

# Welfare Recidivism in Maryland: The Importance of Child Support

Lauren A. Hall

August 18<sup>th</sup>, 2014

Presented at the 2014 National Association for Welfare Research and Statistics Annual Workshop

This project was funded by the Maryland Department of Human Resources.

# Child Support and Self-Sufficiency

(Sorensen, 2010)

- Child support is an indispensable source of income for families.
  - It makes up 40% of a poor family's income, on average.
  - It reduces child poverty by approximately 4%.
  - It lifts more than 1 million people out of poverty each year.

# Child Support for Welfare Recipients

- Child support collected on behalf of the families is used to reimburse the federal and state governments.
- Maryland does not have a child support pass-through policy in place.
- Families are unable to receive child support until they leave welfare.

# Child Support and Welfare Recidivism

- When a family leaves welfare, 40% have an order for current support established in the first year after exit (Nicoli, Passarella, & Born, 2013).
- Research examining the effect of child support on returns to welfare are limited in both abundance and methodology.
- Child support was associated with a decreased likelihood of returning to welfare (Huang, Kunz, & Garfinkel, 2002; Meyer, 1993).

# Research Questions

- Are women who leave welfare less likely to return if they receive child support after their exit?
- Do other factors, such as payment consistency, amount received, employment and earnings contribute to welfare recidivism?

# Sample

n = 34,541

- All Maryland welfare cases that closed between January 2006 and December 2009 and meet these criteria:
  - Exited for at least two months
  - Female-headed
  - Had a child under 18 in the household
  - Had child support due at some point in the 3 years after exit
- Cases excluded:
  - Churners
  - Administrative errors
  - Two-parent and child-only cases

# Methods

- Welfare Recidivism
  - Dichotomous: yes/no returned to welfare within three years
- Child Support Receipt
  - Dichotomous: yes/no received child support within three years
  - Payment consistency : yes/no received a payment for 75% of the three years (27 out of 36 months).
  - Categorical dollar amounts based on quintiles
- Descriptive statistics and significance testing were used to test differences.

# Data Sources

- CARES (Client Automated Resources and Eligibility System)
  - Administrative data system for the welfare program managed by the Department of Human Resources, State of Maryland.
- MABS (Maryland Automated Benefits System)
  - Administrative data system that contains employment and earnings for all individuals who work for an employer covered by Unemployment Insurance (UI).
- CSES (Child Support Enforcement System)
  - Administrative data system that contains all child support data for the public child support system in Maryland.

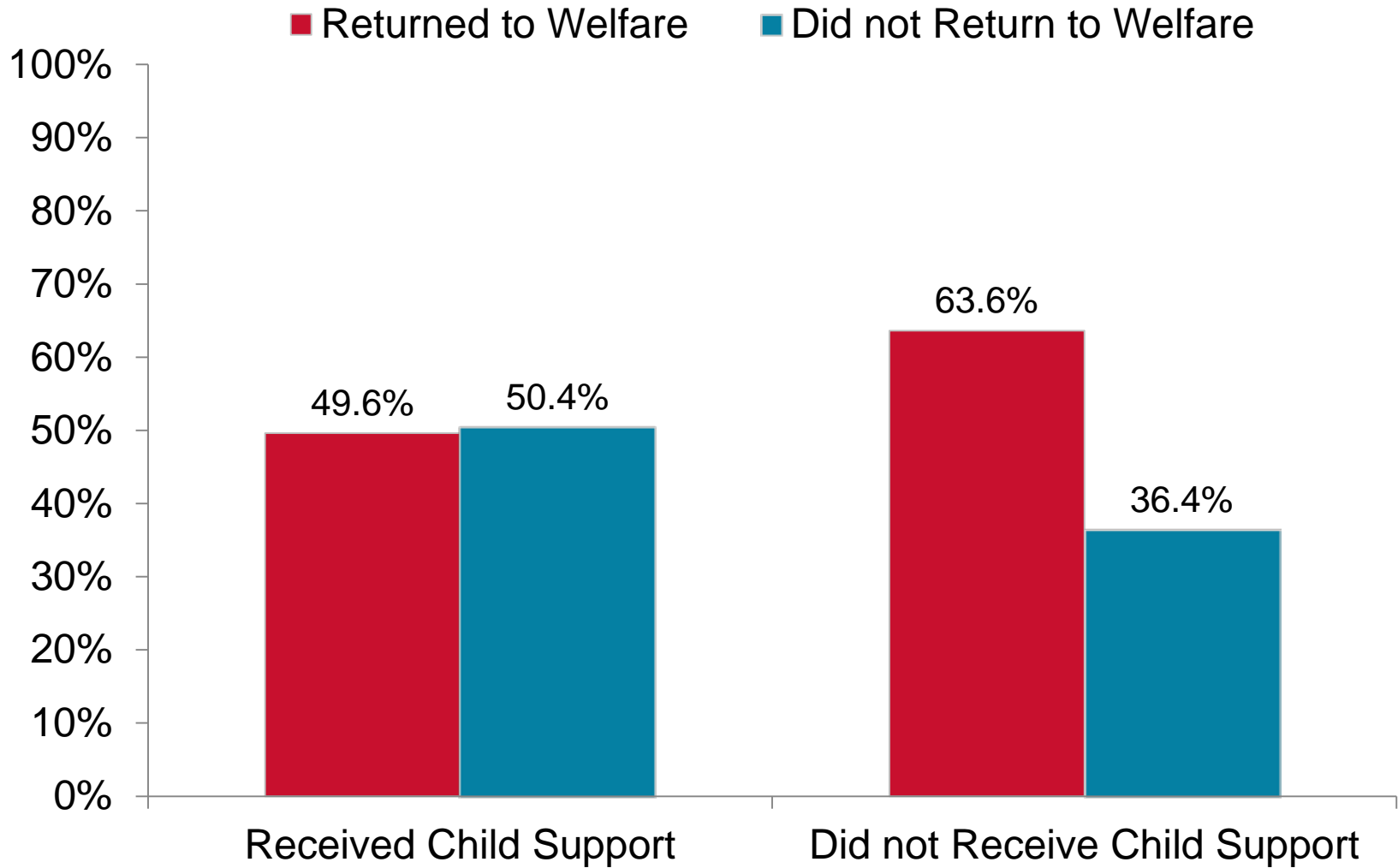


# Characteristics of Recidivists and Non-Recidivists

	<b>Recidivist (n = 18,028) 52.2%</b>	<b>Non-Recidivist (n=16,513) 47.8%</b>
African American***	85.0%	75.3%
Never Married***	87.7%	81.8%
Earned High School Diploma***	55.3%	69.7%
Mean Age	28.98	30.53
Mean Number of Children	2.08	1.96
Mean Age of Youngest Child	4.21	4.84
Mean Months of Welfare Receipt	23.42	17.93

Note: \*\*\* p<.001

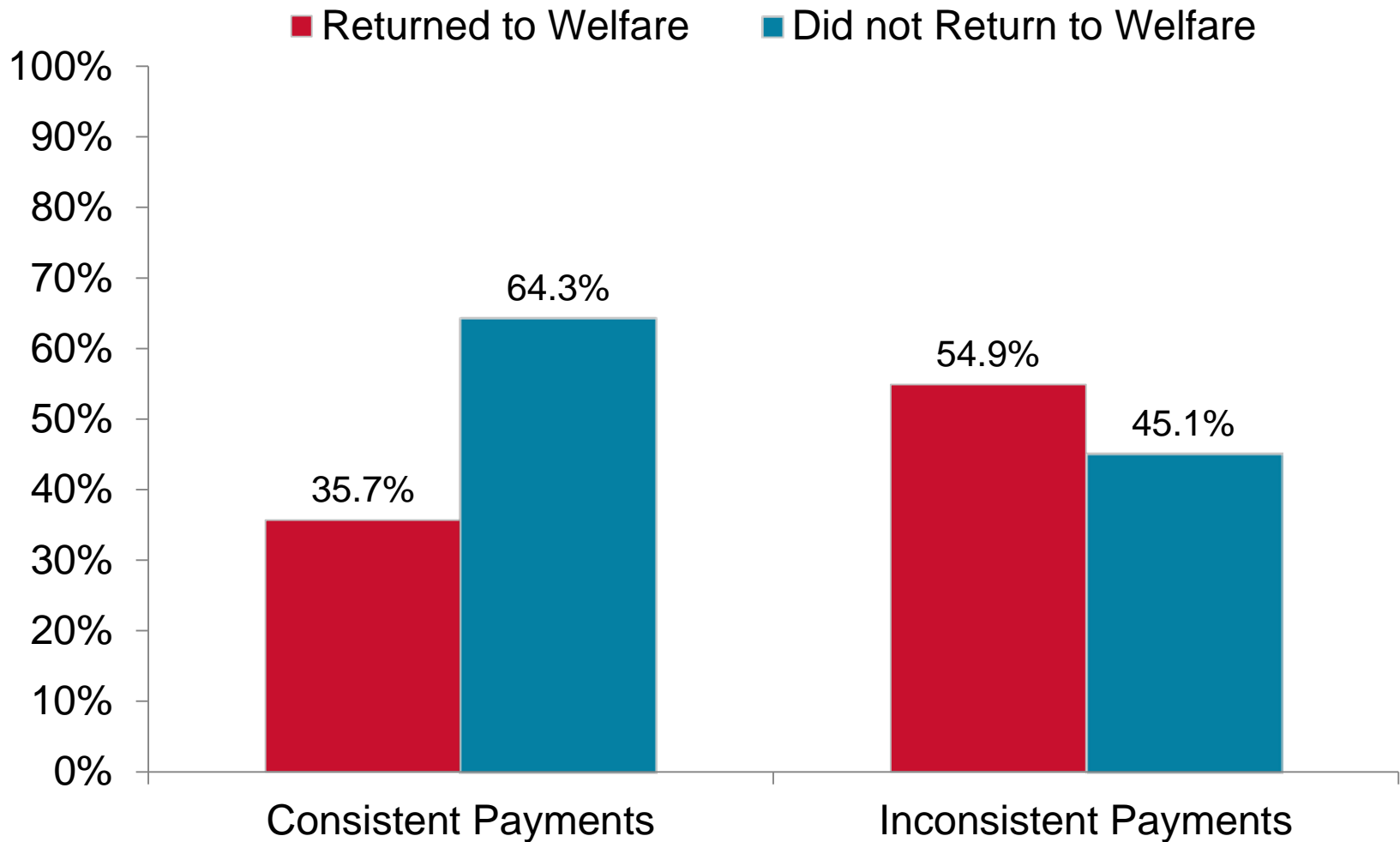
# Recidivism and Child Support<sup>\*\*\*</sup>



Note: \*\*\*  $p < .001$

# Payment Consistency<sup>\*\*\*</sup>

*Among Women who Received Child Support*



Note: \*\*\*  $p < .001$

# Child Support Received\*\*\*

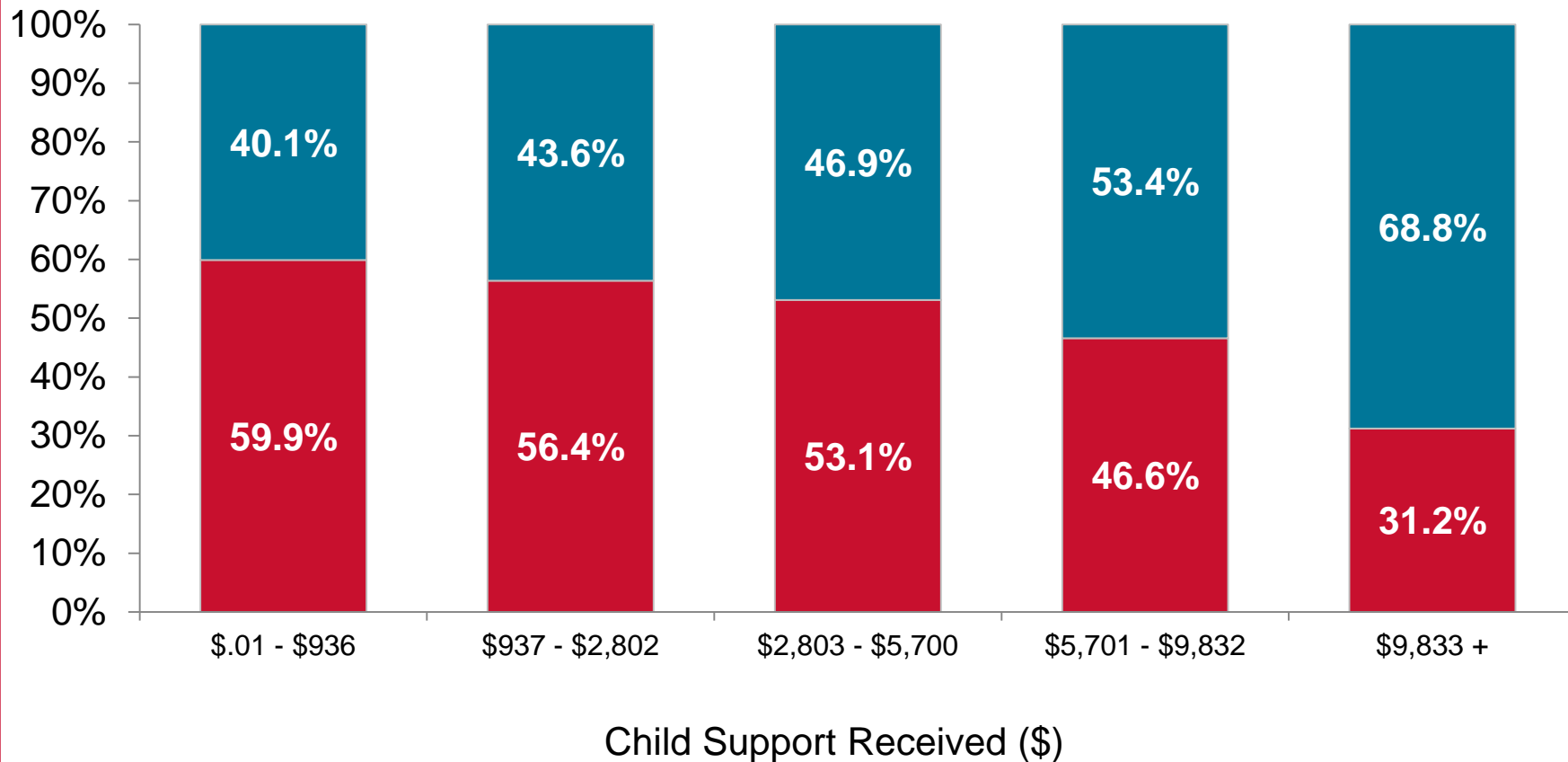
*Among Women who Received Child Support*

■ Returned to Welfare

Mean: \$4,594

■ Did not Return to Welfare

Mean: \$7,264

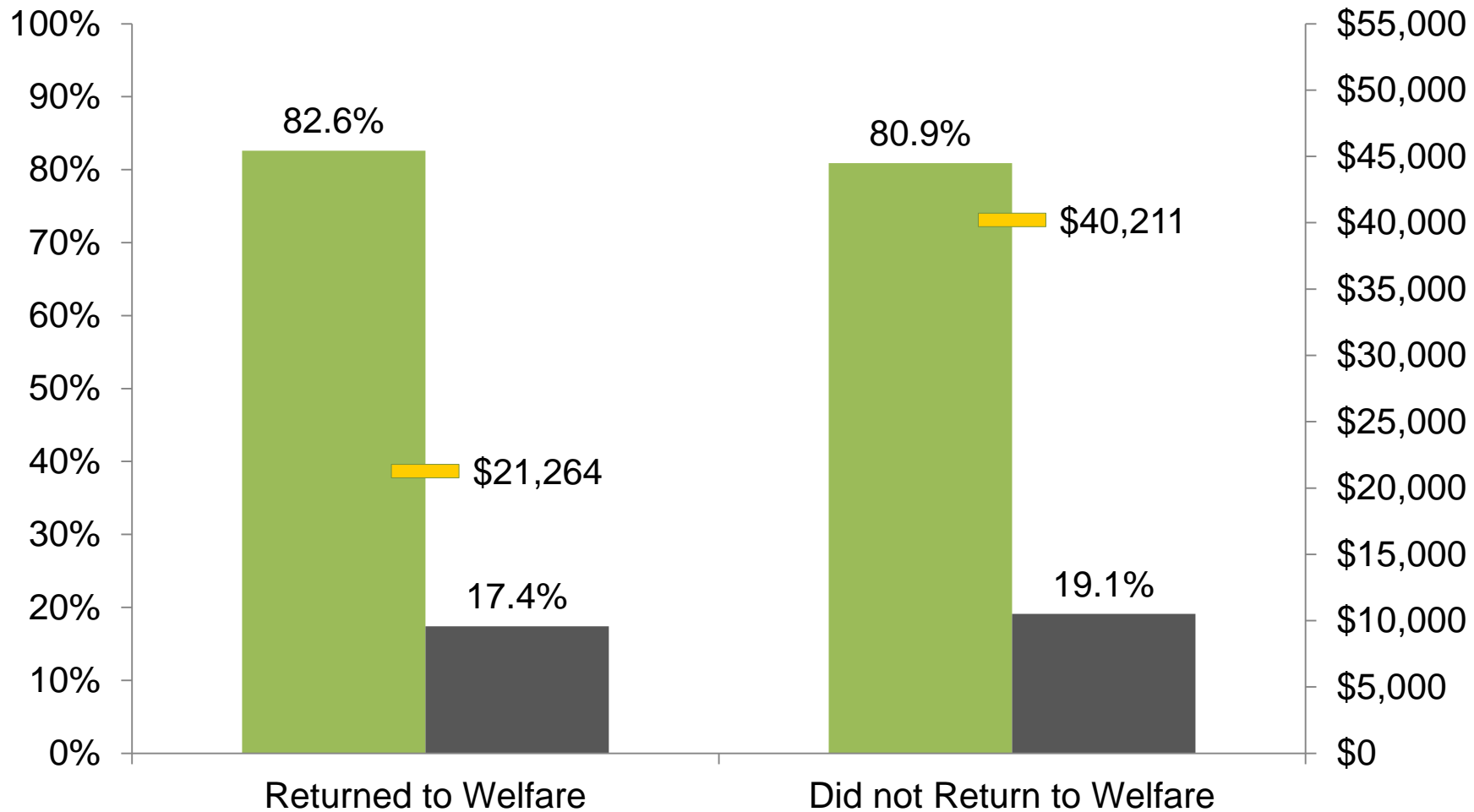


Note: \*\*\*  $p < .001$

# Employment, Earnings, and Recidivism\*\*\*

*Among Women who Received Child Support*

■ Worked after Exit ■ Did not Work after Exit — Average Earnings for Three Years after Exit



Note: \*\*\* p<.001

# Conclusions

- There is a significant association between child support receipt and welfare recidivism in Maryland.
- Consistent with earlier findings, women who received child support after exit were less likely to return to welfare.
- Consistent payments, the amount of child support, and earnings from employment are also important factors.

# Implications

- Further research should be pursued in this area and should utilize appropriate regression models.
- States should continue to advocate for low-income families whose income may be largely dependent on child support after leaving welfare.
- States should increase efforts to establish child support orders for low-income families.
- States should adopt family-friendly policies that encourage low-income noncustodial parents to pay their support.

# References

1. Huang, C.C., Kunz, J., & Garfinkel, I. (2002). The effect of child support on welfare exits and re-entries. *Journal of Policy Analysis and Management*, 21(4), 557-576.
2. Meyer, D.R. (1993). Child support and welfare dynamics: Evidence from Wisconsin. *Demography*, 30(1), 45-62.
3. Nicoli, L.T., Passarella, L., & Born, C.E. (2013). *Life after welfare: Annual update*. Baltimore, MD: University of Maryland, School of Social Work.
4. Sorensen, E. (2010). *Child support plays an increasingly important role for poor custodial families*. Washington, DC: Urban Institute.



# Thank You

---

Lauren A. Hall, MA  
Research Analyst

Family Welfare Research and Training Group  
University of Maryland, School of Social Work

(410) 706-2761

[LHall@ssw.umaryland.edu](mailto:LHall@ssw.umaryland.edu)

<http://www.familywelfare.umaryland.edu/>

---