrangements. Because of the very limited sample size among the father primary shared placement group, we do not discuss this group further.

Looking across subsequent placement categories, we note—consistent with past work—substantial differences in pre-divorce circumstances. Overall, pre-divorce household incomes are highest for couples that subsequently end up with either mother primary or equal shared placement (mean incomes approximately \$74,000 to \$75,000), with substantially lower incomes for those who end up with

**Table 1**  
**Pre-Divorce Economic Well-Being, Overall and by Subsequent Placement**

	Placement Type					
	Sole Mother	Shared			Sole Father	All
		Mother Primary	Equal	Father Primary		
<b>N</b>	1,449	383	869	70	207	2,978
<b>Weighted Percentage</b>	50.0%	13.0%	28.2%	2.1%	6.7%	100.0%
<b>Household Income</b>						
Mean	\$53,199	\$74,425	\$74,953	\$66,942	\$51,266	\$62,249
Median	45,218	65,647	67,773	61,321	46,043	54,582
<b>Mothers' Earnings</b>						
Mean	\$21,331	\$24,346	\$27,787	\$23,656	\$14,787	\$23,151
Median	\$17,817	\$19,830	\$22,054	\$20,007	\$6,705	\$18,651
Percentage with any earnings	81.2%	80.5%	83.7%	95.7%	74.5%	81.7%
Mean when positive	\$26,265	\$30,244	\$33,218	\$24,723	\$19,859	\$28,353
<b>Fathers' Earnings</b>						
Mean	\$31,186	\$49,950	\$46,894	\$42,991	\$36,186	\$38,637
Median	\$24,648	\$40,562	\$40,849	\$42,250	\$34,749	\$34,019
Percent with any	78.0%	87.9%	85.3%	90.6%	83.8%	82.0%
Mean when positive	\$39,986	\$56,857	\$54,988	\$47,446	\$43,176	\$47,128
<b>Income-to-Poverty Ratio</b>						
Mean	2.6	3.5	3.6	3.1	2.5	3.0
Percentage below poverty line	22.9%	11.0%	12.5%	6.3%	21.8%	18.0%
Percentage 100–300% of poverty line	43.1%	36.2%	33.1%	50.2%	46.9%	39.8%
Percentage over 300% of poverty line	34.1%	52.8%	54.4%	43.5%	31.4%	42.3%

**Notes:** All percentages and means are calculated using weights to adjust for different sample percentages by county. The annual income and earnings are adjusted to 2010 dollars. 'Pre-divorce' income is from the four quarters prior to the quarter of the final judgment.

sole placement (around \$53,000 for sole mother placement, and around \$51,000 for sole father placement).

While fathers' mean earnings exceed those of mothers for all placement groups, there are nonetheless notable differences between groups in both in absolute and relative earnings of parents. In general, mothers and fathers who receive at least partial placement (that is, shared or sole) are each more likely to have at least some pre-divorce earnings than those who receive no placement (that is, sole placement to the other parent). In terms of the amount of earnings when positive, mothers with either primary or equal shared placement have the highest pre-divorce earnings (around \$30,000 to \$33,000), compared to about \$26,000 among those with sole placement and about \$20,000 among those with father placement. Fathers' earnings when positive are also highest in the mother primary and equal shared placement groups (approximately \$55,000 to \$57,000), lower in the father sole group (around \$43,000), and lowest when mothers have sole placement (around \$40,000). Overall, it is evident that both sole mother and sole father placement arrangements are disproportionately used among families that, in terms of both separate and combined incomes, are at the lower end of the range among divorcing families. Because of these baseline differences, we would expect post-divorce well-being to differ by placement status, regardless of any causal effect.

#### Other Factors Associated with Placement Outcomes

Because our focus is on exploring the potential causal effect of placement on subsequent economic outcomes, it is particularly important to adequately control for baseline differences that may affect later economic well-being. Table 2 shows placement outcomes according to a range of household characteristics other than income. Based on these descriptive patterns, several relationships are notable: Shared placement appears to be most common when fathers or both parents are employed, when households did not receive means-tested transfers prior to divorce, when there are two (compared to either fewer or more) children, when the youngest is elementary school age (6 to 10), when both parents had

**Table 2**  
**Factors Associated with Difference Placement Outcomes**

		N	Sole Mother	Shared			Sole Father	
				Mother Primary	Equal	Father Primary		Any Shared
Full Sample		2,978	50.0%	13.0%	28.2%	2.1%	43%	6.7%
Pre-Divorce Employment	Both	2,031	47.4	13.4	30.2	2.7	46.3	6.3
	Father only	401	48.3	16.6	24.7	0.5	41.7	9.9
	Mother only	396	61.5	9.9	21.9	1.3	33.0	5.5
	Neither	150	60.0	5.6	26.4	0.4	32.4	7.6
Any Means- Tested Transfer	Yes	515	68.1	7.9	15.3	1.4	24.6	7.4
	No	2,463	46.4	14.1	30.8	2.2	47.0	6.6
Age of Mother	Under 30	675	53.4	9.5	26.7	2.7	38.9	7.7
	30–35	770	48.0	16.1	26.4	1.8	44.4	7.6
	36–41	804	44.8	15.5	32.6	2.2	50.3	5.0
	–Over 41	729	54.9	10.1	26.4	1.8	38.3	6.9
Number of Children	1	1,285	52.5	12.1	26.0	1.8	40.0	7.5
	2	1,216	46.6	14.6	31.4	2.0	48.1	5.3
	3	376	49.9	13.2	25.4	3.0	41.6	8.5
	4 +	101	57.9	5.1	27.5	2.7	35.3	6.8
Age of The Youngest	0–2	469	53.2	13.2	25.8	2.5	41.5	5.3
	3–5	865	48.4	15.3	28.3	2.1	45.6	6.0
	6–10	894	43.9	15.9	31.1	2.4	49.3	6.8
	11–17	749	57.1	6.9	26.0	1.6	34.5	8.3
Father Previously Married	Yes	511	53.2	14.5	24.4	1.8	40.7	6.1
	No	2,467	49.3	12.7	29.0	2.1	43.8	6.8
Mother Previously Married	Yes	544	48.8	13.8	27.7	1.9	43.4	7.8
	No	2,434	50.3	12.9	28.3	2.1	43.3	6.5
Father Has Other Children	Yes	37	59.3	13.2	20.7	3.2	37.1	3.6
	No	2,941	49.9	13.0	28.3	2.1	43.4	6.8
Mother Has Other Children	Yes	141	47.5	11.5	25.6	3.0	40.1	12.4
	No	2,837	50.1	13.1	28.3	2.0	43.5	6.4
Length of Marriage	less than 2	140	48.4	15.5	20.5	3.3	39.2	12.4
	2–4	482	56.1	14.0	21.6	1.9	37.5	6.3
	5–9	925	49.7	12.8	29.1	1.8	43.7	6.7
	10–14	653	43.4	17.2	33.1	2.6	52.9	3.7
	15– high	778	52.6	8.8	28.1	1.9	38.9	8.5
Legal Representation	Both	1,162	40.6	18.9	32.6	2.1	53.6	5.9
	Father only	290	26.1	6.5	33.5	6.5	46.5	27.5
	Mother only	615	73.2	9.3	16.0	0.8	26.0	0.8
	Neither	911	54.0	9.9	28.9	1.7	40.5	5.6

(table continues)



Table 2, continued

		N	Sole Mother	Shared			Sole Father	
				Mother Primary	Equal	Father Primary		Any Shared
Plaintiff	Both	709	37.9	12.9	42.7	1.5	57.1	5.0
	Father	692	38.3	12.8	29.2	3.8	45.8	15.9
	Mother	1,574	60.2	13.2	21.6	1.6	36.3	3.5
	Other	3	64.0	0.0	36.0	0.0	36.0	0.0
County	A	496	62.6	9.6	20.2	0.8	30.6	6.8
	B	310	38.2	18.9	34.7	2.7	56.3	5.6
	C	153	57.2	9.9	25.7	3.1	38.7	4.1
	D	84	47.6	10.3	26.9	4.2	41.4	11.1
	E	125	37.9	18.6	34.5	3.5	56.6	5.5
	F	81	43.3	8.8	36.8	3.7	49.3	7.5
	G	142	40.8	11.2	38.4	3.3	52.9	6.3
	H	156	50.6	12.3	27.6	2	41.9	7.6
	I	255	41.9	19.2	30.8	1.2	51.2	6.9
	J	111	51.4	14.2	27.8	1.9	43.9	4.6
	K	79	53.8	13.2	22	1.1	36.3	10
	L	80	39.8	13.6	30.1	4.4	48.1	12.1
	M	104	43.8	6.2	36.1	3.7	46.0	10.2
	N	86	38.7	22	31	2.5	55.5	5.8
	O	110	41.4	10	38.2	2.8	51.0	7.6
	P	77	44.5	3.4	35.8	2.6	41.8	13.7
	Q	80	44.7	9.1	37	2.1	48.2	7.1
	R	80	43.9	16.6	25.7	3.5	45.8	10.3
	S	82	43.4	12.9	36.4	1.5	50.8	5.9
	T	208	64.7	8.2	19.4	1.9	29.5	5.8
U	79	46.4	10.5	31.5	6.5	48.5	5.1	
Final Judgment:	2003-04	595	55.2	13.2	26.2	1.9	41.4	3.4
Two-Calendar-	2005-06	1,431	49.6	12.9	28.3	1.9	43.1	7.3
Year Period	2007-08	952	47.3	13.1	29.3	2.4	44.8	7.9

**Notes:** All percentages and means are calculated using weights to adjust for different sample percentages by county. Number of children per case, and mean ages of the youngest children and mothers are calculated as of the final judgment date for divorce.

legal representation for the divorce, and when both parents were plaintiffs in the divorce. There are also fairly substantial differences across counties, ranging from a low of 29.5 percent to a high of 56.6 percent.

### Post-Divorce Economic Well-Being by Placement Type

We next turn our focus to post-divorce economic well-being. Because of the primacy of sole mother, mother primary, and equal shared placement—together account for more than 90 percent of families—we limit our attention, here and for the remainder of the report, to these groups. Considering the first two years following the divorce final judgment, we examine overall income, the various components of income, and income adjusted for household size. We focus initially on circumstances in the post-divorce period; in the next section we examine changes in economic circumstances from pre- to post-divorce.

#### *Mothers*

Table 3 provides an overview of mothers' post-divorce economic circumstances during the first two years following the final judgment, looking at total income, income components (earnings, W-2, FoodShare, and child support), and needs-adjusted income (that is, income-to-poverty ratio). We have excluded 74 mothers who, according to the court records, have moved out of state, as we would not have access to their earnings or welfare receipt records. Focusing on total income during the first year, there are differences, though not dramatic, between groups; mothers with mother primary shared placement had the highest incomes (\$39,910), followed by mothers with equal placement (\$37,213), with sole-placement mothers faring a little below average (\$33,060). These total incomes mask differences in separate income components. Sole placement mothers are slightly less likely to have earnings than the shared placement groups (84 percent compared to 89 percent), and more likely to receive FoodShare (26 percent compared to 15–17 percent); mothers with equal placement are much less likely to receive child support than are the other groups (43 percent, compared to 75 percent of mothers with mother primary placement and 81 percent with sole placement).

**Table 3**  
**Mothers' Post-Divorce Economic Well-Being by Placement**

	Sole Mother	Shared		All <sup>a</sup>
		Mother Primary	Equal	
N	1,408	377	863	2,904
<b>Post-Divorce: Year 1</b>				
Income				
Mean	\$33,060	\$39,910	\$37,213	\$34,002
Median	\$28,666	\$36,450	\$31,339	\$29,405
Income Component				
Earnings (mean)	\$25,217	\$30,576	\$32,630	\$27,528
Percentage with any earnings	83.7%	88.7%	88.7%	85.8%
W-2 (mean)	\$52	\$2	\$55	\$45
Percentage with any W-2	1.1%	0.4%	1.6%	1.2%
FoodShare (mean)	\$625	\$324	\$413	\$509
Percentage with any FoodShare	26.4%	15.2%	17.0%	22.0%
Child support received (mean)	\$7,195	\$9,025	\$4,332	\$6,091
Percentage with any child support received	80.8%	74.7%	43.3%	64.3%
Child support paid (mean)	-\$29	-\$17	-\$241	-\$186
Percentage with any child support paid	1.5%	1.1%	4.0%	4.9%
Income-to-Poverty Ratio				
Proportional cost	2.0	2.7	2.6	2.2
Fixed cost	2.0	2.4	2.2	2.1
<b>Post-Divorce: Year 2</b>				
Income				
Mean	\$33,327	\$40,696	\$38,235	\$34,460
Median	\$29,334	\$37,441	\$32,454	\$29,753
Income Component				
Earnings (mean)	\$26,101	\$31,709	\$34,006	\$28,423
Percentage with any earnings	82.9%	83.8%	83.8%	82.6%
W-2 (mean)	\$62	\$6	\$50	\$49
Percentage with any W-2	1.8%	0.4%	1.4%	1.5%
FoodShare (mean)	\$650	\$401	\$493	\$567
Percentage with any FoodShare	25.9%	16.9%	16.8%	22.1%
Child support received (mean)	\$6,557	\$8,618	\$3,913	\$5,594
Percentage with any child support received	77.8%	76.2%	42.1%	62.3%
Child support paid (mean)	-\$43	-\$38	-\$246	-\$191
Percentage with any child support paid	1.3%	2.4%	4.3%	5.1%
Income-to-Poverty Ratio				
Proportional cost	2.0	2.7	2.7	2.3
Fixed cost	2.0	2.4	2.3	2.1

**Notes:** 74 mothers reported as being out of Wisconsin at the time of the final judgment are excluded from the sample. All percentages and means are calculated using weights to adjust for different sample percentages by county. All annual income components are adjusted to 2010 dollars. "Post-Divorce Year 1" income is from the four quarters after the quarter of the final judgment. "Post-Divorce Year 2" income is from the following four quarters after the "Post-Divorce Year 1."

<sup>a</sup>The total includes 67 cases with father-primary placement and 189 cases with sole-father placements that are not shown separately in the preceding columns.

Post-divorce income differences are mirrored in the income-to-poverty ratios. As described earlier, we consider two different ways of calculating needs-adjusted income, which differ in the extent to which parents are assumed to incur costs on behalf of children with shared compared to sole placement. When costs are assumed to be proportional to the time children are in the household, the mean income-to-poverty ratio is 2.7 in the case of mother primary, 2.6 in the case of equal placement, and 2.0 for mothers with sole placement. The ratios fall slightly if child costs are assumed to be fixed—that is, if we assume there are no savings from the children spending a portion of time living with the other parent. Regardless, the shared placement groups fare somewhat better than the sole mother group, as was the case prior to divorce—although the difference is considerably less pronounced than in the pre-divorce year.

The year two income, income components, and income-to-poverty ratios are generally similar to year one. Earnings and FoodShare tend to be slightly higher in year two, while child support tends to be slightly lower, but the overall story, and the relationship among placement groups, remains quite similar to year one.

### *Fathers*

Fathers' post-divorce economic circumstances are shown in Table 4. We have excluded those fathers who, according to the court records, have moved out of state (n=171). As was the case for mothers, incomes are higher for the shared placement groups compared to the sole mother group, and differences for fathers are quite pronounced (approximately \$42,000 to 45,000 for shared placement, compared to \$24,407 for sole mother placement). Fathers in the sole mother placement group are somewhat less likely to have any earnings than are those with shared placement (78 percent compared to 84–87 percent). The share with earnings, within each of the placement groups, is quite similar to the share in the pre-divorce year. Only a very small share of fathers in any group has net child support receipts – even in the equal shared placement group. The share paying support, however, varies greatly, with 44 percent of the equal shared placement making net support payments, compared to 75 percent with mother primary placement and 81 percent with sole mother placement.

**Table 4**  
**Fathers' Post-Divorce Economic Well-Being by Placement**

	Sole Mother	Shared		All <sup>a</sup>
		Mother Primary	Equal	
N	1,294	378	863	2,807
<b>Post-Divorce: Year 1</b>				
Income				
Mean	\$24,407	\$42,249	\$45,164	\$34,393
Median	\$19,738	\$37,597	\$41,503	\$29,600
Income Component				
Earnings (mean)	\$30,365	\$50,078	\$48,475	\$39,239
Percentage with any earnings	77.5%	87.3%	83.9%	81.5%
W-2 (mean)	\$0	\$0	\$17	\$5
Percentage with any W-2	0.1%	0.0%	0.2%	0.1%
FoodShare (mean)	\$73	\$48	\$99	\$102
Percentage with any FoodShare	7.0%	4.4%	4.7%	6.7%
Child support received (mean)	\$24	\$24	\$229	\$181
Percentage with any child support received	1.2%	1.5%	4.0%	4.8%
Child support paid (mean)	-\$7,331	-\$8,788	-\$4,257	-\$6,048
Percentage with any child support paid	80.6%	75.4%	43.8%	63.3%
Income-to-Poverty Ratio				
Proportional cost	2.2	3.1	3.2	2.6
Fixed cost	2.2	2.5	2.7	2.4
<b>Post-Divorce: Year 2</b>				
Income				
Mean	\$23,762	\$40,252	\$45,453	\$33,744
Median	\$17,146	\$35,599	\$43,165	\$29,150
Income Component				
Earnings (mean)	\$28,839	\$47,442	\$48,390	\$37,951
Percentage with any earnings	73.8%	86.6%	82.4%	78.7%
W-2 (mean)	\$1	\$0	\$8	\$3
Percentage with any W-2	0.2%	0.0%	0.2%	0.2%
FoodShare (mean)	\$153	\$96	\$125	\$159
Percentage with any FoodShare	10.4%	7.4%	5.5%	9.0%
Child support received (mean)	\$27	\$43	\$225	\$178
Percentage with any child support received	1.3%	2.6%	4.4%	5.1%
Child support paid (mean)	-\$6,668	-\$8,261	-\$3,857	-\$5,521
Percentage with any child support paid	77.5%	75.5%	41.3%	60.9%
Income-to-Poverty Ratio				
Proportional cost	2.1	3.0	3.2	2.6
Fixed cost	2.1	2.4	2.7	2.3

**Notes:** 171 fathers reported as being out of Wisconsin at the time of the final judgment are excluded from the sample. All percentages and means are calculated using weights to adjust for different sample percentages by county. The income components are adjusted to 2010 dollars. "Post-Divorce Year 1" income is from the four quarters after the quarter of the final judgment. "Post-Divorce Year 2" income is from the following four quarters after the "Post-Divorce Year 1."

<sup>a</sup>The total includes 69 cases with father-primary placement and 203 cases with sole-father placements that are not shown separately in the preceding columns.

The income differences between groups result in differences in needs-adjusted incomes with, again, the highest income-to-poverty ratio for the equal placement fathers (2.7 to 3.2 depending on which child cost assumptions are used) and the lowest for those with mother sole placement (2.2). Patterns in year two are quite similar to year one.

### Changes in Economic Well-Being from Pre- to Post-Divorce by Placement Type

Whereas the above discussion focused on aggregate levels of well-being among various placement groups in the pre- and post-divorce periods, we turn now to a look at changes in economic well-being from pre- to post-divorce at the micro level. Focusing solely on group means potentially obscures substantial variation among households; thus we focus here on the distribution of changes.

#### *Mothers*

Table 5 looks at changes in mothers' earnings and income-to-poverty ratio from pre-divorce to post-divorce, looking at both the first and second post-divorce years. As in the previous analysis, we drop mothers who, according to information in the court record, have moved out of state, as we have no way of documenting their earnings. We continue to limit our analysis to parents with sole mother, mother primary, or equal shared placement. The top panel of the table focuses on changes in earnings, and provides a first look at the question of whether there may be differences among placement groups in the responsiveness of earnings to marital dissolution; the second focuses on changes in income-to-poverty ratio, which is a much more comprehensive indicator of economic well-being factoring in not only earnings, but also child support and welfare, and adjusting for differences in household size stemming from the household dissolution.

Focusing first on earnings, we look at mean changes and also distributions, differentiating between mothers who have zero known earnings in both the pre- and post-divorce period; those whose earnings fall to zero (which we view as a marker for potential missing information, though they could also be 'true' zeros); those whose earnings remain within a \$2,000 range across periods; and those with either

**Table 5**  
**Mothers' Change in Economic Well-Being from Pre- to Post-Divorce**

	Shared			
	Sole Mother	Mother Primary	Equal	All <sup>a</sup>
<b>N</b>	1,408	377	863	2,904
<b>Change in Earnings</b>				
<b>From Pre- and Post-Divorce Year 1</b>				
Mean change in earnings	\$3,594	\$5,964	\$4,710	\$4,050
Percentage of parents				
Zero in both pre- & post-divorce years	10.9%	7.9%	8.3%	9.7%
Decrease to zero in post-divorce year	5.4	3.4	3.0	4.5
Large decrease: \$10,000 - high	6.1	6.1	8.0	6.9
Small decrease: \$2,000 -< \$10,000	11.5	8.7	11.7	11.4
Remain within +/- < \$2,000	16.7	17.2	14.5	16.3
Small increase: \$2,000 -< \$10,000	28.6	27.6	29.0	28.1
Large increase: \$10,000 - high	20.9	29.1	25.6	23.1
<b>From Pre- and Post-Divorce Year 2</b>				
Mean change in earnings	\$4,478	\$7,097	\$6,086	\$4,944
Percentage of parents				
Zero in both pre- & post-divorce years	10.0%	8.5%	8.6%	9.6%
Decrease to zero in post-divorce year	7.1	7.7	7.6	7.8
Large decrease: \$10,000 - high	7.8	6.9	8.0	7.9
Small decrease: \$2,000 -< \$10,000	8.7	4.9	6.2	7.8
Remain within +/- < \$2,000	12.1	11.7	11.1	11.9
Small increase: \$2,000 -< \$10,000	29.2	25.3	25.6	27.0
Large increase: \$10,000 - high	25.1	35.0	33.0	28.1
<b>Changes in Income-to-Poverty Ratio</b>				
<b>From Pre- and Post-Divorce Year 1</b>				
<b>Fixed Cost</b>				
Mean change in poverty ratio	-0.6	-1.2	-1.4	-1.0
Percentage of parents				
Zero in both pre- & post-divorce years	0.8%	0.3%	1.3%	0.8%
Decrease to zero in post-divorce year	2.7	2.3	3.7	3.4
Large decrease: more than 1	32.4	48.6	55.9	42.5
Small decrease: .25 to 1	21.4	24.3	13.5	19.3
Remain within .25	15.7	8.9	9.6	12.7
Small increase: .25 to 1	17.1	7.8	9.1	12.7
Large increase: more than 1	9.9	7.8	6.9	8.6
<b>Proportional Cost</b>				
Mean change in poverty ratio	-0.6	-0.9	-1.0	-0.8
Percentage of parents				
Zero in both pre- & post-divorce years	0.8%	0.3%	1.3%	0.8%
Decrease to zero in post-divorce year	2.7	2.3	3.7	3.4
Large decrease: more than 1	32.4	39.7	43.8	37.6
Small decrease: .25 to 1	21.4	26.5	18.4	20.8
Remain within .25	15.7	9.1	10.6	13.2
Small increase: .25 to 1	17.1	12.0	10.3	13.5
Large increase: more than 1	9.9	10.2	12.0	10.6

(table continues)

Table 5, continued

	Shared			
	Sole Mother	Mother Primary	Equal	All <sup>a</sup>
<b>From Pre- and Post-Divorce Year 2</b>				
<b>Fixed Cost</b>				
Mean change in poverty ratio	-0.6	-1.2	-1.3	-0.9
Percentage of parents				
Zero in both pre- & post-divorce years	0.6%	0.2%	1.6%	0.8%
Decrease to zero in post-divorce year	2.6	2.8	5.7	4.5
Large decrease: more than 1	32.3	48.3	51.1	40.8
Small decrease: .25 to 1	21.6	18.6	15.1	19.2
Remain within .25	14.0	9.6	7.8	11.1
Small increase: .25 to 1	16.4	10.1	9.1	12.7
Large increase: more than 1	12.4	10.4	9.6	11.0
<b>Proportional Cost</b>				
Mean change in poverty ratio	-0.6	-0.9	-0.9	-0.8
Percentage of parents				
Zero in both pre- & post-divorce years	0.6%	0.2%	1.6%	0.8%
Decrease to zero in post-divorce year	2.6	2.8	5.7	4.5
Large decrease: more than 1	32.3	39.3	41.6	36.7
Small decrease: .25 to 1	21.6	19.2	17.5	19.8
Remain within .25	14.0	13.2	8.0	11.8
Small increase: .25 to 1	16.4	11.6	10.7	13.4
Large increase: more than 1	12.4	13.7	14.9	13.0

**Notes:** 74 mothers reported as being out of Wisconsin at the time of the final judgment are excluded from the sample. All percentages and means are calculated using weights to adjust for different sample percentages by county. Annual income is adjusted to 2010 dollars. "Post-Divorce Year 1" income is from the four quarters after the quarter of the final judgment. "Post-Divorce Year 2" income is from the following four quarters after the "Post-Divorce Year 1."

<sup>a</sup>The total includes 67 cases with father-primary placement and 189 cases with sole-father placements that are not shown separately in the preceding columns.



moderate (\$2,000–\$10,000) or large (\$10,000 and up) increases or decreases (that do not result in zero earnings).

Across all mothers (including the less than 10 percent with father primary or sole placement who are not shown separately), the mean change in earnings was an increase of \$4,050 from pre-petition to the first year post-divorce, with the largest increase in the case of mother primary placement (\$5,964), followed by equal shared placement (\$4,710) and smaller mean increases for mothers with sole placement (\$3,594). Mothers with sole placement were slightly more likely to have no known earnings in both the pre-petition and post-divorce year (11 percent), compared to 8 percent for both of the shared placement groups. They were slightly more likely to have earnings that declined to zero (5 percent compared to 3 percent). Mothers in all groups were roughly as likely to maintain stable incomes (15–17 percent across groups) or to experience moderate increases of \$2,000–\$10,000 (28–29 percent across groups), while mothers with shared placement—especially mother primary placement—had the highest likelihood of large earnings increases (29 percent of the mother primary group, 26 percent of the equal placement group, and 21 percent of the sole mother placement group). The mother primary group was also least likely to have an earnings decline (18 percent, including those whose earnings fell to zero), compared to 23 percent for both the equal shared and sole mother placement groups. The patterns across groups were very similar in the second post-divorce year, with mean increases slightly larger for all groups, and no remaining differences between placement types in the likelihood of earnings falling to zero. Overall, the most notable difference between groups in both the first and second year is the greater share of mothers with large earnings gains in the shared placement groups relative to the sole mother placement group.

The next panels look at changes in income-to-poverty ratio from pre-to-post divorce, considering the two different income-to-poverty ratios and again looking at two post-divorce years. In the pre-divorce period, the income-to-poverty ratio is based on parents' combined income, and the household size that determines the relevant poverty line includes both parents and their children; in the post-divorce period, the income-to-poverty ratio is based on each parent's separate income, and the household size that determines the relevant poverty line is based on one parent and children allocated according to the

placement order. With either measure, the mean decline in mothers' economic well-being is substantially larger for the shared placement groups compared to sole mother placement – despite the larger increase in earnings as shown above. The difference is especially pronounced with the fixed-cost measure, since it assumes there is no savings to the mothers associated with having the children less than fulltime. With the fixed-cost measure, the mean income-to-poverty ratio falls by 1.2–1.4 for the shared placement mothers, compared to .6 for sole placement mothers; with the proportional cost measure, the decline for the shared placement groups is lower, 0.9–1.0. With either measure, shared placement mothers are less likely than sole placement mothers to have either stable or increasing income-to-poverty ratios, and much more likely to have declines. The patterns are similar in year two. At a purely descriptive level, then, mothers with shared placement experience substantially greater losses in economic well-being than do mothers with sole placement, even as the shared placement groups continue to do better in absolute terms. The greater decline in economic well-being among mothers with shared placement should not be interpreted as resulting from shared placement per se; these are mothers who, as described earlier, previously had the largest amount of household earnings from their ex-husbands, and thus the most household income to lose.

### *Fathers*

Table 6 shows a similar analysis for fathers. Most notable for the fathers is that mean earnings decline for both the sole mother and mother primary groups, by \$3,033 and \$523, respectively, compared to a modest increase of \$1,476 for the equal shared group. Fathers in the sole mother placement group are substantially more likely to have their earnings fall from positive to zero (10 percent compared to 4 percent for both shared placement groups), which may reflect a higher likelihood of moving out of state (and thus having no Wisconsin earnings) following the divorce (which is less feasible with shared placement). This pattern is even more prevalent by year two (14 percent with earnings that fell to zero compared to 5–6 percent for the shared placement groups). During both post-divorce years, fathers in the sole mother placement group are much less likely to have an increase in earnings, and more likely to have

**Table 6**  
**Fathers' Change in Economic Well-Being from Pre- to Post-Divorce**

	Shared			
	Sole Mother	Mother Primary	Equal	All
N	1,294	378	863	2,807
<b>Change in Earning</b>				
<b>From Pre- and Post-Divorce Year 1</b>				
Mean change in earnings	-\$3,033	-\$523	\$1,476	-\$976
Percentage of parents				
Zero in both pre- & post-divorce years	12.8%	8.7%	12.0%	11.8%
Decrease to zero in post-divorce year	9.7	3.9	4.1	6.7
Large decrease: \$10,000 - high	16.5	12.9	11.5	14.3
Small decrease: \$2,000 -< \$10,000	14.0	16.0	12.5	13.6
Remain within +/- < \$2,000	12.2	14.0	16.1	14.0
Small increase: \$2,000 -< \$10,000	18.4	25.0	24.8	21.4
Large increase: \$10,000 - high	16.3	19.5	19.0	18.1
<b>From Pre- and Post-Divorce Year 2</b>				
Mean change in earnings	-\$4,559	-\$3,158	\$1,390	-\$2,263
Percentage of parents				
Zero in both pre- & post-divorce years	12.6%	7.9%	11.6%	11.5%
Decrease to zero in post-divorce year	13.6	5.5	6.0	9.8
Large decrease: \$10,000 - high	16.8	18.1	12.5	15.5
Small decrease: \$2,000 -< \$10,000	10.7	11.2	10.3	10.6
Remain within +/- < \$2,000	10.2	12.3	11.0	10.7
Small increase: \$2,000 -< \$10,000	18.0	22.9	22.8	20.3
Large increase: \$10,000 - high	18.2	22.0	25.9	21.6
<b>Changes in Income-to-Poverty Ratio</b>				
<b>From Pre- and Post-Divorce Year 1</b>				
<b>Fixed Cost</b>				
Mean change in poverty ratio	-0.5	-1.1	-0.9	-0.7
Percentage of parents				
Zero in both pre- & post-divorce years	2.1%	0.8%	2.5%	1.9%
Decrease to zero in post-divorce year	20.5	12.1	12.0	15.7
Large decrease: more than 1	15.7	22.3	22.1	18.3
Small decrease: .25 to 1	22.8	39.9	33.9	28.3
Remain within .25	11.1	8.9	11.4	12.2
Small increase: .25 to 1	13.0	10.4	9.5	12.1
Large increase: more than 1	14.9	5.6	8.5	11.5
<b>Proportional Cost</b>				
Mean change in poverty ratio	-0.5	-0.4	-0.4	-0.5
Percentage of parents				
Zero in both pre- & post-divorce years	2.1%	0.8%	2.5%	1.9%
Decrease to zero in post-divorce year	20.5	12.1	12.0	15.7
Large decrease: more than 1	22.8	22.4	24.2	22.9
Small decrease: .25 to 1	15.7	21.1	17.9	16.8
Remain within .25	11.1	13.8	14.4	13.6
Small increase: .25 to 1	13.0	13.1	14.7	13.9
Large increase: more than 1	14.9	16.7	14.4	15.1

(table continues)

Table 6, continued

	Shared			
	Sole Mother	Mother Primary	Equal	All <sup>a</sup>
<b>From Pre- and Post-Divorce Year 2</b>				
<b>Fixed Cost</b>				
Mean change in poverty ratio	-0.6	-1.2	-0.9	-0.7
Percentage of parents				
Zero in both pre- & post-divorce years	2.1%	1.0%	2.5%	2.0%
Decrease to zero in post-divorce year	23.3	13.0	13.1	17.9
Large decrease: more than 1	22.1	42.4	31.6	27.4
Small decrease: .25 to 1	12.5	16.0	20.4	15.8
Remain within .25	9.6	11.3	10.6	11.0
Small increase: .25 to 1	12.7	9.3	10.8	11.8
Large increase: more than 1	17.7	7.1	11.1	14.2
<b>Proportional Cost</b>				
Mean change in poverty ratio	-0.6	-0.6	-0.4	-0.5
Percentage of parents				
Zero in both pre- & post-divorce years	2.1%	1.0%	2.5%	2.0%
Decrease to zero in post-divorce year	23.3	13.0	13.1	17.9
Large decrease: more than 1	22.1	27.1	23.1	22.7
Small decrease: .25 to 1	12.5	18.2	14.9	14.4
Remain within .25	9.6	9.0	13.2	11.3
Small increase: .25 to 1	12.7	14.2	15.8	14.1
Large increase: more than 1	17.7	17.7	17.4	17.7

**Notes:** 171 fathers reported as being out of Wisconsin at the time of the final judgment are excluded from the sample. All percentages and means are calculated using weights to adjust for different sample percentages by county. Annual income is adjusted to 2010 dollars. "Post-Divorce Year 1" income is from the four quarters after the quarter of the final judgment. "Post-Divorce Year 2" income is from the following four quarters after the "Post-Divorce Year 1."

<sup>a</sup>The total includes 69 cases with father-primary placement and 203 cases with sole-father placements that are not shown separately in the preceding columns.

a decrease (even excluding the decrease-to-zero subset), compared to both of the shared placement groups. Because we suspect that our earnings may be biased downward differentially for the sole placement group, due to the disproportionate share of decreasing-to-zero earnings in that group, we are cautious about reading too much into these between-group differences.<sup>3</sup>

In terms of changes in income-to-poverty ratio, we have similar concerns about a disproportionate downward bias for fathers in the mother sole placement group. Ignoring the potential biases, we find that the relative income-to-poverty changes for the sole mother compared to shared placement groups depend on the choice of fixed or proportional cost measure. With the fixed cost measure, fathers in the sole mother placement group are more likely to experience declines in economic well-being, and are substantially less likely to experience gains, compared to those in the shared placement group; with the proportional cost measure, the groups are much more similar. This is also reflected in the mean changes; the mean decline using the fixed cost measure is much larger for the shared placement than the sole placement group, whereas the mean decline is slightly smaller for the shared placement group with the proportional cost measure. The difference is not surprising, given that the latter assumes a child cost of one-quarter to one-half of that assumed with the former.

Overall, the disproportionate rate of decreasing-to-zero earnings among fathers in the sole mother placement group suggest that between-group comparisons for fathers in any of the economic outcomes should be viewed with caution.

### Shared Placement and Post-Divorce Earnings: Multivariate Analyses

Thus far, we have focused on descriptive evidence of earnings and economic well-being post-divorce, and the difference between placement groups in those outcomes. We now look more formally at the association between placement type and post-divorce earnings (and, subsequently, income-to-poverty

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<sup>3</sup>Note that, if fathers in the mother sole placement group are differentially likely to move out of state, even nonzero earnings may be biased downward in that fathers may have moved out of state part of the way through the year.

ratios) in a multivariate framework. As described earlier, we provide three estimates of the effect of shared placement on post-divorce earnings, and we provide these estimates for both the first and second post-divorce years. Results for the relevant shared placement coefficients from all models are shown in Table 7, while full results are shown in the Appendix. We limit this analysis to mothers, in light of concerns discussed above regarding the bias stemming from what we believe to be greater missing income information for fathers in mother sole placement compared to shared placement cases.

Looking first at the OLS estimate based on household-level placement category (row 1, columns 1–2), the results suggest that shared placement is associated with earnings that are an average of \$1,414 higher in year one relative to sole placement ( $p < .05$ ), and similarly, higher by \$1,477 in year two ( $p < .1$ ). Sensitivity tests show no significant difference between earnings for the two shared-placement groups (mother primary and equal shared) that are combined in the single “shared placement” category used here (not shown). Further, adding a set of dummy variables to control for each of the 21 counties does not substantively change the magnitude of significance of the shared placement coefficient (not shown).

The next models replace the household-level shared placement measure with a county-level shared placement rate (row 2, columns 3–4). Conceptually, these coefficients denote the differential earnings among mothers in a county in which all mothers have shared placement relative to a county with no shared placement, net of other measured characteristics. The coefficients are larger than in the prior model, though estimated with less precision: results, which are only marginally significant, suggest shared placement is associated with \$5,486 higher earnings in year one ( $p < .1$ ), with a slightly larger (\$5,912) but not statistically significant effect in year two.

The final coefficients are from our instrumental variable model, in which the predicted probability of shared placement is used in lieu of actual shared placement. Results here are substantially larger, though also substantially less precise, as often occurs with instrumental variable estimators. Results suggest a marginally significant earnings increment of \$12,810 associated with shared placement in year one ( $p < .1$ ), and a still larger but statistically insignificant increment in year two.

**Table 7**  
**Alternative Estimates of Shared Placement Effect on Mothers' Post-Divorce Earnings<sup>a</sup>**

	OLS: Shared Placement		OLS: Percentage with County Shared Placement Rate		Probit-2SLS	
	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
Shared placement indicator	\$1.414** (0.707)	\$1.477* (0.896)				
County shared placement rate			\$5.486* (2.996)	\$5.912 (3.775)		
Predicted probability of shared placement					\$12.810* (7.551)	\$19.779** (9.622)
Robust standard errors in parentheses						

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

<sup>a</sup>Earnings are expressed in thousands. Other independent variables in the model include parents' pre-divorce employment, mothers pre-divorce earnings and earnings squared, previous children and prior marital status of each parent, mother's age, length of marriage, number and age of children from the marriage, whether parents had attorneys, which parent was the petitioner, and the year of the final judgment. The full model is presented in Appendix Table 1.

### Shared Placement and Post-Divorce Needs-Adjusted Incomes: Multivariate Analyses

Table 8 provides estimates of the effect of shared placement on mothers' needs-adjusted incomes in the first and second post-divorce years, using two alternative means of assessing child costs in shared placement households, and considering both a household-level and a county-prevalence measure of shared placement. Recall from our prior discussion that the difference between the two income-to-poverty measures is that the fixed-cost measure assumes any parent with shared placement (that is, at least one-quarter time, regardless of the specific percent) incurs the same costs as a full placement parent; while the proportional cost measure assumes shared-placement parents only incur costs proportional to the time the child spends in their home. The former is surely an overestimate of costs, and the latter an underestimate. The fixed-cost measure suggests that children are more expensive for shared placement parents than does the proportional cost measure; they are equivalent for sole placement households.

Looking first at the models with household-level estimates of shared placement, it appears that the effect of shared placement on mothers' income-to-poverty ratios depends on which ratio measure is used. Assuming fixed costs for shared placement children suggests a 0.14 lower needs-adjusted income associated with shared placement ( $p < .05$ ) in the first year, while assuming proportional costs suggests a 0.20 higher ratio relative to sole mother placement ( $p < .05$ ), with similar results in year two. These results imply that whether shared placement is, on average, a net economic gain or loss for mothers depends substantially on the extent to which child costs decline as time in the household declines. In sensitivity tests in which we look separately at the two different shared placement categories, we find that the reduction in needs-adjusted income associated with shared placement under the fixed-cost assumption stems solely from a reduction in economic well-being among equal-shared-placement households, with no difference in well-being between mothers with sole compared to mother primary placement. On the other hand, the increase in needs-adjusted income that is evident with the proportional-cost assumption is evident for both shared placement groups (not shown). Looking next at the county-based measure of



**Table 8**  
**Alternative Estimates of Shared Placement Effect on Mothers' Post-Divorce Income-to-Poverty Ratios<sup>a</sup>**

	OLS				OLS			
	Fixed Cost				Proportional Cost			
	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2
Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	Coefficient	
(SE)	(SE)	(SE)	(SE)	(SE)	(SE)	(SE)	(SE)	
Shared Placement indicator	-0.141*** (0.050)	-0.126** (0.059)			0.196*** (0.054)	0.216*** (0.064)		
County shared placement rate			-0.091 (0.220)	-0.037 (0.264)			0.153 (0.240)	0.226 (0.288)

Robust standard errors in parentheses.

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

<sup>a</sup>Other independent variables in the model include parents' pre-divorce employment, mothers pre-divorce earnings and earnings squared, fathers' pre-divorce earnings, previous children and prior marriage of each parent, mother's age, length of marriage, number and age of children from the marriage, whether parents had attorneys, which parent was the petitioner, and the year of the final judgment. The full model is presented in Appendix Table 2.

shared placement, results are similar in sign, but smaller in magnitude, estimated imprecisely, and not statistically significant.

## CONCLUSIONS AND POLICY IMPLICATIONS

This report has examined differences in post-divorce economic well-being for parents with different placement outcomes, focusing primarily on differences between parents with shared compared to sole mother placement. We look narrowly at earnings, and more broadly at income-to-poverty ratios; and we focus on absolute levels of economic well-being, changes in well-being from pre- to post-divorce, and estimates of causal effects of shared placement on economic well-being derived from multivariate analyses. We also examine pre-divorce differences in economic well-being of households that ultimately secure different placement outcomes, as understanding these baseline differences is essential to understanding differences in post-divorce circumstances. While some of our results address economic effects on both mothers and fathers, we are more confident in our data on mothers—particularly regarding our ability to make comparisons between parents with shared compared to sole mother placement—so we pay particular attention here to the mothers' outcomes.

Consistent with past work, we find that shared placement is disproportionately used in higher-income households. Conversely, both sole mother and sole father placement arrangements are disproportionately used among families that, in terms of both separate and combined income, are at the lower end of the income range among divorcing families. As such, shared placement parents are expected to fare better than sole placement parents, due to underlying differences between the groups.

Indeed, our results bear this out; we document higher post-divorce earnings, and higher income-to-poverty ratios, among parents with shared placement compared to those with sole mother placement. Nonetheless, we also document substantially larger declines in income-to-poverty ratios among shared placement compared to sole placement mothers from pre- to post-divorce; while the shared placement mothers continue to fare better in absolute terms, their decline relative to their starting level is much greater. This is consistent with shared placement mothers having more to lose—since their ex-husbands have higher earnings that previously contributed to their

economic well-being—compounded by recouping less of their ex-husbands’ income in child support following the divorce, compared to mothers with sole placement.

Our primary contribution is to provide estimates of the effect of shared placement on mothers’ post-divorce earnings and income-to-poverty ratios, considering several strategies to obtain causal estimates. Overall, our results provide some evidence that shared placement leads to an increase in mothers’ earnings in the first and potentially second post-divorce years relative to mothers with sole placement. The results are most robust in terms of statistical significance, though also smallest in magnitude, in our basic regression model that controls for observable baseline differences between mothers with different placement arrangements. In models that attempt to control for unmeasured differences that might bias the OLS comparisons—including a model that looks at the rate of shared placement in counties rather than whether shared placement is used in a particular case, and a two-stage instrumental variable model that explicitly tries to control for unmeasured differences in use—our estimates are larger in magnitude but less precise and less consistently significant than in our simpler model. Across models, considering the subset of estimates that are at least marginally significant, impacts range from a differential of \$1,400 to \$13,000 for shared placement mothers, though the high estimate has a fairly large margin of error. While recognizing that there is some uncertainty in our results, we view results as at least suggestive that shared placement is beneficial with regard to mothers’ post-divorce earnings, among the group of households in which shared placement is currently used. This is not surprising, in that shared placement does provide for more flexibility for parents balancing employment and parenting obligations.

Higher earnings do not necessarily translate into higher income-to-poverty ratios, which depend not only on earnings but also on other income sources such as child support, and which are more challenging to measure due to uncertainty about how to allocate costs between households when children live in both parents’ homes. Even if shared placement leads to higher earnings, the gain may be offset by lower child support, and the tradeoffs depend further on how child costs change under different arrangements. Indeed, we find that whether shared placement leads to higher or lower needs-adjusted income relative to sole mother placement depends substantially on our assumptions about how costs are allocated. To the extent that costs are the same in sole compared to shared placement homes, our estimated effects of shared placement on economic well-being range from neutral to negative

across models and over the two post-divorce years; to the extent that costs are proportionally lower as time in the home declines, our estimated impacts of shared placement range from neutral to positive.

Overall, results of this study are encouraging with regards to the potential benefits of shared placement for mothers' economic well-being. So long as there are some reductions in child costs associated with shared placement—that is, so long as true costs are lower than implied by our fixed-cost estimates—then we have little reason to believe that, on balance, shared placement has decreased economic well-being among mothers relative to how they would have fared with sole placement. To the extent that there are substantial cost reductions with shared placement, akin to our proportional cost estimates, we find at least some evidence that shared placement may yield, on average, an economic gain. The possible economic gain, or at least the absence of economic loss, is likely due at least in part to the apparent beneficial effect on mothers' earnings.

This does not mean, of course, that shared placement would be equally beneficial when extended to different kinds of families. The lower baseline earnings of mothers who receive sole placement may be reflective of lower earnings capacity, even after divorce, such that mothers might not see gains in earnings to help offset loss in child support, were they instead in a shared placement arrangement. An important avenue for future work is to assess how the economics of shared placement play out in different kinds of households. We also emphasize that better information about how child-related costs are apportioned in the case of shared placement is essential to reaching clearer conclusions about the economic tradeoffs implicit in different placement scenarios. And finally, we reiterate that we can say little about the effect of placement on fathers' economic outcomes, due to data limitations stemming from only knowing about in-state earnings, which biases comparisons between shared-placement and mother sole placement fathers.

**Appendix Table 1-a**  
**Regression Models of Mothers' Post-Divorce Earnings (in \$1000's)**

	OLS: Shared Placement		OLS: Percentage with County Shared Placement Rate	
	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
<b>Parents' Employment and Income</b>				
Compared with both parents employed				
Only father employed	1.254 (1.588)	2.351 (1.891)	1.283 (1.587)	2.382 (1.891)
Only mother employed	1.792 (1.155)	3.030** (1.226)	1.675 (1.146)	2.908** (1.219)
Neither employed	0.353 (1.836)	2.350 (2.400)	0.187 (1.848)	2.173 (2.407)
Pre-divorce mothers' earnings (\$1,000)	0.944*** (0.078)	0.941*** (0.090)	0.948*** (0.077)	0.945*** (0.089)
Pre-divorce mothers' earnings, squared	-0.001 (0.001)	-0.001 (0.001)	-0.001 (0.001)	-0.001 (0.001)
Any welfare receipt	-2.744*** (0.786)	-2.929*** (0.996)	-2.808*** (0.792)	-2.991*** (0.998)
Previous Children and Prior Marital Status				
Father has other child(ren)	-1.147 (1.777)	0.280 (2.339)	-1.418 (1.788)	-0.009 (2.374)
Father has prior marriage	1.460 (0.903)	1.191 (1.136)	1.352 (0.907)	1.076 (1.140)
Mother has other child(ren)	-1.632 (1.109)	-1.552 (1.324)	-1.633 (1.118)	-1.554 (1.337)
Mother has prior marriage	-1.690** (0.837)	-2.769** (1.132)	-1.705** (0.839)	-2.787** (1.127)

(table continues)

Appendix Table 1-a, continued

	OLS: Shared Placement		OLS: Percentage with County Shared Placement Rate	
	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
<b>Length of Marriage and Mother Age</b>				
Length of Marriage	0.247** (0.100)	0.380*** (0.133)	0.236** (0.100)	0.368*** (0.133)
Mother's age	-0.239 (0.423)	0.224 (0.527)	-0.187 (0.424)	0.279 (0.527)
Mothers' age squared	0.004 (0.006)	-0.002 (0.007)	0.003 (0.006)	-0.003 (0.007)
<b>Number and Age of Children In Common</b>				
Compared with one child				
Two children	0.463 (0.755)	0.850 (0.913)	0.480 (0.753)	0.867 (0.910)
Three children	0.696 (1.051)	0.644 (1.414)	0.583 (1.057)	0.523 (1.422)
Four children	0.581 (1.843)	-1.089 (3.177)	0.522 (1.856)	-1.150 (3.167)
Compared with parents with only older children				
Youngest child aged 0–2	4.400*** (1.542)	6.487*** (2.166)	4.449*** (1.550)	6.534*** (2.174)
Youngest child aged 3–5	4.656*** (1.380)	6.122*** (1.874)	4.781*** (1.378)	6.250*** (1.873)
Youngest child aged 6–10	3.062*** (1.169)	4.048*** (1.443)	3.188*** (1.163)	4.177*** (1.440)
<b>Legal Process</b>				
Compared with neither parent having a lawyer				
Both have lawyer	1.993** (1.002)	2.589** (1.308)	2.121** (1.008)	2.719** (1.313)
Only father has lawyer	-1.267 (1.252)	-2.125 (1.737)	-1.094 (1.246)	-1.948 (1.728)
Only mother has lawyer	0.365 (0.937)	0.081 (1.350)	0.182 (0.938)	-0.111 (1.344)

(table continues)

Appendix Table 1-a, continued

	OLS: Shared Placement		OLS: Percentage with County Shared Placement Rate	
	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
<b>Compared with both parents being plaintiff</b>				
Father is plaintiff	-1.830 (1.163)	-2.459 (1.602)	-1.659 (1.170)	-2.267 (1.623)
Mother is plaintiff	-1.478 (1.046)	-2.369* (1.393)	-1.538 (1.054)	-2.424* (1.399)
Neither is plaintiff	3.974 (4.850)	-1.868 (1.907)	3.830 (4.143)	-2.013 (1.997)
<b>Final Judgment Year</b>				
Compared with 2003–04				
2005–06	-1.718** (0.856)	-2.395** (1.108)	-1.769** (0.854)	-2.452** (1.100)
2007–08	-0.894 (0.942)	-2.966** (1.205)	-0.957 (0.936)	-3.036** (1.193)
<b>Placement of Children</b>				
Compared with mother-sole placement				
Shared Placement	1.414** (0.707)	1.477* (0.896)		
County shared placement rate			5.486* (2.996)	5.912 (3.775)
Constant	4.791 (7.544)	-3.776 (9.612)	1.998 (7.883)	-6.782 (9.890)
Observations	2,648	2,648	2,648	2,648
R-squared	0.674	0.577	0.674	0.577

Robust standard errors in parentheses.

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Appendix Table 1-b**  
**Probit-2SLS Analysis of Placement Status and Mothers' Post-Divorce Earnings (in \$1000's)**

	Probit-2SLS		
	Shared Placement	Mothers' Post-Divorce Earnings	
			Post-Divorce Year 1
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
<b>Parents' Employment and Income</b>			
Compared with both parents employed			
Only father employed	-0.014 (0.102)	0.655 (1.155)	1.355 (1.472)
Only mother employed	-0.053 (0.093)	3.259*** (1.186)	4.964*** (1.511)
Neither employed	0.072 (0.143)	0.498 (1.617)	1.891 (2.060)
Pre-Divorce Mothers' earnings (\$1,000)	0.006*** (0.002)	0.889*** (0.034)	0.864*** (0.043)
Pre-Divorce Mothers' earnings, squared	-0.000 (0.000)	-0.000** (0.000)	-0.000 (0.000)
Any welfare receipt	-0.366*** (0.087)	-1.097 (1.357)	-0.848 (1.730)
Pre-Divorce Fathers' earnings (\$1,000)	0.004*** (0.001)		
<b>Previous Children and Prior Marital Status</b>			
Father has other child(ren)	-0.262 (0.246)	0.456 (2.964)	1.872 (3.777)
Father has prior marriage	-0.085 (0.079)	1.079 (0.954)	1.121 (1.216)
Mother has other child(ren)	0.081 (0.129)	-2.325 (1.591)	-2.441 (2.027)
Mother has prior marriage	0.114 (0.085)	-2.024** (1.022)	-3.587*** (1.302)

(table continues)



Appendix Table 1-b, continued

	Probit-2SLS		
	Shared Placement	Mothers' Post-Divorce Earnings	
			Post-Divorce Year 1
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
<b>Length of Marriage and Mother Age</b>			
Length of Marriage	0.007 (0.009)	0.128 (0.102)	0.192 (0.130)
Mother's age	0.076** (0.037)	-0.491 (0.434)	-0.383 (0.553)
Mothers' age squared	-0.001** (0.000)	0.009 (0.006)	0.008 (0.008)
<b>Number and Age of children in Common</b>			
Compared with one child			
Two children	0.050 (0.064)	0.196 (0.752)	0.415 (0.959)
Three children	-0.063 (0.095)	0.225 (1.091)	0.470 (1.390)
Four children	-0.174 (0.163)	1.280 (1.926)	0.793 (2.455)
<b>Compared with parents with only older children</b>			
Youngest child aged 0–2	0.341*** (0.131)	2.766* (1.671)	3.629* (2.129)
Youngest child aged 3–5	0.415*** (0.107)	2.296 (1.629)	2.537 (2.075)
Youngest child aged 6–10	0.433*** (0.090)	1.388 (1.414)	1.237 (1.801)
<b>Legal Process</b>			
Compared with neither parent having a lawyer			
Both have lawyer	0.455*** (0.082)	-0.766 (1.620)	-1.656 (2.065)
Only father has lawyer	0.523*** (0.130)	-4.231** (2.090)	-5.912** (2.663)
Only mother has lawyer	-0.342*** (0.087)	1.543 (1.319)	2.179 (1.681)

(table continues)

Appendix Table 1-b, continued

	Probit-2SLS		
	Shared Placement	Mothers' Post-Divorce Earnings	
			Post-Divorce Year 1
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
Compared with both parents being plaintiff			
Father is plaintiff	-0.415*** (0.100)	0.472 (1.499)	0.913 (1.911)
Mother is plaintiff	-0.613*** (0.080)	1.789 (1.863)	2.544 (2.374)
Neither is plaintiff	-0.571 (0.731)	4.405 (9.708)	2.163 (12.370)
<b>Final Judgment Year</b>			
Compared with 2003–04			
2005–06	0.090 (0.074)	-2.520*** (0.902)	-3.325*** (1.149)
2007–08	0.104 (0.080)	-1.850* (0.946)	-3.918*** (1.205)
<b>Placement of Children</b>			
Predicted probability of shared placement		12.810* (7.551)	19.779** (9.622)
Constant	-1.652** (0.685)	4.776 (7.580)	-0.126 (9.659)
Observations	2,648	2,648	2,648
R-squared		0.623	0.479

Robust standard errors in parentheses.

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

**Appendix Table 2**  
**Regression Models of Mothers' Post-Divorce Income-to-Poverty Ratios**

	Fixed Cost Measure				Proportional Cost Measure			
	OLS: Own Placement		OLS: County Percentage with Shared Placement		OLS: Own Placement		OLS: Percentage with County Shared Placement Rate	
	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
<b>Parents' Employment and Income</b>								
Compared with both parents employed								
Only father employed	-0.028 (0.102)	0.032 (0.115)	-0.028 (0.102)	0.033 (0.115)	-0.035 (0.113)	0.038 (0.129)	-0.036 (0.114)	0.038 (0.129)
Only mother employed	0.419*** (0.086)	0.494*** (0.091)	0.423*** (0.086)	0.497*** (0.091)	0.489*** (0.096)	0.571*** (0.102)	0.484*** (0.096)	0.565*** (0.102)
Neither employed	0.434** (0.180)	0.562*** (0.212)	0.434** (0.182)	0.560*** (0.214)	0.493*** (0.190)	0.628*** (0.223)	0.493** (0.192)	0.626*** (0.224)
Pre-divorce mothers' earnings (\$1,000)	0.050*** (0.004)	0.050*** (0.005)	0.049*** (0.004)	0.050*** (0.005)	0.053*** (0.005)	0.053*** (0.005)	0.053*** (0.005)	0.054*** (0.005)
Pre-divorce mothers' earnings, squared	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)
Pre-divorce fathers' earnings (\$1000)	0.010*** (0.001)	0.010*** (0.001)	0.010*** (0.001)	0.010*** (0.001)	0.012*** (0.002)	0.012*** (0.002)	0.012*** (0.002)	0.012*** (0.002)
Any welfare receipt	-0.118** (0.054)	-0.124* (0.065)	-0.103* (0.054)	-0.109* (0.065)	-0.102* (0.058)	-0.109 (0.071)	-0.122** (0.058)	-0.130* (0.071)
<b>Previous Children and Prior Marital Status</b>								
Father has other child(ren)	-0.149 (0.121)	-0.059 (0.167)	-0.134 (0.119)	-0.047 (0.169)	-0.137 (0.127)	-0.053 (0.178)	-0.158 (0.131)	-0.077 (0.178)
Father has prior marriage	0.091 (0.064)	0.079 (0.076)	0.097 (0.065)	0.084 (0.077)	0.096 (0.069)	0.082 (0.083)	0.088 (0.070)	0.073 (0.084)
Mother has other child(ren)	-0.015 (0.074)	-0.032 (0.086)	-0.018 (0.074)	-0.035 (0.086)	-0.011 (0.076)	-0.035 (0.091)	-0.008 (0.076)	-0.031 (0.091)
Mother has prior marriage	-0.102 (0.062)	-0.169** (0.079)	-0.106* (0.061)	-0.173** (0.078)	-0.104 (0.067)	-0.177** (0.087)	-0.098 (0.067)	-0.171** (0.087)

(table continues)

Appendix Table 2, continued

	Fixed Cost Measure				Proportional Cost Measure			
	OLS: Own Placement		OLS: County Percentage with Shared Placement		OLS: Own Placement		OLS: Percentage with County Shared Placement Rate	
	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
<b>Length of Marriage and Mother Age</b>								
Length of Marriage	0.013* (0.007)	0.020** (0.009)	0.013* (0.007)	0.019** (0.009)	0.015* (0.008)	0.022** (0.010)	0.015* (0.008)	0.022** (0.010)
Mother's age	-0.021 (0.033)	0.013 (0.039)	-0.025 (0.032)	0.009 (0.039)	-0.026 (0.035)	0.014 (0.042)	-0.020 (0.035)	0.020 (0.042)
Mothers' age squared	0.000 (0.000)	-0.000 (0.001)	0.001 (0.000)	0.000 (0.001)	0.001 (0.000)	-0.000 (0.001)	0.000 (0.000)	-0.000 (0.001)
<b>Number and Age of children in common</b>								
Number of children in commons	-0.245*** (0.031)	-0.253*** (0.039)	-0.244*** (0.031)	-0.252*** (0.039)	-0.194*** (0.033)	-0.201*** (0.044)	-0.196*** (0.033)	-0.204*** (0.044)
<b>Compared with parents with only older children</b>								
Youngest child aged 0–2	0.369*** (0.114)	0.435*** (0.148)	0.355*** (0.114)	0.421*** (0.149)	0.399*** (0.124)	0.486*** (0.165)	0.418*** (0.125)	0.506*** (0.166)
Youngest child aged 3–5	0.327*** (0.097)	0.375*** (0.122)	0.308*** (0.097)	0.358*** (0.122)	0.363*** (0.107)	0.433*** (0.137)	0.389*** (0.108)	0.459*** (0.138)
Youngest child aged 6–10	0.241*** (0.083)	0.253*** (0.095)	0.221*** (0.082)	0.234** (0.095)	0.272*** (0.092)	0.303*** (0.106)	0.299*** (0.092)	0.332*** (0.106)
<b>Legal Process</b>								
Compared with neither parent having a lawyer								
Both have lawyer	0.250*** (0.068)	0.256*** (0.086)	0.229*** (0.068)	0.236*** (0.085)	0.268*** (0.075)	0.269*** (0.096)	0.297*** (0.075)	0.300*** (0.096)
Only father has lawyer	-0.127 (0.081)	-0.184* (0.110)	-0.152* (0.081)	-0.207* (0.110)	-0.149* (0.089)	-0.212* (0.121)	-0.115 (0.089)	-0.175 (0.120)
Only mother has lawyer	0.047 (0.064)	0.032 (0.087)	0.063 (0.064)	0.047 (0.088)	0.049 (0.069)	0.031 (0.097)	0.026 (0.069)	0.006 (0.097)

(table continues)

Appendix Table 2, continued

	Fixed Cost Measure				Proportional Cost Measure			
	OLS: Own Placement		OLS: County Percentage with Shared Placement		OLS: Own Placement		OLS: Percentage with County Shared Placement Rate	
	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2	Post-Divorce Year 1	Post-Divorce Year 2
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
Compared with both parents being plaintiff								
Father is plaintiff	-0.035 (0.086)	-0.067 (0.111)	-0.021 (0.086)	-0.051 (0.111)	-0.070 (0.094)	-0.116 (0.123)	-0.088 (0.095)	-0.132 (0.124)
Mother is plaintiff	-0.050 (0.072)	-0.110 (0.091)	-0.023 (0.072)	-0.084 (0.090)	-0.053 (0.080)	-0.128 (0.102)	-0.089 (0.081)	-0.165 (0.102)
Neither is plaintiff	-0.026 (0.167)	-0.317** (0.143)	-0.001 (0.199)	-0.293** (0.123)	-0.036 (0.203)	-0.331** (0.133)	-0.071 (0.164)	-0.367** (0.180)
<b>Final Judgment Year</b>								
Compared with 2003–04								
2005–06	-0.160*** (0.060)	-0.181** (0.072)	-0.162*** (0.060)	-0.184** (0.072)	-0.174*** (0.067)	-0.196** (0.082)	-0.170** (0.066)	-0.193** (0.081)
2007–08	-0.139** (0.065)	-0.226*** (0.078)	-0.142** (0.065)	-0.230*** (0.077)	-0.161** (0.073)	-0.258*** (0.088)	-0.157** (0.072)	-0.255*** (0.087)
<b>Placement of Children</b>								
Shared Placement indicator	-0.141*** (0.050)	-0.126** (0.059)			0.196*** (0.054)	0.216*** (0.064)		
County shared placement rate			-0.091 (0.220)	-0.037 (0.264)			0.153 (0.240)	0.226 (0.288)
Constant	0.843 (0.562)	0.304 (0.681)	0.895 (0.579)	0.328 (0.699)	0.666 (0.609)	0.026 (0.741)	0.580 (0.630)	-0.096 (0.763)
Observations	2,648	2,648	2,648	2,648	2,648	2,648	2,648	2,648
R-squared	0.590	0.517	0.589	0.516	0.594	0.518	0.592	0.516

Robust standard errors in parentheses.

\*\*\* p&lt;0.01, \*\* p&lt;0.05, \* p&lt;0.1

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