

Children Receiving Child Support

DEFINITION

Children receiving child support is the percentage of parents, as indicated in the Rhode Island Office of Child Support Services system, who make child support payments on time and in full. The percentage does not include cases in which paternity has not been established or cases in which the non-custodial parent is not under a court order because he/she cannot be located. Court orders for child support require establishment of paternity.

SIGNIFICANCE

Child support provides a mechanism for non-resident parents (usually fathers) to contribute to the financial and medical support of their children. The goals of the child support system are to promote family self-sufficiency and child well-being, to provide support and services to custodial parents in locating the non-custodial parent and establishing paternity (when applicable), establishing support orders, collecting support payments and providing non-custodial parents with services, such as reviews of their support orders.¹

The receipt of child support payments can significantly improve the economic well-being of a child growing up in a family with a non-resident parent.² Custodial parents who receive steady child support payments are more likely to find work more quickly and to

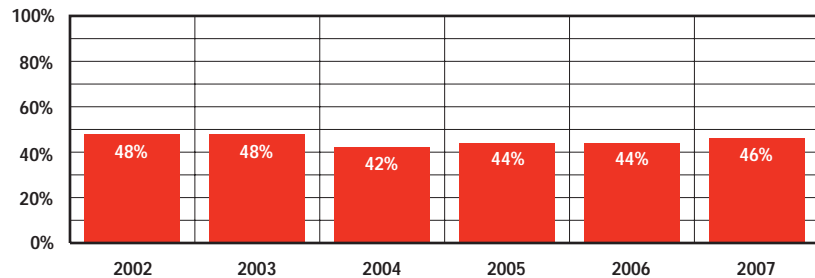
maintain employment longer than those who do not.³ For poor families that receive child support, it is the second largest source of income (after mothers' earnings).⁴

Yet for many families, even when a child support order is in place, payments can be unreliable. Low-income non-custodial parents often experience low wages and high rates of joblessness, making it difficult to fulfill their child support obligations.⁵ Programs that provide education and job training increase non-custodial parents' ability to pay child support.^{6,7}

Research shows that the receipt of regular child support payments can have a positive effect on children's academic achievement and increases the likelihood that the non-resident parent will develop a visiting relationship with the child.^{8,9} Fathers who pay regular child support are more involved with their children, providing them with emotional and financial support.¹⁰

The Office of Child Support Services is a cost-effective program; for every \$1.00 Rhode Island spends, it collects \$4.70 in child support and cash to provide medical support to distribute to families or reimburse the state for FIP and RItE Care costs.¹¹ As of December 1, 2007, there were 85,355 Rhode Island children in the state's Office of Child Support Services system.¹² Half (53%) of these children lived in the six core cities.¹³

Non-custodial Parents with Court Orders Who Pay Child Support on-time and in Full, Rhode Island, 2002–2007

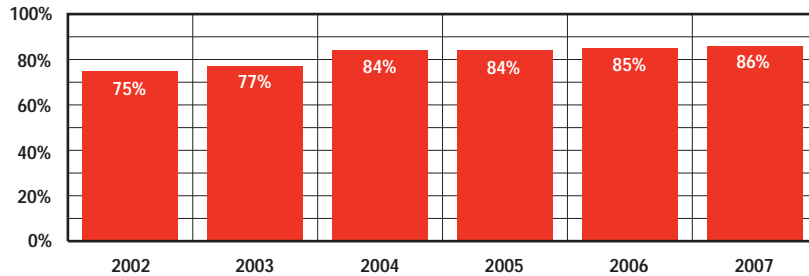


Source: Rhode Island Department of Human Services, Office of Child Support Services, 2002-2007.

- ◆ **In 2007 in Rhode Island, 46% of non-custodial parents under court order paid child support on time and in full.**¹⁴
- ◆ **For calendar year 2007, the Rhode Island Office of Child Support Services collected more than \$78.5 million in child support dollars, an increase of \$3.8 million from the previous year. Eighty-two percent (\$64.7 million) of the current collections were distributed directly to families.**¹⁵
- ◆ **As of December 31, 2007, the cumulative amount of past-due court-ordered child support since the inception of the program in Rhode Island totaled almost \$299.8 million (including interest), of which \$199.7 million was the principal.**¹⁶
- ◆ **To ensure the timely payment of monies to custodial parents, in March 2008 the Office of Child Support Services began to use a stored-value card. Custodial parents now have the option of having their child support payments directly deposited into a personal bank account or onto a stored-value card.**¹⁷
- ◆ **During federal Fiscal Year 2007, there were 14,928 court orders for medical insurance and 6,265 orders to pay for medical coverage. A total of \$2.5 million in cash medical payments were retained by the state to offset the cost of RItE Care, while \$728,762 was disbursed directly to families to offset the cost of private coverage or other medical expenses.**¹⁸

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Rhode Island Children in the Office of Child Support Services System with Paternity Established, 2002-2007



Source: Rhode Island Department of Human Services, Office of Child Support Services, 2002-2007.

◆ Between 2002 and 2007, the Rhode Island Office of Child Support Services increased the percentage of children in the system with paternity established from 75% of children in 2002 to 86% of children in 2007, an increase of 15%.¹⁹

◆ Despite increases in the percentage of children with paternity established, Rhode Island (59%) had the lowest rate in New England of court orders established (Maine – 88%; Vermont – 86%; New Hampshire – 83%; Massachusetts – 75%; Connecticut – 71%).²⁰

◆ In FFY 2006, Rhode Island had the highest case/staff ratio in New England.²¹ Since then, the Office of Child Support Services has faced additional staff reductions, further impacting the Office's ability to establish court orders.

References

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^{2,6,28} Legler, P. (2003). *Low-income fathers and child support: Starting off on the right track*. Baltimore, MD: The Annie E. Casey Foundation.

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⁴ Turetsky, V. (2005). *The Child Support Program: An investment that works*. Washington, DC: Center for Law and Social Policy.

⁵ Frank, A. (2004). *Where the funds are: Potential use of child support funds for transitional jobs programs* (Brief No. 1). Washington, DC: Center for Law and Social Policy.

^{7,8,10} Turetsky, V. (2005). *The Child Support Enforcement Program: A sound investment in improving children's chances in life*. Washington, DC: Center for Law and Social Policy.

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Child Support and the Family Independence Program

◆ As of December 1, 2007, Rhode Island's Office of Child Support Services system included 15,007 children enrolled in the Family Independence Program (FIP).²²

◆ As of December 31, 2007, the average child support obligation for children enrolled in FIP was \$257 per month, compared to an average child support obligation of \$342 per month for children in non-FIP families.²³ Calculations for the payments are based upon the income of both parents and it is therefore expected that the average child support obligation for children enrolled in FIP would be lower.

◆ For calendar year 2007, the total amount of child support collections for children enrolled in FIP was \$8.7 million dollars. Of this, \$7.6 million collected on behalf of children enrolled in FIP was retained by the federal and state government, while \$1 million went directly to the children.²⁴

◆ In Rhode Island, the first \$50 of child support paid on time each month on behalf of a child receiving FIP cash assistance goes to the custodial parent caring for the child.²⁵ In federal Fiscal Year 2007 in Rhode Island, an average of 1,686 families (11% of the children enrolled in FIP) received at least one "pass-through" payment each month.²⁶

◆ Research suggests that child support "pass through programs" encourage paternity establishment and higher child support payments by low-income parents.²⁷ Welfare recipients who receive child support "pass throughs" are more likely to leave welfare for work, remain off welfare and have income above the federal poverty line.²⁸ In a recent federal policy change designed to increase the amount of money state governments pass through directly to children, the federal government will waive the federal share of child support collections up to \$100 per month for one child and \$200 for two or more children.²⁹