

**TEENAGE CHILDBEARING AND WELFARE REFORM:
LESSONS FROM A DECADE OF DEMONSTRATION AND EVALUATION RESEARCH**

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I am pleased to have the opportunity to share with you some important facts and findings from recent research on the causes and consequences of teenage childbearing. I devote particular attention to what we know about the responsiveness of teenagers and teenage parents to various interventions aimed at delaying early childbearing. In addition, for those who have children, I look at ways of mitigating the adverse consequences for the young mothers and their children. I draw heavily on my experiences over the past six years in evaluating a large-scale federally funded demonstration of a reformed welfare system for teenage parents.¹ However, my remarks also draw on other demonstrations and state policy initiatives for this population.

I stress eight important conclusions from this body of research that should shape the next generation of welfare reforms:

- (1) The problems associated with teenage pregnancy and births are getting more serious. The rates of both are increasing significantly, resulting in growing numbers of mothers and their children living in poverty and depending on welfare.
- (2) Teenage parents and former teenage parents represent the majority of welfare recipients and consume the majority of welfare benefits. In large part, this is because of their long periods of dependency. Early intervention is critical to changing the culture of poverty and moving these young mothers toward self-sufficiency as quickly as possible.
- (3) Employment is the only route out of poverty for the vast majority of teenage parents on welfare. Thus, public policies for them should emphasize employment preparation and support.
- (4) Traditional ways of delivering family planning services, which emphasize education and counseling, do not work. Teenage pregnancy rates remain high even in schools and communities with extensive pregnancy prevention programs. Teenage parents on welfare do not want more children, at least in the near term. However, most will have them--even those offered extensive family planning services.
- (5) It is possible to change the culture of welfare among teenage parents and welfare caseworkers through universal-coverage programs that feature a combination of participation mandates and extensive support services. Strong case management is essential to the effectiveness of these programs.
- (6) Programs with truly mandatory participation requirements need not be punitive and harmful to children. Programs that hold case managers accountable for addressing client needs will lead to increased levels of support for teenage parents and their children. Moreover, teenage parents who have been subject to participation mandates, in conjunction with case management and support services, generally view the mandates as fair.
- (7) Traditional approaches to second-chance education and job training are marginally effective, at best. It is critical to find ways of keeping more teenagers and teenage parents on the traditional school-to-work transition path at the same time as we seek to strengthen existing second-chance options.

¹This demonstration--the Teenage Parent Welfare Demonstration--is being evaluated by Mathematica Policy Research, Inc., under a contract with the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services (HHS-100-86-0045). A synthesis of the research completed to date under this contract, as well as the results of an in-depth study of the target population is included with this statement for reference by the committee members and staff.

- (8) Support services such as child care and transportation are essential for promoting education and employment among teenage parent welfare recipients and are less costly to provide than generally assumed.

THE CAUSES AND CONSEQUENCES OF TEENAGE CHILDBEARING

The likelihood that teenagers engage in unprotected sex, become pregnant, and give birth are highly correlated with multiple risk factors. These factors include coming from a single-parent family, living in poverty and/or in a high-poverty neighborhood, low attachment to and performance in school, and having parents with low educational attainment. For example, white teens living in single-parent households are twice as likely to become teenage parents as those in two-parent families; black teens living in single-parent families are one and a half times more likely to become teenage parents (Zill and Nord 1994). These probabilities increase even more for those with low educational aspirations, low aptitude test scores, and parents with low education levels.

The rise in the incidence of teenage pregnancy and childbearing is largely a function of increases in the incidence of sexual activity and reductions in abortion rates. Teenage pregnancy and birth rates have been rising fairly rapidly over the past five years. In 1992, there were 62 births per 1,000 teenage girls, compared with only 50 births per 1,000 in 1986--a 24 percent increase (Moore 1994). During this period, the proportion of out-of-wedlock births to teenagers increased from 61 to 69 percent (13 percent).

Most of the increase in pregnancy and birth rates can be explained by the continued rise in the incidence of premarital sex among teenagers (up from 44 percent in 1985 to 52 percent in 1988), and by a decline in the abortion rate among teenagers. Indeed, a recent study reports a substantial increase in the both the rate of contraceptive use and its effectiveness (Alan Guttmacher Institute 1994). However, these strides forward have not kept pace with the rising sexual activity rates and the decline in abortion rates.

Most teenagers do not intend to become pregnant. Eighty-two percent of teenage pregnancies are unintended, and 69 percent of births to teenagers are the result of unplanned pregnancies (Moore 1994). A typical explanation is: "It simply happened." For example, among first-time teenage parents on welfare, over one-fourth had never used any form of birth control prior to having their first child, and more than two years after giving birth, half reported not using any contraception during their last intercourse (Gleason et al. 1993).

After these young mothers decide to have the baby, they develop strong commitments to their child and want to do what is best for the infant.

I like being a mom. I love my son, nothing could change that I don't care about nothing else but him, how he is.²

Yet, these young mothers face major challenges to fulfilling their goals for their children. Slightly more than half of these young mothers will be unmarried or separated during the first five years following the birth of their child, and only about half will live with relatives (Congressional Budget Office 1990). Only 13 percent will have jobs that lift or keep them out of poverty.

Teenage childbearing too often portends a life of poverty and dependency for the young mother and her children. This is especially true for those who have children at very young ages and for those who have multiple births before establishing stable and self-sufficient relationships with male partners. Those who have children at young ages are likely to have more children in shorter periods of time, and subsequent births adversely affect the likelihood of school completion and subsequent employment (Nord et al. 1992; Rangarajan et al. 1994; Grogger and Bonars 1993; Geronimus and Korenman 1993; Hoffman et al. 1993; and Ahn 1994).

These early childbearers are increasingly likely to be single parents and the sole providers for themselves and their children. Five years after giving birth, most teenage parents are unmarried. This fact reflects a precipitous increase in the incidence of out-of-wedlock births among all age groups (U.S. Department of Education 1993). Only about 30 percent of these single mothers who gave birth as teens live with adult relatives, and less than one third receive any financial assistance from the noncustodial fathers of their children (Congressional Budget Office 1990).

Early childbearing reduces significantly the probability that young women will complete their schooling and thus weakens their employment prospects substantially. Just over half of all teenage mothers complete their high school education during young adulthood. Many of those who do complete high school have especially low basic skills (Strain and Kisker 1989; Rangarajan et al. 1992; and Nord et al. 1992). As a result of their low basic skills and the compounding effects of their parenting responsibilities, they have limited employment opportunities (Berlin and Sum 1988; Cohen et al. 1994; Moore et al. 1993; Hoffman et al. 1993; and Rangarajan et al. 1994).

²All quotes in this testimony are from first-time welfare recipients in the three sites that participated in the Teenage Parent Demonstration. They were obtained through in-depth interviews and focus groups conducted by the Mathematica Policy Research, Inc., research and survey staff. See also Polit (1992).

Consequently, poverty rates for this group are extremely high, even for those who are employed. Five years after giving birth, 43 percent of teenage mothers are living in poverty (Congressional Budget Office 1990). Although poverty rates are especially high among those living on their own (81 percent) and those not employed (62 percent), the rates are still relatively high among those who are employed (27 percent) and those living with a spouse or adult relative (28 and 34 percent, respectively).

Nearly half of these young mothers, and 77 percent of those who were unmarried when they give birth, end up on welfare within five years after becoming a parent. Moreover, the periods of welfare dependence are substantial. Over 60 percent of initial welfare spells last two or more years, and 40 percent last at least four years (Gleason et al. 1994). In addition, most teenage parents experience multiple spells of dependence, which in total average 8 to 10 years (Maxfield and Rucci 1986; Ellwood 1988; and House Ways and Means Committee 1993).

These high poverty rates are accompanied by numerous other life-complicating factors, some caused by poverty and some contributing to its perpetuation. Teenage parents are disproportionately concentrated in poor, often racially segregated, communities characterized by inferior housing, high crime, poor schools, and limited health services. The teenagers often have been victims of physical and/or sexual abuse. Recent studies of Washington State welfare recipients estimate that half of those who give birth before age 18 also have been sexually abused, and another 10 percent or more have been physically abused (Roper and Weeks 1993; Boyer and Fine 1992). A national study indicates that nearly 10 percent of all females ages 18 to 22 have experienced involuntary sexual intercourse by the age of 20 (Moore 1994). This underscores the importance of flexibility within the welfare system to allow alternative living arrangements for some teenage parents.

TEENAGE PARENTS ON WELFARE³

Teenage parents consume a disproportionate share of all welfare dollars. According to one set of estimates, the costs of teenage childbearing total over \$34 billion a year for the major income social support programs alone (Advocates for Youth 1994). Indeed, nearly half of all welfare recipients are current or former teenage parents. If we include the implicit costs of the intergenerational effects of teenage childbearing, along with the indirect effects of teenage childbearing on teenagers' families and the communities in which they live, the costs are much higher.

Teenage childbearing contributes to the intergenerational transfer of poverty. It not only interferes with the education and employment prospects of young mothers and her prospects for marriage, but it is associated with lower quality home environments for children (measured by factors such as children's books in the home and reading to children) (Nord et al. 1992; Zill and Nord 1994). All of these factors are strongly related to the teenage childbearing among subsequent generations. Indeed, nearly two-thirds of first-time teenage parents on welfare have mothers who also gave birth during their teen years (Maynard et al. 1993).

Teenage parents on welfare are diverse in terms of their barriers to and strengths for attaining self-sufficiency. As with teenage parents in general, most of those on welfare live in poverty, often in dangerous neighborhoods, and many have no or few role models in their communities to guide them toward social and economic independence. Yet, the mothers and their social settings differ substantially in terms of the specific barriers they face and the resources they have available to promote their self-sufficiency and help them control major life decisions, such as their fertility.

At the time of the birth of their first child, roughly equal numbers of these teenage parents have completed high school, are still in school, or have dropped out (Maynard 1993). Overall basic skills levels are low, averaging about eighth-grade for reading and math. Roughly one-quarter have skills at the sixth-grade level or below and one-quarter have tenth-grade or higher skills. Still, one-third of those graduating from high school have reading skills below the sixth-grade level.

Support from family members and other adults is limited for many teenage parents on welfare. Currently, only about half of the young mothers remain at home with other adults (usually a parent) who could provide economic and social support; less than 5 percent live with the fathers of their child. Some choose to live independently; others do so to escape abusive or otherwise inhospitable home settings. Regardless of living arrangement, only about 30 percent receive any child support from the noncustodial fathers, and less than 20 percent receive support regularly.

Employment is the surest means of escape from welfare and poverty. It also provides teenagers with the highest probability of staying off welfare, as marriage rates are low and falling. Only 12 percent of first-time teenage parents leaving welfare do so as a result of marriage or cohabitation. Nearly half leave as a result of

³This section draws heavily on surveys and focus groups with first-time teenage parent welfare recipients in the cities of Camden and Newark, New Jersey, and the South Side of Chicago between late 1987 and early 1991--a total of nearly 6,000 young mothers (Gleason et al. 1993; and Polit 1992). This sample represents the universe of teenage parents in the three sites going onto welfare over several years. Moreover, the findings are broadly consistent with other more restrictive samples (see, for example, Quint et al. 1994a and b), and with national samples with less rich data (for example, the National Longitudinal Survey of Youth and the Survey of Income and Program Participation).

employment and 41 percent leave for various other reasons, such as administrative closings and geographic mobility. One fourth of first-time teenage parents on welfare who gain employment within two years of coming onto welfare will be living in poverty, as contrasted with more than 95 percent of other teens (Maynard 1993).

The pattern of recidivism is similar for those leaving due to marriage or employment (Gleason et al. 1994). Nearly 30 percent will return to welfare within six months and two-thirds within three years. Although high, these rates are well below the rates for those leaving for other reasons such as residential mobility or administrative actions. More than half of this group return to welfare within six months and 90 percent return within three years.

Fertility control is a major barrier to self-sufficiency for most teenage parents on welfare. Teenage parents understand the negative implications of having additional children before they are able to provide adequately for their own and their children's economic support. They try to act on this knowledge by postponing future childbearing, but they fail miserably. The majority of young mothers on welfare are adamant about not wanting more children in the foreseeable future, giving all the right reasons:

It's different when you don't know, when you don't have a kid I know how hard it is with one--how in the world would you make it with two?

I just want to get into school and to work. I really don't want to take time off for no more children right now. I'm not ready for it now. When I have my own place, a full-time job, but not right now.

After the first child, most teens on welfare do use contraception (83 percent)--most often a relatively effective method like the pill or an IUD (75 percent) (Maynard and Rangarajan 1994). However, most also are pregnant again within a relatively short time. About one-quarter will be pregnant within a year after the birth of their first child, and about half are pregnant again within two years. Moreover, most of these pregnancies (75 percent) are carried to term.

The clear implication is that many who are using "effective" contraceptive methods are not using them "effectively," for a variety of reasons:

I didn't plan it, and then again I kind of knew what it was going to happen because I wasn't like really taking the pills like I was supposed to. I couldn't remember every day to take the pill. And, I still don't.

I really don't want to take time off for no more children right now But, I'm allergic to birth control pills.

My boyfriend thinks it (the pill) has something in there killing him.

These statements were made by teenage parents who participated in a program that provided family planning workshops, counseling, and services to teenage parents on welfare. Even more discouraging results have been found in the New Chance Demonstration, a high-cost voluntary program for teenage parent welfare recipients that provided a similar range of counseling and family planning services (Quint et al. 1994b). Repeat pregnancy rates for the young mothers in these programs actually increased as a result of the intervention. And, abortion rates increased by similar amounts--underscoring the fact that these were unplanned "new" pregnancies.

Marriage is not a serious goal for many teenage parents on welfare. The young mothers cite a number of reasons for their lack of interest in or hope for marriage, including the unreliability of men, their own desires for independence, and the impermanence of marriage among their peer group and more generally within their communities.

It don't seem like no marriage is gonna work. I don't want to go through that. Two months later, then he gets seeing somebody else. Then he ain't got no money or assets for you to collect.

When you're single it's better. They treat you so much better when you're not married, you know When you're single, it's honey this and honey that. When you're married--do this, do that.

I want to be on my own, because you can never depend on a man Plus, if I go home with money, he and me is going to be arguing. So, it is best to be independent, because you never know that you and that man is going to be together forever.

A FIELD TEST OF A REFORMED WELFARE SYSTEM FOR TEENAGE PARENTS

Background on the Demonstration

In the late 1980s, the U.S. Department of Health and Human Services launched a major social experiment to test the implications of a major change in the welfare system for teenage parents. This experiment, commonly referred to as the Teenage Parent Welfare Demonstration, was a large-scale field test of a

mandatory JOBS-type program for first-time teenage parents on welfare. The cornerstone of the intervention was case management to guide and support the young mothers in active participation in jobs or activities preparatory to jobs, such as education or job training. By design, the program was modest in cost and operated through state welfare departments. The programs provided universal coverage, in that all first-time teenage parents on welfare were required to participate in the demonstration (or a randomly selected control group). There were no exemptions from participation, and temporary deferrals were discouraged.

Demonstration programs operated in three sites--the cities of Camden and Newark, New Jersey, and the South Side of Chicago. Over the course of a two and a half year enrollment period, nearly 6,000 teenagers in these cities who had their first child and were already receiving or started to receive welfare. Half were randomly selected to participate in a new welfare regime requiring them to engage in approved self-sufficiency-oriented activities or to risk a reduction in their welfare grants of about \$160 a month--the enhanced services program. These young mothers also received a fairly rich bundle of support services to facilitate and promote their compliance with these requirements. The other half of the mothers received regular welfare services.

An ongoing multifaceted evaluation of the demonstration is tracking the 6,000 young mothers longitudinally through administrative data and personal interviews. Throughout the four-year operational phase of the demonstration, researchers also conducted extensive on-site observations and individual and group interviews with program staff. Additionally, focus groups were conducted with the young mothers, and researchers conducted extensive case reviews with the program staff who assisted specific mothers during their participation in the new welfare regime.

Impacts of the Reformed Welfare Program

Overall program participation rates were very high. About 90 percent of the eligible young mothers participated in the JOBS-type programs; the vast majority of those who did not participate left welfare relatively soon after being notified of their participation requirements. Yet, this participation rate was achieved only with persistent outreach and followup by program staff and reliance on sanction warnings and grant reductions. Over two-thirds of all program participants entered the program only after one or more sanction warnings had been issued. During the course of the demonstration, two-thirds of the participants received one or more sanction warnings, and one-third had their grants reduced for noncooperation with participation requirements.

The demonstration had statistically significant, but modest effects in promoting school enrollment, job training, and employment. It also reduced welfare dependence. During the two years after enrollment, those receiving the enhanced services and subject to participation mandates were in school, job training, or employed 28 percent more of the time than those subject to regular AFDC policies. The largest gains were in school enrollment--a 13 percentage point increase from 29 to 42 percent. Gains in employment and job training rates were in the 4 to 5 percentage point range. Nearly half of those in receiving the enhanced services had some postenrollment employment, and just over 25 percent participated in job training.

The reformed system led to small, but statistically significant, increases in earnings and reductions in welfare. However, the size of the average earnings gains (\$20 a month, or 20 percent) was the same as the size of the average reduction in welfare benefits (\$20 a month, or 8 percent), leaving the mothers no better off financially.

Only those who found jobs experienced significant reductions in poverty. Only one-fourth of those who were employed two years after enrollment were poor, as compared with over 95 percent of those who were unemployed. Too few (less than 10 percent) got married or established stable relationships with male partners to contribute significantly to poverty reduction.

The reformed welfare programs did not succeed in increasing support from noncustodial fathers. Enhanced child support was a major part of the conceptual design for the demonstration welfare policy. This support was aimed at promoting greater involvement of non-custodial fathers in supporting their children. Two sites increased paternity establishment rates by about 10 percentage points, but these increases did not translate into increased child support payments. Payments and awards were very low in all three sites for both those receiving the enhanced services and those receiving the regular welfare services. Awards averaged about \$120 to \$140 a month; payments averaged less than \$50 a month. In large part, the failing in this area was due to low cooperation by the local child support enforcement agencies who were skeptical of the pay-off.

The reforms also failed to reduce the incidence of repeat pregnancies and births. Over half of the young mothers were pregnant within two years after enrolling in the study sample, and two-thirds were pregnant again by the end of the first wave of follow-up data collection, which averaged about 30 months after enrollment. Yet, all programs offered workshops in family planning as well as trained case managers who provided family planning counseling and support to the teenage parents.

OTHER DEMONSTRATION AND PROGRAM INITIATIVES FOR TEENAGE PARENTS

Over the past 10 years, many other demonstrations and special programs have tried to encourage teenagers to delay sexual activity and/or childbearing, and tried to support teenage parents to improve their

basic skills and employment prospects. These have included school-based health education and counseling programs; special schools for pregnant and parenting teenagers; employment and training programs for disadvantaged youths; alternative schools for at-risk students, with special accommodations for parenting teenagers; and community-based education and training programs, some offering substantial social support services. These initiatives have provided few answers as to what types of assistance can prevent the onset of teenage childbearing and mitigate its consequences when it does occur.

Prevention Programs

None of the pregnancy prevention programs has proven to have major impacts on the teenage pregnancy and birth rates. The research highlights only a few programs with promise for reducing sexual activity rates, increasing contraceptive use among those who are sexually active, and reducing overall pregnancy rates. "There is not sufficient evidence to determine if school-based programs that focus only on abstinence delay the onset of intercourse or affect other sexual or contraceptive behaviors....[or whether] school-based or school-linked reproductive health services, either by themselves or in addition to education programs, significantly decreases pregnancy and birth rates" (Kirby et al. 1994).

The most promising programs in this category provide clear messages on values. They also offer specific strategies and skills for resisting peer pressure to engage in sex and for using contraceptives effectively after youths become sexually active. Several promising models warrant further study, including the Children's Aid Society Teen Pregnancy Primary Prevention Program in New York⁴ and the Teen Services Program in Atlanta (Howard 1985). The former offers strong reproductive health education and counseling in the context of a more holistic approach to addressing the needs of teenagers from disadvantaged backgrounds. The latter program is a school-based initiative that combines reproductive health education with strong values development, stressing the importance of abstinence or protected sex for those who are sexually active.

Programs for Teenage Parents

The research on programs to mitigate the consequences of teenage parenting also provides little guidance for developing effective interventions. There are six especially noteworthy programs for teenage parents (in addition to the Teenage Parent Welfare Demonstration) that have been evaluated recently.

Job Start was a 13-site demonstration of education, vocational training, and support services for disadvantaged, young school dropouts. The demonstration operated between 1985 and 1988 and served about 1,000 youths between the ages of 17 and 21; about one-fourth were teenage parents. The program, which was evaluated using an experimental design, increased significantly and substantially completion of the General Education Development (GED) certification requirements (Cave et al. 1993). However, it failed to increase earnings and led to large (13 percent) increases in repeat pregnancy rates.

New Chance was a national demonstration of small-scale, intensive, and comprehensive service programs for teenage parents on welfare who had dropped out of school. Between 1989 and 1992 the programs provided education, training, and extensive social support services for up to 18 months to 1,400 volunteers. The programs, which were evaluated using an experimental design, also increased the incidence of GED attainment significantly. However, they had significant negative impacts on employment and earnings and on the incidence of repeat pregnancies and abortions (Quint et al. 1994b).

Project Redirection was a four-site demonstration of comprehensive services for teenage parents age 17 or younger. Between 1980 and 1981, community-based organizations provided a variety of services, including education, training, mentoring, job placement, child care, family planning, and parenting training to over 300 volunteers. The evaluation, based on a comparison site design, suggest that these programs led to modest (but significant) increases in earnings, had no impact on educational attainment, and large (20 percent) increases in birth rates (Polit and White 1996).

Ohio Learnfare is a state welfare program designed to keep teenage parent welfare recipients in school through a system of financial incentives and penalties. Some sites offer intensive case management and special support services to facilitate school retention, but the majority provided only minimal case management services. The early results from an experimental evaluation indicate that the program significantly increases the likelihood that in-school youths will remain in school and it prompts youth who otherwise would not return to school to do so (Bloom et al. 1993). Results for earnings or repeat pregnancy rates are not yet available.

The Teenage Parent Health Care Program was an intensive, health-focused intervention for mothers under age 17 and their infants. It had no program services or component directed at promoting education or employment goals. Rather, it provided intensive case management by trained medical social workers for up to 18 months after delivery. The program served about 120 mothers and infants in the late 1980s and was evaluated using an experimental design. It had no measured impacts on school enrollment. However, it did reduce significantly (by 57 percent) the incidence of repeat pregnancies (O'Sullivan and Jacobson 1992).

⁴This program was designed by Dr. Michael Carrera from Hunter College.

The **Elmira Nurse Home Visiting Program** was a demonstration of nurse home visitation for socially disadvantaged women bearing their first child. The program served a total of 400 women, 47 percent of whom were teenagers. This program, which was evaluated using an experimental design, reduced significantly the incidence of repeat pregnancies and showed hints of increasing employment rates for the teenage mothers (Olds et al. 1988).

None of these programs has succeeded in changing these young mothers' life courses dramatically. Yet, each provides important lessons to complement those from the Teenage Parent Welfare Demonstration.

All of these programs for teenage parents faced major challenges in getting young mothers to participate and remain in the programs. Only programs with welfare-linked participation requirements accompanied by financial sanctions--Ohio's Learnfare program and the Teenage Parent Welfare Demonstration--reached significant portions of the target population. Even these programs had to work diligently to recruit and retain participants, including judicious use of sanctions.

The impacts of the interventions on human capital development, employment, and fertility control have been modest, at best. Programs that focused on human capital development and support were successful in promoting GED completion. However, GED attainment did not, in turn, lead to increased earnings or economic well-being (see also Cohen et al. 1994).

None of the employment or welfare-focused programs succeeded in helping young mothers take control of their fertility. Only the two small-scale demonstrations of medically focused interventions with home visiting or extensive medical social work services show promise in achieving family planning goals. However, these programs did not generally succeed in addressing the economic needs of these young mothers and their children.

LESSONS FOR WELFARE REFORM

The most effective programs for teenage parents share two common characteristics: (1) clarity of purpose; and (2) seriousness in their implementation. The one demonstration that succeeded in promoting increased education, job training, and earnings across multiple sites is the Teenage Parent Welfare Demonstration (Maynard 1993). This demonstration had clear and consistent consequences for nonparticipation but also offered flexibility in terms of the selection and sequence of participant activities. The programs in this demonstration shared three features with the small number of other youth programs showing signs of success: (1) reciprocal obligations between participants and the program; (2) a clear employment focus (although employment was not necessarily a short-run goal); and (3) consequences for failing to meet program performance standards.⁵

Mandatory, full-coverage JOBS-type programs like the Teenage Parent Welfare Demonstration can change key aspects of the welfare culture. All recipients in the Teenage Parent Welfare Demonstration were expected to work toward self-sufficiency by addressing personal barriers, by improving basic and job-specific skills, and/or by gaining work experience. Equally important, the welfare system was obligated to work with the young mothers to address barriers to their pursuit of this goal. The consequence of failure on either part was that the young mother suffered a significant financial penalty.

Program staff were also held accountable for monitoring the activities and needs of the young mothers and for requesting a grant reduction for those who, despite program support to address barriers, did not fulfill their obligations to work toward self-sufficiency in accordance with agreed-upon plans. Programs were not allowed to exempt young mothers from their obligations. Instead, they were challenged to find creative solutions to engage those who were reluctant or faced greater perceived barriers.

Indeed, we found little difference in outcomes for those who were more reluctant and less reluctant to participate in the demonstration programs. Moreover, case managers encountered very few clients who truly could not make progress if encouraged and supported. Sometimes case managers had to go to extraordinary lengths to identify the source of a problem and find a solution. For example, one of the Teenage Parent Welfare Demonstration case managers encountered a situation in which she could not understand why a young mother repeatedly failed to show up for program classes. The case manager took the initiative to visit the participant's home and found that the participant and her partner had to sleep in shifts at night so that one of them could guard their baby's crib against rats at all times. The case manager helped the couple find better housing, and the young mother began attending program classes.

It is feasible to operate large-scale, universal, full-coverage programs. The Teenage Parent Welfare Demonstration and Ohio's Learnfare programs illustrate the feasibility of establishing efficient programs to serve large numbers of new clients and managing caseloads in excess of 1,000--scales that would meet or exceed those of most welfare offices.

⁵The more successful youth programs reflected in the research include the Center for Employment and Training (CET) Job Start program in San Jose California (Cave et al. 1993), Ohio's Learnfare program (Bloom et al. 1993), the Teenage Parent Demonstration (Maynard 1993), and Job Corps (Mallar et al. 1982).

A key factor in serving these large numbers without heavy reliance on exemptions and deferrals is providing flexibility in service plans. The Teenage Parent Welfare Demonstration required young mothers to engage continuously in an approved activity, but afforded them considerable latitude in the selection and sequence of activities. This program also promoted cooperation among the young mothers and encouraged them to take responsibility for their actions.

Full-service programs like the Teenage Parent Welfare Demonstration are modest in cost. Inclusive of child care support, the Teenage Parent Welfare Demonstration cost an average of \$166 per month. The modest cost is due to both the relatively large scale of the program and the use of technology and management to help case managers handle 50 to 60 clients effectively.

Financial sanctions can play a supportive role in welfare programs. Financial sanctions need not hurt young mothers or children and will not do so, if the sanctions are used as a case management tool. In the Teenage Parent Welfare Demonstrations, sanctions resulted in young mothers receiving more services and support from the system than they otherwise would. Although a third of the young mothers in the demonstration programs had their grants reduced for one or more months for noncompliance with participation requirements, program staff reached out to the young mothers before and after imposition of sanctions to coax, cajole, and pressure them into accepting whatever help was needed to get them back into compliance.

Half of those who received a sanction warning subsequently complied with their service plan or left welfare shortly after their warning, thereby avoiding a grant reduction. Of those whose grants were reduced, only one-third (about 10 percent of the entire caseload) experienced a long-term grant reduction. Case manager assessments and client reports suggest that those who did not have their grants reinstated generally had alternative means of support.

To me, I really didn't need it, you know. I needed it, but I didn't need it, you understand. It wasn't like, "Oh, my God, if I don't get this check." It was like, "You can keep the check and everything else that comes with it." 'Cause you know, I was never down out struggling."

The clear message from both the young mothers and the case managers is that the financial penalties are fair and effective in changing the culture of welfare from both sides. Clients viewed the demonstration welfare system as supportive, albeit serious and demanding; case managers viewed it as highly motivating for both them in their roles as service providers and for clients who need to assume responsibility for themselves and their children.

The first time they sent me a letter, I looked at it and threw it away. The second time, I looked at it and threw it away again. And then they cut my check and I said, "Uh, oh, I'd better go."

The quality of existing education and job training services seriously impedes the success of aggressive job-focused programs for this population. A common complaint among service providers is the low quality of education and job training services available for this population, as well as a dearth of job training for large segments of the population.

The public high schools encountered by participants in the Teenage Parent Welfare Demonstration had myriad problems common to large urban schools, and also were generally unsupportive of teen parents' special needs. The alternative education programs in the community were often staffed by ineffective instructors who were intolerant of the young mothers and insensitive to their special needs. Over time the programs succeeded in working with some of the local providers to tailor their services to better meet the needs of the teenage parents and they established some special on-site programs.

Job training programs are generally unavailable to members of this population, because of their low basic skills. Proprietary schools tend to be more available, but often use "hard-sell" tactics with the young mothers and fail to deliver promised placements in good jobs. Moreover, there is mounting evidence that traditional youth job training services, such as those provided by Job Training Partnership Act (JTPA) programs, are not effective for youth (Bloom et al. 1993; and Cave et al. 1993).

Child care and transportation services are critical to changing the culture of welfare. Both are real barriers to successful participation in out-of-home activities for welfare recipients. However, these problems are solvable. When program staff assumed the challenge of working with welfare recipients to address their child care needs, they succeeded.

Many young mothers opt for free or low-cost care by relatives. However, as children get older, the supply of relative care decreases and needs for more formal, paid arrangements increase.

My mother says here babysitting days is over. She'll babysit the newborn, but she won't babysit the older one. He's too bad.

LOOKING AHEAD

The core premise of the Teenage Parent Welfare Demonstration, which featured universal coverage, participation mandates, and extensive support services, is compatible with the Clinton Administration's goal to change the culture of welfare. In building on the lessons from the Teenage Parent Welfare Demonstration, in particular, policy makers should note several key factors that were essential to the level of implementation success achieved in this demonstration:

- Controlled phase-in of the demonstration policies and services, to enable sites to build local capacity and adapt to policy and culture changes
- Firm but supportive oversight during a period of "experimentation" with the mandatory provision of the new welfare policy
- Maintenance of clear and consistent program objectives--in this case, the activity requirements
- Maintenance of modest case loads--60 to 80 per case manager
- Substantial preservice and ongoing staff training
- Local autonomy over the details of program design, with encouragement for flexible, but responsive, case management
- Strong support services, including child care and transportation assistance, coordinated through strong case management

These demonstrations lacked effective components to allow the young mothers to control their fertility, sufficient high-quality education and training options, and components aimed at preventing first births. Each of these should be part of the next generation of efforts address this nation's teenage pregnancy and parenting problems.

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**TESTIMONY PRESENTED TO THE
SUBCOMMITTEE ON HUMAN RESOURCES
COMMITTEE ON WAYS AND MEANS
UNITED STATES HOUSE OF REPRESENTATIVES**

**FOR THE HEARING ON
THE PREVENTION OF EARLY CHILDBEARING PROVISION OF H.R. 4605**

BY

ANNE SHERVINGTON DAVIS

EXECUTIVE DIRECTOR

FLORENCE CRITTENTON SERVICES OF BALTIMORE, INC.

JULY 29, 1994

Chairman Ford and members of the Subcommittee, I am Anne Shervington Davis, Executive Director of the Florence Crittenton Agency of Baltimore. I am delighted to be with you today to talk about adolescent pregnancy and childbearing, and to discuss strategies, including President Clinton's proposal, to prevent adolescent childbearing. I hope that my comments will assist you as you write welfare reform legislation in the coming weeks.

Investing in the future by providing comprehensive services which yield positive, concrete outcomes for individuals and our communities is the hallmark of Florence Crittenton agencies. For 111 years, the Child Welfare League of America's (CWLA) Florence Crittenton agencies have responded effectively to the changing needs of women, children, and families. More than 700,000 young women have been served by Florence Crittenton agencies since 1883.

The 23 Florence Crittenton agencies operate a full spectrum of fiscally sound programs to address the most basic of human needs -- housing, child care, education, health care, employment and training, counseling and nutrition for pregnant and parenting teens and their children. The young people served range in age from 10 to 21. Each of the services is designed to offer the opportunity for individuals to preserve and maximize their options in life by developing the skills required for economic independence, self-sufficiency, and long-term family stability.

During 1993, Florence Crittenton Services of Baltimore provided educational programs to approximately 75 adolescents. Our continuum of education services includes preparation for General Equivalency Diplomas (GED) and high school diplomas. All of the participants enroll in education programs during their stay. Of the senior students, 2 graduated from high school, 3 received their GEDs, and 1 received a four-year scholarship to a private college.

Florence Crittenton's health services include health screening and referrals, health education, nutrition, and exercise classes. These comprehensive services have resulted in a dramatically lower prematurity rate, a higher birth weight for newborn children and a generally positive health status among families participating in Crittenton's programs as compared with the general population.

Through our Mothers and Infants residential program, young mothers and their infants are housed, successfully making the transition from homelessness to permanent housing and self-sufficiency. Our employment and training program provides young women with basic skills to enable them to find and keep jobs and become independent. In addition, this is the first year for the Living Classroom Program, where young women are learning the construction trade.

Not only Florence Crittenton Services of Baltimore but all of CWLA's Florence Crittenton agencies offer services that address the basic needs of individuals and families and the underlying causes of poverty, and that benefit each community and society as a whole.

FORMULATING A NATIONAL RESPONSE TO TEEN PREGNANCY

Improved efforts to prevent teen pregnancy are crucial to help young people stay healthy and in school, and reduce poverty, HIV/AIDS cases, and dependence on government assistance. The United States has the highest teen pregnancy rate of all industrialized countries. Every 31 seconds, an adolescent becomes pregnant, and every minute an adolescent gives birth.

Any effort to alleviate the problem of teen pregnancy will require a sustained, coordinated commitment to a comprehensive, incremental, long-term program. There are no easy answers or quick fixes. The need for much stronger coordination at the national, state and local levels, has been consistently demonstrated. Combatting teen pregnancy must involve the mobilization of an extraordinarily broad and diverse range of resources -- families, religious groups, media, community and neighborhood groups, parent-teacher associations, the business community and public and private agencies in the areas of health, education, social services, and employment and training. Beyond increasing public awareness and mobilizing public and private resources, there must be sustained and coordinated planning, program and policy development, service

delivery, and monitoring.

The main focus in the effort to prevent teen pregnancy must be in the realm of individual family responsibility, increased access to family planning information, services for sexually active teens and a stronger emphasis on increasing life options through greater community and government efforts to enhance educational attainment and employment opportunities.

For too many high-risk teens, there are few economic disincentives to childbearing. Poor employment prospects and inadequate basic skills add to the difficulties high-risk youths have in weighing carefully the adverse consequences of teen parenting. While the evidence on the relationship between AFDC and teen pregnancy does not show that teens get pregnant to receive welfare benefits, research does show that the availability of welfare does influence decisions to remain unmarried. In order to change the behavior of high-risk teens, we must institute a program of economic incentives for high-risk teens who stay in school and avoid teenage childbearing.

Youth development programs work towards preventing adolescent pregnancy by promoting responsibility. They yield positive results because they focus on multiple facets of young people's lives over a continuous period of time. By increasing adolescents' self-esteem through sports, academic assistance, and the arts, as well as by helping adolescents to explore employment and educational possibilities, youth development programs present multiple opportunities to youth -- opportunities which often cannot be pursued if they get pregnant.

For youth development programs to have a significant impact in preventing adolescent pregnancy, however, they must include family life and sex education programs and medical and health (including mental health) services. Some youth development programs -- such as The Children's Aid Society program in New York -- even guarantee admission and full scholarship to college upon completion of the other aspects of the program. These types of programs must be implemented across the country. Not only do these programs promote responsibility and healthy behavior, but they are also economical; the money spent on these programs on a teenager to prevent pregnancy is less than what the AFDC program would spend in benefits for a teen mother and her newborn child.

THE ADMINISTRATION'S TEEN PREGNANCY PREVENTION INITIATIVES

President Clinton's welfare reform plan (H.R. 4605) includes four initiatives aimed at preventing adolescent pregnancy. The Clinton plan includes a national campaign against teen pregnancy, teen pregnancy prevention grants, comprehensive services demonstration grants to prevent pregnancy in high risk communities, and a national clearinghouse on teen pregnancy prevention. I will address the extent to which the President's plan constitutes a comprehensive response to teen pregnancy, and I will identify areas for improvement.

The Administration proposes to conduct a new national campaign to prevent teen pregnancies by establishing a non-profit, non-partisan privately funded entity that encourages all segments of society to join the effort to reduce teen pregnancy. The President places the entity outside of government.

I believe that such an entity is needed but that it should be within the federal government, not outside it, in order to ensure accountability, address cross-cutting issues among various federal agencies and programs, and to guarantee that national goals concerning teen pregnancy are developed and accomplished. This entity could operate as a quasi-governmental agency. The problem of teen pregnancy demands a high-priority, high-level government office with coordinating responsibilities and with its own core staff.

A governmental entity to address teenage pregnancy and childbearing should have a national mandate and capacity to spearhead a coordinated, sustained plan of action. If this body is a public/private venture, it should have a widely representative board and should serve as a general forum for mobilization, communication, and coordination. The entity's goals should

include fostering community information and education, coordinating data collection and analysis, and developing policy and program initiatives. The entity should also ensure crucial linkages among major departments of federal government. It should assist in resource development and technical assistance to state and local governments and agencies. It should develop and monitor the long-term strategies that are prerequisites for progress in combatting teen pregnancy.

The second of the Administration's proposals, the development of a grant program that provides funds for schools and communities to develop comprehensive adolescent pregnancy prevention programs is commendable. Although community organizations need new funds to develop teen pregnancy prevention programs, they lack the financial resources to implement such programs. This grant program would provide the seed money for such programs.

I recommend that the grant funds be aimed at high-risk youth -- those that are in out-of-home care such as foster homes, are homeless, or are incarcerated. According to several studies, compared to their counterparts, young people in foster care are more likely to have had sexual intercourse; are twice as likely to have been pregnant; are less informed about human sexuality and birth control; and are less likely to have used contraceptives during their first intercourse. The special needs of youth in out-of-home care make them the most vulnerable and the least prepared for parenthood. Priority for the grant programs should be made for at-risk youth and the sibling of teen parents. Research has shown that these populations are the most at risk for early childbearing, yet they rarely receive teen pregnancy prevention services.

MINOR MOTHER RESIDENCY REQUIREMENT

The President also proposes to require most teen parents to live with a parent. However, a Child Welfare League of America (CWLA) survey of Florence Crittenton Agencies, conducted in the spring of 1994, suggests that forcing teen parents and their children to return to a parent's home without proper safeguards could place many children at severe risk of physical or sexual abuse. The survey found that:

- about 62% were estimated to have been abused or neglected by a caregiver;
- almost 64% were estimated to have had at least one unwanted sexual experience;
- about 50% of those living independently would, in the opinion of those agencies which serve such young women, be placed at risk of physical or sexual abuse if returned to their families.

The high prevalence of abuse by caregivers indicates that most of the adolescent mothers served by these agencies come from unsafe homes. These figures most likely underestimate the proportion of these mothers who have been abused or neglected by a caregiver because some agencies answered this question only in terms of substantiated abuse cases. It is widely believed that abuse very often goes unreported or unsubstantiated. The agencies' staffs know these young women quite well; their report that 50% would be at risk of abuse if returned to their home suggests that for the federal government to impose such a requirement in order to receive welfare would be detrimental to thousands. It would force many adolescents to choose between seeing their children go hungry or homeless and putting both themselves and their children in danger.

These statistics do not come as a surprise to those of us working in the field. Since the 1988 Family Support Act, states have been given the option of implementing a minor mothers' residency requirement. Although this provision has been available for six years, only five states (Michigan, Delaware, Maine, Wisconsin and Connecticut) have adopted the option. Apparently, experienced state workers in many other states -- those who actually work in the field with adolescent mothers -- did not think such a requirement would be a positive one. In response to a CWLA telephone request in June 1994, none of those states that adopted the residency requirement option could provide statistics on the number of minor parents who are required to live at home. Representatives of the various state departments of human resources stated that they do not strictly enforce the requirement because of a lack of personnel.

One benefit of trying out a program or provision on a state level is the ability to evaluate it before introducing it on a national level. Before this provision is mandated nationwide, research should be conducted to evaluate not only the utility and efficacy of the programs in place, but also why the majority of states have shunned the option.

If a teen parent residency requirement program is implemented, we must ensure that young parents do not return to abusive or otherwise unsafe households, that exceptions are made when such a requirement makes no sense for a particular family, and that teen parents' special needs for intensive case management are addressed. One important strategy would be to assign qualified "teen parent case managers" to make careful decisions regarding whether the teen and her child should be sent back to a parent's home. These case managers would also help each minor parent draw up an individual plan to attain independence, assist her in achieving her plan by linking her with needed education, health and other social services, and help the client make determinations about where to live. Recognizing that the teen parent case manager would play a critical role in assuring the rights and safety of teen parents and their children, caseloads of no more than 20 clients to each teen parent case manager should be maintained.

ADDITIONAL RECOMMENDATIONS

1. Include Males in Pregnancy Prevention Programs

I am concerned that the President's proposal does not address young men in pregnancy prevention. For too long, programs and policies have been aimed at young women at the exclusion of young men. We need programs beyond paternity establishment and condom distribution for young men. They, too, need programs to help them understand responsibility; gain knowledge; have access to family planning services; and learn to communicate with young women in a respectful manner.

2. Increase Funding for Comprehensive Reproductive Health Services that are Age-Appropriate and Accessible for Teenagers

One of the most effective ways to prevent teen pregnancy is through comprehensive reproductive health services, i.e., a program of educational, medical, and counseling services. Such a comprehensive program provides for the advocacy of abstinence from sexual activity and adequate and appropriate medical services. Title X of the Public Health Service Act provides funding to family planning clinics. The majority of the Title X patients are low-income women and approximately one-third are teenagers. However, only a small percentage of teens who want and need family planning services are able to obtain them. Title X should be expanded and receive additional funding with a proportion of funding earmarked to serve adolescents. Services need to be accessible and appropriate to teens. Family planning clinics should be located where teens are -- in shopping malls, recreation centers and schools.

3. Mandate Comprehensive Family Life Education in Schools

Family life education in schools is a vital component of efforts to prevent teen pregnancy. Research demonstrates that comprehensive family life education programs that teach sexuality education, including delaying sexual involvement, social skills training, refusal skills and comprehensive information about contraceptives have positive effects. Yet, fewer than 10% of American school children receive comprehensive family life education. Only 17 states require comprehensive family life education and 30 others encourage it. Creative approaches to family life education are needed. Increased involvement of students and their parents in the planning and review of the curriculum is imperative. In addition, adequately trained personnel should teach the courses.

Statement of June E. O'Neill
Professor of Economics and Finance and
Director of the Center for the Study of Business and Government
Baruch College, City University of New York
July 29, 1994

Mr. Chairman and Members of the Subcommittee:

I appreciate the opportunity to address the subcommittee today.

With the rise in the AFDC caseload of the past few years about 14 percent of families with children in the United States now receive welfare benefits. A portion of the recent increase is likely related to the prolonged recession and with an improved economy the caseload probably will decline somewhat. But this will still leave a vastly expanded welfare population compared to 30 years ago when only three and a half percent of families were on welfare.

If the expansion of welfare simply meant that a greater number of poor families have been assured a better quality of life, concerns about the program likely would not arise. But welfare is not a benign transfer program. The AFDC program is no longer a program for poor children unexpectedly deprived of their fathers, as it originally was intended to be. Over the years single parenthood has come to have a strong element of choice. Nowadays, about 60 percent of the mothers on AFDC have borne their children out of wedlock.

There is little question that out of wedlock childbearing and welfare participation are closely intertwined. Among young women in the National Longitudinal Survey of Youth (NLSY) who had a first birth out-of-wedlock in 1978-1981, about half went on welfare within two years of the birth and 80 percent entered welfare within ten years. An out-of-wedlock birth is most likely to occur when the mother is a teenager and the combination produces an extraordinarily high rate of welfare participation. However, the majority of unwed mothers eventually go on welfare even when they have their first birth at age twenty or older. (Married teenage mothers were much less likely to go on welfare over a ten year period -- 37 percent did so.)

There is also a strong intergenerational component to welfare use. Teen mothers who bear their children out-of-wedlock and go on welfare are themselves likely to have grown up in a single parent family on welfare. Young white women in the NLSY whose families were on welfare were almost six times as likely as those from nonwelfare families to go on welfare themselves. Among young black women this differential was two and a half times. Among the teen mothers in the Teenage Parent Demonstration Program 65 percent were the child of a teen mother; 62 percent came from a family that received welfare at some time (30 percent from a family that was on welfare most or all of the time).

Young mothers on welfare have very low levels of skill. One third never complete high school and they have been found to score well below the average on tests of basic reading and math achievement. Among the NLSY women on welfare about 30 percent scored at or below the 10th percentile on the Armed Forces Qualifications Test (AFQT). Those who start out on welfare as teen unwed mothers frequently remain on welfare for many years. More than a third accumulate more than seven years on AFDC over a 10-year period. Long-term welfare participation further impedes the development of skills. Women on welfare seldom work and as a result they do not develop skills on the job, and the skills that they may have acquired in school or at prior jobs depreciate over the years.

A key question is whether the welfare program plays an important causal role in out-of-wedlock childbearing and in the development of skills. There are strong theoretical grounds to believing that welfare could have an effect on single parenthood

since the availability of benefits enables a woman to support her children outside marriage and without working. The strength of the incentive, however, depends on the income and benefits provided by welfare compared to that attainable from its alternatives - marriage and work. Whether welfare in practice has been a significant factor promoting single parenthood has been a controversial issue among social scientists. The empirical evidence is mixed. Some studies have found weak effects or no significant effect of welfare benefit levels on out-of-wedlock births or other measures of disrupted family structure; but others have found positive and significant effects.

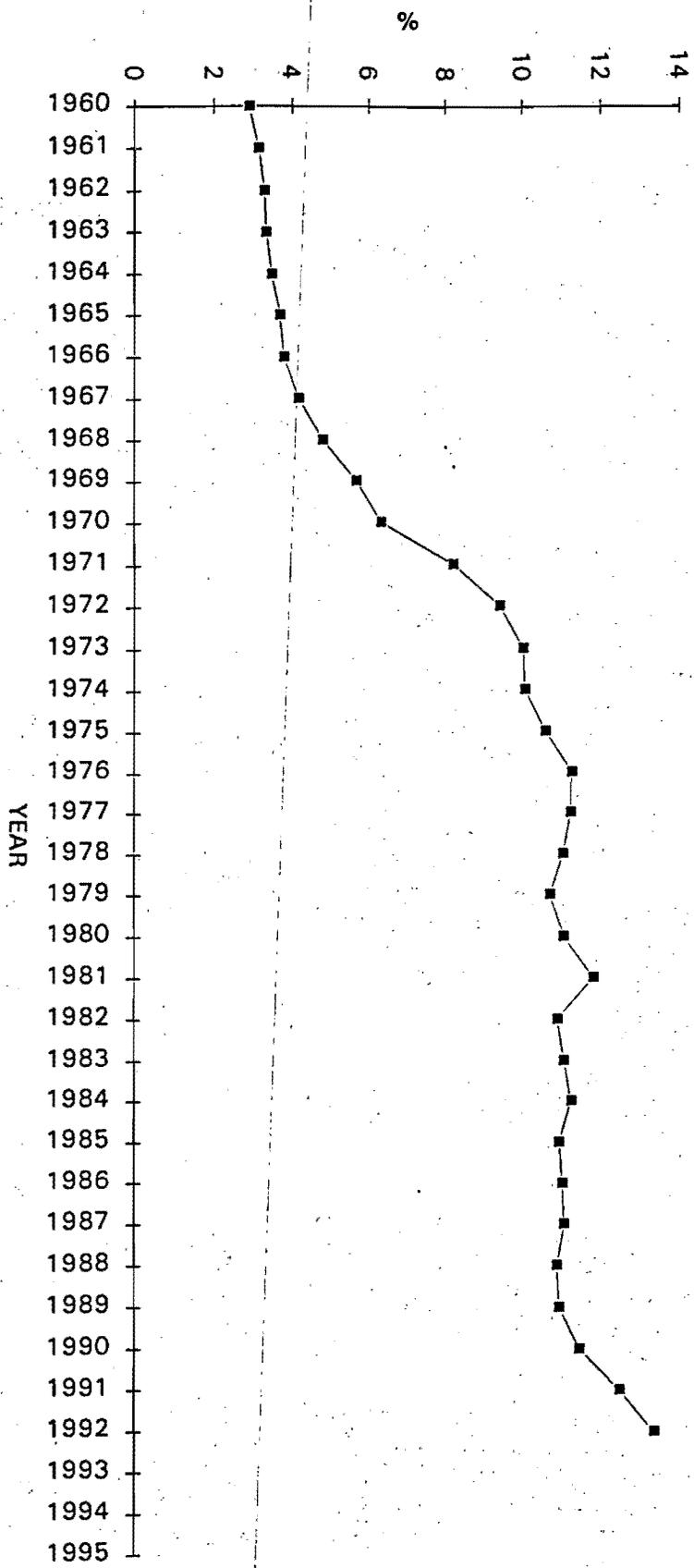
My colleague Anne Hill and I have found a strong relation between increases in the welfare benefit package (AFDC and food stamps combined) and increases in out-of-wedlock childbearing among young women: a 25 percent increase in the state benefit level increased out-of-wedlock childbearing by 32 percent. These results hold constant many other factors such as the parents' income and education, the local unemployment rate and the expected wage. The absence of the young woman's father, the family's welfare participation and residence in a neighborhood with a high proportion of welfare recipients also contributed significantly to out-of-wedlock childbearing. Because some of these factors are themselves likely to be affected by the welfare benefit level these results may understate the true effect of the benefit level.

In drawing conclusions from this and other studies based on differences in benefits across states it should be kept in mind that the AFDC program operates in all the states. Thus Charles Murray's thought experiment about what would happen without a welfare program is not really tested by the array of studies available. The Murray effect would almost certainly be larger than is observed in the currently available studies.

One compelling lesson I have drawn from my research is that a highly intractable problem is created once an unskilled and immature young woman starts a family and goes on welfare; and I believe this is an important message to keep in mind in formulating government policy. The current focus on the provision of employment and training programs for women who are already on welfare will not do harm, but I really question whether it ever will produce substantial results. We have been at the training game for a long time (WIN expenditures in 1979 were \$800 million in 1991 dollars) without a great deal to show for it.

What is needed is a preventive strategy for deterring teen out-of-wedlock births and entry onto welfare. New measures are needed to help develop the skills and competence of boys as well as girls, starting at young ages, if the viability and perceived benefits of work and marriage are to be enhanced. True school reform through vouchers or other means may be highly effective welfare reform. But if schooling and future work options are to be taken seriously, disincentives to learn and improve future earnings must be reduced. Thus the other side of the equation is equally important. Welfare that is readily available and provides benefits competitive with the wages a young person can earn is a school disincentive. Thus attitudes are not likely to be easily changed unless the attractiveness of welfare is seriously reduced.

Percentage of All U.S. Families with Children Receiving AFDC



Proportion of NLSY Mothers Entering Welfare by Timing of Entry,
Year of First Birth, Marital Status and Age of Mother at First Birth

	First Birth Out-of Wedlock			Married at Time of First Birth		
	Mother's Age at Birth			Mother's Age at Birth		
	All Ages	Under 20	20 Years or older	All Ages	Under 20	20 Years or older
YEAR OF FIRST BIRTH IS 1978-1981						
Percent Entered Welfare:						
0-2 years after 1st birth	50.8	49.8	54.3	7.3	9.9	5.4
3-5 years after 1st birth	16.3	18.3	9.3	9.4	15.2	5.0
6-8 years after 1st birth	5.8	6.6	3.4	5.4	6.7	4.4
9-10 years after 1st birth	5.3	6.2	2.4	3.7	4.9	2.8
Cummulative percent on welfare through 1991	78.2	80.9	69.4	25.8	36.7	17.6
YEAR OF FIRST BIRTH IS 1982-1984						
Percent Entered Welfare:						
0-2 years after 1st birth	48.8	52.2	46.7	7.9	14.4	6.7
3-5 years after 1st birth	13.3	6.1	17.6	3.9	6.2	3.5
6-8 years after 1st birth	2.6	2.2	2.8	3.1	6.6	2.4
Cummulative percent on welfare through 1991*	64.7	63.4	67.1	14.9	27.2	12.6
YEAR OF FIRST BIRTH IS 1985-1987						
Percent Entered Welfare:						
0-2 years after 1st birth	34.1	n.o.	34.1	4.7	n.o.	4.7
3-5 years after 1st birth	4.3	n.o.	4.3	3.0	n.o.	3.0
Cummulative percent on welfare through 1991*	39.0	n.o.	39.0	9.3	n.o.	9.3

Notes: n.o.: no observations on this group in the sample;

* Cummulative percent may include a small percentage in categories of years since birth not separatly shown.

Proportion of Welfare Recipients on Welfare More than
a Specified Number of Total Years, from Time of Entry
Through 1991 : NLSY Mothers
Starting A First AFDC Spell in 1978-1984,
by Marital Status and Age at Time of Birth

Total years on Welfare are Greater Than:	Under Age 20 at First Birth		Age 20 or Older at First Birth	
	Out of wedlock First birth	Married at First birth	Out of wedlock First Birth	Married at First Birth
1	0.89	0.714	0.91	0.738
2	0.756	0.585	0.717	0.581
3	0.633	0.46	0.577	0.421
4	0.59	0.388	0.468	0.379
5	0.504	0.298	0.402	0.318
6	0.408	0.253	0.357	0.293
7	0.346	0.206	0.279	0.204
8	0.273*	0.142*	0.176*	0.05*
Mean Years	5.81	4.31	4.98	4.02
Sample size	373	116	65	53

* Estimate is unreliable since a portion of the sample was exposed to AFDC for less than 8 years.

Characteristics, (Weighted) of NLSY women with a first birth in 1978-1982 and work/welfare status in 1988-89, by welfare participation since first birth and marital status at time of first birth

	Out of Wedlock first birth		Married at first birth	
	Ever on welfare	Never on welfare	Ever on welfare	Never on welfare
Population (000's)	826	274	656	2,108
Sample size	461	120	248	607
A. CHARACTERISTICS, ALL WOMEN WITH A FIRST BIRTH 1978-1982				

Age at first birth (%)				
Under 18	34.5	32.5	21.0	8.3
18 or 19	39.0	34.0	35.4	24.8
20 or more	26.5	33.5	43.6	66.8
% Black	54.4	33.5	8.7	5.6
% Hispanic	9.4	11.0	10.9	7.8
% White	36.1	55.5	80.4	86.6
% Not a H.S. Grad at birth of first child	56.0	26.5	47.7	21.0
% Not a H.S. Grad in 1989	32.5	10.6	31.6	10.8
AFQT Percentile Score	23.5	34.3	32.5	47.3
-% at or below 10th percentile	32.3	16.9	14.2	7.0
Months on AFDC, first birth thru 1989	47.0	0.0	26.0	0.0
South (at age 14)	33.7	48.8	26.2	37.6
% Ever Married	53.9	71.8	100.0	100.0
% Worked before first birth	53.9	62.4	73.0	83.6
Weeks worked before 1988	146.0	262.0	193.0	325.0
Worked in '88 or '89 (%)	78.3	84.5	81.5	84.8
% Off welfare in 1988 and 1989	48.7	100.0	55.1	100.0
B. Off Welfare in 1988 and 1989				

Sample size	220	120	132	607
AFQT Percentile Score	28.1	34.3	36.1	47.3
-% at or below 10th percentile	21.0	16.9	11.9	7.0
Months on AFDC, first birth thru 1989	26.0	0.0	15.5	0.0
% Ever married	69.5	71.8	100.0	100.0
Percent married in '89 or '90	53.2	55.4	75.9	84.4
Percent worked in '88 or '89	91.7	84.5	89.5	84.8
Percent not a H.S. Grad in '89	23.6	10.6	35.1	10.8
No. of children	2.0	1.7	2.1	2.2
Family income	\$21,994	\$24,862	\$24,120	\$36,284
C. On welfare in 1989				

Sample size	176	-	90	-
AFQT Percentile Score	18.4	-	28.5	-
-% at or below 10th percentile	40.8	-	12.7	-
Months on AFDC, first birth thru 1989	71.9	-	40.5	-
Percent not a H.S. Grad in '89	43.6	-	27.8	-
No. of children	2.4	-	2.3	-
AFDC income, 1989	\$4,084	-	\$3,520	-
Family income in 1989	\$10,243	-	\$12,461	-

Characteristics, Skills and Work Experience of 24-31 Year Old Women on AFDC
In 1989, by Years on Welfare since 1978, (NLSY)

	All Women on AFDC in 1989	On AFDC 2 Years or Less	On AFDC more than 2 Years	On AFDC 4 Years or more
% Black	39.1	25.6	42.7	44.0
% Hispanic	9.5	6.7	10.2	11.1
% White	51.4	67.8	47.2	44.9
Age at first birth (%)				
17 or Less	27.4	12.9	31.1	32.1
18 or 19	24.0	12.3	27.0	29.3
20 or more	47.8	71.9	41.6	38.3
% Out-of wedlock first birth	61.3	49.9	64.3	68.5
% South, Age 14	26.6	32.8	25.1	22.7
Number of children:				
-In year entered AFDC	1.385	1.562	1.342	1.286
-In 1989	2.229	1.612	2.389	2.426
% High school dropout:				
-In year entered AFDC	43.2	27.3	47.5	49.5
-In 1989	33.5	21.5	36.6	37.0
AFQT percentile (mean)	26.0	29.8	25.3	24.5
AFQT (% at or below the 10th percentile)	30.9	31.0	30.9	30.2
% Went on AFDC within 2 years of first birth	42.5	13.8	49.9	52.9
% Worked before AFDC	76.2	85.6	73.8	72.2
Weeks worked by working women before going on AFDC	140.5	293.7	98.2	44.3
Total months on AFDC since 1978 (mean)	57.4	10.0	69.1	75.6
Sample size	530	87	443	393
Weighted Population (thous.)	1123.2	231.7	891.4	765.4

Effects of Changes in Explanatory Variables on Outcomes for Young Women and Men

OUTCOME	Baseline Percent (from regression sample)	No Father	Two more siblings	Family income raised by:		Family was on welfare	Family lived in public housing	Family lived in high welfare neighborhood	AFDC-FS benefit increased by:		Unemployment rate was 2% points higher in:	
				25%	50%				25%	50%	1982-84	1985-86
WOMEN												
Ever on Welfare	17.3	+6.4	+4.1	-0.4	-0.7	+12.5	+1.3 ^a	+6.1	+6.8	+12.3	+1.7 ^a	+2.7
Years on Welfare	7.8	+1.9 ^a	+2.5	-0.4 ^a	-1.1 ^a	+14.7	+5.6	+5.5	+3.2	+5.8	+2.8	+0.1 ^a
Out of Wedlock Birth, Never Married	13.9	+8.6	+0.8	-0.0 ^a	-0.1 ^a	+8.3	+4.8	+4.9	+4.5	+8.1	+1.4 ^a	+0.7 ^a
High School Dropout	14.0	+2.7 ^a	+3.6	-0.5 ^a	-0.9 ^a	+13.9	-2.1 ^a	+1.3 ^a	-1.7 ^a	-3.1 ^a	+0.8 ^a	---
MEN												
Years of Low Work	19.6	+4.4	+1.1	-0.6	-1.0	+5.9	+8.7	+5.4	+1.5 ^a	+2.8 ^a	+3.6	+1.8
Ever in Jail	5.4	+4.4	+2.0	-0.2 ^a	-0.4 ^a	+0.1 ^a	+1.7 ^a	+2.4	+1.1 ^a	+2.0 ^a	-0.7 ^a	+1.1
Out of Wedlock Birth, Never Married	11.1	+1.4 ^a	+1.0 ^a	-0.2 ^a	-0.4 ^a	+2.9 ^a	+5.9	+4.8	+7.1	+13.0	+0.8 ^a	+0.3 ^a
High School Dropout	22.1	+2.8	+6.4	-2.5	-4.6	+3.0 ^a	+11.1	+7.4	+2.9 ^a	+5.3 ^a	+2.2	---

Based on t-statistic of less than 1.5

Source: Text tables 5.4 and 5.5.

Source: M. Anne Hill and June O'Neill "Underclass Behaviors in the United States: Measurement and Analysis of Determinants, August 1993.

Statement of Charles Murray
American Enterprise Institute

Subcommittee on Human Resources
Committee on Ways & Means
Hearing on Welfare Reform
July 29, 1994

Mr. Chairman and Members of the Subcommittee:

My name is Charles Murray. I am a Bradley Fellow at the American Enterprise Institute and conduct research on social policy. Today I want to talk with members of the Subcommittee about the problem of illegitimacy.

Every once in a while the sky really is falling, and this seems to be the case with the latest national figures on illegitimacy. The unadorned statistic is that, in 1991, 1.2 million children were born to unmarried mothers, within a hair of 30% of all live births. How high is 30%? About four percentage points higher than the black illegitimacy rate in the early 1960s that motivated Daniel Patrick Moynihan to write his famous memorandum on the breakdown of the black family.

The 1991 story for blacks is that illegitimacy has now reached 68% of births to black women. In inner cities, the figure is typically in excess of 80%. Many of us have heard these numbers so often that we are inured. It is time to think about them as if we were back in the mid-1960s with the young Moynihan and asked to predict what would happen if the black illegitimacy rate were 68%.

Impossible, we would have said. But if the proportion of fatherless boys in a given community were to reach such levels, surely the culture must be "Lord of the Flies" writ large, the values of unsocialized male adolescents made norms -- physical violence, immediate gratification and predatory sex. That is the culture now taking over the black inner city.

But the black story, however dismaying, is old news. The new trend that threatens the U.S. is white illegitimacy. Matters have not yet quite gotten out of hand, but they are on the brink. If we want to act, now is the time.

In 1991, 707,502 babies were born to single white women, representing 22% of white births. The elite wisdom holds that this phenomenon cuts across social classes, as if the increase in Murphy Browns were pushing the trendline. Thus, a few months ago, a Census Bureau study of fertility among all American women got headlines for a few days because it showed that births to single women with college degrees doubled in the last decade to 6% from 3%. This is an interesting trend, but of minor social importance. The real news of that study is that the proportion of single mothers with less than a high school education jumped to 48% from 35% in a single decade.

These numbers are dominated by whites. Breaking down the numbers by race (using data not available in the published version), women with college degrees contribute only 4% of white illegitimate babies, while women with a high school education or less contribute 82%. Women with family incomes of \$75,000 or more contribute 1% of white illegitimate babies, while women with family incomes under \$20,000 contribute 69%.

The National Longitudinal Study of Youth, a Labor Department study that has tracked more than 10,000 youths since 1979, shows an even more dramatic picture. For white women below the poverty line in the year prior to giving birth, 44% of births have been illegitimate, compared with only 6% for women above the poverty

The social justification is this: A society with broad legal freedoms depends crucially on strong nongovernmental institutions to temper and restrain behavior. Of these, marriage is paramount. Either we reverse the current trends in illegitimacy -- especially white illegitimacy -- or America must, willy-nilly, become an unrecognizably authoritarian, socially segregated, centralized state.

To restore the rewards and penalties of marriage does not require social engineering. Rather, it requires that the state stop interfering with the natural forces that have done the job quite effectively for millennia. Some of the changes I will describe can occur at the federal level; others would involve state laws. For now, the important thing is to agree on what should be done.

I begin with the penalties, of which the most obvious are economic. Throughout human history, a single woman with a small child has not been a viable economic unit, neither have the single woman and child been a legitimate social unit. In small numbers, they must be a net drain on the community's resources. In large numbers, they must destroy the community's capacity to sustain itself. *Mirabile dictu*, communities everywhere have augmented the economic penalties of single parenthood with severe social stigma.

Restoring economic penalties translates into the first and central policy prescription: to end all economic support for single mothers. The AFDC (Aid to Families With Dependent Children) payment goes to zero. Single mothers are not eligible for subsidized housing or for food stamps. An assortment of other subsidies and in-kind benefits disappear. Since universal medical coverage appears to be an idea whose time has come, I will stipulate that all children have medical coverage. But with that exception, the signal is loud and unmistakable: From society's perspective, to have a baby that you cannot care for yourself is profoundly irresponsible, and the government will no longer subsidize it.

How does a poor young mother survive without government support? The same way she has since time immemorial. If she wants to keep a child, she must enlist support from her parents, boyfriend, siblings, neighbors, church or philanthropies. She must get support from somewhere, anywhere, other than the government. The objectives are threefold.

First, enlisting the support of others raises the probability that other mature adults are going to be involved with the upbringing of the child, and this is a great good in itself.

Second, the need to find support forces a self-selection process. One of the most short-sighted excuses made for current behavior is that an adolescent who is utterly unprepared to be a mother "needs someone to love." Childish yearning isn't a good enough selection device. We need to raise the probability that a young single woman who keeps her child is doing so volitionally and thoughtfully. Forcing her to find a way of supporting the child does this. It will lead many young women who shouldn't be mothers to place their babies for adoption. This is good. It will lead others, watching what happens to their sisters, to take steps not to get pregnant. This is also good. Many others will get abortions. Whether this is good depends on what one thinks of abortion.

Third, stigma will regenerate. The pressure on relatives and communities to pay for the folly of their children will make an illegitimate birth the socially horrific act it used to be, and getting a girl pregnant something boys do at the risk of facing a shotgun. Stigma and shotgun marriages may or may not be good for those on the

they want to grow up to be a daddy – they must marry. Little girls should grow up knowing from their earliest memories that if they want to have any legal claims whatsoever on the father of their children, they must marry. A marriage certificate should establish that a man and a woman have entered into a unique legal relationship. The changes in recent years that have blurred the distinctiveness of marriage are subtly but importantly destructive.

Together, these measures add up to a set of signals, some with immediate and tangible consequences, others with long-term consequences, still others symbolic. They should be supplemented by others based on a re-examination of divorce law and its consequences.

That these policy changes seem drastic and unrealistic is a peculiarity of our age, not of the policies themselves. With embellishments, I have endorsed the policies that were the uncontroversial law of the land as recently as John Kennedy's presidency. Then, America's elites accepted as a matter of course that a free society such as America's can sustain itself only through virtue and temperance in the people, that virtue and temperance depend centrally on the socialization of each new generation, and that the socialization of each generation depends on the matrix of care and resources fostered by marriage.

Three decades after that consensus disappeared, we face an emerging crisis. The long, steep climb in black illegitimacy has been calamitous for black communities and painful for the nation. The reforms I have described will work for blacks as for whites, and have been needed for years. But the brutal truth is that American society as a whole could survive when illegitimacy became epidemic within a comparatively small ethnic minority. It cannot survive the same epidemic among whites.

**SUBCOMMITTEE ON HUMAN RESOURCES
COMMITTEE ON WAYS AND MEANS
HEARING ON EARLY CHILDBEARING PROVISIONS OF H.R. 4605**

July 29, 1994

My name is Constance W. Williams. I am an Associate Professor of Social Policy at the Heller Graduate School, Brandeis University, Waltham, Massachusetts. I am pleased to be included among the invited witnesses to describe causes and consequences of early childbearing and to comment on the provisions of H.R. 4605 that are designed to prevent early childbearing. My testimony is informed by three projects that I have been involved in during the past ten years.

First, I am the author of *Black Teenage Mothers: Pregnancy and Child Rearing from Their Perspective*, a study of 30 mothers, half of whom had one child and half of whom had two children before the age of 19. Second, from 1985 - 1987, I was staff to the Governor's Commission on Child Support Enforcement that revitalized the Child Support Statutes of the Commonwealth of Massachusetts. And third, I am the ethnographer for a Comprehensive Child Development Program (CCDP) in Boston, Massachusetts. CCDP is a national family support demonstration whose objective is to promote educational achievement and economic and social self-sufficiency through intensive comprehensive services for low-income children and families from a child's birth until entry into school. Approximately 20 percent of the 120 mothers in the Boston CCDP were under twenty years of age when recruited into the program and many of the mothers now in their twenties or thirties first became mothers in their teenage years.

BIRTH RATE TRENDS FROM 1980-1991

Before we consider causes, consequences or prevention of adolescent childbearing, a review of childbearing trends during the past decade may be useful. In the 1980's two trends in childbearing were evident among women under 20 years of age. During the first half of the decade, their birthrates declined until the number of women between 15 and 19 years of age who gave birth fell below the half million mark. During the second half of the decade, birth rates steadily rose, though the number stayed below a half million until 1989 when women under the age of 20 had 517,989 births. By 1990 women under 20 years of age accounted for 533,438 (13%) of the 4,158,212 births that occurred in the United States in 1990.

Between 1980 and 1988, the birth rate for older teenagers (18-19) and younger teenagers (15-17) remained relatively stable then increased annually between 1988 and 1991. The birth rate for women between 18 and 19 years of age rose from 79.9 in 1988 to 94.4 in 1991 while the rate for younger teens increased less, from 33.6 to 38.7. This growth in teenage birth rates occurred while the number of teenagers in the population decreased from 9.2 million in 1986 to 8.4 million in 1991. Until 1986, when teenage birthrates began to climb, women in their

thirties were the only age group for whom birth rates had steadily increased since 1980.

SEXUAL BEHAVIOR AND NONMARITAL BIRTHS

One of the causes of increased adolescent childbearing is the growth in the proportion of teenagers who are sexually active. Sexual behavior among teenagers is influenced by standards of sexual behavior in the general population. The uncoupling of sex and marriage is evident in the increase in births to unmarried women 15-44 years of age. According to the National Center for Health Statistics (NCHS), in 1991 the number of births to unmarried mothers was 1,213,769, the highest ever reported in US history. The proportion of all births that were to unmarried women was 29.5 percent. Nonmarital birth rates for women of all races were highest for women 20-24 years of age at 68 per thousand followed by women 18-19 years of age at 65.7 per thousand. The birth rate for unmarried teenagers between 15-17 years old was 30.9 births per thousand.

By race, the percent of all births to unmarried women was 21.8 for white women, 67.9 for black women and 39 percent for Hispanic women. White nonmarital births more than doubled between 1980 and 1991 when they were 328,924 and 707,502 respectively. Births to unmarried black women increased by 45 percent from 318,799 in 1980 to 463,750 in 1991.

These data suggest that the goal of preventing teen pregnancy by emphasizing the importance of delayed sexual activity will require that children make better decisions than older teenagers and adults have been able to make. Will local schools, communities, families, and churches provide the adult supervision and wholesome activities required to help teenagers make better decisions and postpone sexual activity?

No amount of exhortation to delay sexual activity, postpone pregnancy, and stay in school will succeed if schools are unsafe and unchallenging and communities have inadequate recreation. Teenagers need appropriate recreation and part-time work opportunities after school. If teenagers are successful in school and perceive that they have access to higher education and job opportunities, early parenthood will not be an attractive option.

The proposed approach to prevention refers to the establishment of a national clearinghouse on teen pregnancy prevention and comprehensive demonstrations. No explicit mention is made of contraceptive services. While teen pregnancy and birth rates have increased, public expenditures for contraceptive services declined between 1980 and 1992. The high rate of sexual activity among teenagers suggests that safe and effective contraceptives should be a part of any pregnancy prevention program.

POVERTY, WELFARE and EARLY CHILDBEARING

According to Child Trends, Inc., factors such as school failure,

peer influences, parental monitoring and aspirations for achievement are more influential incentives for early childbearing than the availability of AFDC benefits. It is also known that most young mothers who become welfare recipients were from poor households before they had children. Thus poverty and welfare among teenage mothers are related to antecedent social and economic conditions. We must not confuse association with causation. The welfare reform message: "you should not become a parent until you are able to provide for and nurture your child" will sound hollow to children who have always lived in a poor household. Teaching young people that "welfare has changed forever" needs a companion message: "your opportunities and options have been improved forever."

Finally, I want to comment on the two-year time limit, living arrangements and the identification of fathers. Some 18 year old women will have the capability to leave welfare in two years and get a job. However, many will not because the schools they attended before dropping out have left them with poor academic and life skills. Implementation of an arbitrary time limit will discourage mothers who have begun the process of re-entry by returning to school or job training, but need more time to become truly self-sufficient. If we are seeking long-term solutions, we need to be prepared for providing support services for a longer time to those who need them.

The requirement that unmarried minor mothers live at home will not create a circumstance different from that already experienced by the majority of teen mothers. The severe shortage of affordable housing and the size of the welfare grant mean that few teenage mothers can afford to establish their own households. One contributing factor to the relatively high rate (76%) of high school completion of teenage mothers is the fact they are often required by their mothers to return to school.

It has been my experience that nearly all teenage mothers are able to identify the fathers of their children. For very young teens identification may be problematic because they are frequently victims of exploitative sex or incest. However, for most unmarried teenage mothers the issue is fear that punitive measures will be taken against the fathers and that they will suffer the loss of whatever informal support may be provided by fathers and their families. Education about the benefits of the identification of fathers to them and their children, and efforts to assist fathers with education and work equal to those provided to mothers must be implemented if we want to prevent teen pregnancy and encourage responsible parenthood.

SUPPLEMENTAL SHEET

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Summary of Statement on H.R. 4605

Since 1980, two trends in early childbearing are evident. Until 1986, birth rates among teenagers were declining. They increased in 1986 and have continued to climb from a low of 50 births per thousand females 15-19 in 1986 to a rate of 62 in 1991. This increase in adolescent childbearing is partly attributable to the growth in the proportion of teenagers who are sexually active. The sexual behavior of teenagers is similar to sexual behavior in the general population. One measure of the sexual behavior of adults is the out-of-wedlock birth rate which was the highest ever reported in the history of the United States in 1991. Birth rates are highest in the age cohort just past their teen years. Women 20-24 years of age had the highest nonmarital birthrate followed by women 18-19 years of age. Unmarried childbearing among white women more than doubled since 1980 and increased by 45 percent for black women. Most teenagers are unmarried and will remain so. Like other women in our society, teenage women are unlikely to stop engaging in sexual activity. Consequently, preventing unmarried teenage births calls for an investment in safe, available and effective contraceptives for those teenagers who do become sexually active. Young teens should have adult supervision, good schools and community recreation to help them abstain from and delay sexual activity.

The two year time limit must be flexible. Support services and additional time should be available to those who need them. We should not lose sight of the fact that the majority of teenagers on welfare were poor before they became mothers. While delaying childbearing is an important anti-poverty strategy, it will not take the place of higher education and jobs that are known routes out of poverty.

Finally, equal attention must be given to the education and work opportunities of fathers if parental responsibility of both mothers and fathers is to be achieved.

TESTIMONY OF ROBERT GREENSTEIN, EXECUTIVE DIRECTOR
CENTER ON BUDGET AND POLICY PRIORITIES

Subcommittee on Human Resources
House Ways and Means Committee
June 29, 1994

Thank you for this opportunity to testify on issues of welfare reform, early childbearing, and out-of-wedlock births. I am Robert Greenstein, executive director of the Center on Budget and Policy Priorities. Some time ago, in the late 1970s, I served as Administrator of the Food and Nutrition Service, the USDA agency that administers the food stamp program and other food assistance programs. Currently I also serve as a member of the Bipartisan Commission on Entitlement and Tax Reform appointed by President Clinton and the Congressional leadership.

There is strong consensus that the welfare system is deeply flawed and major change is needed. The welfare reform debate has broadened in recent months from a debate primarily about how best to move people from welfare to work to one that also includes discussion about the large numbers of children born outside of marriage. The enlargement of the debate reflects, in part, increasing awareness of the large and growing proportions of births occurring out of wedlock.

Central to this debate is the question of welfare's role in this phenomenon. Some argue that welfare is the primary cause of the rise in births outside marriage and propose eliminating all support for single-parent families with children (or, in some cases, for families in which the children are born out of wedlock). One of the other members of this panel, Charles Murray, is a leading proponent of such a view.

Anyone concerned about the well-being of children must be deeply troubled by the increasing numbers of children born outside of marriage. And in dealing with this difficult question we must weigh the research in the area very carefully. We must understand what it shows and be careful not to rush to embrace conclusions and policy prescriptions that are not supported by the weight of the evidence.

Some endorse both Charles Murray's analysis and his prescriptions. Others assume his analysis is authoritative but dissent sharply from his policy recommendations. Like the bulk of researchers in the field, however, I believe the research indicates that the story is far more complex — and in some ways quite different — than Mr. Murray portrays it. It is not only his prescriptions that are troubling, and in my view, flawed, but his analysis as well.

I. TRENDS IN OUT-OF-WEDLOCK CHILDBEARING

Let's start with an examination of trends in out-of-wedlock childbearing. The overall out-of-wedlock birth rate — that is, the number of births for every 1,000 unmarried women of childbearing age — rose from 26.4 in 1970 to 45.2 in 1991. In other words, there were 26.4 births for every 1,000 unmarried women of childbearing age in 1970. In 1991, there were 45.2 such births for every 1,000 women.

During this period, the trends diverged for blacks and whites. Among black women, the out-of-wedlock birth rate dropped modestly from 95.5 in 1970 to 89.5 in 1991. (The black rate reached its lowest point of this period in 1984 when it stood at 77.) Among whites, the out-of-wedlock birth rate rose during the same period.

The proportion of births that are out-of-wedlock differs from the out-of-wedlock birth

rate. Among whites and blacks alike, the proportion of births that are births to unmarried women has risen over the past 20 years. This is due partly to the rise in the out-of-wedlock birth rate and partly to two other factors. First, the proportion of women of childbearing age who are unmarried is much higher than it was in the past. Second, the birth rate among married women has fallen considerably. In other words, a larger proportion of women are unmarried than in the past, and those who are married have fewer children than they used to. Both factors have played an important role in increasing the proportion of births that occur outside of marriage. (The increase noted above in the white out-of-wedlock birth rate — that is, in the proportion of white unmarried women who bear children — pushes to higher levels the proportion of all births that are taking place outside of marriage.)

To investigate why these trends are occurring, it is important to identify the groups of women among which the trend toward increased out-of-wedlock childbearing is found. To be sure, poor women are more likely than non-poor women to give birth outside of marriage. But the evidence demonstrates that the trend toward increased out-of-wedlock childbearing is a society-wide phenomenon and is not concentrated among the poor or the less educated.

II. NONMARITAL CHILDBEARING IS A SOCIETY-WIDE TREND

Data from the National Longitudinal Survey of Youth (NLSY), a large survey that has tracked 12,000 youth each year since 1979, and unpublished data from the Census Bureau demonstrate that nonmarital childbearing is increasingly a society-wide phenomenon.¹

- Data from the NLSY show that two-thirds of women who give birth outside of marriage are not poor in the year prior to their pregnancy.
- In addition, out-of-wedlock births are rising rapidly among more educated women — those with at least a high school diploma. By 1992, two-thirds of all mothers who had *never* been married — the group about which we are most concerned — were high school graduates. In addition, in the 15 years from 1977 to 1992, out-of-wedlock birth rates rose particularly sharply among women with college education. (In 1977, few of the white, never-married women aged 25-34 who had graduated from college had borne children; for every 1,000 such women, there were only 15 children to whom they had given birth. By 1992, the picture had changed. For every 1,000 white never-married women aged 25-34 with a college degree, 91 children had been born — a six-fold increase. Similarly, the number of children that had been born to black never-married women with some college education — but not necessarily a college degree — increased 67 percent during this period.^{2,3})

¹The 12,000 respondents were between the ages of 14 and 21 in 1979, the year the survey began, and have been interviewed annually since.

²Data are from *Fertility of American Women: June 1992* and *Population Profile of the United States: 1997*, U.S. Department of Commerce, Bureau of the Census.

³This has been an area of particular misunderstanding, in part due to an error in the first few paragraphs of Mr. Murray's well-known and often-quoted *Wall Street Journal* article of last October. In his article, Murray belittles the increase in out-of-wedlock births among college graduates as "an interesting trend, but of minor social importance." "The real news," Murray stated, "is that the proportion of single mothers with less than a high school education jumped to 48 percent from 35 percent in a single decade."

In fact, the Census report entitled *Fertility of American Women, 1992* shows that the proportion of single mothers with less than a high school education *declined*, rather than rising as Murray asserts. In 1982, some 40 percent of mothers who had never been married lacked a high school diploma. By 1992, the

In short, the rise in out-of-wedlock births is a society-wide trend, a point also made by the General Accounting Office in its recent report entitled, "Families on Welfare: Sharp Rise in Never-Married Women Reflects Societal Trend." In this report, the GAO states, "The growth in the proportion of women who never married was the most dramatic change we found among the group of single women receiving AFDC. This change paralleled a broader societal trend among all single mothers. Among all single mothers, the proportion who never married almost tripled over the same period."

Moreover, out-of-wedlock childbearing has not only risen here in the United States, but has also risen in recent decades throughout Western industrialized countries, most of which have very different social welfare policies than we do. In 1960, four percent of the children born in France and five percent of those born in England were born out of wedlock. By 1988, this had climbed to approximately 27 percent in both countries. Divorce rates in Western industrialized countries have also increased, as they have here.

III. TRENDS IN TEEN CHILDBEARING

Many Americans believe the rising tide of out-of-wedlock births is fueled by a surge of teenage pregnancies and that most out-of-wedlock births occur to teen-age girls. The belief that teen-age mothers are responsible for most out-of-wedlock births is mistaken. Seventy percent of out-of-wedlock births occur to women age 20 or older. Only 12 percent — still a disturbing amount — occur to women under the age of 18.

Nevertheless, teenage childbearing is cause for serious concern. Many welfare recipients have their first child as a teen. And as is well known, teen mothers are among those most likely to remain poor and on welfare for long periods of time. It makes sense to examine the trends concerning teen childbearing.

These trends are mixed. In 1955, there were 90 births for every 1,000 women between the ages of 15 and 19. By 1991, this had *declined* to 62 births for every 1,000 teen-age women. The teen birth rate reached its lowest point in 1986 when there were 50 births per 1,000 teen-aged women. While it has climbed somewhat since then, the teen birth rate is still far below the level of the 1950's and 60's.

On the other hand, these figures encompass all births to teen-agers, including births to both married and unmarried teens. While the overall teen birth rate has fallen, the birth rate among unmarried teens has increased. In 1960, fewer than one-sixth of teen births occurred outside marriage. In 1991, more than two-thirds of such births did.

IV. FACTORS INFLUENCING TEEN CHILDBEARING

What factors influence teen childbearing? Researchers who study this matter have found that teen-agers who are failing in school and come from disadvantaged families are the teens most likely to become parents. Princeton sociologist Kristen Luker observed in a 1991 *American Prospect* article:

Two kinds of background factors influence which teens are likely to

proportion of never-married mothers who had not graduated from high school had fallen to 34 percent. At the same time, the proportion of never-married mothers who not only graduated from high school but also obtained some postsecondary education rose from 16 percent to 26 percent during this period.

become pregnant and give birth outside of marriage. First is inherited disadvantage. Young women from families that are poor, or rural, or from a disadvantaged minority are more likely to be teen mothers than their counterparts from more privileged backgrounds. Yet young mothers are not just disadvantaged; they are also discouraged. Studies suggest that a young woman who has other troubles — who is not doing well in school, has lower 'measured ability,' and lacks aspirations for herself — is also at risk of becoming a teenaged mother.

Two other researchers, Brent Miller and Kristin Moore, have examined the relationship between contraceptive use, academic achievement, and future aspirations. In a 1990 article in the *Journal of Marriage and the Family*, they reported that teens who "have high educational expectations and school success are more likely to use contraception effectively." They also reported that "the decision to obtain an abortion is more frequently made by teens who are enrolled in school, and who have higher educational aspirations."

It is interesting to note that the teen birth rate in the United States is much higher than that in other western industrialized countries with more generous welfare benefits. While the U.S. teen birth rate is 62 per 1,000 young women under age 20, the teen birth rate in the Netherlands is 6. In France the rate is 9. It is 10 in Italy, 17 in Norway, 22 in Australia, 25 in Canada, and 33 in the United Kingdom.⁴

V. WELFARE AND OUT-OF-WEDLOCK CHILDBEARING: WHAT IS THE EVIDENCE?

There is strong consensus that the increase in the proportion of children being raised in single-parent families represents a problem of major dimensions. But the question of what lies behind this trend is a complicated one. There is a considerable body of research on this question. The research strongly indicates that welfare is not one of the primary causes of out-of-wedlock births.

First, if welfare were the principal cause of the rising tide of out-of-wedlock births, one would expect out-of-wedlock births to be increasing primarily among low-income, less-educated women. As noted above, however, the rise in childbearing by unmarried mothers has occurred among high school graduates, those with college education, and school dropouts alike. About 70 percent of unmarried mothers with a high school education or more do not receive welfare in the year after the birth of their child. Even among those without a high school diploma, more than half do not receive welfare in the first year following the birth of the child. While about half of all young women who have a child outside marriage receive welfare at some point during the three years after having the child, one would expect that if welfare were causing or "enabling" these unmarried women to have children, many more would go on welfare prior to or immediately upon having a child. That this does not occur weakens the argument that welfare is the driving force behind these women's behavior.

Also of note is the fact about three-fifths of women who bear a child outside of marriage are not receiving any AFDC benefits three years after the child's birth. If welfare were the primary cause of out-of-wedlock childbearing, one might expect that the vast majority of mothers who have children outside of marriage would remain on welfare for long periods of time. This is not the case.

Furthermore, since the early 1970s, welfare benefits have fallen sharply in purchasing power; AFDC benefits in the median state are 45 percent lower today than in 1970, after adjusting for inflation. (This is for a family of three with no other income,

⁴Data are from Kristin Moore, Ph.D.

the standard way of measuring these benefit trends.) If food stamps are included, the drop is about 25 percent. In fact, AFDC and food stamp benefits *combined* in the average state have now receded to the level of AFDC benefits *alone* in 1960, before the food stamp program was even created. If welfare were the primary cause out-of-wedlock births, the rate of out-of-wedlock births should have fallen — or risen more slowly — as welfare benefits declined. It didn't.

Some have responded to this point by claiming that the total value of the "welfare package" has continued to rise in recent decades. But the value of the "welfare package" has increased only if one counts the surging cost of Medicaid as representing a major liberalization of the welfare package provided to recipients. While Medicaid costs have soared during this period, this is not because the Medicaid benefit package has been substantially expanded. To the contrary, Medicaid costs have exploded primarily because health care costs nationwide — in both the public and the private sectors — have spiraled out of control. That medical care providers charge escalating amounts for their services does not help poor families pay rent, heat their homes, or buy clothes — and does not alter the reality that the "welfare package" enables mothers to buy much less of life's necessities than it formerly did. The rising cost of Medicaid does not make it easier for poor mothers to raise their children and pay their bills and does not make motherhood more attractive to a single woman. The rising hospital and doctor charges that characterize Medicaid should not be used to mask the drop in welfare benefits that clearly has occurred.

Some argue that the value of the welfare package *relative* to the "marriage package" — the income a mother and her children would receive if the mother married — has increased due to the rising costs of health care and the falling wages of low-skilled men. That, in turn, could influence a woman's decision to marry. Fortunately, the recently expanded earned income tax credit will substantially raise the real earnings of low-income working families — including two-parent families that will form if low-income fathers marry women who otherwise would go on AFDC. When fully phased in, the earned income tax credit will offer low-income working parents up to \$3,400 in refundable tax credits. This should reduce the attractiveness of welfare relative to work or to marriage to a low-wage spouse.

Even if one assumes that the welfare package has increased relative to the marriage package, this is due not to the welfare system, but rather to changes in the labor market and problems with the health care system that leave many low-income families that are not on welfare without health care coverage. If the recently expanded earned income tax credit is coupled with universal health care coverage and affordable child care, then marriage to a low-wage working man should become more attractive to a single mother. A minimum wage job coupled with the earned income tax credit will be worth over \$6,000 more than the AFDC grant in the median state.⁵ If such a job is coupled with guaranteed health care and affordable child care, marriage to a low-wage worker should become substantially more attractive financially than welfare to a young mother. In other words, such policy changes, coupled with the expanded EITC, could create positive incentives to marry.

Similarly, if welfare were the principal cause of high and growing rates of out-of-wedlock births, one would expect states with high welfare benefits to have higher out-of-wedlock birth rates — and a higher proportion of children living in single-parent families — than states with low benefits. While Murray claims it is the existence of welfare rather than the level of benefits that induces high rates of out-of-wedlock childbearing, the differences in state benefit levels are sufficiently large that if welfare were the main cause of the formation of single-parent families, we would expect to see a substantial correlation between state benefit levels and the proportion of children in

⁵ The earned income tax credit is calculated based on a family with 2 or more children.

single-parent families. However, the data on this matter do not support the hypothesis of a strong connection between welfare and out-of-wedlock childbearing.

For example, compare Mississippi and New Jersey. The combined value of AFDC benefits and food stamps is \$412 per month for a family of three in Mississippi, while a similar family in New Jersey receives \$650, or 58 percent more. If AFDC were the driving force behind out-of-wedlock births and the formation of single-parent families, the much larger benefits in New Jersey should result in a higher proportion of children in that state living in single-parent families. But this isn't the case. In both states, about 50 percent of black children and 14 percent of white children live in single-parent families, despite the large difference in AFDC benefit levels. More sophisticated statistical analyses of the relationship between state welfare benefits and out-of-wedlock births have generally found no correlation — or only a small correlation — between benefit levels and nonmarital childbearing. Even if one believes that welfare benefits have an effect on nonmarital childbearing, falling welfare benefits make it difficult to argue that welfare has been a large factor behind the increase in out-of-wedlock births.

The question of whether welfare is a major cause of the increase in out-of-wedlock births is not a new one. It has been studied extensively. Most studies in the area find little relationship between welfare benefits and out-of-wedlock births. In fact, in an academic journal article that Charles Murray himself published in early 1993, he acknowledged that numerous studies have found no such connection and that those studies that did find a connection generally found it among whites and not among blacks.

Robert Moffitt, a Brown University economist who is widely regarded as one of the leading authorities in this area and whose work is widely regarded by researchers of all viewpoints, last year published the results of an exhaustive review of the research on this issue. In a 1993 *Yale Law & Policy Review* article, Moffitt concluded: "The research on this issue, however, shows little relationship between illegitimacy or marriage and receipt of welfare benefits." Even among researchers who think such a connection may exist, the general view is that welfare is only a small factor in a woman's decision to have a child outside of marriage.

A group of 76 prominent researchers who work in the field of poverty, the labor market, and family structure recently issued a joint statement on the subject of welfare and out-of-wedlock childbearing. These researchers, who represent diverse academic disciplines, institutions, and viewpoints concurred with the following statement:

Most research examining the effect of higher welfare benefits on out-of-wedlock childbearing and teen pregnancy finds that benefit levels have no significant effect on the likelihood that black women and girls will have children outside of marriage and either no significant effect, or only a small effect, on the likelihood that whites will have such births. Indeed, cash welfare benefits have fallen in real value over the past 20 years, the same period that out-of-wedlock childbearing increased...[T]he evidence suggests that welfare has not played a major role in the rise in out-of-wedlock childbearing.

VI. OUT-OF-WEDLOCK BIRTHS AND PUBLIC POLICY

Several welfare reform bills now before Congress contain provisions that relate to these issues. Two bills include provisions that would make certain categories of single-parent families ineligible for basic cash assistance. The "House Republican welfare reform bill," H.R. 3500, requires states to deny AFDC benefits to minor single mothers and their children unless a state passes legislation opting out of this provision.

necessities. Homelessness and hunger could increase. Murray argues that the consequences of homelessness can be avoided by placing these children for adoption. He argues there are an ample number of families willing and able to take these children and that children for whom no adoptive home can be found would be placed in orphanages. Many of the children in families that come onto AFDC are not newborn babies, however, but older children who have already grown attached to their parents. Psychologists have long recognized the importance of children's attachments to their caregivers and have noted that disruptions in the relationship between the child and the caregiver places the child at risk for developmental problems. Most notably, children separated from a caregiver may have difficulties forming other attachments to adults. The attachment between a child and his/her caregiver forms during the first two years of life. Children need caring relationships with adults to navigate childhood and adolescence successfully. Furthermore, while there may be a large demand for infants, fewer placements are available for older children (particularly older minority children) and children with disabilities.

H.R. 4473 also envisions increased institutionalization of children. The bill makes children born to unmarried mothers under age 21 (or a higher age level at state option) and their parents ineligible for assistance not only while the mother is under 21 but throughout the child's entire childhood. This means that a 30-year-old mother with a 12-year-old child who had never before received welfare benefits would be ineligible for assistance if she lost her job and needed AFDC. H.R. 4473 provides grants to states to promote adoptions, establish orphanages, and create group homes to care for the children who would be ineligible for welfare. Perhaps the authors of the bill share Mr. Murray's view that many children would receive better care in an institution than in the home of a poor single mother. But this means that significant numbers of children would be taken from their parents and placed in orphanages because the parent is impoverished, not because the parent is poor at parenting or abusive, which are the reasons most children are taken from their parents today. Moreover, the part of the current social welfare system designed to protect children from abusive and neglectful homes is already overwhelmed; as a result, children often linger in inadequate care for long periods of time. They grow up with no permanent families.

Proponents of these policies argue that these harsh steps are justified because the consequences of bearing a child outside of marriage are so universally destructive. It is true that children who grow up in poor, single-parent families are less likely to graduate from high school and are more likely to become teen parents than other children. But it should be remembered that *most children who grow up in single-parent families finish high school, do not become criminals, and — if they are girls — are not welfare dependent as adults*. Research by noted sociologist Sara McLanahan shows that while both poverty and family structure influence educational attainment, most children living in single-parent families do graduate high school. More than half of all children living in the most disadvantaged families — families headed by a single mother who did not herself graduate from high school — receive their high school diploma. Furthermore, approximately 80 percent of girls who grow up in such families do not become teen parents. Similarly, poverty researcher Greg Duncan has found that two-thirds of girls who grow up in families that rely on welfare for a substantial part of the girl's adolescence are completely independent of welfare in early adulthood. In short, terminating assistance for single-parent families and their children would plunge deeper into poverty large numbers of families whose children would otherwise go on to lead decent, productive lives. In many cases, it likely would also increase social dysfunction among such families and children.

In light of the evidence indicating that most children who grow up even in these disadvantaged circumstances graduate from high school and are independent from welfare, the belief that these children would be better off and better socialized if they were taken from their parents, often to be placed in orphanages, is difficult to understand. It is not supported by research evidence. Furthermore, in recent years,

For example, H.R. 3500 includes a provision that denies AFDC benefits to children for whom paternity has not yet been established even when the mother has fully cooperated with the child support enforcement agency. State child support agencies often take one to two years to establish legal paternity; children would be denied benefits during this period.

In addition, several bills contain a provision that either requires or allows states to terminate *both* cash assistance and an employment opportunity for poor families after a given period of time. Under such approaches, a parent would be placed in a work program following a two-year time limit on AFDC. But after three years in the work program, a parent and her children could be cut off entirely even if the mother had faithfully complied with all work requirements.

X. PATERNITY ESTABLISHMENT REQUIREMENTS

Under H.R. 3500, children for whom paternity has not been legally established would be ineligible for AFDC benefits. Their ineligibility would be maintained even if the mother has cooperated with state officials by providing all the information she has about the father. States could exempt themselves from this provision by passing state legislation.

Under current law, single mothers applying for or receiving AFDC are required to cooperate with the state in establishing both paternity and child support orders. A mother must tell the state what she knows about the identity and location of the likely father, go to the child support office for interviews, provide documents (e.g. birth certificates), appear as a witness, give sworn testimony, and turn over to the state any child support payments she receives directly from the father. In addition, if requested to do so, she must submit to genetic tests. It is then the state's responsibility to pursue paternity through a court or administrative process. Under current regulations that govern paternity, if a woman with a newborn approaches the child support agency asking for help in establishing paternity and collecting child support (or if she is referred to the agency by the welfare system), the state has at least 18 months to establish paternity and longer if there are delays in locating the noncustodial parent and serving him with notice that paternity proceedings are being brought.⁸

During that time, the mother often has little ability to speed up the process. As the Interstate Commission on Child Support Report noted, many caseworkers have 1,000 cases, making it difficult to expedite action on these cases. In addition, some states have systems that are antiquated and sometimes make it difficult even for fathers who want to establish paternity voluntarily to do so quickly. Major studies conducted during the last few years, including a national study conducted by the Urban Institute, demonstrate that the structure of a state's paternity system has a profound effect on the likelihood that paternity will be established and how long it will take. As a result, state paternity establishment rates vary widely. According to the Office of Child Support Enforcement's 17th Annual Report to Congress, West Virginia had the highest paternity establishment rate. Its IV-D agency established paternity in 85 percent of the cases that needed paternity establishment. Oklahoma, by contrast, established paternity in only three percent of its cases. Unless women in Oklahoma are very different from women in West Virginia, these data suggest that state processes, rather than the cooperation of mothers, largely determine state paternity establishment rates.

⁸The "IV-D" agency is charged with enforcing child support payments to children applying for or receiving AFDC and to children whose custodial parents ask for assistance from the agency. These IV-D agencies are required to assist parents asking for help regardless of their income status. The IV-D cases include about half of all single parent families.

and high participation rates without more severe sanctions than were enacted under the Family Support Act of 1988.

XII. CONCLUSION

My conclusion is essentially the same as that of the 76 researchers who issued the joint statement. Rising rates of out-of-wedlock births ought to be a source of deep concern. But welfare does not appear to be the driving force here. Other factors such as changed sexual mores, decreased economic opportunity for low-skilled young men and women, the increased proportions of women who are in the labor market, and deteriorating neighborhood conditions are among the potential contributing factors. As the researchers noted, "focusing on welfare as the primary cause of rising rates of out-of-wedlock childbearing vastly oversimplifies this complex phenomenon."

While the weight of the evidence does not support the view that welfare is a primary cause of out-of-wedlock births, the evidence does indicate that poverty is injurious to children. This leads to the conclusion that proposals to deny both cash assistance and a work slot to unmarried parents and their children would be ill-advised. As the researchers said: "...the damage done to children by denying assistance to their families would be far too great to justify eliminating the safety net for them."

Major welfare reform is badly needed in such areas as moving many more recipients from welfare to work, greatly strengthening child support enforcement, addressing work and marriage penalties in the welfare system, and undertaking efforts to reduce teen pregnancy. But proposals such as those discussed above that deny assistance to poor children on the basis of their mother's age and marital status or her length of time in the work program head in an unfortunate direction. To quote the researchers' statement one final time, such proposals would pose great risk of "doing far more harm than good."

TESTIMONY OF ROBERT M. MELIA
FIRST DEPUTY COMMISSIONER
MASSACHUSETTS DEPARTMENT OF REVENUE

before

Subcommittee on Human Resources
Committee on Ways and Means
United States House of Representatives

Thursday, July 28, 1994

Mr. Chairman, distinguished members of the committee, thank you for the opportunity to testify. My name is Robert Melia. As the First Deputy Commissioner of the Massachusetts Department of Revenue, I oversee both tax administration and child support enforcement programs in my state.

The President's Working Group on Welfare Reform cites Massachusetts as a "clear example of how creative use of automation can improve the collection process...." Indeed, many of the Administration's proposals are modeled on enforcement techniques pioneered in Massachusetts, and naturally we support those proposals. There are, however, three important areas where we differ. Before getting into specifics, though, I'd like address a myth that is confusing the debate and diverting energy and attention away from the true problems that plague child support enforcement.

THE MYTH OF UNDERSTAFFING

Every commission, association or organization that has ever studied the problem of inadequate child support enforcement concludes that the program is greatly understaffed. Caseloads of 500 or more cases per worker are common, with some states having caseloads of about 1,000 cases per worker. While no one knows how many cases a worker can comfortably handle, everyone agrees that 500 or 1,000 is too many. Our experience in Massachusetts suggests otherwise.

Massachusetts has 830 child support enforcement employees, out of about 43,000 nationally. Massachusetts also has 2.4 percent of the nation's population, 2.4 percent of the nation's AFDC caseload, and 2.5 percent of the nation's single parent households. If we were to receive our share of those 43,000 employees based on our share of these indicators, we'd have 1,030 employees. Relative to our underlying demographics, then, we are staffed about 20 percent below the national average. If staffing were the key to a successful child support enforcement program, the Massachusetts program should be in shambles. Yet we're consistently cited as one of the best programs in the nation.

In truth, the child support enforcement program is not so much understaffed as it is under organized. What should be simple, computerized actions -- transferring a wage assignment when the obligor changes jobs; levying a bank account; modifying a child support order as the obligor's income changes -- all too often require many hours of manual labor. Massachusetts' experience with new hire reporting is a dramatic example of what happens when you add proper organization instead of more staff. In 1991, we had no automated method of knowing when obligors changed jobs and stopped paying. When mothers called to complain about not receiving child support, a caseworker would call the obligor's old employer to try to learn where the obligor had gone. If that

didn't work, caseworkers pored over out-of-date printouts, looking for clues. The "system" required about 200 FTE's worth of effort and collected on about 30,000 cases per month. After we put in place a new hire system that allows our computer system to detect job changes and mail wage assignments to employers, the number of staff needed to run the system dropped to 20 FTE's and the number of paying cases increased from 30,000 to 39,000.

The new hire system now collects 70 percent of all child support collected in Massachusetts. Other highly automated systems (tax refund intercept, workers' compensation intercept, bank levies) bring the total to about 80-85 percent of total collection. Yet this raises another question. If 20 employees are collecting almost all of the money, what do the other 810 staff do all day? The answer is simple: they are busy **NOT** collecting child support. They're not collecting child support because they're busy trying to pry information out of the 35-40 percent of AFDC recipients who do not want to establish paternity for their children. They're not collecting child support because they're busy filing out the complex forms needed simply to transfer a wage assignment across state lines. They're not collecting child support because they're busy ensuring all the requisite due process and procedural safeguards needed to increase a child support order \$10 a week. They're not collecting child support because they're busy complying with federal requirements that have little or nothing to do with collecting child support.

We've now come full circle back to our original question: what is an appropriate number of cases for a worker to handle? In 1991, when our program was poorly organized, a caseworker could enforce 150 cases (30,000 paying wage assignments divided by 200 FTE's). Today, with a properly organized program, those same workers can comfortably enforce 1,950 cases each.

Is the program understaffed, then? Yes, if we're content to let it remain fragmented and poorly organized. Yes, if we continue to think that each child support case is unique and has to be enforced by hand, one at a time. But there is nothing inherently difficult about collecting child support. If we reengineer the program to get out of enforcing cases "by the each" and start letting computers enforce cases by the thousands, we may find the program has plenty of people to do the work that truly requires human judgment and experience.

AUTOMATION: CURE OR CURSE?

Many people are expecting the new computer systems, which all states are required to have installed by October 1995, to help solve the staffing problem. Unfortunately, the benefits will be minimal. Mike Henry, the director of the Virginia child support enforcement program and one of the most talented and respected child support professionals in the nation, hit the problem right on the head when he said, "our new computer system produces daily task lists for workers. The problem is that each day's task list has ten days worth of work on it." The task lists are so long because the new computer system applies federal time standards to every single case, and notifies workers when they have to take a particular action on a specific case. As Virginia has learned, when you automate a poorly designed system, all the computer does is let you reach more dead ends faster. As other states implement their new systems, they will find themselves in the same situation. By spending well over a billion dollars to develop automated child support enforcement systems, we have reached the moment of truth: either hire tens of thousands of more caseworkers to follow enforcement strategies that don't work, or radically change our enforcement strategies. Simply to pose the question is to answer it.

REORGANIZING CHILD SUPPORT:

WHAT'S GOOD WITH THE ADMINISTRATION'S PROPOSAL

The Administration's bill contains a number of changes that will help organize and simplify child support enforcement, thereby increasing collections. These proposals include new hire reporting, administrative liens, central registries, centralized payment processing and faster and more effective ways of enforcing interstate cases. These proposals are proven to work and enjoy widespread support. Best of all, they don't cost any money. Of course there are start-up costs, but because these methods are more efficient than the methods they replace, states should quickly achieve enough savings to cover the start-up costs. For example, our new hire system costs about \$700,000 a year to run. But because it does the work of 180 caseworkers, it saves us about \$9.1 million annually, for net savings of \$8.4 million annually. With a total budget of about \$50 million, putting a new hire program in place was the equivalent of getting an 18 percent budget increase. (When I say "savings", I don't mean to imply that we reduced staffing. With so much to be done in the areas of paternity establishment and modification, we re-deployed staff to these areas. As a result, we established 11,400 orders for AFDC cases in FY94, almost double the 6,000 we established in FY93. We're also well on our way to at least doubling the number of modifications we do.)

By requiring central databases and business rules that automatically enforce cases without any human intervention, the Administration's bill goes a long way toward curing what ails child support enforcement, and alleviating the perceived staffing shortage. With computers doing most of the enforcement, thousands of caseworkers will become available for other tasks.

REORGANIZING CHILD SUPPORT: WHAT THE ADMINISTRATION'S PROPOSAL LEAVES OUT

There's enough right with the Administration's bill to make it the most comprehensive and practical child support enforcement plan ever put forth. However, the Administration's proposal falls short in three key areas. Unless Congress fixes those areas, much of the child support enforcement program's true potential will go unrealized. The four areas are: new hire reporting, modifications, access to IRS data and paternity establishment.

Modifications: A study by the Urban Institute found that if all orders were updated according to the guidelines, obligors would owe an additional \$7.3 billion per year. This estimate fits nicely with work we have done with Massachusetts tax data, which shows that 20 percent of absent parents whose families are on AFDC earn enough money so that, if they were paying child support in accordance with the Massachusetts guidelines, their families would not be on AFDC. But child support orders rarely get adjusted, because the process is tedious and expensive. A demonstration project in four states found that it took an average of 6.4 months of calendar time and 48 staff hours to complete a modification. The average cost to modify a case was \$730. In Massachusetts, we modified about 1,400 orders upward last year and we estimate that about one third of all orders ought to be modified upward. As we have about 52,000 paying cases, we should be modifying about 17,000 orders. At our current rate, it will take us 12 years to get to them all. This year we plan to double the number of modifications, but even that improvement is insufficient. We suffer from the same problem that the five demonstration states suffer from: we have to go through a complicated legal process to achieve what should be a simple administrative adjustment. The Administration's proposal is largely silent on this issue, although it does call for the creation of a national guidelines committee. The only way that millions of cases can be regularly updated is through automated processes where a computer can calculate wards based on the number of

children and an analysis of parents' tax and employment data. Congress should help ensure that orders keep pace with inflation and changes in income by explicitly stating that the goal of the national guidelines committee is to develop guidelines that are suitable for high volume, computer driven, administrative updating.

Internal Revenue Service Data: Without access to tax data, there is no practical way to update child support orders. Tax data is also helpful in enforcing orders where the obligor is self-employed. Tax administrators are concerned that using tax data to enforce child support enforcement might cause a drop in tax revenues as obligors seek to evade both their tax and child support payments. We shared that concern in 1987, when the Massachusetts Department of Revenue began enforcing child support payments, but we have not noticed any adverse impacts on tax administration. The Administration proposes to study whether and how tax information should be shared. Millions of children would benefit if we'd just skip the study.

Paternity Establishment: We estimate that 35-40 percent of AFDC applicants (where the child was born out of wedlock) do not want paternity established for their child. As long as it is possible to qualify for AFDC without establishing paternity, we will never attain paternity establishment for all children. Requiring paternity establishment as a condition of AFDC eligibility (absent good cause not to establish paternity) is probably the most controversial element of child support reform. No doubt some children would be harmed by such a reform; if their mothers feel strongly enough about not establishing paternity, their material living standard will decline even further. On the other hand, the only way that most of these children will ever live above the poverty line is for their mothers to combine earnings and child support. It seems a shame to condemn a quarter of a million children per year to poverty and long term AFDC dependency by allowing their mothers to lock them out of the child support enforcement system at precisely the moment when the system is becoming strong enough to deliver meaningful support.

THE TEN MOST WANTED CHILD SUPPORT REFORMS

Massachusetts and several other states have had such good luck in using "ten most wanted" lists to get hard core delinquents to resume paying child support, we thought we'd use the same tactic on Congress. From the scores and scores of recommendations floating around we have assembled our "Ten Most Wanted" list. These reforms are proven winners -- both in Massachusetts and elsewhere. The rest of my testimony describes these ten top reforms, explains why each is so important, and quantifies that results we have achieved (or expect to achieve) in Massachusetts.

TESTIMONY OF TUDI WHITRIGHT, CUSTODIAL PARENT, COORDINATOR
ASSOCIATION FOR CHILDREN FOR ENFORCEMENT OF SUPPORT, KING COUNTY,
WASHINGTON

SUB COMMITTEE HUMAN RESOURCES
JULY 28, 1994

I am the mother of two sons, Shad and Zachary. When their father left us, I was 3 months pregnant with my second son and my oldest was 4 years old. I had not been employed since before the birth of my first son and immediately found it difficult to survive. My first year, as a single parent, I earned \$6,000 by taking jobs on commission. I was able to take only two weeks off for the birth of my second son before going back to work. I received no help from my children's father. It took two years to get my divorce and the child support order. If Section 636 of H.R. 4605 was enacted children like my sons would not have to wait two years. Use of administrative processes for establishing paternity and setting support awards is quick and fair. If child support agencies could administratively set and modify support awards, to enter default orders, obtain financial information, and issue withholding orders, it would end the long wait children like mine endured. Also, establishment of National Child Support Guidelines to fairly determine the amount of support to be paid as outlined in Section 8 of H.R. 4051 are needed, delays during the divorce process caused by arguments over the amount of support to be paid causes children to go to bed hungry.

After the divorce, the boy's father did not comply with the child support order. I had to work at two jobs just to keep a roof over our heads and my children fed. I opened a case with the State Office of Support Enforcement. I was told there was nothing they could do because he was living in another state.

I believed them. I was physically, emotionally, and financially drained trying to support my family and be a good mother to my children at the same time. My boys deserved to have at least one parent to raise them, instead, they got a father who deserted them in every way and a mother who was always at work. I feel my sons were robbed of much of their childhood and I was robbed of the chance to be an effective parent by an absent father who didn't care and a system that was totally ineffective. An effective National Child Support Enforcement System and Child Support Assurance would have made a lot of difference to both my boys and to me as a parent.

I wish I had known when I got my divorce the things I know now. My involvement with ACES as a leader and with the ChildNet Forum in Seattle has opened some doors for me. Three years ago, I renewed my efforts to get the system to work. I felt that the least the State Child Support Enforcement Office could do was to collect some of the over \$57,000 in back child support owed, so that my boys could have a chance to get a college education. I believe it is the least their father could do for them. However, it was still

Enforcement, he moved. Every time he moved, I had to refile. At first, he just moved from county to county in California. Now, he is in Arizona. The state child support workers just kept telling me to be patient. I believe 16 years is patient enough.

I believe a federalized child support enforcement system with the Internal Revenue Service as a collection agency would have gotten my boys the support they deserve, just as it could the over 23 million other children who are owed financial support by an absent parent. Sections 2, 3, and 4 of H.R. 4051, create a national child support order registry within I.R.S., set up national W-4 reporting, and turn all collection and enforcement over to the I.R.S. This would ensure that we would not have so many different laws and procedures which vary not only from state to state, but as in my case, from county to county.

Also needed is a simplified process for modification of support orders, my child support order remained the same amount for 16 years. I was told by state workers that getting an increase is not possible when we couldn't even collect regular payments. Sections 247 and 248 of H.R. 4767 require all orders to have an automatic annual cost of living adjustment, which means many orders would adjust without the need for any process. Also, when there has been a significant change in circumstance, Section 248 provides a simplified process for updating orders.

Child Support Assurance is needed to protect children like mine from poverty caused by family break up. Section 6 of H.R. 4051 creates a National Child Support Assurance program in which any child with a child support order, any child whose mother has tried to get an order using the IV-D system and hasn't gotten one within 18 months, and any child with good cause not to pursue an order is entitled to the minimum benefit. The benefit is \$250 per month for one child and \$300 for two or more children, adjusted annually for inflation. \$300 a month would have made a big difference in the quality of my sons' lives and would have allowed me more time for patenting.

After testifying at a ChildNet Forum in Seattle in November of 1993, I was contacted by two state child support workers. Until that time, my sons' father had never paid any of the child support he was ordered to pay, not to mention the medical support he was supposed to give. Because of the statute of limitations, my sons had lost over \$20,000 of the back support owed and the amount was dropping monthly. I asked how a father's responsibility to his children could have a limitation. The child support workers said I could get the amount reduced to judgement to stop that, but it took a lawyer to actually do it. The lawyer has also been able to get the first collection in 17 years. The \$600 collected doesn't even cover the cost of an attorney, let alone the cost of raising two children for 17 years.

All of this comes back to our responsibility to the children. Unlike their father's, my responsibility to my children had no limitation. And I believe our collective responsibility to all children in this country has no limitation. Please help the children: Set up an effective National Child Support Enforcement System within the I.R.S. and enact Child Support Assurance.

Thank you.

ACES is the largest child support advocacy organization in the U.S. We have almost 300 chapters in 49 states with over 25,000 members. ACES members are typical of the 9.9 million families entitled to child support payments in the U.S. We have joined together to seek improved child support enforcement so that our children are protected from the crime of non-support, a crime which causes poverty.

There are 23 million children in the U.S. owed \$34 billion in unpaid child support. America's child support enforcement system fails in almost every possible way to serve the children. The system needs radical, fundamental restructuring. The current child support system which was set up in 1975 when the collection rate by government agencies was 20% and about 50% of the cases needed child support orders established. New federal laws in 1984 and 1988 were enacted to improve the child support system. But in 1993, the collection rate by government agencies was only 18.7% and 45% of the cases still needed orders to be established.

ACES believes that continuing to throw good money after bad is not good policy. States have proven their inability to run an effective child support enforcement system, the national collection rate is only 18.7%. The argument not to change sounds like; we must continue to make B52 bombers even though they are obsolete, because if we change B52 bombers, employees would lose their jobs. We can retrain workers and make sure they have jobs in the new system. We cannot replace childhoods lost to poverty.

Children are the innocent victims of family break up and they should be protected from poverty. We should adopt a child support assurance program that guarantees that child support will be a regular, reliable source of income for children growing up with an absent parent.

A SYSTEM LIKE SOCIAL SECURITY IS NEEDED FOR CHILDREN ENTITLED TO CHILD SUPPORT TO INSURE THAT THEY RECEIVE REGULAR PAYMENTS EVEN IF THE NON-CUSTODIAL PARENT CANNOT BE FOUND OR CANNOT PAY DUE TO UNEMPLOYMENT. THIS CHILD SUPPORT ASSURANCE PROGRAM WILL REDUCE POVERTY IN THE U.S. BY 42%.

Children need to be put before all other debts, and support payments need to be due until collected. Federal law should prohibit statute of limitations on child support cases. Commission recommendations extend collection for 20 years, this is actually less than what some states have now under judgement renewal laws.

Studies show that the best way to end the cycle of poverty is through education. Children growing up in single parent households entitled to support have fewer opportunities for higher education. A federal statute making duration of support to age 23 if the child is attending school is needed.

ENFORCEMENT

A NATIONAL REGISTRY SHOULD BE DEVELOPED WHERE ALL W-4'S ARE VERIFIED SO THAT INCOME WITHHOLDING CAN BE DONE ROUTINELY. THIS SYSTEM OF INCOMING WITHHOLDING, PAYMENT COLLECTION, DISTRIBUTION AND ENFORCEMENT OF ORDERS SHOULD BE PLACED UNDER THE IRS.

The Federal Office of Child Support Enforcement should be placed in the IRS. An Assistant Tax Commissioner should be appointed to be Director of the IRS Child Support Division. Initially the Division would take over current duties of OCSE. In one year it would be required to have set up a central registry of interstate case orders and do interstate income withholding. Within two years all new cases would be added to the registry and the income withholding process. Within five years the system should be fully functioning and include all child support cases.

We must send a national message that supporting children is as fundamental a responsibility as paying taxes. This national agency must be given all the tools it needs, including improved information for locating absent parents and improved tools for making prompt and effective collections, to aggressively pursue child support and medical support for children.

Only thirteen states have taken advantage of the provision in the 1984 Child Support Amendments for 90% funding for statewide automated systems. When funding was extended in the 1988 Family Support Act to 1995, thirty-nine state child support agencies told ACES, in our annual survey, that they would still not have a system in place by the deadline. Even if states had automated systems in place, all would be different and they are not being designed to interlink. State governments blame the Federal Office of Child Support for the lack of automated systems and the Federal Office of Child Support blames the states. This finger pointing does not help children. Children suffer because states cannot even identify which cases need orders, or which cases have not received payments so that action can be taken to implement income withholding. This is why only 20% of the cases have income withholding orders eight years after Congress passed laws making it mandatory upon a one month default and four years after this law was expanded to include income withholding at the time an order is entered.

ESTABLISHMENT OF ORDERS

JURISDICTION TO ESTABLISH ORDERS SHOULD BE IN THE STATE WHERE THE CHILD LIVES. This requires federal statutes which place jurisdiction of child support action to establish and/or modify orders in the place where the child resides. A National Jurisdiction Act should have the following provisions: (1) interstate child support case to be cause of action (2) the venue for the action to be where the

child resides (3) trial court of any state should have power to serve the defendant. Parental Kidnapping Prevention Act is a model for child state jurisdiction.

In order to ensure an efficient system to establish paternity and orders, State child support IV-D structures should be required to be "single"-statewide. Audit failures by states show patterns of lack of services statewide in states that are state supervised county run programs: WI, MD and PA have been found not to provide statewide services. CA, NJ, CO, IL, IN, MD, MI, MN, NE, PA, TN, OR and OH have been found to have problems with establishment of orders and collection/distribution of support payments.

We must ensure that each state has in place effective laws and administrative rather than judicial process to establish paternity and child support orders. Successful state models which have demonstrated dramatic improvements in establishing paternity and obtaining support orders through an expedited administrative process need to be expanded nationally. These administrative processes are effective for children on whose behalf paternity must be established and for children whose paternity is not disputed but who need support due to parental divorce, desertion or separation.

CHILD SUPPORT ENFORCEMENT AND ESTABLISHMENT ACTIONS SHOULD BE ADMINISTRATIVE RATHER THAN JUDICIAL WHENEVER POSSIBLE.

Adequate information is available and sufficient experience can be found from state governments to develop fair national child support guidelines. A system which allows a non-custodial parent who lives in Alabama and earns \$40,000 a year to pay only \$60 a week while a parent in New Jersey who earns \$40,000 a year pays \$120 a week, needs to end. This lack of fairness leads to non-support.

NATIONAL CHILD SUPPORT GUIDELINES SHOULD BE PUT IN PLACE. National guidelines are needed to guarantee children a fair level of support. Children's support orders should be determined by their needs and their parent's ability to pay, not by where they live and which state guideline applies. There must be a national process, as well, for periodically reviewing and updating child support orders to ensure that orders keep pace with children's needs and parents' income.

LOCATING ABSENT PARENTS:

AN EXPANDED FEDERAL PARENT LOCATOR SYSTEM SHOULD BE DEVELOPED. This can be done by adding NLETS and NCIC to the existing Federal Parent Locator System and by increasing access to the system by government child support agencies. Recent regulations by HHS require states to pay for information from the federal parent locator system, fees for use of the national system by any government law enforcement agency working on child support cases should be prohibited. Child support agencies need access to NLETS, this is the system that accesses all state Department of Motor Vehicle records and NCIC lists crime records. This can be accomplished by Congress designating child support agencies as law enforcement agencies.

FUNDING

Lack of staff and funding severely hinders child support enforcement efforts and acts as another barrier to low income families attempting to utilize government services for child support enforcement.

A new funding structure for states to ensure that they establish orders on a timely basis should be developed. This should include elimination of the federal incentive payments to states, and the adoption of a 90% federal match with a requirement for state maintenance of effort at 1992 levels.

Priority of distribution on post AFDC cases should be "family first." Assisting families who become self-sufficient and free of the welfare roles should be a priority. The current system penalizes these families by paying the state government back support payments before the family receives back support payments due to them.

States and the Federal Government benefit through lower costs for AFDC (Aid to Families with Dependent Children) when child support is collected. As of the end of 1991 all states made a "profit" on child support collections: 66% reimbursement + 6% incentive payments + funds recouped for AFDC expenditures = more \$ than what was spent on the child support enforcement program. They can afford to pay families First.

Example of making a "Profit" on Child Support Enforcement:

Expenditures of \$27,086,106

Reimbursement at 66%	1.	\$17,876,830
Collections: \$30,191,573 AFDC		
\$57,562,494 Non-AFDC		
* Amount qualifying for incentives -		
\$60,500,000 @ 6%	2.	\$3,630,000
Amount of AFDC recouped by state	3.	<u>\$9,226,858</u>
Total Income (1 + 2 + 3) =	\$	\$30,733,688

Total Income	\$ 30,733,688
Total Expenses	<u>-27,086,106</u>
"Profit"	\$ 3,647,582

* Incentives payments are based on AFDC amount x 2 if less money is collected on AFDC cases than Non-AFDC cases. This is often called the "cap."

PROFIT MADE ON CHILD SUPPORT ENFORCEMENT SHOULD BE REINVESTED IN THE CHILD SUPPORT ENFORCEMENT PROGRAM.

FAMILY SERVICES

The government child support agency should list their client as the custodial parent and child. Child support enforcement services should be an entitlement. Families should have a right to effective and efficient services. New federal timeframes are a step in that direction, except clients were given no rights in the 1988 Family Support Act to obtain action on their case under the timeframes. Clients should be given a right to services and states should be required to meet timeframes. Non-compliance with timeframes should be a reason to request a state fair hearing. States should be prohibited from charging fees of more than \$25 to families owed support.

Although child support and visitation are separate issues, a parent who is unemployed and cannot pay support, rights to visitation should be protected and enforced. ACES believes that it is wrong to deny visitation when support is not paid and we believe it is wrong to withhold support when visitation is denied. These actions harm the child. We know from our experience and from studies that 13%

of the parents who fail to pay child support state they are withholding payments because the visitation is being denied. To prevent this from happening, we need an effective custody visitation dispute resolution program.

STATE COURTS SHOULD BE REQUIRED TO HAVE IN PLACE PROGRAMS FOR RESOLUTION OF CUSTODY AND VISITATION PROBLEMS. Prince George's County, MD, and Washington, D.C., are good models for these types of programs.

THE RELATIONSHIP BETWEEN CHILDHOOD POVERTY AND CHILD SUPPORT SYSTEM

To understand what the failure of the child support system means in the lives of real children, two summers ago CLASP, in conjunction with the Association for Children for Enforcement of Support (ACES) and the Health and Welfare Council of Nassau County, New York interviewed 300 custodial mothers and asked what happened to them when the father of their children let home and how they fared when they attempt to collect child support. We found:

Despite their efforts, three quarters of the mother interviewed did not received regular child support payments for their children. The failure of the absent fathers to pay regular child support forced the children into poverty and near poverty.

As a consequence, the children lost the change for a safe and healthy childhood. Too many of the mothers reported that, in the first year after the father left, their children wend hungry (32%), lost access to regular health check-ups (55%), and did not see a doctor when they were ill (36%). Children lacked appropriate clothing (e.g. a winter coat) and couldn't participate in regular school activities due to a lack of f funds (49%). An astonishing number lost their regular child care because of the cost (57%), and a substantial number were unsupervised while their mother went to work (26%).

Further endangering the children's well-being, in the first year after the father failed to support his children, more than half the families faced a serious housing crisis. From the data, it appears that there is a direct connection between the failure to pay child support and childrens' homelessness.

The mothers first tried to support their children on their own. Primarily , they relied on their earnings, joining the labor force for the first time or taking a second or third job. In many case, the children literally lost both parents - one who walked out on them and another who was so busy trying to keep them housed, fed, and clothed that she had little time for parenting.

When their earnings proved insufficient, most of the mothers next turned to families, friends, churches, and private charities. Still, many reported utility shut offs, having credit cards revoked and selling off assets (e.g. a car) to keep going. Then percent actually had to file for bankruptcy.

Eventually, a little over half the families applied for Aid to Families with Dependent Children (AFDC), Medicaid and/or Food Stamps. While about one-fifth of the families were poor enough to use Food Stamps before the father stopped supporting his children, over one-half of the families were using Food Stamps after the father left.

Two-thirds of the mothers interviewed used the state child support enforcement system to pursue child support. Yet, 40 percent had not obtained an order at the time of the interview. Of those who did have a child support order, more than one-half still did not receive regular child support payments at the time of the interview.

This link between the failure of noncustodial parents to meet their obligations, childhood poverty and the need for public assistance was reaffirmed in a recent series of hearings held around the country. Sponsored by ChildNet: The National Campaign for Child Support Enforcement and Assurance, these hearings provided custodial fathers and mothers from Long Island and Albany, NY; Seattle, Washington; Sacramento, California; Chicago, Illinois; Atlanta, Georgia; Columbus, Ohio, and Tampa, Florida the opportunity to tell their stories. They told of waiting years for paternity to be established or an order to be set. They told of endless cross country searches for fathers and mothers who were intent on avoiding their health collapsed and they could no longer work to support their children. These families then needed AFDC, Medicaid, and Food Stamps.

STATEMENT BY ZACHARY, SON OF TUDI WHITRIGHT

My hero is very different from other heroes. My hero isn't a movie star, a pro athlete, or a musician. My mother is my hero. That sounds funny, but it's true.

When she was three months pregnant with me, my father split and left my mother to support us on an income barely enough to support one. She worked six days a week 8 - 10 hours a day and we still barely had enough to make do. Every morning she would drop us off at the babysitter and she would pick us up at 10 p.m. Sometimes she didn't even pick us up because she had no money to pay the babysitter.

After I was old enough to be so called babysat by my brother who is four years older than me, all we did was fight when my mom was at work all day. After she got home we still would fight except now we had a referee.

She did everything possible to make us happy there is nothing she didn't try. She could barely afford to pay for anything more than bills and food, but when I wanted to play sports she would always pay for them even though she knew she couldn't afford to. She always thought of her kids before anything else. She always thought of herself last.

At a very early age she taught us how to cook, clean, and do all the things needed to stay home all day and be ok. I've been doing this for as long as I can remember, that sucked back then but when I look back I am very thankful. I know kids my age who always depend on someone else to cook, clean, and wash their clothes. When I am hungry, I cook my own food; when my clothes need to be washed, I wash them; and when the house needs to be cleaned, I clean it. I think I am very lucky to have learned all these skills at an early age, because in real life you need these skills.

She has done every thing possible to make sure me and my brother make it in life. It took him an extra year to get his diploma, but if it wasn't for her he probably would have never went back. She has spent thousands on counseling, trying to make it better for us, but I don't think counseling really works unless you want it to work.

She has done all this with no help from our father, he didn't even send Christmas presents or birthday presents after the first two years of my life. She gave us everything we every needed and was always there for us. The only thing she couldn't give us that we needed, was a father. But we made it and we're not the best of kids, but there are kids out there who don't even have one parent. I am lucky because the one parent I do have, does her best to make my life easy and pleasant as possible.

For the last four years my mother has been trying to collect back and present child support which amounts to more than forty-five thousand dollars. Now she works on a committee called ACES which helps kids and parents receive the child support they deserve. She is constantly on the phone helping other parents like herself to collect and giving information. During these last four years, she has been climbing stairs that have led to nowhere until she got her chance to give a speech in front of the head people in charge of child support enforcement and many other parents like herself. During the speech she had to stop because of tears but when she finished the crowd gave her a standing ovation. After the speech, two ladies came up to her and asked for her case number, and two weeks later we received our first two child support checks in fourteen years.

I got to keep the first check and spend it on whatever I wanted and all the rest will be in the bank for college or a payment towards my first house. Since my brother is moved out she just gives him the checks for rent, food, and whatever else he has to pay for.

My mother is more than just my mom, she is a friend, a companion, and a hero in my eyes. I LOVE HER VERY MUCH!

NEWS FROM WLDF

**Statement of
Judith Lichtman
President
Women's Legal Defense Fund
on the Child Support Provisions
of H.R. 4605**

Contact: Antoinette Allsbrooks

July 28, 1994

The Women's Legal Defense Fund commends the Administration and the Subcommittee for recognizing that comprehensive reform of this country's child support system is required. Fewer than half of the women potentially eligible for child support receive any support at all; less than one third of the \$48 billion in child support which could be generated by a fully-functioning system is actually paid.

The Administration proposes significant reforms in a state-based system of child support enforcement. However, twenty years of Congressional effort to improve state child support enforcement have produced a dismal record. We recommend the federalization of child support enforcement, and the creation of a national system of child support assurance to protect children and their custodial parents with a minimum and reliable amount of child support if a noncustodial parent fails to pay.

Whether we move to a national system of child support enforcement and assurance, or reform the system we have, additional reforms will be required. Most single parents want child support -- but they face a system that is inhospitable and ineffective. What they need is a system that works with and for them -- not proposals to sanction mothers for failing to attend programs to teach the responsibilities of paternity.

Child support awards must be made adequate. The inadequacy of awards accounts for more of the shortfall in child support than does the failure to collect awards that are owed. Congress should begin to develop a national child support guideline, to eliminate the inequities of a system in which awards on the same set of facts may be seven times higher in one state than another. And a workable system for keeping award levels current must be implemented quickly, not five years from now.

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WOMEN'S LEGAL DEFENSE FUND

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REINVENTING CHILD SUPPORT ENFORCEMENT

**STATEMENT OF RICHARD (CASEY) HOFFMAN, PRESIDENT
CHILD SUPPORT ENFORCEMENT * CSE
P.O. Box 49459, AUSTIN, TEXAS 78756
(512)451-6171**

**TESTIFYING BEFORE THE U.S. HOUSE OF REPRESENTATIVES, WAYS AND MEANS
SUBCOMMITTEE ON HUMAN RESOURCES**

THURSDAY, JULY 28, 1994

Mr. Chairman, and distinguished members of the subcommittee, I am Casey Hoffman, President of Child Support Enforcement * CSE, a private company that was established to collect child support on behalf of private clients.

By way of background, I practiced family law for eighteen years in Massachusetts, during which time I also served as President of the Massachusetts State Bar Association. In 1985, I became Special Assistant Attorney General directing the Texas child support enforcement program. I remained as IV-D Director until 1991, when I resigned and established a private company to assist custodial parents in collecting child support.

During the years in which I headed the Texas IV-D agency, we were recognized by this subcommittee, and by the National Child Support Enforcement Association (NCSEA), as the "Most Improved" child support enforcement program. I also received a personal award as a manager for "Outstanding Individual Achievement" from the National Child Support Enforcement Association.

My company is a founding member of the Child Support Council, a non-profit association of businesses working to improve child support enforcement in the United States, and I am also a member of the Board of Directors of NCSEA.

Because of my long experience in family law and child support enforcement, I feel competent to discuss the government child support enforcement program operated under Title IV-D and the legislation before this subcommittee that contains sweeping changes to this program.

Let me begin my remarks by saying that the Title IV-D program is failing millions of families who are dependent upon it for the delivery of urgently needed child support services.

As I am sure you know, government estimates are that \$27 billion in child support went uncollected in 1992. Millions of out of wedlock births never get paternity established, a critical first step in the child support effort. It is estimated that there are 20 million families who are not getting the child support they deserve.

The mounting backlog of cases, and the ever increasing number of new cases, overwhelm the best efforts of all state child support enforcement agencies to fully serve their clients.

The Administration's plan is proposing solutions that are well thought out and would make a difference in solving the program if the taxpayers could afford them. In fact, their proposal is so thorough that it exacerbates one problem. It perpetuates the myth that the government can solve all the cases when it can't. Congress and the states could never afford to fund all the jobs and computer projects that they are proposing.

Despite the tougher enforcement laws on the books, over the past five years government-funded agencies have never collected child support for more than one out of every five families. Over the last fourteen years of reported statistics, we have seen an increase of less than 2 percent in the percentage of paying child support cases. In the most recent year of reported statistics, 1992, the number actually decreased, from 19.3 to 18.7 percent.

Parents who don't pay child support are penalized less frequently than people who are late on their electric bill. It's time we got tough and it's time we gave the taxpayers a fair shake. If you work in this country and pay taxes, you pay child support for deadbeats. It's that simple, and furthermore, why shouldn't a working parent who fails to pay child support at least face mandatory weekend jail time the second time he is found in contempt for not paying child support?

But there are many additional reasons for the child support problem we face today. I would like to mention a few of them at this time.

The Government Child Support Enforcement Program Lacks a Comprehensive Strategic Plan

At the heart of the problem is the fact that the government program begun twenty years ago evolved without a comprehensive strategic plan. It was established with no fundamental mechanism for dealing with the great diversity of child support enforcement laws and procedures among the states. Over the years Congress has attempted to achieve uniformity by imposing more and more federal mandates on the states. State child support enforcement programs are thus forced to devote a large proportion of their limited resources to complying with the multitude of complex federal regulations -- rather than to delivering needed services to collect support for children. Unfortunately, as a result of the threat of federal penalties, meeting the needs of the federal bureaucracy has become a more pressing concern than meeting the needs of our nation's families.¹

The lack of a strategic plan, however, has meant more than an inability of the system to deal with the diversity of laws and procedures among the states.

The Government Child Support Enforcement Program Lacks Coherence and Consistency

Without a controlling vision, the national program has also lacked ongoing coherence and consistency. Created originally as an adjunct of the welfare program Aid to Families with Dependent Children (AFDC), the child support enforcement system developed haphazardly, by accretion rather than by design. Piece after piece of federal legislation has been tacked on to the original statutory structure of the government child support enforcement program, but these successive additions of underfunded federal requirements have done little to strengthen the original structure. It is as if you started with a Volkswagen and then over the years added layer after layer of heavy metal body parts from Cadillacs. You would still have a Volkswagen engine, but it would hardly be able to move the massive body built upon it. With no increase in horsepower, the slow-moving, hard-to-steer vehicle that is the government child support enforcement system has failed 80 percent of the families requesting assistance.

The Government Child Support Enforcement Program is Outmoded

While American society and the American family have changed greatly over the past twenty years, the government program's basic orientation to the establishment and enforcement of child support has changed very little. The current program is, quite simply, outmoded. It continues to attack the problem of non-support using methods appropriate to a former time, a time when the American family was predominantly nuclear and geographically rooted. Whereas families used to stay in one place

generation after generation, today they are increasingly on the move. With the nation's divorce rate at 50 percent, one out of every two children born to married parents will live in a single-parent household before he or she reaches the age of eighteen. Thirty percent of all births take place outside marriage, and that percentage continues to rise each year. The "traditional" intact American family has become more an idealized concept than a reflection of reality. The effect of these changes in American society has been a dramatic increase in both the number of children who need child support and the number of interstate child support cases, now 30 percent of the total caseload.

In this paper I advocate a total restructuring -- a reinvention -- of child support enforcement in this country to meet the overwhelming demand for government services. Instead of continuing this process of accretion without an overall design, we need to put into place a strategic plan for the future development of the child support enforcement enterprise for the next twenty years.

The Historical Background of the Government's Failure to Meet the Needs of Children

The state-federal child support enforcement program was established in 1975 under a new Part IV of Title D of the Social Security Act. The "IV-D" program was the first acknowledgment by Congress that non-payment of child support had a direct, and deleterious, impact upon the welfare system. Before the 1975 legislation, the impoverishing effects of the abandonment of children, mostly by fathers, had received little attention. Indeed, welfare reform had focused primarily upon maintaining the stability of the two-parent family and enhancing its economic well-being. Many welfare advocates even doubted that there was anything to be gained from a nationwide program of paternity establishment and child support enforcement.

With the establishment of the IV-D program, however, came the recognition that non-support of children by "absent" parents means economic hardship for single-parent households. Non-support results in a significantly lower standard of living and often forces people to turn to the welfare system for assistance. A number of studies have now amply documented this effect of non-support, showing that the dissolution or non-formation of a family almost inevitably means substantially lower levels of income and a precarious financial situation for custodial mothers and their dependent children. By some estimates, mothers who separate or divorce experience an initial 25 to 50 percent reduction in income, with stagnant incomes for many years following. Poverty rates for these women -- particularly for minority women -- typically rise considerably in the five years following separation or divorce. As for never-married mothers with dependent children, the poverty rate is upwards of 60 percent. Child support awards, paid on time and for the amount due, can spell the critical difference between some degree of financial independence and dependence upon public welfare. Establishing and enforcing child support orders and medical expenses is one of the keys to ending the feminization of poverty.²

At the outset the IV-D program was directed primarily toward serving the needs of welfare and low-income families. However, the awareness of the adverse economic impact of non-support on non-welfare families brought about a change in the focus of the national child support enforcement program. Over the years, as a result of a succession of congressional acts, it became a universal program, offering enforcement services to anyone who wanted them, regardless of financial need. This evaluation has resulted in a dramatic explosion of the caseload and, correspondingly, in growing skepticism and frustration among advocates, caseworkers, and clients regarding the program's ability to deal with the ever-worsening problem of non-support.³ While opening the door of the government program to an overwhelming influx of non-welfare cases, Congress created a funding scheme for the program that promoted unequal treatment of welfare and non-welfare cases by state enforcement agencies.⁴ Because of the financial incentives built into the system, state enforcement agencies tended to give non-welfare cases secondhand treatment. This meant that poor and middle-class non-welfare clients felt that their needs were not being well served, and, in fact, they weren't. Soaring

caseloads, coupled with limited human and financial resources and a lopsided federal funding scheme, ensured that neither the welfare nor the non-welfare constituency of the program would be well served.

As the government caseload grew from 4.1 million cases in 1979 to 15.2 million cases in 1992, the limitations of the current program became evident.⁵ In 1979, when the government program was still fairly new, there were collections on only 17.1 percent of the caseload nationwide. In 1992, the rate of collections had risen to only 18.7 percent. This is an increase of just 1.6 percent in a fourteen-year period, in spite of improved enforcement techniques. The limitations of the current program are best illustrated by the mounting amounts of due but uncollected child support in government cases. According to the federal Office of Child Support Enforcement, of the reported \$34.8 billion in both current and prior-years child support owed by non-custodial parents in government cases in 1992, only 22.8 percent was actually collected, leaving \$27 billion uncollected. Predicting the future with respect to the growing amounts of uncollected support is not difficult since the amount of "current-year support" owed and unpaid in 1993 increased significantly over the amount owed in 1992. Because of the ever-increasing government caseload, the net effect is that the cumulative amounts of uncollected past-due support added each year to current support will continue to outstrip the ability of the program to collect child support effectively.

The Demographic Evidence

Recognizing the need for an even stronger enforcement program, the Clinton administration has recommended, as part of its welfare reform proposal, the implementation of additional federal mandates for state child support enforcement programs. While these new requirements should improve the effectiveness and productivity of the government child support enforcement program, even they will not make a dent in the backlog. In fact, all demographic signs indicate that the situation will get worse.

The number of female-headed families with children under the age of eighteen is growing every year. From 1970 to 1990 there was a 146 percent increase in the number of such families. By 1990, one out of every five children in this country lived in a family in which the mother had never been married or the father was otherwise absent. In that same twenty-year period, the number of children with a divorced parent more than doubled. While the divorce rate in the United States remains at 50 percent, the rate of births outside marriage will most likely increase from 30 to 40 percent by the end of this decade.

Over a million children are born outside marriage each year, but paternity is established in only one-third of the cases. The 600,000-plus cases that have no paternity established are added to the backlog from previous years. This caseload is especially difficult to work because establishing paternity is only the first step in the government agency's efforts to meet its goal of collecting child support. The subsequent tasks of entering a support order and collecting the amount owed are difficult and time-consuming processes as well.

More than 10 million women -- nearly 3 million of them never married -- are currently raising children as single parents. More than 16 million children in this country are living without their fathers in the home, and nearly 50 percent of these children live in poverty. Not surprisingly, almost 80 percent of the children born to unmarried teenage mothers who drop out of high school live in poverty. The majority of these mothers end up on welfare, with an estimated annual cost to taxpayers of about \$34 billion in assistance. According to federal government statistics, 80 percent of the growth in welfare cases over the past ten years, from 3.86 million families in 1983 to 4.97 million families in 1993, is attributable largely to unwed mothers. Moreover, the 2.1 million increase in welfare recipients from

1990 to 1992 reflected not only a weak economy but also a surge in the number of female-headed families seeking assistance.

Though the number of households headed by custodial mothers has continued to grow over the years, the record of success in the collection of child support has changed very little. As of spring 1990, according to a U.S. Bureau of Census survey, only 57.7 percent of the 10 million women with children from an absent father had even been awarded child support (down from 59.1 percent in the spring of 1987). Of those custodial mothers who had the possibility of receiving child support because a court had ordered it, only half actually received the full amount due, while 24 percent received only partial support and 25 percent received nothing. The larger picture shows that only 37.4 percent of all custodial mothers received any amount of child support. Of the never-married women, only 15 percent received support, and the poverty rate for this group was 53.9 percent, compared with 23.1 percent for women who had been married.

The Existing System: Overworked and Overextended

The simple fact is that state and federal governments cannot by themselves turn the situation around.⁶ Significant budget deficits limit the ability of state and federal governments to deal with the demands of the growing child support caseload. While Congress mandates more requirements for state child support enforcement programs in an effort to improve their performance, these same state programs find themselves overwhelmed by the needs of their current clients, burdened by more and more federal regulations, and strapped by inadequate financial resources to meet either client needs or federal requirements.

Many current legislative proposals to improve the child support enforcement system are designed to fix a system that is simply outmoded and incapable of dealing effectively with the worsening situation of non-support in this country. While the enactment of some of the administration's proposals will clearly improve aspects of the existing system, its fundamental defect remains: there are still too many cases for the government system as presently designed. While attempting to function as an adjunct of the welfare system by recovering and reducing mounting welfare costs, the system also attempts to serve the needs of increasing numbers of non-welfare families. The result is that the current child support enforcement program fails to do either task well.

From 1985 to 1992 the number of non-welfare cases in the IV-D system rose by 200 percent -- far outstripping the increase in the number of welfare cases, which rose only 21 percent. The significant disparity in the growth rate between welfare and non-welfare caseloads came about through the enactment of the Child Support Amendments of 1984, which imposed many new program requirements upon state IV-D agencies. In addition, the IV-D agencies are required to provide services equally to welfare and non-welfare families. These requirements initiated the backlog of cases and continue to prevent states from prioritizing their caseloads.

With respect to the 8.7 million welfare child support cases, which account for 58 percent of the 1992 caseload, collections were made in only 12.3 percent of the cases, an increase of 0.1 percent from 1991 and just slightly over 1 percent since 1985. In 1992, the collections in these welfare cases represented a recovery of only 11.4 percent of the AFDC paid out during the year, an improvement of just 0.7 percent from 1991 and only 1.6 percent since 1985. The current government child support enforcement program must work much harder to reduce the costs of welfare by recovering directly from the parent ordered to support the children the welfare dollars paid to the custodial parent. The government cannot even take full credit for the small amount of AFDC recovery that is attributable to its efforts because all AFDC recipients must assign their child support to the state IV-D agencies. Clearly, some of the support paid on those cases was paid voluntarily, without any government work

on the case.

In 1992 the IV-D caseload alone consisted of 15.2 million non-custodial parents, each of whom was, or might eventually be, responsible for the support of one or more dependent children. This number was nearly double what it had been ten years earlier, and it did not include statistics for custodial parents who sought help from private agencies and private attorneys. Of the 15.2 million cases, only 56 percent have child support orders, leaving nearly 7 million cases needing establishment of paternity and/or support orders. In 1992, according to the federal Office of Child Support Enforcement, support order establishment grew by 9 percent over the previous year, while the number of cases needing establishment of an order grew by 13 percent.

With the growth in the number of non-welfare cases in the IV-D caseload and the expansion of the enforcement services that are mandated in those cases, administrative expenditures for non-welfare cases have risen 475 percent since 1985. This accelerated growth of the non-welfare component of the government caseload and the accompanying administrative costs have significantly limited the ability of the state child support agencies to address effectively the needs of the welfare and low-income families for which Congress originally intended the child support enforcement program. So significant was the increase in the non-welfare caseload in a relatively short time that even reassigning personnel from the welfare caseload to the non-welfare caseload did not produce positive results. In 1985 the percentage of non-AFDC cases with collections was 30.3 percent; by 1992 that percentage had dropped to 27.1.

The Necessity for Transformation

What all these statistics clearly indicate is that the current child support enforcement program operated by state and federal agencies cannot adequately work both a welfare and a non-welfare caseload. The resources available are simply insufficient for the task. This means that state child support enforcement programs will continue to limp along, attempting to serve an already overwhelming, and always growing, caseload with increasingly inadequate resources. We will see even more frustration among the millions of custodial parents whom the programs are mandated to serve. The state programs themselves, already unable to cope, will be doomed to greater failure and will likely be subject to more and more unmanageable federal mandates as Congress demands compliance and attempts to improve program performance. State administrators for these programs lament the time spent answering complaints and questions from clients who demand to know why their cases are not being worked. The same person who answers those complaints could be working cases if it were not for the huge backlog.

There is a critical necessity to reinvent the child support enforcement system in this country, to ensure that our neediest children receive assistance. Designing and implementing such a plan will be a formidable task in light of the budget constraints facing both the federal and the state governments that administer the program.

A NEW MODEL

Tier One of a Two-Tiered Case Management System

I recommend a two-tiered case management system to break the vicious cycle caused by the overwhelming caseload in the present system. In the first tier, state and federal resources will be focused on the children most in need of help, those for whom the IV-D program was originally designed. For these children the government's tasks will be: (1) to collect the support due their family

so they can leave the welfare rolls or (2) to prevent their family from having to turn to welfare at all.

The first tier includes families who receive welfare benefits of any kind, as well as families with incomes below 175 percent of the federal poverty level. It is obvious that the system must serve the needs of families who are on welfare and who are striving to achieve financial autonomy. However, we must also include in the first tier those families who are struggling to preserve their financial independence and to remain off the welfare rolls.

Benefits to the Taxpayer

Focusing our efforts on the first tier of cases is also consistent with the original intent of Congress to recover tax dollars spent on welfare payments. Not only will we be removing families from the welfare rolls but, as fiscal conservatives point out, we can save tax dollars by keeping families from entering the welfare system. It has been estimated that if, in 1989, parents who were raising children alone on incomes below the poverty level had received the full amount of support due them, some 140,000 families would have been able to rise above poverty. Welfare recipients who have job skills and tax credits may not escape poverty at the end of two years on welfare, but they surely will if they are receiving child support payments in a timely manner and for the full amount.

In 1992, although only 12.3 percent of the welfare cases showed a collection, those payments allowed nearly a quarter of a million families to be removed from AFDC, according to the federal Office of Child Support Enforcement. The impact of child support collection upon the poverty of single-parent families would be even greater if the 57 percent of custodial mothers who do not have a support award were to receive one -- and if the amount of the awards were consistent with state guidelines.

The potential for cost savings through reduction of welfare expenditures by effective child support enforcement is undisputed by the budget and policy experts in the White House. As Bruce Reed, President Clinton's advisor on domestic policy, noted, "Up to 40 percent of our welfare dollars go toward children whose fathers could afford to pay child support." Professor Irwin Garfinkle of Columbia University estimates that the current welfare population could be reduced by one-quarter if child support were fully and regularly paid. Given the average monthly caseload of about 4.8 million families (in 1992), that could mean an annual savings of \$6 billion in AFDC alone -- perhaps as much as \$14 billion in total welfare expenditures. A study by the inspector general of the U.S. Department of Health and Human Services found that most state agencies do not systematically pursue delinquent child support and that welfare collections could increase by up to 20 percent a year if aggressive efforts were undertaken. Savings of that magnitude could be translated into a funding source for the kinds of welfare reforms being proposed by both political parties.

Added to the reduction in the amount of actual expenditures for welfare is "cost avoidance" -- that is, helping families to keep from having to turn to welfare in the first place. Although we don't know exactly how much savings cost avoidance would provide, a 1987 study sponsored by the federal government estimated that every \$5 in non-welfare child support collected yielded \$1 in indirect savings of AFDC, food stamps, and Medicaid that might otherwise have had to be paid out. Although admittedly speculative, that estimated cost-avoidance factor of 20 percent might translate into another savings in potential welfare expenditures of more than \$1 billion. Those interested in this national problem have for many years urged the federal government to complete the work necessary for them to measure cost-avoidance savings. Determining in hard numbers the total cost savings achieved in the IV-D program would allow lawmakers to make informed business decisions as to how much to invest in the child support program and where to invest it.

Prioritization of Enforcement in the First Tier

Since some states do not have sufficient resources even to work all the cases in the first tier and since it is essential to remain focused on cost-effectiveness, we believe that prioritization of the cases in the first tier is also required. The starting point should be an assessment of the client's income and the welfare benefits paid to that family over the most recent three years.

Those cases in which the custodial parent is currently receiving AFDC benefits of any kind would be given top priority. Second priority would be assigned to cases in which the custodial parent is not presently receiving welfare benefits but was on AFDC or Medicaid for three or more months at some point within the most recent three years. The assumption here is that such families are still precariously close to returning to welfare. The third priority within this tier would be those families whose household income has averaged 175 percent or less of the federal poverty level figure over the last three years. This group would encompass those families who have never received welfare benefits but who are clearly at risk of becoming dependent on the welfare system.

After identifying the children most in need of help, we would then want to ensure that the government IV-D program would invest its limited resources in the cases that are most likely to produce results, those that are relatively "fresh." Therefore, in any state that could not effectively work all the cases in the first tier, an additional prioritization plan would be put into effect. The cases to be prioritized would be those in which: (1) paternity needs to be established or a support order entered for a child born within the last three years, (2) cases in which a child support order has been entered within the previous three years but no collection of support has been received, and (3) cases in which a child support order has been entered prior to the last three years and some collections have been recorded during that time. The assumption here is that an older case should not take precedence over a more recent welfare or low-income case that may hold a much greater promise of welfare cost recovery and cost avoidance over a longer period of time. Again, from a cost-effective standpoint, it is much less time-consuming and less costly to be working fresh cases than older cases.

Second-Tier Cases

All cases that do not meet the eligibility requirements of the first tier can be worked by states that have decided to invest sufficient resources into their program. These second-tier cases will be worked only when it has been certified that a state has effectively worked the cases in tier one. Redirecting the activities of the government program to serve primarily the needs of welfare and low-income families does not necessarily mean ignoring the child support enforcement needs of those whose incomes place them in tier two. Depending upon the changes in the funding structure proposed by the Clinton administration, there will be states that not only choose to work tier two cases but have the resources to do so effectively. Most important, it will be left to each state to make a proper determination of the level of service to be provided. Under one suggested proposal, some states may qualify for as much as 90 percent reimbursement from the federal government, and thus they will not find the cost exorbitant. More than likely, many states will want to prioritize their resources on tier two cases by using the methodology of income means testing and "freshness" assessments previously described for tier one cases.

Those state IV-D programs that do not have adequate funding from their state legislatures may also choose to follow some critical recommendations set forth in a 1992 United States General Accounting Office study. Federal law allows state child support enforcement programs to charge applicants who are not on welfare fees for services rendered. State programs could, if they chose, establish a sliding scale based on family income. They may also charge a percentage of the child support they collect, against either the custodial parent or the non-custodial parent. The General Accounting Office's report

found that if all states charged a service fee on support collections, the total administrative costs could be recovered from the parents. The Clinton plan fails to support the GAO recommendations and ignores the possibility of saving taxpayers' money. Adoption of a fee schedule would mean that the government child support program would stop functioning as virtually a free legal clinic and enforcement service for all families irrespective of their financial resources.

In cases where the failure of the non-custodial parent to pay child support forced the custodial parent to turn to the state agency or to a private agency for help, it would certainly be appropriate to charge the non-custodial parent a fee to recover enforcement costs. Parents who don't pay child support are penalized less frequently than people who are late on their electric bill. One way to enforce a fee or late charge would be to have added to the child support orders of the court a specific provision that if the obligated parent fails to make payment by a specified day of the month, the amount of the support automatically increases by a specified amount. For example, a parent who has not paid by the tenth day of the month becomes liable for an automatic increase of \$50 in his or, in rare instances, her payment. An increase is assessed for each month he or she fails to pay in full and on time. In cases of hardship, when a parent has a legitimate reason for not paying on time, the penalty could be waived. This principle of "pay now (on time) or pay more later" has proved effective in ensuring the timely payment of utility bills, credit card balances, car loans, and mortgage installments. There is no reason that it could not be applied to the far more serious obligation of child support payments. However, for the strategy to work successfully, it would be essential that all support orders in every state uniformly include such a provision and that the provision be strictly enforced.

The Limitations of Government Resources

The government child support program currently employs more than 42,000 persons nationwide. These dedicated individuals struggle each day to try to keep up with the influx of new cases. They cannot at the same time effectively work the backlog of cases and collect the billions of dollars in overdue child support. To pursue the tough cases as aggressively as possible takes a great deal of time. The limited resources of the government are adequate for only a finite number of clients. The remaining parents in need of services will have to seek help from resources outside of government. The need for moving beyond government becomes more obvious when we consider that in addition to the millions of non-welfare families who have asked the government for help and have not received one payment, it is believed that two to three times as many non-welfare parents who needed help either did not file an application with the government or had their cases closed by the government. If these estimates are valid, the total number of non-welfare parents in need of services could be as many as 20 million and not fewer than 15 million.

The Private Sector

Redirecting the activities of the government program under the two-tiered case management system should not mean that some parents are left without assistance. The notion among some advocacy groups seems to be that child support enforcement, like the collection of taxes, is government's job and that government services are both free and selfless. As one governor stated the issue: "[i]t is not government's obligation to provide services but to see that they're provided." Critics of privatization also stress that the private sector is suspect merely because of the profit motive, and they label it as untrustworthy. Lastly, they argue that by virtue of its authority and power, government can get the job done more effectively than private entities can. None of these arguments have been proved valid by reality, as private companies, private attorneys, and private enforcement agencies have shown in the past few years.

Certainly evidence exists that nothing intrinsic to child support enforcement requires that it be purely a government enterprise, and clearly there is no foundation to the belief that the services of the government program are free. In FY 1992, state and federal governments spent nearly \$2 billion on the

government child support enforcement program, \$850 million of it on non-welfare cases. Although in most states, services are available in government cases virtually without cost to the user and regardless of financial need, they are paid for by the taxpayers as a whole, users and non-users alike. As for the overall effectiveness of the government program, the statistics cited thus far in this paper clearly demonstrate that the government cannot solve this problem alone. In spite of these statistics, the Clinton plan does not encourage private sector involvement as part of the solution.

One of the operating principles of certain child support advocacy groups appears to be "if it isn't provided by the government free of charge to clients, then it must be "bad." The few state and county government agencies that charge fees to custodial parents are also criticized for taking advantage of non-welfare clients. In spite of lingering distrust, however, people are becoming increasingly aware that what traditionally have been considered government monopolies can be operated more efficiently and effectively by the private sector. Private companies can bring to tasks economies of scale, well-honed specialized ability, freedom from bureaucratic encumbrances, and greater cost-efficiency through lower administrative overhead and smaller workforces. For these reasons, competition by the private sector can be viewed as essential to "reinventing government." Government cannot -- and need not -- do it all. These principles are consistent with Vice President Gore's public statements on improving government services and President Clinton's support for small businesses.

Child support enforcement is an area in which the need for more resources than the government can possibly provide is particularly evident. The private sector can introduce into the child support enforcement effort an urgently needed additional workforce. Moreover, competition by the private sector may result in the government program's becoming more efficient and more cost-effective. Concerns that private vendors will provide fewer services, with lower quality, or that they will act unscrupulously can be addressed effectively through an appropriate arrangement for government oversight. The possibility is that the involvement of the private sector in the following essential aspects of child support enforcement will actually greatly improve services with no greater expenditure of taxpayer dollars.

Establishing Paternity

The legal establishment of paternity is a prerequisite for establishing a child support obligation. It is also the indispensable basis upon which to build a continuing relationship between the child and the father, as well as to ensure that the child has all the benefits of his or her birthright.

Recognizing the need for more aggressive paternity establishment programs, particularly in light of soaring rates of out-of-wedlock births, Congress has laid out a number of procedures that states are required to use in determining parentage for child support purposes. These requirements include expedited and administrative processes for establishing paternity, efforts to achieve the early establishment of paternity, opportunities for voluntary establishment of paternity -- including outreach programs in hospitals -- and extensive use of genetic testing.

The mandatory procedures for establishing paternity cut across welfare and non-welfare populations. Clearly, the establishment of paternity can and will save many families from having to turn to welfare. But despite significant improvements in the paternity establishment rate by the government program, according to the federal Office of Child Support Enforcement, paternity was established in only 17 percent of the nearly 3.1 million cases in the FY 1992 caseload.

Nearly 1 million of the cases in the government program's FY 1992 caseload that required paternity establishment were non-welfare cases, and paternity was established in just 14 percent of them. Unfortunately, with an overwhelming caseload of millions of cases that have unenforced support orders and millions more that need support orders to be established, the national IV-D program will be hard-pressed to realize any dramatic increases in the rate of paternity establishment without neglecting

enforcement and support modification cases. Increases become even less likely if the government works all of the medical support and Medicaid cases that Congress has mandated to be worked.

The private sector can step into this arena and make an immediate difference. Genetic testing laboratories throughout the country provide the government child support enforcement program with essential evidence in contested paternity cases. Even though such facilities already play a prominent role in the establishment of paternity, they could and should play a greater role. For example, provisions of the Omnibus Budget Reconciliation Act of 1993 require states to use more aggressive methods to achieve early establishment of paternity, including in-hospital programs to obtain voluntary declarations of paternity, which would create a rebuttable or a conclusive presumption of paternity. The Clinton administration supports the expansion and simplification of the process for voluntary establishment and will hold state enforcement agencies accountable should they fail to meet stated goals. Indeed, one suggested proposal makes states completely liable for all welfare assistance given a mother who has fully cooperated in the procedure for establishment of paternity but for whose child the state agency has not been able to establish paternity within a fixed period of time.

While these new goals should significantly improve the rate of paternity establishment, they do not go far enough or provide relief to the taxpayer. Scientists now have developed a DNA analysis procedure that can be used instead of blood samples. A technician uses a cotton swab to collect cells from the cheek area inside the mouth. Given the simplicity and low cost of this non-invasive buccal swab test, voluntary declarations should always be accompanied by the confirmation of genetic testing results to ensure against possible fraud or later contestation. A positive test result provides a more sound legal basis upon which to impose the weighty obligation of child support, as well as certainty in the mind of the father, so as to encourage the father-child relationship. At no more cost than the government program currently pays out, these private entities could train personnel for the paternity establishment programs, obtain the voluntary declarations -- confirmed by genetic test results -- and file the validated acknowledgments. Private agencies that provide paternity establishment would receive payment directly from the state agency for in-hospital establishment programs that they operate on behalf of the agency, but the costs of genetic tests could be collected from the parents. Apparently the Clinton administration understands the value of genetic testing: its welfare reform proposal looks to the use of a more streamlined legal process that uses such test results.

Other important services could be provided by the private sector in paternity establishment. Just as there are now private enforcement services that collect and distribute child support, there could be private agencies to establish paternity. Such agencies could relieve the government program of a significant part of its current workload by operating paternity establishment programs. The private sector could also employ private attorneys on an as-needed basis to handle cases requiring litigation. Private agencies could make their services available not only to new paternity clients but also to clients whose cases are part of the backlog. The employment of the private attorneys in this way would augment government efforts to reduce the backlog of paternity establishment cases and to deal with the continuing influx of new cases. Along with the responsibility for litigating paternity establishment cases in the state agency's caseload, private agencies would receive payment for legal services directly from the state agency in an amount equal to what it would have cost the state agency to pursue those cases successfully.

Monitoring Delinquency

Most experts embrace delinquency monitoring of support payments by state registries as an extraordinarily effective tool as long as there is immediate enforcement action once a delinquency occurs. At the present time non-compliance may occur with no enforcement action being taken. A state IV-D agency, for example, takes an enforcement action in non-welfare cases only when a parent applies for services. Frequently, this means that by the time a case comes to the IV-D agency for

enforcement, delinquency in payments may have gone on for a long time. Large amounts of child support owed, coupled with an absent parent who may be on the move, make for very difficult enforcement.

Such delayed enforcement clearly defeats congressional intent in creating the IV-D program to deter welfare dependency and to avoid increased welfare costs. Many families might never become welfare applicants or seek government services if court orders for child support were monitored for compliance from the time they were rendered and if enforcement action took place immediately after a delinquency occurred. Delaying the initiation of enforcement action until long after a delinquency occurs makes the cases unnecessarily time-consuming, and welfare too often becomes a virtual certainty.

Monitoring compliance of court orders could be handled by creating a central or integrated registry of support orders within each state, to process and/or record child support payments received. Copies or abstracts of all new or modified support orders signed by a judge would be entered into the state registry of orders. Once entered, support orders would be monitored each month for compliance. Each state registry would be linked by computer with all other state registries. By such computerized linkage of support registries, state enforcement agencies would be able to share information about the support obligations of "absent" parents who owe support. It is anticipated that this computer network would be built upon the new automated systems for data information that states are currently establishing in fulfillment of a federal mandate. The completion of these new computer systems is scheduled for 1995, but most states will not be able to meet that deadline.

The success of such "delinquency monitoring" is evident in pilot projects started in two Texas counties more than four years ago. In those counties all new or modified court orders for support in non-welfare cases, once rendered, are entered in the automated systems. The local registries receive and monitor payments made in compliance with the court orders. When a case is put into the local monitoring system, the obligor and the obligee each receive a computer-generated letter informing them that payment of the ordered support is being monitored for compliance and that if a delinquency occurs appropriate enforcement action will be taken immediately by the state child support enforcement agency. If, in fact, a delinquency does occur, the obligor receives a letter demanding payment and warning of impending legal action.

Delinquency monitoring of support orders, as part of the new computer system, is an essential component of an effective child support enforcement system and should be made a priority. However, without the necessary increases in resources to monitor each and every support order in the country, we will only exacerbate the fundamental problem of our present system -- an overwhelming caseload. The high cost may well be worth it when you look at the statistics. In Texas, the compliance rate on support orders that have been monitored has been approximately 73 percent, which is five times greater than compliance rates in the other, unmonitored, child support enforcement offices in the state. In addition, cost-effectiveness analysis of the pilot projects showed that \$25 of support money was collected for each \$1 of administrative expenditures, compared with a statewide average cost-effectiveness of \$3.21 of support collected for each \$1 of administrative expenditures. The private sector could support widespread implementation of this type of delinquency monitoring process in the other 252 counties in Texas, as well as in other states, if federal, state, and local governments were to facilitate development.

Enforcing Court-Ordered Support

Wage withholding for child support accounted for approximately 36 percent of all collections made by the IV-D program in FY 1988. Five years later, wage withholding made up nearly 50 percent of all collections nationwide. First mandated by Congress in the Child Support Enforcement Amendments of 1984, wage withholding was significantly strengthened as an enforcement tool by the Family Support

Act of 1988. That act required that, beginning in November 1990, all new or modified support orders in the IV-D caseload be subject to wage withholding immediately upon being issued and that beginning January 1, 1994, all support orders initially issued on or after that date contain provision for immediate wage withholding, except where the parties agree in writing to a different arrangement or where the court finds good cause not to implement wage withholding. For these exceptions, wage withholding must commence if, and when, an arrearage of no more than thirty days occurs.

Already very effective, wage withholding will become a stronger enforcement tool if Congress enacts proposals incorporated in several pieces of pending legislation. The proposals call for the use of the W-4 form in all new employee hirings as a way of keeping track of child support obligations. The law would require all new or rehired employees to record on the form any child support obligations. The employer would then send the W-4 form to the state enforcement agency to confirm the information given by the employee. The employer would subsequently withhold amounts for child support, sending the withheld amounts to the designated state registry for distribution. Last, but even more important, if the parent who owes support moves to another state, the legislation calls for a wage withholding order issued in one state to be honored in all other states. There are also proposals pending requiring that a lien against assets to secure the payment of back child support be honored across state lines. As soon as these valuable enforcement tools are in place, there will be an impact on the backlog of non-paying cases. Not only will we see more cases receiving payment but it will be collected at a much reduced cost.

While enhanced wage withholding and delinquency monitoring will significantly improve child support collections, they will not eliminate the need for the resources of the private sector in attacking the remaining backlog of unpaid support cases. The full involvement of the private sector in collecting on these cases would bring desperately needed resources to bear upon an otherwise unmanageable problem. Having private attorneys and private agencies collect and distribute support in the cases that fall outside the priority scheme would allow the state program to direct more of its resources to the priority cases. Individual custodial parents could be encouraged to exercise the option of using private child support agencies, which is available to them under federal regulations. This is particularly important for cases in which the obligated parent has failed to make regular and full payments over an extended period of time.

Families whose cases did not get worked successfully under the proposed priority order of the state enforcement agency or who did not, in the first place, apply for the services of the government program should feel protected in choosing services from private enforcement agencies, which could be approved or certified by a state agency using uniform standards and simple regulations formulated by the federal government. Such approval or certification would ensure families of reputable services. Private agencies that violated the standards could be decertified and would lose access to information and tools made available to them from government agencies.

Government programs might also use private agencies to help recover uncollected support in cases by paying the private agencies a fee for services if and only if the government program is guaranteed a "return." First, it should have to pay the fee to a private agency only if a collection is actually made. Second, there would be a return or savings, since each delinquent parent brought into compliance would represent one less case that the government would have to pursue at a cost. Third, the state would benefit by reducing the chance that the custodial parent would need to turn to welfare. The chance of a more stable and wholesome family life for that parent and his or her children also offers intangible benefits that cannot be measured. For example, far too often the children in effect lose two parents when one flees and the other has to work two or even three jobs to take care of the family. The parent who receives timely payments will be able to devote more time to the preservation of the family and the well-being of the children.

The additional resources from the private sector could double -- or even triple -- the workforce available to attack the enormous backlog of cases. The government could retain and enlist the services of the

private sector on an as-needed basis and be guaranteed a return on the case, since payment would be issued only upon achievement of a successful result. Instead of hiring more employees for child support enforcement and creating an infrastructure to support them, the state and federal governments would be able to control and perhaps even reduce costs, while ensuring that non-welfare families receive the enforcement services they need. The combination of government and private agencies would have a powerful positive impact upon the problem of non-support.

Identifying and Using Locate Services

Public and private agencies would need to cooperate with each other in locating the absent parent and collecting the money owed for the children. Credit bureaus have already demonstrated the importance of such cooperation. If private agencies and the government were to share information and leads, justice could be achieved for more children. As databases in the private sector and public sector come on-line, we will see more effective enforcement. Among the child support enforcement proposals currently before Congress -- and also supported by the Clinton administration -- is the strengthening of the federal-state computer network for locating absent parents and putative parents. Since interstate cases make up 30 percent of the government program's current caseload and only one out of every ten dollars owed is collected, it is imperative that there be an effective interstate system for locating absent and putative parents as well as their income sources and assets.

If the private sector is to make the fullest possible contribution to the child support enforcement enterprise, it is essential that use of the state-federal locate network be available to private enforcement agencies and private attorneys. This use, of course, would have to be regulated and monitored to ensure that there was no breach of confidentiality or improper use of information. Private agencies and attorneys would have to be approved or certified by the state enforcement agency. With the proper safeguards in place, access by both government agencies and private agencies to the information would result in a dramatic change in how child support enforcement is carried out in this country.

Voluntary Compliance

For any strategic plan to be successful, a significant increase in the rate of "voluntary compliance" must be achieved. As the Internal Revenue Service knows, "voluntary compliance" with the tax code increases in direct proportion to an increase in the odds of getting caught and being punished economically or through criminal indictment. The penalty imposed for non-support needs to be swift, sure, severe, and rarely forgiven. Mandatory weekend jail time for second offenders, hefty interest payments, and costly penalties under the "pay now or pay more later" system would be an excellent start. Over the past few years, we have also learned that public embarrassment and revocation of various licenses has proved effective. The Clinton plan has not adequately addressed the importance of voluntary compliance.

Ideally, every parent obligated to pay child support would pay the designated amount in full and on time, out of love or, at the very least, out of a sense of responsibility for his or her child. Resorting to strong enforcement and stiff penalties does not mean we have to abandon our idealism. We should be doing all we can to change social attitudes about this problem. The non-support of dependent children is as much of an outrage to society as is the presence of drunk drivers on our highways. The May 22, 1994, New York Times reported the success that MADD (Mothers Against Drunk Driving) has had not only in changing our attitudes but in decreasing the loss of life. We need to have an immediate change take place in the civics lesson experienced by more than 25 million children in our country each day. The first lesson should be, if you run out on your children, you will be caught and brought to justice. The next would follow: if you don't obey court orders, you will be prosecuted and punished. The third and final lesson should be that government works and agencies that promise help do in fact provide effective assistance.

An example of the failure of government to keep its promise is legislation passed as part of the Child Support Recovery Act of 1992. It was to be the beginning of our "get-tough attitude" with child support deadbeats who crossed state lines. Almost two years later, fewer than twenty people have been prosecuted under this statute. The Justice Department was never provided the necessary resources, and it responded by establishing regulations that make it virtually impossible to get help. It is very clear that the Justice Department has its own priorities and wants nothing to do with this problem irrespective of the good intentions of Senator David Shelby. In the history of the IV-D program, there are other examples of expectations raised through legislation that went unfulfilled for lack of funding. The Justice Department, unlike the IV-D program, wasn't willing to be the sacrificial lamb for a program destined to fail for lack of proper funding.

Conclusion: Designing for the Future

Before designing a strategic plan for the future we will have to dispel the myth that government can effectively serve all those who require and request child support services. We do not lightly give up this idealized vision of solving this problem. From 1987 to 1990 we sought full funding for government agencies and publicly declared this to be our position in seeking the necessary tools to win the child support war. But no matter who requested such full funding, the result was always the same. Instead of full funding, we got more work and inadequate funding for the additional work. The reality is that we now have a government child support system with some 13 million cases marked "No Payment Received" and a conservative estimate that there are another 10 to 15 million families who are not part of the government caseload that need child support collected. The needs are simply growing exponentially, and not even the most dedicated state agency can fully meet those needs. After having written articles, testified before legislative bodies, and given hundreds of speeches all over the country, we now believe it is time to move ahead with a different plan for the next twenty years.

I ask those who are not ready to give up on full funding and free services for all who apply to assume the responsibility of providing a detailed plan of how they are going to work these millions of cases, determine the cost, and identify the taxpayer dollars that will pay it. I am not by any means suggesting that we give up the fight for every dollar we can squeeze out of the budgeting process for government programs. I just don't believe that the level of funding will ever be sufficient to meet the needs of all the parents who are owed child support.

My vision for a strategic plan is grounded in reducing the government caseload to manageable levels. Efforts for the short term should be concentrated on case prioritization and voluntary compliance. After the national computer network is in place, I believe that W-4 reporting, central registries with delinquency monitoring, and improved locate resources will allow for the prioritized caseload to be worked more effectively. Legislation should be passed immediately requiring that wage-withholding orders and liens issued by one state will be recognized in all states. Encouraging the private sector to complement the government's work will be another necessary key for both the short term and the long term. Finally, at every possible turn we must work to pass the cost of enforcement on to the parents who caused the problem by failing to pay child support in the first place - and not to the taxpayer.

We need not wait very long to implement some of the short-term goals. Over the next few months, by using federal waivers, the U.S. Department of Health and Human Services could grant exemptions to states to begin prioritization of the caseload. Public attention to support voluntary compliance could be undertaken immediately by our leaders in and out of government if they were to speak out forcefully and demand changes. Judges could begin to get even tougher and send the message that we won't tolerate our children's suffering such economic abuse. Congress could pass needed legislation that is now pending. Most important, with the development of a strategic plan and the full mobilization of a greatly enlarged workforce, the current spectacle of billions of dollars in uncollected support could become a thing of the past.

Thank you, Mr. Chairman, and members, for this opportunity to present my views. I hope they are of help to you as you continue your efforts to solve the child support problem.

FOOTNOTES

1. New Directions for Child Support Enforcement: The Texas Attorney General's Child Support Enforcement Division, Vol. II: October 8, 1990.
2. Richard Casey Hoffman, "Reduce Medicaid Costs Now," National Support Enforcement Association News (Summer, 1993).
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4. Richard Casey Hoffman, "Refocus Child Support Services," Chicago Tribune, August 14, 1992.
5. Richard Casey Hoffman, "Child Support, Enforcement Remains Weak," Dallas Morning News, February 27, 1994.
6. Tamar Lewin, "Private Firms Help Single Parents Get What's Due," New York Times, May 21, 1994.



THE NATIONAL INSTITUTE FOR RESPONSIBLE FATHERHOOD
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PRESENTED TO THE

Subcommittee on Human Resources

Committee on Ways and Means

U.S. House of Representatives

Washington, D.C. 20515-6015

By:

Charles Augustus Ballard

Thursday, July 28, 1994 -- 10:00 a.m.

Rayburn H.O.B., Room B-318

"The Character of children are their fathers"



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July 27, 1994

Honorable Howard E. Ford
Chairman, Subcommittee on Human Resources,
Committee on Ways and Means
U.S. House of Representatives
1102 Longworth Office Building
Washington, D.C. 20515

Good Morning Chairman Ford and Members of the Subcommittee on Human Resources:

My name is Charles A. Ballard, I am the Founder/President of The National Institute For Responsible Fatherhood And Family Development.

I began my work with fathers back in 1976 and continued my research to 1978. During that period, I interviewed more than 400 fathers in groups and one-to-one settings. I concluded that in order to successfully impact the growing pathological conditions of the family, comprehensive services must be provided to the father.

In 1978, I began working directly with fathers and continue that work today. Although my early work showed that fathers of all ages and races impact the life of their children, most of my work was with African fathers. My comments will be concentrated largely on African fathers and their families.

In 1950, the African community had a 9% female head of household rate. The Caucasian community had a rate of 3%. In 1976, when I began my research with fathers, the rate for the African community had more than tripled to 33%. In 1990, nearly 70% of all babies born to the African community were to single young mothers. In the Caucasian community these figures had reached 20%. It seems as though *fatherlessness* began in the sixties and escalated in the eighties and nineties. Although all races are affected by this phenomenon, the African family seems to fair the worst. It was reported that the Caucasian male's life expectancy has reached to nearly 75 years. However, due to homicide (the number one killer of African fathers age 15-30), heart disease, cancer, suicide, infant mortality, drug and alcohol usage, and AIDS the African male has the fastest decreasing life expectancy of any other race. As the father goes, so does his family.

"The character of children are their fathers"

"More children will go to sleep tonight in a fatherless home, than ever before in this nation's history." The article, written by Nancy R. Gibbs, agrees that the absence of *responsible fatherhood* contributes to the growing problems of crime, drug abuse, depression and school failure. Other studies found that 70% of all juveniles in state reform institutions came from fatherless homes and another 25% came from homes where fathers were not responsible, compassionate and respectful. Children who come from fatherless homes are nearly twice as likely as those in two-parent homes to drop-out of school.

According to a recent report released by the Census Bureau on July 19, 1994; "Between 1983 and 1993, out-of-wedlock births increased by more than 70% and 27% of all children under the age of eighteen, live with a single parent who had never married." The report goes on to further indicate that; "There were 243,00 children living in one-parent homes in 1960, that number has climbed to 6.3 million in 1993. Although this statistic is reflected in all families and all races, the report revealed that nearly 60% of African children live in one-parent homes who have never married, compared to 21% of Caucasian children and 32% of Hispanic children.

Although the Welfare Bill is heavy on the father in terms of his support, that support is only financial. There is no indication given in this Bill that a conversation will be established around fathers spending nurturing and loving time with their children. Without a serious attempt to include fathers in the upbringing of their children from infant on, no reform bill can be taken seriously. A true welfare reform bill will seek to create safe environments for all.

If we are to develop a safe nation for all, then we must develop safe communities. Safe communities come from strong families. Strong families come from a father and mother working together at being the best role models for their children to learn *how-to-live*. It has been said, that; "The greatest deterrent to foreign aggression is not the mass production of guns, bullets and missiles, but well-ordered loving families."

The *fatherlessness* syndrome has an extremely negative impact on children, mothers and fathers alike. The female headed household may be a very uncomfortable and unfulfilling environment. Fathers that are positively involved with their children are more secure and responsible. Conversely, fathers disconnected from families have higher rates of violence and criminality.

The lifestyle of fathers disconnected from their families are several times more likely to be involved in accidents, become the victim of homicide or commit suicide. These fathers tend to abuse drugs, drink more heavily, are more likely to succumb to chronic disease and are committed for psychiatric treatment more often. In addition, fathers with no family involvement work less and earn much less than those fathers who are involved. No other issue has impacted the family in such a detrimental manner as *fatherlessness*. At no time has the African family been in such jeopardy and disarray.

"The character of children are their fathers"

The Honorable Janet Reno, U.S. Attorney General, made the following comments on April 18, 1993; "What we have is a child and her family and how we as a nation focus on that child and that family and children and families throughout America, is part of a deeper problem in our society, that for the last 30 or 40 years, America has forgotten and neglected its children." She went on to say; "The most important thing is that you should be old enough, wise enough and financially able enough to take care of children before you bring them into the world. We have to give support to parents, understanding that the best institution for caring for children, for nurturing them, for giving them a strong and healthy environment, is the family." She closes her remarks with the following; "The Bible says it best, in the last two verses of the Old Testament, from the book of Malachi: And behold, I shall send the prophet Elijah before the coming of the great and dreadful day of the Lord and he shall turn the heart of the fathers to their children and the heart of the children to their fathers, lest I come and smite the earth with a curse."

William Raspberry, the *Washington Post* columnist, agrees by addressing the "deadly effects of father absence on everything from school failure to crime." He further stated that; "Restoring fatherhood might do more than the 20 next best things we could think of, to give our children the chance they deserve."

The influence of ill-regulated families is widespread and disastrous to all of society. It accumulates in a tide of woe that affects other families, communities and governments. Some of the effects that *fatherlessness* is producing are:

- Children without their fathers; in Juvenile Court
- Children without their fathers; on welfare
- Children without their fathers; failing in education and dropping out of school
- Children without their fathers; committing suicide and homicide
- Children without their fathers; having babies while they are still babies
- Children without their fathers; selling or using drugs and alcohol
- Children without their fathers; who are hopeless, helpless and hapless.

Conversely, a nation's best boast and evidence of its strength is the well disciplined, well-ordered family. A family in which the father and mother teach their children responsibility by teaching them to be kind and fair through how they show love and respect toward each other. The most efficient and cost effective approach is to provide comprehensive *non-traditional* counseling and home-based services to fathers.

"The character of children are their fathers"

The need for such home-based outreach is supported by the following: *Hess and Ship (1965)* found a lack of cognitive meaning between mother and child in father-absent homes. *Hymn (1974)* points out that children reared in father-absent homes are more likely to exhibit delinquency, experience poor masculine development and demonstrate compensatory masculine development in their teens. *Biler (1971)* notes that boys reared in father-absent homes gravitate toward gangs and gang related activity. These boys also have the highest juvenile incarceration rate, the highest homicide rate, the highest rate of those carrying guns and other weapons and the highest other crime-related rate. In Cleveland, Ohio, in 1993, there were 114 homicides by gun, of which 95% were of African decent; with more than 33% being adolescents; of this number 96% were African males. Of the 96%, 58% of those killed, were at the hands of another African. *Lab (1986)* in summarizing the research on males in father-absent homes, concludes that they have problems in their school performance, problems in their psycho-social adjustment and problems learning to control aggression. In order to provide a meaningful and lasting impact on African males, positive parenting and fathering role models must be provided. This is accomplished through the home-based outreach system created by The National Institute For Responsible Fatherhood And Family Development, which has as its major thrust to impact the thinking of the father.

The problem is neither a Welfare Check nor Food Stamps. Each night, nearly 3 million children go to bed hungry. So just receiving a Welfare check is no indication that a woman should stay on Welfare. The problem has to do with the presence of the father in the life of his children. Some say that if the father had a job, he would get married and take better care of his family. According to Andrew Cherlin in his book, *Marriage, Divorce, Remarriage, Harvard Press, 1992*, post slavery marriages among former slaves, were almost 20% higher than their former slave masters. That trend continued until 1940, when there was a slight dip in marriages. In 1950, there was a sharp decline that continues, even until today.

It is very interesting that former slaves; with no education, few marketable skills, mostly share croppers, no affordable housing, and no health insurance thought more about family and marriage than we do today. Over 100 years later, the condition of the family is far more deplorable and especially that of the African father. Look where we are today:

- African fathers have the highest decreasing life expectancy of all father groups
- Young African fathers face expulsion from school in larger numbers than other father groups
- African fathers have the highest incarceration rate of fathering groups
- African fathers have the highest unemployment rate of all fathering groups

"The character of children are their fathers"

- African fathers ages 15-30, have the highest homicide rate of all father groups.

The answer is not more Welfare, not better Health Care nor more Jobs. The answer is families. Fathers disconnected from their families are at risk. Children and women disconnected from their father are at greater risk. Something must be done. Something is being done. In 1982, I created **The National Institute For Responsible Fatherhood And Family Development**, an Agency that specifically addresses the needs of fathers.

In 1993, Drs. G. Regina Nixon and Anthony E.O. King, after two years of conducting a study of former protégés (fathers) of the Agency, stated; "*The efficacy of The National Institute For Responsible Fatherhood And Family Development's non-traditional counseling appears evident, particularly for the outcomes of young fathers who participated in the survey. For example, the fathers took advantage of the legitimization (paternity) services and improved their educational and employment status. The program also had a positive influence on their attitudes toward self and parenting. Quite significantly, there was an overwhelming consensus that The National Institute improved their problem solving abilities and helped them to become better parents.*"

Essentially, they proved that:

- **Fathers** can be reached
- **Fathers** care about their children
- **Fathers** and significant others can have positive relationships between themselves
- **Fathers** will participant in programs that identify their needs
- **Fathers** attitudes and behavior can be changed
- **Fathers** can be reached and supported in creating their own safe environment for their families, when the *non-traditional* model developed by *The National Institute* is utilized.

In July 1993, at a press conference, Dr. Nixon revealed the following results:

- **70%** of the recipients complete twelve years of education
Nearly 12% have at least one year of college.
- **62%** are employed full-time; **11%** are employed part-time.
- **92%** develop positive values and attitudes.
- **96%** experience an improved relationship with the child's mother
- **97%** spend more time with their children and are providing financial support.

"The character of children are their fathers"

In a nutshell, *The National Institute* was able to assist fathers in the following areas:

- 1) Acknowledging paternity and providing financial support to the mother of his children
- 2) A change in attitude and behavior toward himself and others
- 3) Understanding the value of embracing a *risk-free* lifestyle
- 4) Completing high school or GED, enrolling in college or trade school
- 5) Developing work ethics and a strong value system

When a father comes to our program, he goes through the following process:

Step One: Referral Process - The majority of fathers come to us by word of mouth, having been referred by other fathers, their friends and relatives. Other referrals come through Health and Human Services Agencies, Juvenile and Common Pleas Courts, Schools, Jailed Inmates and others.

Step Two: Home Assessment - The initial contact with the home begins with the Intake and Assessment. This is done to determine the psycho/social, educational, emotional and employability state of the young father and the environmental condition of the home. Through this home assessment, an annual treatment plan is developed to meet the unique situation of the father. The majority of problems that impact the life of the father, as indicated, start in the home. This is where change must be made in order for it to be lasting.

Step Three: Counseling – The Non-Traditional Approach - Although all steps are important, the most crucial period for the young father will take place over the course of the next few months, where the worker will work intensely with the young father to change his thinking about himself and others. The counseling session is broken up into ten (10) major sessions, which may last from 3 to 6 months. During the counseling session, it is important that the Outreach Specialist get a clear understanding of how the young father feels about himself and significant others. If he is to become a responsible father, his attitude and behavior about these areas of his life must be significantly altered, for they are the foundation for his actions.

Session 1: Perceptions and Feelings About Self - The *non-traditional* intense counseling begins. It is here, that rather than telling a young father how to run his life, our approach is to use a *drawing out method* in which the answers to his problems and his future are designed by him. Once he delineates the direction he wants his life to proceed, the Outreach Specialist, who also has probably had similar experiences, becomes his supporter and counselor, to help navigate him through his life.

“The character of children are their fathers”

This first session usually lasts 2 to 3 hours. The father works around his concept of himself and others. He sees that the concept that others have of him is not who he really is. He realizes that the failure he has become is due largely to his believing that what he perceives others to feel about him is true. He accepts the fact that how he feels about others and the world around him are his feelings, and do not necessarily reflect the true picture. He takes complete responsibility for his feelings and no longer holds others accountable for them. He accepts that people have the right to be who they are. His first responsibility is to love, respect and care for himself. His second responsibility, is to pass that on to others.

Session 2: Fathering Attitudes and Feelings About His Father - In over 80% of the cases, the young father does not have a wholesome relationship with his father. This impaired relationship negatively affects his attitude toward himself and his ability to appropriately care for his child.

- ***Session 3: Attitude and Feelings About His Mother***
- ***Session 4: Attitude and Feelings About His Child(ren)'s Mother***
- ***Session 5: Attitude and Feelings About His Child(ren)***
- ***Session 6: Attitude and Feelings About His Siblings***
- ***Session 7: Attitude and Feelings About His Peers***
- ***Session 8: Attitude and Feelings About The Educational System***
- ***Session 9: Attitude and Feelings About The Welfare System***
- ***Session 10: Attitude and Feelings About The Justice System, The Police and The Courts.***

Step 4: Fathering Support Group - Includes interpersonal and socialization skills development and: 1) How to communicate with the baby (tone of voice and body language); 2) How to develop appropriate eye contact; 3) How to appropriately hold his child; 4) How to change diapers; 5) Child and infant wellness care; and 6) Child and father interaction.

Step 5: The Outside Referral Process - The young father is referred for housing, medical services, educational services and in some cases nutritional counseling.

"The character of children are their fathers"

Step 6: Post-Partum Visits - In the event that his wife/girlfriend has recently delivered, we will work with him on how he should interact with her after she has experienced childbirth. The purpose of this step is to enable him to cope with the new situation (since most fathers, 95%, do not live with the infant). *The National Institute's* staff works with both the father and mother to emphasize the needs of the infant. The Fathering Support Group is very effective in helping him through this period and providing moral support.

Step 7: Termination/Aftercare and Follow-up - Although a young father has completed all services and is performing well in society, *The National Institute* still has contact with him through follow-up and aftercare. During an empirical evaluation of the agency and its services, conducted by Drs. G. Regina Nixon and Anthony E.O. King of Case Western Reserve University, it was discovered that 36% of the time, the protégé routinely contacted the Outreach Specialist and 44% of the time the Outreach Specialist contacted the protégé. In addition, the protégé encountered the Outreach Specialist 45% of the time in the community (church, business, recreation and on the street) as a regular part of his life.

In closing, I would like to make the following recommendations:

- 1) That 10% of all Human Services dollars spent on mothers, be allocated to create comprehensive outreach and counseling services for fathers
- 2) That the Government develops and produces PSA's in which Congress and the Executive branch can portray positive and *responsible fatherhood* on radio and television
- 3) That future policy and laws become father and family friendly
- 4) That courses be taught in schools on how to develop good relationships and become good spouses at all grade levels
- 5) That fathers of all ages be encouraged from all spaces in life to assist in the nurturing and childhood development of their children, regardless of how much money they make.
- 6) That fathers in prison be assisted in maintaining good relationships with their children and families during incarceration

"The character of children are their fathers"

I believe that the best way to create strong families is by creating an environment where fathers can be appreciated and accepted as viable role models and nurturing individuals. I believe that if this concept of working with fathers as we do is instituted across this country, we would be able to change the face of the communities in America and throughout the world.

I want to thank you, Chairman Ford and Members of this Committee for the opportunity to speak with you today. I look forward to working with this committee in developing this model and what the future holds.

Peace and Love,

Charles A. Ballard
Founder/President



NATIONAL WOMEN'S LAW CENTER

TESTIMONY

OF

NANCY DUFF CAMPBELL
CO-PRESIDENT
NATIONAL WOMEN'S LAW CENTER

BEFORE THE
SUBCOMMITTEE ON HUMAN RESOURCES
COMMITTEE ON WAYS AND MEANS
U.S. HOUSE OF REPRESENTATIVES

ON

THE CHILD SUPPORT
PROVISIONS OF H.R. 4605

JULY 28, 1994

Prepared by
Nancy Duff Campbell
Elisabeth Hirschhorn Donahue

Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to appear before you today on behalf of the National Women's Law Center. The Center is a non-profit organization that has been working since 1972 to advance and protect women's legal rights. The Center focuses on major policy areas of importance to women and their families, including child support, employment, education, reproductive rights and health, child and adult dependent care, public assistance, tax reform and Social Security -- with special attention given to the concerns of low-income women.

The Center wishes to commend the Subcommittee for its leadership on child support issues. We are heartened by the many improvements that have been made in the law, especially in the last ten years. At the same time, we are deeply disturbed by the continuing failure of the child support system to deliver on its promise: that child support should provide a regular, reliable source of support for children in single-parent households.

THE NEED FOR FUNDAMENTAL CHILD SUPPORT REFORM

As this Subcommittee well knows, we are facing a crisis in child support.

In 1991, 25 percent of all children in the United States lived in a one-parent family, compared with 12 percent in 1970. Current projections are that more than half of all children born today will spend some time in a single-parent family before reaching age 18.

The poverty rate of children in single-parent, female-headed families is also dramatic -- over 50 percent. Millions of additional families live close to the poverty line. The dire economic strait of single-parent families is attributable, at least in part, to a lack of child support. In 1989, only 50 percent of all custodial-mother families had a child support award in place; and half of these families received no support at all or less than the full amount due. For those families who received some child support, the average amount was under \$3,000.

A recent analysis by the Urban Institute estimates that the potential for child support collections exceeds \$47 billion a year. With awards of only \$20 billion currently in place, and only \$13 billion actually paid, the potential collection gap is over \$34 billion. Clearly our child support system is failing America's families.

To remedy this failure, there must be fundamental reform of the child support system. The best approach is that embodied in Rep. Lynn Woolsey's proposed Secure Assurance for Families Everywhere Act (SAFE), H.R. 4051, which provides increased federal support and mandated procedures to assist states in establishing paternity; requires the development of federal standards for establishing child support award amounts; federalizes the collection and enforcement of child support payments; and assures that if a payment cannot be collected, the federal government will provide a minimum assured child support benefit. H.R. 4051 builds on the excellent Child Support and Assurance Proposal advanced by a former member of this Subcommittee in 1992, Rep. Tom Downey, and Rep. Henry Hyde.

We are pleased that President Clinton's proposed Work and Responsibility Act, H.R. 4605, also recognizes the critical need to reform the federal-state child support system. The Center supports the child support provisions of the Administration's Work and Responsibility Act, H.R. 4605, with some important changes noted below. The Center also supports the child support provisions of Rep. Bob Matsui's proposed Family Self-Sufficiency Act, H.R. 4767, which in several respects expands upon or makes needed improvements in the Administration bill. Rep. Patricia Schroeder's proposed Child

Support Responsibility Act, H.R. 4570, which is similar in many respects to the Administration and Matsui bills, also makes important improvements, as referenced below.

The Administration bill builds on a four-point strategy for improving the child support system: 1) establish awards in every case; 2) set awards at a reasonable level and adjust them routinely; 3) collect awards that are owed; and 4) test a guarantee of child support in the form of child support assurance. Our testimony addresses the provisions to advance each of these strategies, focusing on the areas where improvements are needed.

PATERNITY ESTABLISHMENT

In 1992, over 500,000 children had paternity established for them by the federal-state child support (IV-D) program -- a 9.4 percent increase from 1991. While this is a notable improvement, it represents only a fraction of the many children who need paternity established. Only about one-third of the nearly 1.2 million children born each year to unmarried women have paternity established and there are nearly 3.1 million children currently in need of paternity establishment. Yet paternity establishment is crucial to the economic well-being of children born outside of marriage; if paternity is not established, they not only lose the right to receive child support, but also the right to inherit from their father, or receive Social Security Survivor's benefits, veterans benefits, and the like.

1. Encouraging Voluntary Establishment of Paternity

Fathers are more likely to acknowledge paternity at or soon after a child's birth rather than in later years. Since research indicates that 65 to 80 percent of fathers of out-of-wedlock children are present at the hospital at the time of birth or visit the child shortly after birth, it makes sense to encourage voluntary acknowledgement of paternity as soon after birth as possible. Congress recognized this when it passed the Omnibus Budget Reconciliation Act of 1993 (OBRA 1993), which incorporated many important reforms in the area of paternity establishment, including the requirement that states establish hospital-based procedures to voluntarily establish paternity.

The Administration bill builds on the improvements to paternity establishment made in OBRA 1993. Correctly recognizing that outreach is vital to inform unmarried parents of the benefits of and the procedures involved in voluntarily establishing paternity, the bill requires states to publicize the availability and encourage the use of voluntary establishment procedures, and increases the federal match rate for state outreach efforts to 90 percent.

The bill also correctly recognizes that simplifying the voluntary acknowledgement process means eliminating the need to have a court or administrative body oversee the acknowledgement procedure. Under OBRA 1993, a state has the option of treating a voluntary acknowledgement of paternity as either a conclusive or rebuttable presumption of paternity. In states that choose to treat the acknowledgement as a rebuttable presumption, it effectively becomes nothing more than a piece of evidence to be used in a later legal proceeding. This creates more problems than it resolves, as many parents walk away from the hospital thinking they have established paternity. The Administration bill seeks to resolve this problem by requiring an acknowledgement treated as a rebuttable presumption to ripen into a conclusive presumption within one year, if not successfully rebutted within that time. In addition, the bill gives states the option to allow a parent to move to vacate a finding of paternity at any time on the basis of new evidence, fraud, or in the best interests of the child.

Although we welcome the Administration's efforts to simplify the establishment of paternity, we are concerned that as it becomes easier to create a legal finding of paternity outside the oversight of a legal body, the more crucial it becomes to ensure that proper due process is afforded parents, and in particular minor parents. We prefer, therefore, the provisions in the Matsui bill on the legal effect of voluntary acknowledgements of paternity.

Under the Matsui bill, before either parent can sign a voluntary acknowledgement of paternity, each must be given proper notice of the alternatives to, legal consequences of,¹ and the rights and responsibilities that arise from, signing the acknowledgement. The notice must be given in writing, orally, and in a language that each parent can understand. As soon as the putative father and the mother sign the acknowledgement form, it becomes a legal finding of paternity, subject to a 30-day "cooling off period," during which either parent can withdraw it. After 30 days, the legal finding of paternity can only be challenged in court and only on the basis of fraud, duress or material mistake of fact, with the burden on the parent challenging the acknowledgement. Ongoing legal responsibilities arising from the establishment of paternity (including child support payments) cannot be suspended while this determination is made except for good cause.

If either parent is a minor, the process is somewhat different. In addition to being given the same notice as adult parents prior to voluntarily acknowledging paternity, minor parents must also be informed of additional rights arising from their minority status. Unless the minor parent signs the voluntary acknowledgement of paternity with the guidance of, and in the presence of, a parent or court-appointed guardian ad litem, he or she may withdraw the voluntary acknowledgement for any reason, even after the 30-day "cooling-off period". Withdrawal must be accomplished in a legal proceeding to establish child support, visitation, or custody at the earlier of: that individual's age of majority or the first judicial or administrative proceeding at which the minor is represented by a parent, guardian ad litem, or attorney.

We believe the Matsui bill strikes a better balance than the Administration bill between affording parents appropriate protection and simplifying the voluntary establishment of paternity. Parents have a shorter time (30 days) to vacate an acknowledgement of paternity without having to show cause, but are never denied the opportunity to vacate a voluntary acknowledgement for justifiable reasons such as duress or fraud. The acknowledgement of a minor parent who signs outside the presence of a parent or guardian is more easily vacated; as in other areas of law, the Matsui bill recognizes that minors do not have the same capacity as adults to understand the legal ramifications of their acts.

2. Mandatory Establishment of Paternity

The goal of the Administration bill is to ensure that paternity is established for as many children born out of wedlock as possible, regardless of the welfare or income status of their parents. Each

¹ The notice would include the right of the parents to seek visitation or custody in a legal proceeding after paternity is established. The Matsui bill requires that until a legal proceeding for custody or visitation occurs, custody remains with the primary caretaker (with the mother being the primary caretaker in the case of a newborn), unless both parents agree to an alternative arrangement. The Administration bill does not address this issue.

state's performance would be measured based on the number of out-of-wedlock births in the state, not just the number of cases within the state's IV-D system. A combination of performance standards and performance-based incentives, coupled with required state procedures to improve establishment processes, would encourage states to improve their records of establishing paternity.

The Administration bill also seeks to increase paternity establishment by focusing on the requirement under current law that a mother seeking AFDC and/or Medicaid must cooperate in efforts to establish paternity and secure child support or risk losing her share of the AFDC grant and Medicaid eligibility. Only if the mother has "good cause" not to cooperate is she excused from this requirement, with good cause found if providing the required information would put the mother or child in physical or emotional harm, if the child was conceived as result of rape or incest, or if adoption proceedings are pending or being considered.

The Administration contends that since under current law the AFDC (IV-A) agency rather than the child support (IV-D) agency conducts the intake interview, "cooperation" is often found despite the provision of inaccurate information. Once the mother has been found eligible and begins to receive AFDC benefits, the Administration argues, she no longer has the incentive to provide complete and accurate information about the father to the IV-D agency.

The bill seeks to remedy this perceived problem by having the IV-D office conduct the initial interview to determine "cooperation," and to hold up benefits (except Emergency Assistance) until such a determination is made. The AFDC applicant will have to provide specific information to be found "cooperative," including not only the father's name but "sufficient additional information to enable the state agency, if reasonable efforts were made, to verify the identify of the person named." The IV-D agency must make the initial determination of cooperation within 10 days of receiving the applicant's application from the IV-A agency.²

The Administration is attempting to solve a problem with a tourniquet where a band-aid would do. If the Administration believes the problem is that IV-A is not doing its job in meeting the current requirement that an AFDC applicant cooperate in identifying and locating the father because insufficient information is being collected from the applicant, then it should require IV-D to develop a standardized form to be used by all IV-A workers. **Moving the cooperation determination to IV-D, however, improperly removes it from the agency best equipped, from a social service perspective, to determine if harm might occur to the mother or child because of the mother's cooperation.** Indeed, under other provisions of the Administration bill, the social service role of the IV-A worker is expanded beyond that of current law -- to include overseeing an employability plan, making residency determinations for minor parents, and coordinating services. It is this social service role that is critical to determining whether an applicant has good cause not to cooperate in establishing paternity or obtaining child support. The agency most equipped to make the good cause determination is IV-A, not IV-D.

² The Administration's bill requires IV-A to send IV-D the application "immediately." Unless "immediately" is defined as a set time period -- one day, for example -- there is no guarantee that IV-A will send the application off as soon as it is received. The result will be that aid will be delayed even longer, since the 10 days IV-D has to determine cooperation (and hold up assistance) do not begin to run until its receipt of the application.

If the Administration thinks the problem is that mothers are refusing to cooperate, the numbers show a different story. Cooperation -- or the lack thereof -- is not a significant issue. Of the 1992 cases in the IV-D system, less than one-seventh of one percent (.13%) refused to cooperate with the state. In fact, many AFDC mothers report frustration in getting IV-D to receive and follow up on information about the putative father that they have provided. It is this problem -- not mothers' lack of cooperation -- that far better explains IV-D's dismal failure to establish paternity in so many cases.

SETTING REASONABLE AWARDS AND ADJUSTING THEM ROUTINELY

Child support awards are often inadequate, providing insufficient income to adequately support children. In 1989, the average support amount awarded and due, \$3,292, had to support an average of 1.6 children -- making the average annual award due \$5.64 a day per child.³ Yet research shows that it costs \$4,030 a year to raise a child under age two in a lower-income, single-parent home, and \$5,520 to raise a child age six to eight in the same home. While there is much to learn about the income of noncustodial fathers, it is clear that as a group they can afford to pay more child support than they do; a recent study shows that the average personal income of noncustodial fathers was \$23,006, with custodial mothers three times more likely to be poor than noncustodial fathers.

1. Setting Awards

Under current law, states must have numeric guidelines for setting child support awards, and the guidelines must be treated by the decision-maker setting the award as a rebuttable presumption of the amount owed. Because guidelines vary significantly from state to state, however, award levels vary dramatically as well. According to a recent study, in 1991 support awards for low-income obligors ranged from \$25 to \$327, while for the highest-income obligors they ranged from \$616 to \$1,607, and the variation in awards was not due to differences in cost of living across the states. Not only are children not being awarded the child support they deserve, but the state in which their award is established may well arbitrarily determine the amount of their award.

To remedy the current problem, we support the creation of a national commission on child support guidelines charged with constructing a uniform guideline that provides for adequate awards and takes into consideration changing income and family structure. Although most of the welfare reform bills accept this approach and establish such a commission, there are fine differences between the duties of the commissions proposed that are worth noting.

The Administration bill requires the commission to determine the advisability of a national support guideline, and if it so determines, to design and propose for congressional consideration such a guideline, based on its study of specifically enumerated guideline components. Since we believe that the need for a national guideline is clear, however, we prefer the approach of the Matsui bill, which presumes that a national guideline is advisable, and directs the commission to develop such a guideline for presentation to Congress, based on the commission's study of various guideline models, their benefits and deficiencies, and any needed improvements. Given what is already known about the

³ This is the amount awarded by courts and administrative bodies; even less is actually collected. In 1989, the average award actually collected, \$2,995, amounted to \$5.13 a day per child.

extreme variation of child support awards set under different state guidelines, and their inadequacy, Congress should adopt the Matsui bill's mandate for the development of a national guideline.

2. Review and Adjustment of Awards

Establishing adequate child support orders is vitally important for children. But it is only part of the solution. It is also crucial that an appropriate mechanism for updating and modifying child support orders be in place so that as families change, children grow, and the value of money diminishes over time, orders can be adjusted to reflect current circumstances.

Current law establishes a complex system for the review and adjustment of child support orders. States are required to review all AFDC orders being enforced by the IV-D agency, unless neither parent has requested a review and the agency has determined that a review is not in the best interests of the child. States must also, upon the request of either parent, review every non-AFDC order being enforced by the IV-D agency at least once every three years.

There are a number of problems with the current scheme. First, parents are often reluctant to request a review; without financial information from the other parent, they cannot know if the effort to seek a modification will yield positive results, and getting such financial information is time-consuming and often costly. Moreover, even if parents come forward, the high percentage changes in award amounts required by some states before modifications will be made -- in some states as high as 25 percent -- often keep parents from actually obtaining adjustments in their orders.⁴

Second, the current system is burdensome for child support agencies. The review and adjustment requirements are resource-intensive, resulting in a process that is either not done well, or is done at the expense of diverting resources from other important child support tasks. A simpler, more streamlined process would result in more families being helped, without taking time and money away from other child support agency functions.

Third, the current scheme in which either parent may request review and adjustment of a child support order has in some states created a potential conflict of interest for IV-D attorneys who are required to represent both custodial and noncustodial parents. States have dealt with this conflict issue in a myriad of ways, from simply not addressing the conflict, to making both parents proceed pro se and refusing to provide services to either parent, to agreeing to provide services to both parents, but refusing to recognize an attorney/client relationship.

The Administration bill fails in many respects to resolve the current problems. Under the bill, the modification scheme of current law would stay in place until 1999 (or an earlier date at state option), when it would be replaced by a universal system. Under the new system, all orders in the state registry would be reviewed and adjusted in accordance with state child support guidelines at least every three years, except that a state could refuse to adjust an order when the change in the amount awarded would be less than 10 percent. In addition, a state would not have to review an order if such a review would

⁴ For example, a parent entitled to an adjustment that would increase her current award by 15 percent would not be permitted to obtain the adjustment in a state that required changes of 25 percent or more.

not be in the best interest of the child, or if both parents, upon notification of the change in the amount awarded, decline the modification in writing. Finally, a state would also be required to provide a review at any time upon the request of either parent if either parent's income has changed by more than 20 percent or other substantial changes have occurred in either parent's circumstances.

Although the modification scheme established in the Administration bill is well-intentioned, we are concerned that it would place a significant burden on the states but yield few significant results. Many state IV-D offices already complain that the current system, in which they are effectively only required to automatically review and adjust AFDC orders, creates a significant amount of paperwork with few results; the Administration proposal would vastly expand this caseload by mandating automatic review and adjustment of all orders in the registry -- AFDC and non-AFDC alike.⁵

Instead of requiring a review and adjustment of every order, we recommend a modification system that attempts to decrease rather than increase the bureaucracy and paperwork for IV-D, while also assuring that needed adjustments in orders are made. The Matsui bill contains the four essential elements of such a modification scheme.

First, states would be required to include automatic, annual cost-of-living adjustments (COLAs), based on the Consumer Price Index, in every order when it is established. Notice of the application of the COLA would be provided to noncustodial parents and employers to facilitate required changes in wage withholding. Since orders would not lose value over time and would remain at inflation-adjusted levels, fewer parents would need or want to petition for further review and adjustment, and states would be spared needless expenditures of precious time and resources on the review process.

Second, states would be required to implement a simplified process for review and adjustment of orders every three years. Under such a process, every three years both parents would be notified of and have the right to request a review and, if the adjusted amount under the state guidelines differs from the current order by more than the cost-of-living adjustment(s), receive an adjustment. In addition, states would be required to review and adjust orders at any time, at the request of either parent, based on a substantial change in circumstances of either parent. This scheme would spare the state the effort of conducting reviews or making adjustments in orders where only small changes would result, or for parents who do not want their orders modified. At the same time, it would assure that adjustments are made when appropriate.

Of course, for this scheme to work effectively, parents need to be able to make an informed decision about seeking a review, and to evaluate whether they are likely to be able to obtain an adjustment. To accomplish this, the Matsui bill requires states to ensure that parents be required to exchange financial information on a yearly basis, on a standardized "information exchange form" established by the Secretary of HHS. With this information, each parent could decide whether and when to seek a review and adjustment.

⁵ Moreover, the number of orders subject to the new scheme will increase dramatically over time as all current IV-D orders as well as all new and modified orders -- whether established by IV-D or by a private attorney -- are entered into the state registry.

Finally, in keeping with IV-D's purpose of providing services to individuals seeking to establish paternity and enforce support, under the Matsui bill IV-D agencies would be permitted to offer representation in review and adjustment cases only to custodial parents, unless such services are offered to noncustodial parents by contracting outside the IV-D agency. Under such a procedure, conflict of interest concerns would be eliminated since IV-D attorneys would not be put in the position of representing opposite sides of a case or issue.

DISTRIBUTION OF CHILD SUPPORT PAYMENTS FOR FAMILIES WHO HAVE BEEN ON AFDC

1. Families Currently Receiving AFDC

Under current law, a family receiving AFDC must assign its rights to child support to the state, though the state is required to pass-through to the AFDC family the first \$50 of monthly support collected if paid when due. Additional child support collected may be retained by the state to reimburse itself for AFDC paid to the family.

Required since 1984, the \$50 pass-through has never been indexed for inflation; if it had, the pass-through would have increased 43 percent and be worth \$71.36 today. Recognizing that the value of the \$50 pass-through has substantially eroded over the past 10 years, the Administration bill indexes it for inflation. In addition, the bill gives states the option of increasing the pass-through further, thereby allowing families to keep more of their child support collected without having it count against their AFDC grant. Although these changes are very positive, more could be done to ensure that child support makes a real difference in the lives of AFDC recipients.

Since it is unlikely that many states will voluntarily increase the pass-through amount, we **recommend that the Subcommittee adopt the approach of the Matsui bill mandating an increase in the pass-through.** Under this approach, families would be permitted to keep the first \$50 or half of all child support collected, whichever is higher. In addition, states would be required to index the \$50 for inflation, and would have the option of increasing the pass-through amount beyond \$50. These provisions would not only improve the economic security of AFDC mothers and children, but also make clear to mothers and fathers alike the benefits of child support. Indeed, many noncustodial fathers of AFDC children report that they are frustrated paying child support because their children see very little of that money. Knowing that their children are being increasingly helped by the child support they pay, noncustodial fathers will have more incentive to meet their child support obligations, and collection rates for this population should rise.

2. Families Formerly Receiving AFDC

Under current law, once a family leaves AFDC, the assignment for support ceases, but the state is entitled to keep any support collected that does not represent current support (i.e., arrearages) until the state reimburses itself for the AFDC paid to the family. States have the option of paying child support arrearages first to the family and then to the state to recover unreimbursed AFDC, but only 19 states have chosen to exercise this option.

Both the Administration and Matsui bills seek to remedy the inequities of the current system, and we strongly support such efforts. Under both bills, former AFDC families would receive not only current child support payments, but also any child support arrearages that

accrued when they were not receiving AFDC. This change is especially important for families who have just left the AFDC system; such families are particularly vulnerable since they are often in low-wage jobs and lacking job security. Receiving all child support owed them -- current payments as well as arrearages -- would help these families for whom child support truly means the difference between staying off AFDC and returning to the rolls.

ENFORCEMENT: COLLECTING AWARDS THAT ARE OWED

Prior to 1974, both the establishment and enforcement of child support obligations were purely a matter of state law. Since that time, however, the nation's child support enforcement system has been undergoing a process of federalization. To date, this process has been accomplished by the provision of substantial federal funding to the states to provide child support services, the enactment of federal laws that require the 54 states and territories to enact state legislation (e.g., immediate income withholding) and limited use of federal locate and enforcement mechanisms.

This method of federalization has not achieved the desired results: as stated above, 50 percent of custodial mothers still do not have a child support award and, of those with an award, only half actually collect the full amount owed. These numbers are the same as they were in 1978. The picture for those using the state IV-D system is even more bleak; according to OCSE data, a collection of support is made in only 18.7 percent of IV-D cases. Of particular concern are interstate cases, which make up approximately 30 percent of the IV-D caseload but account for less than 8 percent of IV-D collections.

The current state system has also failed to become more cost-efficient. In 1991, \$3.82 was collected per dollar of administrative expense. This is a decrease from 1988 when \$3.94 was collected for every dollar in administrative expense. In short, the federal government is losing over half a billion dollars yearly on a program that is failing to provide even minimally adequate services. The resulting costs to children are beyond measure.

The dismal record of the states has many causes. Chief among them are insufficient staff and resources at the state and local levels; a multiplicity of actors (e.g., judges, court clerks, district attorneys, process servers, sheriffs) who are outside the control of the IV-D agency but who must act efficiently if the agency is to do its job; diverse, and frequently inconsistent state laws that make processing interstate cases particularly difficult; and a lack of automation. Although the Family Support Act requires states to automate their systems, a recent GAO report reveals that many states will not meet the 1995 deadline as required by the law. More importantly, even if all 54 jurisdictions become automated, they will not necessarily be able to interface with each other's automated systems.

The Center, therefore, believes that the enforcement of child support obligations should be moved to the federal level. This would have several salutary effects: 1) free up state staff and resources to perform other functions (establish paternity, set and modify awards, reach out to additional families eligible for services); 2) provide a uniform national collection system that could reach obligated parents wherever they live or work; 3) greatly ease the burden on employers involved in income withholding, who would only have to deal with one entity with one set of policies and procedures; and 4) simplify significantly the tracking, monitoring and distribution of child support payments across the country.

We strongly support the federalization of child support enforcement, including collection and disbursement, contained in the Woolsey bill. This bill houses enforcement at the Internal Revenue Service, a respected federal agency with both the tools and the experience necessary to collect, disburse and enforce child support obligations.

If complete federalization of enforcement is not feasible in the short term, immediate improvements in the federal-state system must nonetheless be made. Several goals must be met. States must be able to share information with each other, easily enforce each other's orders, and act as a connected network rather than 54 independent actors. The role of the federal government must expand, to facilitate this exchange of information by the states and otherwise improve locate and enforcement, especially in interstate cases. Staffing and funding for state systems must be improved, and state procedures must be streamlined and made more uniform.

1. State Role

In order to improve enforcement, states must streamline their collection process by centralizing collection and disbursement. We strongly support, therefore, the provisions in the Administration bill that mandate that each state establish a central state registry and collection unit. The registry would maintain current records of support orders as well as payment records and other information relevant to the enforcement of awards, in a format permitting the information to be shared with and matched against data of other states and the federal government. The single centralized unit would collect and disburse support payments, whether by wage withholding or otherwise. State staff would monitor payments to ensure that support is paid and have the authority to impose certain enforcement remedies administratively. By requiring a centralized state system to oversee and monitor payments, the Administration bill would improve the ability of states to nip nonpayment in the bud and prevent the accrual of years of arrearages.

Although requiring one central state registry and collection unit will make a state like California, with its 58 county-wide child support systems, more unified, the Administration bill does not go far enough in promoting unified, state-wide systems. Having a central state child support system is crucial for improving enforcement; enforcing orders across county lines is often just as difficult as enforcing an interstate order. We recommend, therefore, a provision in the Matsui bill, which encourages states to establish a united child support enforcement program by increasing by five percentage points the federal match for states with such a program.

2. Federal Role

The Administration bill expands the federal role in locate and enforcement by mandating the establishment of a three-tiered federal clearinghouse: a National Child Support Registry, a National Directory of New Hires, and an expanded Federal Parent Locator Service. Each state would be required to send to the National Child Support Registry basic information on each child support case in its registry, and each employer would be required to report information about all newly hired employees to the Directory of New Hires; the data in the two registries would then be matched every two working days and all matches reported to the appropriate state agency. In addition, the Federal Parent Locator Service would be expanded by increasing the data sources it can access and by expanding its functions. These important extensions of federal authority are important to ensuring an effective child support system.

3. Staffing

Recent testimony given to Congress by a Virginia IV-D worker highlights the staffing problems faced by those working in the trenches of the child support system. With 1,000 cases per worker, this IV-D program specialist estimated that she is able to give 98 minutes a year -- eight minutes a month -- to each case, hardly enough time to retrieve the case file. Although the Secretary of Health and Human Services has statutory authority to establish minimum staffing requirements for IV-D programs, no Secretary has ever acted on this authority, and IV-D offices are notoriously understaffed and overworked. If there is going to be a serious attempt to improve child support enforcement, staffing standards must be established for state IV-D offices.

The Administration bill attempts to address the staffing problem by requiring the Secretary to conduct studies of the staffing of each state IV-D program, including the effects of several new requirements on the staffing needs, and report her findings and conclusions to Congress. Such an approach does not guarantee, however, that understaffed IV-D offices will be affected by these studies or that states will act in response to the Secretary's findings.

Other bills take a more aggressive approach to keeping staff numbers at a reasonable level. Under the Schroeder bill, the Secretary must develop a methodology to be used by each state to determine the staffing requirements of its IV-D program. Each state must then staff the program in accordance with these staffing requirements or risk a two percent reduction in its match rate.

The Matsui bill takes a hybrid approach, combining the Administration and Schroeder provisions. The Secretary must conduct staffing studies for each state IV-D program, reporting these findings to Congress and the states. Each state then faces a two percent reduction in its match rate only if it has not met its performance standards and not implemented the proper staffing levels. In other words, if a state can meet its performance standards with a high caseload-to-worker ratio, it will not be penalized for not meeting its staffing standards.⁶

Both the Schroeder and Matsui bills appropriately recognize that IV-D workers can only do their jobs well if they are not carrying an overwhelming caseload. The Administration bill attempts to ensure the quality of a worker's performance -- the bill mandates that the federal government develop a core curriculum of training to be used by all the state agencies -- but ignores the very crucial need to contain the quantity of a worker's caseload. Although additional training is necessary and welcome (indeed, all three bills have important training provisions), it will mean little if staffing levels are not curtailed; even a superhuman IV-D worker cannot do her job right if she is juggling 1,000 cases.

⁶ The Matsui bill contains in its teen parent provisions mandatory case management for teen custodial AFDC parents, with a maximum caseload ratio for an individual case manager of 65 cases to 1 worker. Although such case management is provided under the IV-A program, these case managers (with their more workable caseload) will work with the IV-D system to help teen parents establish paternity, obtain orders, and enforce child support awards.

4. Funding

Improved enforcement is, of course, integrally tied to funding. We are pleased, therefore, that the Administration bill increases the basic federal match rate for state IV-D programs from the current 66 percent to 75 percent by 1998; has a maintenance of effort provision to ensure that states continue to contribute the non-federal share at FY 1995 levels despite the higher match; and shifts the measure of success for incentive payments to states from process to performance.

We are concerned, however, that the Administration bill reduces IV-A payments for IV-D's failure to achieve its paternity establishment percentage, appropriate level of overall performance for child support enforcement, or accurate data reporting. As under current law, in the Administration's scheme the AFDC system essentially pays the price for the wrongs of the IV-D system. In order to hold the IV-D agency directly responsible for its own failures, we recommend reducing IV-D payments rather than IV-A payments when IV-D fails to meet its statutory requirements. We realize that this will reduce the penalty for the state, as IV-D payments are smaller than IV-A payments. However, this could be addressed by increasing the percentage by which the federal match will be reduced.

5. Streamlining and Uniformity of Procedures

Several provisions of the Administration bill require states to improve their procedures for enforcing support. One that is particularly important is the requirement that states adopt the Uniform Interstate Family Support Act (UIFSA), as approved by the National Conference of Commissioners on Uniform State Laws with some specified modifications. One of the reasons interstate orders are so hard to enforce is that there is often confusion about which state has jurisdiction to enforce or modify an order. UIFSA corrects this by establishing a scheme in which only one order is controlling at any one time, with one state maintaining continuing, exclusive jurisdiction. It is particularly important that federal law mandate that all states not only adopt the same version of UIFSA, but that they do so at the same time. Currently, only a handful of states have adopted UIFSA and, of these, several have added individualized amendments. Thus, each state's versions of UIFSA has slight variations, causing confusion amongst the states.

CHILD SUPPORT ASSURANCE

Child support assurance is a bold, new strategy for addressing the problems of the current child support system. It reinforces parental responsibility by insisting that our children receive child support. At the same time, it protects children when parents are unable or fail to pay support. Under child support assurance, the government provides an assured child support benefit on behalf of any child who has been awarded support but whose noncustodial parent cannot or will not pay, in whole or in part, the amount owed. The assured benefit is equal to a fixed benefit amount that varies according to family size, less the amount of child support collected.

Child support assurance is a new concept, but it builds on a concept already deeply embedded in American social policy -- the Social Security system. Just as Social Security insurance protects against the inability of parents to support their families due to disability, death or retirement, child support assurance protects against the inability or failure of parents to support their families due to divorce or separation.

Child support assurance provides families with the economic security that is lacking in the current child support system. The assured benefit would be universal, available to AFDC families and non-AFDC families alike. For those families eligible for public assistance, it would provide a benefit not subject to work disincentives or the stigma that is unfortunately attached to the receipt of means-tested benefits. As such, it would afford AFDC mothers a realistic chance of moving off welfare to support their families through a combination of child support, earnings from employment, and (if needed) the assured child support benefit.

At the same time, child support assurance focuses attention on the responsibility of the noncustodial parent for children's economic insecurity. Too often only the custodial parent is blamed for generating insufficient income to adequately support the children. Child support assurance, however, is premised on much stronger child support enforcement, sending a message that both parents are responsible for a child's support. Moreover, the noncustodial parent would be encouraged to pay by the knowledge that child support payments made would benefit the children and be supplemented by the assured benefit in cases where, because of the parent's low income, the award was less than the assured benefit amount.

We believe that universal child support assurance should be put into place now so that another generation of children does not have to wait for national policy to catch up with changed needs and changed demographics. Rep. Woolsey's bill boldly embraces this concept and creates a universal, phased-in assurance program that would help children across the country.

If such a universal system is not put in place, however, Congress should authorize a significant number of broad-based demonstration projects that establish the viability of the approach, that expand rapidly to serve a greater population as program success is documented, and that test strategies for replicating the program and expanding it to national scale.

We are pleased that the Administration, Matsui and Schroeder bills authorize state demonstration projects to test child support assurance and strongly support such authorization. **The provisions in the Schroeder and Matsui bills are preferable to those in the Administration bill, representing a more thought-out approach to the data sought to be gained from the demonstrations.** For example, the Matsui bill authorizes projects in six states compared to only three states in the Administration bill, and requires that states be selected based on distinct criteria such as their diverse populations and differences in their child support guidelines. In addition, in the Matsui and Schroeder bills, eligibility for inclusion in the demonstration projects is better linked to the purpose of child support assurance and provides greater protection for the families involved. For example, in the Administration bill states have the option of means-testing benefits -- a provision that does not appear in the Matsui and Schroeder bills because it is inconsistent with the universal nature of child support assurance. **We recommend that the Matsui provisions, as the most comprehensive, be substituted in their entirety for the Administration provisions.**

HEARING ON WELFARE REFORM: Parental Responsibility

Testimony

before the

**Subcommittee on Human Resources
Committee on Ways and Means
U.S. House of Representatives**

July 28, 1994

by

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NATIONAL BLACK WOMEN'S HEALTH PROJECT

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PARENTAL RESPONSIBILITY

I am Cynthia Newbille, Executive Director of the **National Black Women's Health Project (NBWHP)**. Thank you for inviting me to testify today.

The NBWHP is a self help and health advocacy organization that is committed to improving the overall health status of Black women. The NBWHP provides wellness education and services, self-help group development and public education for African American women and their families.

The NBWHP appreciates the opportunity to testify before the House Subcommittee on Human Resources on the issue of "Welfare Reform." We believe that this hearing will provide a unique opportunity to address the true problems associated with the current welfare system as well as the socioeconomic problems which contribute to welfare dependency.

Problems such as teen pregnancy, lack of adequate and effective birth control methods, child support enforcement and the impact of joblessness in the Black community are all areas which must be addressed during this hearing if serious solutions to welfare dependency are to be considered.

While there are a host of state and federal subsidies for almost all segments of society, there is a vehement and malicious focus on the benefits received by low-income women and children. The federal government provides tax incentive on mortgages for middle-income earners, subsidizes tobacco farmers to produce a substance that will cost the country billions in

health care costs, and bails out corporations that have recklessly disobeyed the law. While there does not seem to be a public outcry against these types of "benefits", money for food and other necessities for the poor are often looked upon as "handouts."

The years of anti-poor anti-welfare rhetoric have had a devastating effect on the public's percent of women who receive welfare benefits. African American women have largely borne the brunt of these misperceptions. As an organization representing the interests of women who are disproportionately poor and therefore primarily affected by pending welfare reform legislation, we believe it is imperative that the views of Black women be represented at any hearing regarding welfare reform legislation.

While the NBWHP would like to commend the Administration on its efforts to bring public attention issue of "welfare reform", we are concerned that certain provisions in the President's welfare reform proposal are punitive towards women. We certainly agree that must be an intensive overhaul of the welfare system, however, the NBWHP believes that any measure proposed by Congress must seek to ensure the best interests of women and their children.

Child Support and Paternity Establishment

Welfare reform should place an emphasis on lifting women out of poverty. Recent poverty statistics indicate that a large percentage of Black women and their families live below the poverty level. These statistics confirm that African American women are over represented among those living in poverty and as a result are disproportionately represented among those receiving welfare benefits.

This high rate of poverty among women and women-maintained households can largely be attributed to sexual and racial discrimination against women, their inability to find or maintain

full-time employment, pay inequity and a lack of financial support from fathers. These problems are particularly significant among African-Americans.

Any welfare reform package passed by Congress must address the underlying cause of welfare dependency such as poverty and joblessness. A comprehensive job creation strategy as well as ensuring the provision of child support is necessary in order to achieve this goal.

The NBWHP believes that the H.R. 4605 takes an important first step by requiring states to establish paternity at birth for all children born out of wedlock. We believe that it is imperative for states to utilize every means necessary to collect child support payments from employed fathers after paternity is established. However, the NBWHP is concerned about the strict requirements for state plans regarding paternity establishment.

Those women who cannot establish paternity for reasons deemed "lacking in good cause" will be subject to losing receipt of their AFDC benefits. While it is certainly necessary for the state to have information about putative fathers to establish paternity and enforce child support payments, consideration must be given to those women who do not wish to establish contact with the father. We believe that any punitive measures which force women to offer information on the father or risk losing their benefits is unacceptable.

This is particularly discriminatory against poor women, since it is only required of women who are receiving AFDC benefits. It is voluntary for all other women whose child support awards are being enforced by the state. The NBWHP would recommend that states strongly encourage women receiving AFDC to help establish paternity and identify the putative father. There should not be a two-tiered system of child support enforcement requirements for women who are receiving welfare benefits and those who are not.

The NBWHP is also concerned that there are no mechanisms in which to provide for

child support payment when the state fails to collect. While the state may be able to establish paternity and identify the putative father, in a majority of cases the state will not be able to collect child support payments because of unemployment. This is particularly true for African Americans.

The Administration's child support enforcement provisions are largely based on the assumption that fathers will be employed once paternity is established. Child support enforcement measures such as the revocation of professional, occupation and drivers' licenses and an expanded use of credit reporting to make delinquent fathers pay support, will be largely ineffective in the African American community. Moreover, these policies may actually have a deleterious effect on securing future child support payments.

According to the Department of Labor almost 10% of Black men over the age of 20 are unemployed. For Black men 16-19 years of age, the unemployment rate is 40%. The unemployment figures for Black men have steady increased for the past 10 years.

Also, Black men are ranked second lowest in annual income earnings -- directly above Black women. The Administration's recommendations to garnishee the wages of delinquent fathers could have the effect of reducing the incentive for men, who are already earn very little, to remain employed. Moreover, if these fathers are supporting more than one household, this policy will simply switch the low income level of one family to the other.

H.R. 4605 would allow states to allocate up to 10 percent of their JOBS and WORK funds for programs for non-custodial parents. The bill would also allow non-custodial parents with delinquent child support payments to work off what they owe. While the NBWHP certainly would support this measure over the more punitive measures such as wage garnishment, and license revocations, we believe that the answers to these problems lie in enacting a

comprehensive job creation strategy.

Moreover, a federal program which ensures that all families receive an annual income that is above the federal poverty level would enable people to move up and out of poverty. A Guaranteed Annual Income, as recommended by the National Welfare Rights Union would accomplish this goal. The NBWHP would also advocate provision of child support benefits by the government if the state fails to collect from the noncustodial parent or if the award is less than a government prescribed minimum.

Finally, the Administration's plan does not address continuation of health benefits for children if child support payments bring the family's income above eligibility for receipt of benefits. The NBWHP believes that continuation of health care benefits is an essential component of welfare reform. Provision of child support payments should not affect the families eligibility status for Medicaid or receipt of any health care services.

Family Caps

The NBWHP is concerned about other provisions in the Administration's proposal that we believe will have a prohibitive affect on the lives of women and children receiving AFDC benefits. The Administration has placed an emphasis on encouraging parental responsibility, however, we believe that proposed "family caps" have the exact opposite effect. Under H.R. 4605 states would have the option of enacting policies that would deny benefits to women who have additional children while receiving welfare benefits. The NBWHP strongly opposes this provision.

Child exclusion policies or "family caps" do not encourage parental responsibility. They hurt the children of already impoverished families by denying them essential benefits.

Moreover, these policies are based on the erroneous conclusion that women have additional children to receive an increase in AFDC benefits.

Child exclusion policies are no more than coercive measures in which to control the reproductive freedom of women who are welfare recipients by denying their newborn children additional benefits. To suggest that any woman would have a child to receive an additional \$30-100 per month in AFDC benefits is ridiculous. This minimal amount of money is not enough to support a child, and it is certainly not an incentive to have one.

This policy also suggests that women who receive welfare benefits are more likely to have children while receiving welfare benefits. This is also untrue. Studies have indicated that women on welfare are less likely to get pregnant than non-recipients.

The NBWHP believes that this provision is particularly disturbing since it coerces family planning decisions. Recent welfare reform measures at the state level have begun to offer incentives for certain contraceptive choices. Moreover, it tacitly coerces women on AFDC to obtain abortions since newborn children will not be eligible for AFDC benefits.

Women, regardless of their economic status, often become pregnant while taking every precaution available to them. Accordingly, women who receive AFDC benefits should not be denied the same rights guaranteed to most other women in America -- the freedom to have complete autonomy in making family planning decisions.

Conclusion

A lack of child support payments results in the impoverishment of many African American women and their families. While we need laws which will ensure that non-custodial fathers who can pay do, we also need to focus on creating jobs in our communities that will

allow women and men to support their children. In addition, poor women must be afforded the same options guaranteed to other women -- the option to take care of their children by staying at home if they so choose, the option to make childbearing decisions without the intrusion of the government and the option to have at least the minimal resources in which to support a family. Debate on welfare reform presents the opportunity to address all of these issues. However, we can not allow poor women to become a scapegoat for Americas societal ills under the guise of "welfare reform".

POSITION PAPER

on

FEDERAL CHILD SUPPORT ISSUES

by the

AMERICAN ACADEMY OF MATRIMONIAL LAWYERS

The following represents the position of the American Academy of Matrimonial as a result of review of pending federal legislation relating to child support issues.

RECOMMENDATIONS FOR COMPREHENSIVE FEDERAL LEGISLATION

Our belief is that the federal government has a legitimate interest in ensuring basic legal rights for parents and children, including the right to be supported and the right to parent your children. We believe, however, that, whenever possible, the states should be allowed to refine the law to meet their own state's needs.

The Academy has already extensively analyzed the pending federal legislation relating to child support. A summary of those provisions we support for inclusion in a comprehensive federal proposal follows. For our specific position on these issues, please refer to our briefing book entitled "Comments and Analysis of Selected 1993 Federal Legislative Proposals Relating to Child Support."

A. Expand use of federal locator system.

- (1) Include information for purposes of enforcing visitation as well as support. Proper safeguards should include privacy protection and protection for abused parents or children.
- (2) Increase access to armed forces personnel information through the locate system.
- (3) Allow access by private attorneys and pro se litigants.

B. Expand and make uniform the child support order registry.

- (1) Allow all private parties to register.
- (2) Use a uniform abstract of judgment.
- (3) Include the respective findings of income of the parties whenever support is established or modified.

For The Record

- (4) Increase use of direct wage withholding.
- (5) Eliminate need for "change in circumstances" when application of the guidelines results in a material change in the last support order.
- (6) Include in orders that the parties have a duty to notify the other party and the court as to any changes of address and that failure to do so could result in an adverse judgment being entered in reliance on the last most recent address contained in the court records.
- (7) Place in court order that release of the information is prohibited from the child support data base where abuse or safety is an issue.
- (8) Include notice to the parties that child support records should be maintained in accordance with the deadlines contained in the statute of limitations.

C. Establish quantifiable maximum turnaround times for furnishing information and responding to requests.

D. Expand data base.

- (1) Include capias or bench warrant information.
- (2) Include public record information.
- (3) Establish proper safeguards to protect privacy.

E. Expand/improve processes.

- (1) Require adoption by the states of UIFSA (within constitutional parameters) without material change (see (2) below)
- (2) Establish uniform national rules as to the proper forum state for establishment and modification jurisdiction which are consistent with the constitutional limits set forth in Kulko v. Superior Court, 436 U.S. 84 (1978)
- (3) Require states to serve out-of-state process with the same priority and procedures used for in-state.
- (4) Establish guidelines for service of process on federal employees and members of the armed forces.

- (5) Create a presumption of address for future proceedings including enforcement and modification.
- (6) Clarify that intrastate jurisdiction is child based.
- (7) Provide for the use of a national subpoena duces tecum.
- (8) Establish the priority of child support payments over federal debts.
- (9) Increase coordination of information exchange between states, the on-line computerization to permit quicker access to wage and locate information on a national level by state agencies, private attorney and pro se parties to protect individual privacy. Establish standards for the input of information.

F. Expand the definition of child support.

- (1) Include temporary child support orders in the definition of "final order."
- (2) Include payments for or provisions for medical and health care expenses not covered by health insurance, whether current or in arrears.
- (3) Extend child support for high school students until age 20.
- (4) Change the statute of limitations on child support arrearage to the attainment of age 21 or 10 years from the date such support was due, whichever occurs later.

G. Expand enforcement.

- (1) Establish models for the effective utilization of existing and proposed collection procedures.
- (2) Require states to adopt occupational licensing restrictions, requiring due process standards and judicial decision making authority.
- (3) Amend the PKPA to establish federal court jurisdiction over conflicting state court orders on child support and custody to expeditiously and more efficiently resolve which state has jurisdiction.
- (4) Attach retirement benefits with proper safeguards.
- (5) Attach bank accounts with proper safeguards.

H. Bankruptcy protections.

- (1) Liberalize procedures for filing support debt claims in bankruptcy court.
- (2) Eliminate the automatic stay as to paternity determinations, divorce actions, support establishment or modification and support collection actions.
- (3) Expand the exception of discharge to include property division orders in addition to alimony, maintenance or support of a child or spouse.

I. Additional issues.

- (1) Establish an Office of Child Support Enforcement.
- (2) Continue and expand federal incentive payments to promote prompt and efficient transitions required by the enactment of new laws.

If further information or details are desired, please contact the American Academy of Matrimonial Lawyers at
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A BILL

To amend title 28, United States Code, to grant to Federal courts jurisdiction to determine, in cases of conflicting child custody or support orders, which order conforms with section 1738A of such title.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1738A of title 28, United States Code is amended by adding at the end the following:

"(h) The district courts shall have jurisdiction of any action to determine, in the case of a dispute involving custody determinations of different states, whether such custody determinations were made consistently with the provisions of this section.

(i) The district courts shall have jurisdiction of any action to determine, in the case of a dispute involving child support determinations of different states, whether such support determinations were made consistently with the provisions of this section and the Uniform Interstate Family Support Act."

were never married. In addition, each state's Child Support Enforcement agency can request help directly from another state's agency in locating absent parents and establishing and enforcing support obligations.

WHAT DO I HAVE TO DO TO GET CHILD SUPPORT SERVICES?

An important part of applying for services is signing a document called an *assignment of rights*. This document is necessary for DCSE to provide services for you other than locating the absent parent. You can receive locate services without signing this document, but if you want DCSE to order the absent parent to pay support, or if you want DCSE to take the parent to court to get support, you must agree to turn over to DCSE any rights to support on behalf of your dependent children. Assignment of rights does not mean that you do not receive support money; it means that you are giving DCSE the authority to act on your behalf to receive the money and to transfer it to you.

HOW WILL I GET MY CHILD SUPPORT PAYMENTS?

Depending on your circumstances, you will receive payments in one of the following ways:

1) If the absent parent was ordered by the court to pay you directly, and this arrangement meets your approval, there will be no change.

- 2) If you are receiving ADC, the absent parent will be instructed to make payments directly to DCSE to reimburse the Commonwealth for your family's ADC grant. You are not entitled to both the support payment and your welfare grant.
- 3) If you were receiving support through the Juvenile and Domestic Relations Court prior to October 1, 1985, you now have three options:
 - a) you may have the absent parent pay you directly;
 - b) you may apply for full DCSE services and pay a fee of up to \$25, which will be your only fee as long as your case remains open; or
 - c) you may elect collection services only; no enforcement action can be taken and no assignment of rights is needed. An *annual* fee of \$25 is charged for collection service.

HOW CAN I GET MORE INFORMATION?

For more information on child support enforcement services, call toll free 1-800-468-8894.

Callers outside Virginia, phone (804) 281-9154 (Not toll free).

Facts about Child Support Enforcement for CUSTODIAL PARENTS



PEOPLE HELPING PEOPLE

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF SOCIAL SERVICES

An Equal Opportunity Agency

The Commonwealth of Virginia believes that every child has a right to support from both parents. Many times this right is violated when parents who aren't living with their children don't provide the kind of financial care that they should.

Because the lack of adequate child support is of great national concern, Congress passed a law in 1975 requiring every state to create an agency responsible for a child support program in that state. In Virginia, that agency is the Department of Social Services, which includes the Division of Child Support Enforcement.

Since 1975, the Division of Child Support Enforcement has been able to help custodial parents and their children in several ways. In 1984, Congress passed additional laws which give the Division even more authority to work on the problem of absent parents who fail to provide for their children's needs.

WHO CAN APPLY FOR SERVICES?

The Division of Child Support Enforcement (DCSE) serves all Virginians, regardless of race, sex, or income level. All families whose children need the financial support of an absent parent qualify for services from DCSE, including families receiving public assistance.

HOW DO I APPLY FOR SERVICE?

You may apply for child support services in three ways:

- 1) You may go to the Child Support Enforcement office in your area and fill out an application form.

- 2) You may fill out an application and mail it to the Child Support Enforcement Office serving your area.
- 3) If you are receiving Aid to Dependent Children (ADC), your caseworker will apply for you.

HOW MUCH DO SUPPORT ENFORCEMENT SERVICES COST?

The Division of Child Support Enforcement offers services which are affordable to all Virginians. The cost for services depends on the situation, but the maximum application fee is \$25. For families receiving ADC, child support services are free.

WHAT SERVICES ARE AVAILABLE FROM DCSE?

The services provided by DCSE fall into five different categories:

- 1) **Locating the absent parent** — DCSE will try to locate the absent parent for you through the State Parent Locator Service (SPLS), using the parent's name and Social Security number. If the absent parent has moved to another state, DCSE can ask that state to search for him or her through its State Parent Locator Service. DCSE can also search on a national level for the absent parent through the Federal Parent Locator Service (FPLS), if necessary.
- 2) **Getting a Support Order** — In cases where the absent parent refuses to pay child support, DCSE can ask the court to enter an order for support. The Division can also establish an administrative support order based on the absent parent's ability to pay.

- 3) **Enforcing the Support Order** — When support payments are irregular or are not made on time, DCSE has several enforcement methods available. These include withholding wages, placing liens on the absent parent's assets, and garnishing his or her paycheck. DCSE can also ask the Internal Revenue Service and the Virginia Department of Taxation to collect child support from the absent parent's tax refunds.
- 4) **Determining Legally the Father of a Child (Establishing Paternity)** — If a mother was never married to the father of her child, DCSE can help her get a legal ruling on that child's paternity. A support order cannot be set up for a child born out of wedlock until the father admits his responsibility or it is proven that he is the child's father. Legally establishing a child's paternity is important for other reasons as well. For example, once paternity has been established, the child may be entitled to the father's Social Security or Veteran's benefits, to mention only one concern.
- 5) **Interstate/URSEA** — Each state has legislation allowing its courts to cooperate with other states' courts on child support requests. This state legislation is known as the Uniform Reciprocal Enforcement of Support Act (URESA). Under this law, the courts of one state (called the initiating state) can ask the courts of another state (called the responding state) to provide URESA services. Although each state's law varies somewhat, URESA generally can be used to establish, change, or enforce a support order, or to make a legal determination of fatherhood for a child whose parents

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF SOCIAL SERVICES
ABSENT PARENT DEPRIVATION/PATERNITY INFORMATION

CREATE NEW _____ OR UPDATE _____

MUST HAVE VACIS CASE# FOR CREATE OR ANY OF * FIELDS FOR UPDATE

6 NEW AP FOR EXISTING CASE: _____

1 *VACIS CASE#		2 *APID#		3 *MPI#		4 *SSN#:		
5 *CHILD CLIENT ID#:								
7 *ABSENT PARENT LAST NAME:			FIRST:			MIDDLE:		
ALIAS NAME: LAST			FIRST:			MIDDLE:		
8 ADDRESS:				9 WHEN CURRENT:				
10 CITY:			11 STATE:			12 ZIP:		
13 COUNTRY:				14 FOREIGN POSTAL CODE:				
4 SSN:		15 DOB:		16 AGE:		17 SEX:		18 RACE:
19 BIRTH CITY/20 STATE/21 COUNTRY:				22 TELEPHONE#:				
23 GOOD CAUSE:				24 AP CURRENT RELATIONSHIP TO CASE NAME:				
ABSENT PARENT OCCUPATION DATA								
25 OCCUPATION:				26 EMPLOYER:				
27 AS OF DATE:				28 ADDRESS:				
29 TELEPHONE:			30 CITY:			31 STATE:		
32 ZIP:		33 DOES ABSENT PARENT RECEIVE BENEFITS? YES NO UNKNOWN				34 IF YES, WHICH TYPE:		

ABSENT PARENT MILITARY DATA

35 BRANCH:		36 STATUS:		37 END DATE:	
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ABSENT PARENT BANK DATA

38 BANK:		39 ACCOUNT#:	
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BOLDED FIELDS ARE REQUIRED FIELDS

ABSENT PARENT MOTOR VEHICLE DATA

40 LICENSE NUMBER:

41 STATE:

ABSENT PARENT CRIMES/CONVICTIONS DATA

42 ANY CRIMES/CONVICTIONS?

43 TYPE:

44 ENTER JAIL DATE:

45 JAIL CITY/COUNTY:

46 STATE:

47 IS ABSENT PARENT CURRENTLY ON PROBATION OR PAROLE?

ABSENT PARENT FATHER/MOTHER DATA

48 FATHER'S LAST NAME:

FIRST:

MIDDLE:

49 ADDRESS:

50 TELEPHONE#:

51 CITY:

52 STATE:

53 ZIP:

54 COUNTRY:

55 FOREIGN POSTAL CODE:

56 MOTHER'S LAST NAME:

FIRST:

MIDDLE:

57 ADDRESS:

TELEPHONE:

CITY:

STATE:

ZIP:

COUNTRY:

FOREIGN POSTAL CODE:

ABSENT PARENT EMERGENCY CONTACTS

58 LAST NAME:

FIRST:

MIDDLE:

59 ADDRESS:

60 RELATIONSHIP:

61 TELEPHONE#:

62 CITY:

63 STATE:

64 ZIP:

LAST NAME:

FIRST:

MIDDLE:

ADDRESS:

RELATIONSHIP:

TELEPHONE#:

CITY:

STATE:

ZIP:

LAST NAME:

FIRST:

MIDDLE:

ADDRESS:

RELATIONSHIP:

TELEPHONE#:

CITY:

STATE:

ZIP:

CHILD DATA										
65 MEM#	66 CHILD'S BIRTH CITY	67 CHILD'S BIRTH STATE	68 PAT. ACK.	69 DOES AP HAVE MED. INS. FOR CHILD(REN)	70 INS. NAME INS. #	71 COURT NAME	72 COURT ORDER#	73 TERMS 74 TYPE	75 COURT EFF. DTE	76 AMOUNT ORDERED

MEM#	77 LAST AMOUNT PAID	78 LAST AMT. PAID DATE	79 PAYMENT FREQUENCY	80 PAID TO:	81 MULTIPLE ORDERS

I certify that the information given is true and accurate to the best of my knowledge.

Recipient/Custodial Parent Signature _____

I. ADDITIONAL INFORMATION

Only complete Section I (Additional Information) if making a referral in a Medicaid only case or in referring the parents of a minor caretaker in an AFDC case.

Enter Information For The Children Listed					
DEPENDENT FULL NAME		SOCIAL SECURITY NUMBER		BIRTHDATE	

RECIPIENT/CUSTODIAL PARENT (CP) NAME: LAST			FIRST		MIDDLE
RECIPIENT/CP ADDRESS (NO., STREET, APT., CITY, STATE, ZIP)					
RECIPIENT (CP) SSN	RECIPIENT/CP HOME TELEPHONE NUMBER	RECIPIENT/CP EMPLOYER TELEPHONE NUMBER	RACE	RECIPIENT/CP RELATION TO CHILD	RECIPIENT/CUSTODIAL PARENT (CP) SEX

II. CHILD SUPPORT ENFORCEMENT SERVICES FOR MEDICAID RECIPIENTS

I understand that as a condition of eligibility for Medicaid, I must cooperate with the Division of Child Support Enforcement (DCSE) in establishing paternity and medical support. In addition, I understand that I am eligible to receive other services from DCSE if I choose. These services include establishment, enforcement, collection and distribution of child support payments. I also understand that when my Medicaid only case closes, I will continue to receive child support services unless I request that DCSE close my case.

CHECK ONE BOX ONLY:

- A. _____ I want all services offered by the Division of Child Support Enforcement. I authorize the Division of Child Support Enforcement to:
- (1) establish, enforce, and collect for me and my children current or past due support, including medical support, from anyone who has a legal duty to support me and my children.
 - (2) endorse and cash checks, money orders, or other forms of payment which are made out to me for support payments and to issue me a check from the State Treasury.
 - (3) give receipts to the payor for any payment collected.
- B. _____ I want medical support services only. This includes pursuing the Absent Parent for health insurance coverage as well as establishing paternity, if I was not married to the father at the time of my child's birth and paternity has not yet been established.

 Recipient/Custodial Parent Signature Date

III. CLIENT REFUSES TO COOPERATE

 Eligibility Worker Signature Date

 Eligibility Worker Phone Number

NOTICE OF COOPERATION AND GOOD CAUSE

IN ORDER TO BE ELIGIBLE FOR AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC), YOU ARE REQUIRED BY LAW TO COOPERATE IN ESTABLISHING PATERNITY AND/OR COLLECTING CHILD SUPPORT TO WHICH YOU OR YOUR CHILD MAY BE ENTITLED. IN ORDER TO BE ELIGIBLE FOR MEDICAID, YOU ARE REQUIRED BY LAW TO COOPERATE IN ESTABLISHING MEDICAL SUPPORT TO WHICH YOU OR YOUR CHILD MAY BE ENTITLED.

WHAT IS MEANT BY COOPERATION

- ▣ Appearing at a local Department of Social Services office, a Division of Child Support Enforcement office, a Medicaid office, Court, or other hearing or proceeding as requested.
- ▣ Providing verbal or written information as requested, or stating under penalty of perjury you have no knowledge of the information requested.
- ▣ Identifying the parent of any child applying for or receiving assistance.
- ▣ Helping establish legal paternity of a child born out of wedlock.
- ▣ Helping locate an absent parent.
- ▣ Helping obtain child support, medical support, or any other money or property owed to you or a child receiving assistance. This includes insurance companies who may be liable to pay for medical services.
- ▣ Paying to the Division of Child Support Enforcement any money directly received from the absent parent after your AFDC case has been approved.

WHAT ARE THE BENEFITS OF COOPERATION

Your cooperation could result in the following benefits:

- ▣ Locating an absent parent.
- ▣ Legally establishing paternity for a child.
- ▣ Obtaining child support that may be higher than your AFDC grant or receiving a support disregard payment of up to \$50.00 per month in addition to your AFDC grant.
- ▣ Obtaining rights to future social security, veteran's, or other government benefits, including medical support.

WHAT IS MEANT BY "GOOD CAUSE" FOR NOT COOPERATING

If you believe that your cooperation would not be in the best interest of a child, you may claim good cause for not cooperating. If you can provide evidence to support this claim, you may be excused from cooperating, and no attempt will be made to establish paternity or collect support.

WHAT IF YOU DO NOT COOPERATE AND GOOD CAUSE HAS NOT BEEN DETERMINED

- ▣ You will be ineligible for assistance. Your children will continue to be eligible.
- ▣ For AFDC, a protective payee may be appointed to receive the money payment.
- ▣ For AFDC and Medicaid, the Department of Social Services may seek support on behalf of eligible children if it is determined that it may be done without risk to you or your children.

WHAT IF YOU CHOOSE TO COOPERATE AND NOT CLAIM GOOD CAUSE

You may go directly to the end of this notice, check(✓) the block indicating you do not wish to claim good cause, and sign your name.

WHAT IF YOU WISH TO CLAIM GOOD CAUSE FOR NOT COOPERATING

- You may claim good cause for not cooperating at any time by telling your worker.
- You must then provide evidence that good cause exists within 20 days after claiming good cause when applying for AFDC, within 30 days after claiming good cause when applying for Medicaid.
- If you need help obtaining the necessary evidence, you may ask your worker for assistance.

HOW IS GOOD CAUSE DETERMINED TO EXIST

- Based on the information you provide and on investigation of your claim, your agency will determine if good cause exists.
- Good cause for not cooperating will be determined to exist only if:
 - * Your cooperation is anticipated to result in serious physical or emotional harm to your child or to you, reducing your ability to adequately care for your child.
 - * The child was conceived as a result of forcible rape or incest.
 - * Legal proceedings are going on for adoption of the child.
 - * You are currently being assisted by a public or licensed private social agency to decide whether to place the child for adoption.

WHAT KINDS OF EVIDENCE MAY BE USED TO SUPPORT YOUR CLAIM

- Birth certificates, or medical or law enforcement records which indicate that the child was conceived as the result of incest or forcible rape;
- Court documents or other records which indicate that legal proceedings for adoption are pending in court;
- Court, medical, criminal, child protective services, social services, psychological, or law enforcement records which indicate that the alleged or absent father might inflict physical or emotional harm on you or the child;
- Medical records which indicate emotional health history and present health status of you or the child for whom support would be sought; or written statements from a mental health professional indicating a diagnosis or prognosis concerning the emotional health of you or the child;
- A written statement from a public or private agency confirming that you are being assisted in resolving the issue of whether to keep or give up the child for adoption; and
- Sworn statements from individuals, including friends, neighbors, clergymen, social workers, and medical professionals who might have knowledge of the circumstances providing the basis for your good cause claim of physical harm.

WHAT HAPPENS AFTER A DETERMINATION IS MADE

- You will be notified of the results of the agency's investigation and whether or not good cause for not cooperating exists. If good cause does not exist, you will be required to cooperate with your agency and the Division of Child Support Enforcement.
- The Division of Child Support Enforcement and the State Medicaid Office may review the determination.
- If you disagree with the determination, you may request a hearing. Child Support Enforcement and Medicaid may participate in that hearing.

▫ I have read this notice and understand my right to claim good cause for refusing to cooperate. Check (✓) one of the blocks below:

I do not wish to claim good cause.

I wish to claim good cause.

Signature of Applicant/Recipient

Date

▫ I have provided the applicant/recipient with a copy of this notice.

Signature of Worker

Date

Commonwealth of Virginia
 Department of Social Services
APPLICATION FOR BENEFITS

FOR FOOD STAMP APPLICANTS

APPLICATION FILING INSTRUCTIONS

Please give complete and truthful answers. **Information you give will be subject to verification. If you give false information, withhold information, or fail to report changes, you could lose your benefits, and perhaps be arrested, prosecuted, fined or imprisoned.**

With this application you can apply for any of these programs:

FOOD STAMPS - Fill out pages 1 - 9, sections A, B, C and D. Also, see the information in the next column about Food Stamp applications.

AID TO FAMILIES WITH DEPENDENT CHILDREN (AFDC) - Fill out pages 1 - 7, and page 10, sections A, B, C and E.

AFDC - UNEMPLOYED PARENT - Fill out pages 1 - 7, and 10 - 11, sections A, B, C, E and F.

MEDICAID - Fill out pages 1 - 7, sections A, B and C. If you are applying for children age 18 or younger, also fill out page 10, section E.

GENERAL RELIEF - Fill out pages 1 - 7, sections A, B, C and on page 12, sections G.1 and G.2. If you are applying for a child not related to you, also fill out page 10, section E.

EMERGENCY ASSISTANCE - Fill out pages 1 - 7, sections A, B, C and on page 12, section G.2.

STATE AND LOCAL HOSPITALIZATION - Fill out pages 1 - 7, sections A, B, C and on page 12, section G.3.

AUXILIARY GRANTS - Fill out pages 1 - 7, sections A, B, C and on page 12, section G.4.

REFUGEE RESETTLEMENT PROGRAM - Fill out pages 1 - 7, sections A, B and C. If you are applying for children age 18 or younger, also fill out pages 10 - 11, sections E and F.

READ "YOUR RIGHTS AND RESPONSIBILITIES" ON PAGES 13 AND 14. SIGN THE APPLICATION ON PAGE 14.

The booklet "Virginia Social Services - Benefit Programs" describes the programs and explains procedures, rights and responsibilities.

See the back of this sheet for other directions.

You may file a food stamp application by leaving a completed Application for Benefits at the agency, or leaving an application which contains your name, address and signature, or by leaving this half sheet with your name, address and signature completed.

You must be interviewed before the application is processed, but you may file an application before you are interviewed. Under certain hardship conditions you may ask for the office interview to be waived and replaced, for example, by a telephone interview. If you are eligible for the month you apply, benefits for that month are prorated from the date of application.

Some households qualify for emergency service for food stamps. Please give the information requested below so the agency can determine if you qualify for emergency service.

Total income before deductions expected this month: \$ _____
 Total of all cash, checking and savings accounts: \$ _____
 Total rent or mortgage, and all utilities, including phone: \$ _____

Check the statement which explains where you live:

- Residence of your own
- Staying temporarily with someone else
- Emergency shelter or welfare hotel
- Place not usually used for sleeping

Is anyone in your household a migrant or seasonal farmworker?

YES () NO ()

IF YOU WANT TO FILE AN APPLICATION BY LEAVING THIS HALF SHEET, ANSWER THE ITEMS BELOW, TEAR OFF THIS HALF AND GIVE IT TO THE AGENCY. PLEASE NOTE: YOU MUST COMPLETE THE REST OF THE APPLICATION PROCESS BEFORE YOUR ELIGIBILITY CAN BE DETERMINED.

NAME	DATE OF BIRTH
SOCIAL SECURITY NUMBER	
ADDRESS	
SIGNATURE	DATE

AGENCY USE ONLY

CASE NAME		
CASE NUMBER		
AGENCY	WORKER	DATE

Complete the above if this sheet was filed as a Food Stamp application. Complete EXPEDITED DETERMINATION for all applicants who completed the checklist on the reverse.

EXPEDITED DETERMINATION

Income less than \$150 and resources \$100 or less YES () NO ()

Income plus resources less than shelter bills YES () NO ()

No permanent residence YES () NO ()

For migrants or seasonal farmworkers:

Resources \$100 or less, and in next 10 days, \$25 or less expected from new income, OR

Resources \$100 or less, and no income expected from terminated source for rest of this month or next month YES () NO ()

EXPEDITE IF YES TO ANY CRITERIA.

APPLICATION INSTRUCTIONS

If you need help completing the application, a friend or relative or your eligibility worker can help you.

If you are completing this application for someone else, answer each question as if you were that person.

If you need to change an answer or make a correction, write the correct information nearby, and put your initials and date next to the change.

If your household has more than 8 people and you need more space to list everyone, tell the agency you need extra pages.

IMPORTANT INFORMATION ABOUT FILING AN APPLICATION

You may leave a partially completed application which contains at least your name, address and signature (or the signature of your authorized representative). But you must complete the rest of the application before your eligibility for benefits can be determined. For some programs, you will also need to be interviewed, but you may file the application before your interview.

You may file your application any time during office hours, the same day you contact the Department of Social Services in your locality. You may file an application even if you appear to be ineligible for benefits.

If you are applying for Food Stamps, you may get benefits within 5 days following the date your application is filed if you are eligible and if:

- Monthly shelter bills are higher than your household's gross monthly income and liquid resources; or
- Gross monthly income is less than \$150, and liquid resources are \$100 or less; or
- Your household has no place of its own to live; or
- Your household is a migrant or seasonal farmworker household with little or no income and resources.

APPL
ACCE
MALE
if app
App
if app
SPOUSE
YES
PERSO
WHI
YES
EXP

**VIRGINIA DEPARTMENT
OF SOCIAL SERVICES
APPLICATION FOR BENEFITS**

AGENCY USE ONLY				
CASE NAME	CASE NUMBER	PROGRAM	WORKER	DATE REC'D
DATE OF SERVICE REFERRAL			LOCALITY	

A. GENERAL INFORMATION

I WISH TO APPLY FOR:

() Financial Assistance () Medical Assistance () Food Stamps (Check here ___ if you do NOT want to apply for Food Stamps)

APPLICANT'S NAME	SOCIAL SECURITY NUMBER	PHONE NUMBER (HOME)
		(WORK)
ADDRESS (INCLUDE CITY, STATE AND ZIP CODE)		DIRECTIONS TO HOME
MAILING ADDRESS (IF DIFFERENT)		
If applicant's address is a Home for Adults, an Adult Family Care Home, a Nursing Facility or other institution check here (). Date applicant entered _____		
Applicant's address before entering Home for Adults, Adult Family Care Home, Nursing Facility or other institution _____		
If applicant in a Nursing Facility has a spouse, give the spouse's name and address:		
SPOUSE'S NAME	SPOUSE'S ADDRESS	

YES () NO () Have you, or the person(s) for whom you are applying, ever gotten benefits before, or is anyone getting them now? If YES, complete the following:

PERSON GETTING BENEFITS	UNDER WHAT NAME	TYPE OF BENEFITS
WHEN	FROM WHAT COUNTY OR CITY OR STATE	

YES () NO () Is there anything that you would like to talk to a service worker about? This could include concerns about your children, school problems, day care needs, family planning, referrals to other community organizations, or other problems and concerns. If YES, explain.

EXPLAIN

FOLDOUT

Unfold this page and use to complete
Section A, GENERAL INFORMATION

A. GENERAL INFORMATION (ALL APPLICANTS MUST COMPLETE THIS SECTION.)

1. LIST EVERYONE WHO LIVES IN YOUR HOME, EVEN IF YOU ARE NOT APPLYING FOR ASSISTANCE FOR EVERYONE.

INCLUDE ANYONE TEMPORARILY AWAY FROM HOME.

INDICATE WITH A CHECK THE ASSISTANCE PROGRAMS YOU ARE REQUESTING FOR EACH PERSON. CHECK NONE IF YOU ARE NOT REQUESTING ASSISTANCE FOR A HOUSEHOLD MEMBER.

ANSWER THE REST OF THE QUESTIONS IN THE APPLICATION FOR THE PEOPLE YOU ARE REQUESTING BENEFITS FOR.

LIST YOURSELF ON LINE 1.

#	IS THIS PERSON AWAY?		LAST NAME	FIRST NAME	MI	MAIDEN NAME	PROGRAMS												
	YES	NO					FOOD STAMPS	AFDC	AFDC-UP	MEDICAID	GENERAL RELIEF	EMERGENCY ASSISTANCE	STATE & LOCAL HOSPITALIZATION	AUXILIARY GRANTS	REFUGEE RESETTLEMENT PROGRAM	NONE			
1																			
2																			
3																			
4																			
5																			
6																			
7																			
8																			

AGENCY USE ONLY

IF PERSON IS AWAY, GET DATE LEFT, DATE TO RETURN, REASON.
 IF ANYONE IS A PAYEE FOR OTHER MEMBERS, DETERMINE REASON.



USE THE FOLDOUT TO COMPLETE THIS SECTION.

#	RELATIONSHIP	SOCIAL SECURITY NUMBER	BIRTHDATE mo/day/yr	CITY AND STATE OR COUNTRY	RACE OR CULTURAL HERITAGE	SEX	MARITAL STATUS	DATE mo/day/yr	VETERAN		CLAIM NUMBER
									YES	NO	
1											
2											
3											
4											
5											
6											
7											
8											

AGENCY USE ONLY

MAKE APPROPRIATE REFERRALS TO OTHER ORGANIZATIONS SUCH AS V.A.

USE THE FOLDOUT TO COMPLETE THIS SECTION.

#	CITIZENSHIP	ALIEN NUMBER	DATE OF ARRIVAL mo/day/yr	GRADE COMPLETED	SCHOOL		NAME OF SCHOOL	# of HRS PER WEEK	13. Indicate with a check if anyone is:					14. EXPENSES		DATES OF EXPENSES	
					YES	NO			BLIND	TOTALLY DISABLED	TOO ILL OR INJURED TO WORK	PREGNANT	NEEDED TO CARE FOR A DISABLED PERSON	YES	NO		
1																	
2																	
3																	
4																	
5																	
6																	
7																	
8																	

AGENCY USE ONLY

FOR ALIENS, OBTAIN SPONSOR'S NAME, ADDRESS, INCOME, RESOURCE INFORMATION WHEN NECESSARY.

PHOTOCOPY ALIENAGE DOCUMENTATION WHEN REQUIRED.

DETERMINE ENTITLEMENT TO RETROACTIVE MEDICAID.

B. RESOURCES (ALL APPLICANTS MUST COMPLETE THIS SECTION.)

If you are applying for **MEDICAID** for a nursing facility or community-based care, provide resource information for your spouse, even if he or she is not living with you.

Does anyone have any of the following resources? Include resources co-owned with someone else, even if that person does not live with you. Check YES or NO to each question. If YES, provide the information requested.

YES() NO() 1. Cash not in a bank, including accounts for people in Nursing Facilities or Adult Homes?

NAME	AMOUNT
	\$

YES() NO() 2. Checking accounts, savings accounts, credit union accounts, Christmas Club accounts, trust funds, or certificates of deposit?

NAME	TYPE	WHERE	AMOUNT
	ACCOUNT #		\$
NAME	TYPE	WHERE	AMOUNT
	ACCOUNT #		\$

YES() NO() 3. Burial funds, burial plots, burial trusts, or prearranged burials?

NAME	TYPE	WHERE	AMOUNT
			\$
NAME	TYPE	WHERE	AMOUNT
			\$

YES() NO() 4. Stocks or bonds, pension plans, or retirement accounts?

NAME	TYPE	WHERE	AMOUNT
			\$
NAME	TYPE	WHERE	AMOUNT
			\$

YES() NO() 5. Tools, equipment, or supplies?

OWNER(S)	TYPE	NECESSARY TO YOUR BUSINESS OR TRADE, INCLUDING FARMING?	YES ()	NO ()	VALUE
					\$

YES() NO() 6. Houses, land, buildings, house trailers, or mobile homes?

OWNER(S)	TYPE (INCLUDING NUMBER OF ACRES)	WHERE LOCATED	VALUE	IS THIS WHERE YOU LIVE?
			\$	YES () NO ()
OWNER(S)	TYPE (INCLUDING NUMBER OF ACRES)	WHERE LOCATED	VALUE	IS THIS WHERE YOU LIVE?
			\$	YES () NO ()

YES() NO() 7. Cars, trucks, vans, recreational vehicles such as mopeds and all-terrain vehicles, motorcycles, boats, or utility trailers titled in any household member's name?

OWNER(S)	TYPE OF VEHICLE: YEAR-MAKE-MODEL	CURRENTLY LICENSED? YES () NO ()	VALUE \$	AMOUNT OWED \$	EXPLAIN HOW USED
OWNER(S)	TYPE OF VEHICLE: YEAR-MAKE-MODEL	CURRENTLY LICENSED? YES () NO ()	VALUE \$	AMOUNT OWED \$	EXPLAIN HOW USED

YES() NO() 8. Medical Insurance?

IN WHOSE NAME	PERSON COVERED	COMPANY	TYPE OF COVERAGE	ID NUMBER	PREMIUM \$	WHO PAYS	EFFECTIVE DATE
IN WHOSE NAME	PERSON COVERED	COMPANY	TYPE OF COVERAGE	ID NUMBER	PREMIUM \$	WHO PAYS	EFFECTIVE DATE

YES() NO() 9. Medicare Part A?

PERSON	CLAIM NUMBER	BEGIN DATE	PERSON	CLAIM NUMBER	BEGIN DATE
--------	--------------	------------	--------	--------------	------------

YES() NO() 10. Medicare Part B?

PERSON	CLAIM NUMBER	BEGIN DATE	PERSON	CLAIM NUMBER	BEGIN DATE
--------	--------------	------------	--------	--------------	------------

YES() NO() 11. Life Insurance policies? (NOT REQUIRED IF YOU ARE APPLYING ONLY FOR FOOD STAMPS)

OWNER	PERSON INSURED	COMPANY	TYPE OF POLICY	POLICY NUMBER	FACE VALUE \$	CASH VALUE \$
OWNER	PERSON INSURED	COMPANY	TYPE OF POLICY	POLICY NUMBER	FACE VALUE \$	CASH VALUE \$
OWNER	PERSON INSURED	COMPANY	TYPE OF POLICY	POLICY NUMBER	FACE VALUE \$	CASH VALUE \$

YES() NO() 12. Has anyone sold, transferred, or given away any personal property or real estate: -in the last 3 months if applying for Food Stamps;
-in the last 24 months if applying for AFDC or General Relief;
-in the last 30 months if applying for Medicaid?

WHAT PROPERTY	VALUE \$	AMOUNT RECEIVED \$	EXPLAIN WHY
FROM WHOM	TO WHOM	WHEN	

YES() NO() 13. Are any changes in resources or household members expected this month or next month? If YES, explain:

CHANGES EXPECTED

C. INCOME (ALL APPLICANTS MUST COMPLETE THIS SECTION.)

If you are applying for **MEDICAID** for a nursing facility or community-based care, provide income information for your spouse, even if he or she is not living with you. Also, give your worker your shelter bills.

1. Does anyone earn any money from working? Check the right answer for each item.

- YES () NO () FULL OR PART TIME JOB YES () NO () ON-THE-JOB TRAINING YES () NO () PROVIDING ROOM AND BOARD
 YES () NO () SELF-EMPLOYMENT YES () NO () WORKING FOR RENT YES () NO () FARM OR CROP INCOME
 YES () NO () COMMISSIONS, BONUSES, TIPS YES () NO () BABYSITTING/PROVIDING DAY CARE YES () NO () ANY OTHER INCOME ANYONE RECEIVES FROM WORKING (specify) _____

IF YOU ANSWERED **YES** TO ANY ITEM ABOVE, GIVE THE FOLLOWING INFORMATION ABOUT EACH **SOURCE** OF MONEY:

PERSON RECEIVING INCOME	EMPLOYER'S NAME, ADDRESS, PHONE NUMBER	DATE EMPLOYED	HOURS WORKED PER WEEK	RATE OF PAY	HOW OFTEN PAID	DAY OF WEEK PAID	GROSS MONTHLY PAY BEFORE DEDUCTIONS
				\$ PER			
				\$ PER			
				\$ PER			

2. Does anyone receive any other money? Check the right answer for each item.

- YES () NO () SOCIAL SECURITY YES () NO () SUPPORT, ALIMONY YES () NO () LOANS YES () NO () INHERITANCE
 YES () NO () SSI YES () NO () UNEMPLOYMENT BENEFITS YES () NO () UTILITY ASSISTANCE YES () NO () PRIZE WINNINGS
 YES () NO () VA BENEFITS YES () NO () WORKMAN'S COMPENSATION YES () NO () ALL FOOD OR CLOTHING YES () NO () INSURANCE SETTLEMENT
 YES () NO () BLACK LUNG BENEFITS YES () NO () PUBLIC ASSISTANCE YES () NO () ALL SHELTER YES () NO () RENT FROM PROPERTY
 YES () NO () RAILROAD RETIREMENT YES () NO () INTEREST, DIVIDENDS YES () NO () CASH CONTRIBUTIONS YES () NO () ANY OTHER INCOME
 YES () NO () OTHER RETIREMENT YES () NO () FOSTER CARE YES () NO () CASH GIFTS (specify) _____

IF YOU ANSWERED **YES** TO ANY ITEM ABOVE, GIVE THE FOLLOWING INFORMATION ABOUT EACH **SOURCE** OF INCOME:

PERSON RECEIVING INCOME	TYPE OF INCOME RECEIVED	GROSS AMOUNT RECEIVED	HOW OFTEN, WHEN RECEIVED

IF APPLYING FOR MEDICAID, AND SSI RECEIVED ANY TIME AFTER APRIL 1, 1977, WAS SOCIAL SECURITY RECEIVED AT THE SAME TIME? YES () NO ()

AGENCY USE ONLY

DETERMINE IF EARNINGS INCLUDE EITC ADVANCE PAYMENTS
FOR DAY CARE INCOME, DETERMINE # OF MEALS/SNACKS PROVIDED EACH WEEK
FOR ROOMER/BOARDER INCOME, DETERMINE IF HEAT INCLUDED, # OF MEALS PROVIDED

YES() NO() 3. Has anyone been fired, laid off, or on sick leave; gone on strike; or quit a job in the last 60 days? If YES, give this information:

NAME OF PERSON	EMPLOYER'S NAME, ADDRESS, PHONE NUMBER	EMPLOYMENT DATES FROM TO	HOURS WORKED PER WEEK	RATE OF PAY	HOW OFTEN PAID	LAST PAY RECEIVED	REASON FOR LEAVING
				\$ PER			

YES() NO() 4: Does anyone besides the people you are applying for pay or help pay rent, utilities, medical bills or other bills? If YES, give this information:

PERSON RECEIVING HELP	PERSON PROVIDING HELP	TYPE OF HELP RECEIVED	AMOUNT	DOES MONEY COME DIRECTLY TO YOU?	IS THIS A LOAN?	IS REPAYMENT EXPECTED?
			\$ PER	YES () NO ()	YES () NO ()	YES () NO ()
			\$ PER	YES () NO ()	YES () NO ()	YES () NO ()

YES() NO() 5. Does anyone have a day care expense for a child or other dependent? If YES, give this information:

PERSON PAYING FOR CARE	PERSON RECEIVING CARE	check if DISABLED	PROVIDER'S NAME, ADDRESS, PHONE NUMBER	AMOUNT PAID
				\$ PER
				\$ PER

YES() NO() 6. Has anyone applied for or received student financial aid or work study for a current school term at a college or university, or any school or training program beyond the high school level? Or any school or training program for the physically or mentally handicapped? If YES, give this information:

NAME OF PERSON	TYPE OF FINANCIAL AID	AMOUNT	SCHOOL EXPENSES				
			TUITION/FEES	BOOKS/SUPPLIES	TRANSPORTATION	DAY CARE	OTHER

YES() NO() 7. Are any changes in the type of money received, employment, or hours worked expected this month or next month? If YES, explain.

CHANGES EXPECTED

AGENCY USE ONLY
INVESTIGATE VOLUNTARY QUIT IF APPLICABLE

D. FOOD STAMPS (COMPLETE THIS SECTION IF YOU ARE APPLYING FOR FOOD STAMPS.)

1. List the name of the person who is the head of your household.

YES() NO() 2. Would you like to name one or more authorized representatives who could apply for food stamps for you, pick up your stamps for you, or use your stamps in grocery stores for you? If YES, provide the information requested.

	NAME, ADDRESS, PHONE NUMBER OF REPRESENTATIVE	CHECK EACH DUTY AUTHORIZED FOR THAT PERSON
1		() APPLY FOR STAMPS () PICK UP STAMPS () USE STAMPS
2		() APPLY FOR STAMP () PICK UP STAMPS () USE STAMPS

If you want to authorize someone to apply for food stamps for you, the head of your household, spouse, or any member age 18 or older needs to give the authorized person permission in writing.

YES() NO() 3. Are there people in your household who are not included in your Food Stamp application? Give names. _____

If YES, do you and everyone for whom you are applying usually purchase and prepare meals apart from these people, OR do you intend to do so if your application for Food Stamps is approved? YES () NO ()

YES() NO() 4. Is anyone age 60 or older, OR approved to receive Medicaid because of a disability, OR receiving any type of disability check?

If YES, list all current medical expenses for these people, including medicare premiums, other medical insurance premiums, doctor and dental bills, prescription drug bills, bills for glasses, dentures, or hearing aids, transportation for medical services, nursing services, and any other medical bills.

PERSON WITH EXPENSE	TYPE OF EXPENSE	AMOUNT	NAME, ADDRESS, PHONE NUMBER OF DOCTOR, HOSPITAL, PHARMACY, ETC.
		\$	
		\$	

Would you like your food stamp benefit determined by deducting your medical expenses as a lump sum, averaging your expenses, or using your expected monthly payment? TALK TO YOUR WORKER BEFORE ANSWERING.

Expense _____ Lump Sum() Averaging() Expected Payment()

Expense _____ Lump Sum() Averaging() Expected Payment()

YES() NO() 5. Does anyone have any shelter expenses for rent, mortgage, utilities, telephone, real estate tax, home owner's insurance, or utility installation fees?

If YES, provide the information requested.

If utilities are included in rent, check here () and leave those boxes blank.

If taxes and insurance are included in your mortgage payment, check here () and leave that box blank.

EXPENSES	RENT OR MORTGAGE	ELECTRICITY	GAS	OIL	COAL	KEROSENE	WOOD	WATER/SEWER	GARBAGE	TELEPHONE	INSTALLATION	TAXES	INSURANCE
AMOUNT BILLED	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
HOW OFTEN													
WHO PAYS BILL													

If anyone has a bill for heating or cooling the home, check here ().

If anyone got assistance from the Fuel Assistance Program now or in the past year, check here ().

If you had a bill for heating or cooling or got Fuel Assistance would you like your food stamp benefits figured using your actual utility expenses or the utility standard? TALK TO YOUR WORKER BEFORE ANSWERING. Actual Expenses() Utility Standard()

YES() NO() 6. Does your household have no permanent residence of its own? (This includes living temporarily in another person's home.)

If YES, would you like your food stamp benefits figured using actual shelter expenses or the shelter standard? TALK TO YOUR WORKER BEFORE ANSWERING. Actual Expenses() Shelter Standard()

YES() NO() 7. Does anyone have shelter bills for a place they do not currently live in due to employment or training away from home, or illness or a disaster?

If YES, provide the following information:

REASON FOR NOT LIVING THERE	DOES PERSON INTEND TO RETURN?	TYPE AND AMOUNT OF SHELTER EXPENSES	IS SOMEONE ELSE LIVING THERE?	IF SOMEONE ELSE LIVES THERE, DOES THAT PERSON PAY RENT?
	YES() NO()		YES() NO()	YES() NO() AMOUNT \$

E. FINANCIAL AND MEDICAL ASSISTANCE FOR CHILDREN

1. List EACH CHILD for whom you are applying. Give the names of both parents. If you are applying for more than 4 children, ask your worker for another form.	2. Check if either PARENT is:				3. For each ABSENT parent, check REASON FOR ABSENCE:										4. Does the ABSENT PARENT regularly provide monthly financial support?			5. Does the ABSENT PARENT regularly make sure the child eats, sleeps, bathes, dresses properly, and gets proper medical care?		6. Does the ABSENT PARENT regularly participate in the child's activities, attend school conferences, and share in decisions about discipline?	
															SUPPORT			PHYSICAL CARE		GUIDANCE	
	NAMES OF CHILDREN AND PARENTS	UNEMPLOYED	DISABLED	DEAD	ABSENT	PATERNITY NOT ESTABLISHED	DIVORCED	IN JAIL	INCAPACITATED	DESERTED	DEPORTED	WORKING AWAY FROM HOME	MILITARY SERVICE	SEPARATED/LIVING APART	YES	NO	AMOUNT	YES	NO	YES	NO
Child																					
Mother																\$ PER					
Father																\$ PER					
Child																					
Mother																\$ PER					
Father																\$ PER					
Child																					
Mother																\$ PER					
Father																\$ PER					
Child																					
Mother																\$ PER					
Father																\$ PER					

AGENCY USE ONLY

IF CHILD EXCLUDED FROM ADC APPLICATION, DETERMINE IF STATEMENTS WILL BE OBTAINED FROM BOTH PARENTS THAT MAINTENANCE, CARE, AND GUIDANCE ARE PROVIDED. IF NOT, CHILD MUST BE INCLUDED IN THIS SECTION.

F. AFDC-UP (COMPLETE THIS SECTION IF YOU ARE APPLYING FOR AFDC-UP.)

1. Which parent received more money from working in the past 24 months? Do not include this month.

NAME OF PARENT

*** ANSWER THE FOLLOWING QUESTIONS ABOUT THE PARENT NAMED ABOVE. ***

YES() NO() 2. Is this parent currently working?

If NO, complete this item:

LAST DAY WORKED	NAME, ADDRESS, PHONE NUMBER OF EMPLOYER
-----------------	---

If YES, complete this item:

NUMBER OF HOURS WORKED PAST 2 MONTHS:		NUMBER OF HOURS EXPECTED TO WORK THIS MONTH:	NUMBER OF HOURS EXPECTED TO WORK NEXT MONTH:
1st MONTH	2nd MONTH		

YES() NO() 3. Has this parent applied for unemployment? If YES, complete the following:

DATE APPLIED	PIN NUMBER	WHERE APPLIED
--------------	------------	---------------

YES() NO() 4. Is this parent currently receiving unemployment benefits?

If YES, complete this item:

DATE BEGAN	AMOUNT
	\$ PER

If NO, has this parent received unemployment in the past 12 months? YES () NO () If YES, when?

DATE BEGAN	DATE ENDED
------------	------------

YES() NO() 5. Has this parent worked at any time during the last 4 years and 3 months?

If YES, complete the following:

WHEN	WHERE	WHEN	WHERE
WHEN	WHERE	WHEN	WHERE
WHEN	WHERE	WHEN	WHERE

YES() NO() 6. Has this parent participated in a Social Services Employment Services Program within the last 4 years and 3 months?

If YES, complete the following:

WHEN	WHERE
------	-------

YES() NO() 7. Has this parent refused a job or training offer in the last 30 days?

If YES, complete the following:

WHO MADE OFFER	WHY REFUSED
----------------	-------------

G. OTHER ASSISTANCE PROGRAMS (COMPLETE SECTIONS FOR PROGRAMS YOU ARE REQUESTING.)

1. GENERAL RELIEF

YES() NO() 1. Does anyone have any responsibility for rent or utility bills (not telephone), even if someone else helps pay?

YES() NO() 2. Has anyone applied for SSI (Supplemental Security Income)? If YES, give date applied: _____

Check one: () NO DECISION MADE YET () SSI APPLICATION APPROVED () SSI APPLICATION DENIED () DECISION APPEALED

2. GENERAL RELIEF / EMERGENCY ASSISTANCE

YES() NO() 1. Does anyone have any emergency food, rent, utility (not deposits), medical, clothing, transient or relocation expenses?

If YES: DESCRIBE EMERGENCY AND CAUSE

--

3. STATE AND LOCAL HOSPITALIZATION

1. Name of person receiving hospital or clinic service: _____ Name of hospital or clinic: _____

2. If service has already been received, give dates. DATE ADMITTED: _____ DATE DISCHARGED: _____

3. If you were hospitalized as the result of an accident, complete the following:

WHAT HAPPENED, WHERE, HOW		
NAME, ADDRESS OF PERSON AT FAULT		IS A LIABILITY SUIT PLANNED OR IN PROGRESS? YES() NO()
NAME, ADDRESS OF ALL INSURANCE COMPANIES INVOLVED	NAME, ADDRESS, PHONE NUMBER OF YOUR ATTORNEY	

4. AUXILIARY GRANTS

YES() NO() 1. Do you own any items such as silver, fine china, furs, antiques, art works, expensive jewelry, or other items worth more than \$500? If YES, complete the following:

DESCRIPTION OF ITEMS	VALUE OF ITEMS

YES() NO() 2. Do you owe or did you pay in the month of application any bills you had before you entered the home for adults? If YES, complete the following:

DESCRIPTION OF BILLS	DATES OF BILLS	DATES BILLS PAID

YOUR RIGHTS AND RESPONSIBILITIES

READ CAREFULLY BEFORE SIGNING THIS APPLICATION.

CHANGES

You must report all required changes within the time limits required. The following examples do not include every change which you must report. If you are not sure whether to report a particular change, discuss this with your worker.

FOOD STAMPS

(REPORT CHANGES WITHIN 10 DAYS)

- 1) Change of address and changes in shelter costs due to the move
- 2) Change in the number of people in the household
- 3) Change in source of income, including getting a new job
- 4) Change in monthly income of more than \$25
- 5) Change in resources
- 6) Change in motor vehicles owned
- 7) Change in medical expenses of more than \$25 for anyone 60 years or older or disabled

FINANCIAL ASSISTANCE AND MEDICAID

(REPORT CHANGES THE DAY THEY OCCUR OR THE FIRST DAY FOLLOWING THAT THE AGENCY IS OPEN)

- 1) Change of address
- 2) Change in marital status
- 3) Change in number of people in the household
- 4) Child turns 16 or 18
- 5) Person in home no longer disabled
- 6) Change in income
- 7) Change in resources
- 8) Change in motor vehicles owned
- 9) Change in dependent care expenses

FRAUDULENT INFORMATION

If you knowingly give false, incorrect or incomplete information in order to receive or help someone else to receive benefits, you are subject to prosecution for fraud or a disqualification hearing.

PENALTIES FOR FOOD STAMP VIOLATIONS

You must not give false information or hide information to get food stamps.

You must not trade or sell food stamps or authorization (ATP) cards.

You must not change ATP cards to get food stamps you are not eligible to receive.

You must not use food stamps to buy non-food items, such as alcohol, tobacco or paper products.

You must not use someone else's food stamps or ATP card for your household.

If anyone intentionally breaks any of these rules, that person could be:

- Barred from the Food Stamp Program for 6 months (1st violation);
- Barred for 12 months (2nd violation);
- Barred permanently (3rd violation);
- Subject to \$20,000 fine; imprisoned up to 5 years, or both;
- Suspended for an additional 18 months and further prosecuted under other Federal and State laws.

FRAUD IS A VERY SERIOUS OFFENSE.

INFORMATION ABOUT THE DIVISION OF CHILD SUPPORT ENFORCEMENT (DCSE)

For AFDC cases, you are required to assign all of your rights to support paid for you or others for whom you are receiving AFDC. You must turn over to DCSE any support after you receive your first AFDC check. By accepting the AFDC check you are agreeing to this assignment.

ASSIGNMENT OF RIGHTS TO MEDICAL SUPPORT

As long as you are covered by Medicaid or SLH, you are required to assign all of your rights to medical support and turn over payments or reimbursements for medical services to the Department of Medical Assistance Services (DMAS). You are also required to assign to DMAS these same rights for everyone else for whom you have the legal right to do so.

Failure to assign your rights will make you Medicaid or SLH ineligible. Failure to assign the rights of anyone else will not make that person ineligible. If you are unwilling to assign these rights, initial the appropriate refusal below.

_____ I refuse to assign my rights.

_____ I refuse to assign the rights of

(name) _____

(signature) _____

DECLARATION OF CITIZENSHIP OR LAWFUL ALIEN STATUS

To be eligible for AFDC, AFDC-UP or Medicaid, each person for whom assistance is requested must provide a signed statement that he or she is a U.S. citizen or is an alien living in the United States in lawful immigration status. Emergency medical services may be available without regard to citizenship, immigration status, or a signed statement declaring citizenship or lawful alien status.

Applicants age 18 or older must sign this statement for themselves and may sign for children under 18. If there is no one 18 or older requesting assistance, the applicant may sign this statement for non-adults. Any adult or child for whom such a statement is not signed shall not be eligible for assistance.

For AFDC, AFDC-UP or Medicaid, your signature on the application certifies, under penalty of perjury, that you and all persons under age 18 for whom you are applying are U.S. citizens or aliens in lawful immigration status as indicated on this application. Persons age 18 or older other than the applicant must complete and sign the *Declaration of Citizenship or Alien Status* form to meet this requirement. For Food Stamps, your signature certifies, under penalty of perjury, that all household members are U.S. Citizens or aliens in lawful immigration status.

ACKNOWLEDGMENT OF RIGHTS AND RESPONSIBILITIES

I understand:

- All the information in the Your Rights and Responsibilities section, including my responsibility to report changes on time;
- Under penalty of perjury, that if I give false information, withhold information, or fail to report changes promptly or on purpose, I may be breaking the law and could be prosecuted for perjury, larceny or welfare fraud;
- If I helped complete this form for the applicant, and aided or abetted the applicant to get benefits to which he or she was not entitled, I may be breaking the law and can be prosecuted;
- Refusal to cooperate with any review of my eligibility, including reviews by Quality Control, may cause my benefits to be denied or stopped until I cooperate.

I received these booklets and have had them reviewed with me:
Virginia Social Services - Benefit Programs YES() NO() ; for Medicaid or AFDC applicants, the Medicaid Handbook YES() NO().

My signature authorizes:

- The release to this agency of all information necessary to determine my eligibility; and
- The release of any medical or psychological information obtained from any source to the state or local agency that may review this application for financial or medical assistance.

I declare that all information I gave on this application is correct and complete to the best of my knowledge and belief.
 I filled in this application myself. YES() NO() If NO, it was read back to me when completed. YES() NO()

APPLICANT'S SIGNATURE OR MARK	DATE	SPOUSE'S SIGNATURE OR MARK (NOT NEEDED FOR FOOD STAMPS)	DATE
WITNESS OF MARK	DATE	WORKER'S SIGNATURE	DATE

This application was completed on behalf of the applicant by:

NAME	DATE	ADDRESS
PHONE NUMBER (HOME)	(WORK)	RELATIONSHIP TO APPLICANT

AMERICAN SOCIETY FOR PAYROLL MANAGEMENT
P.O. BOX 1221, NEW YORK, NY 10025
(212) 662-6010

For The Record

STATEMENT TO THE
SUBCOMMITTEE ON HUMAN RESOURCES
ON PROVISIONS OF H.R. 4605
RELATED TO CHILD SUPPORT RESPONSIBILITIES OF EMPLOYER
JULY 28, 1994

The American Society for Payroll Management (ASPM) is the association that represents the interests of large U.S. employers. It has long been concerned with the child support withholding process as it represents a tremendous administrative burden for employers. ASPM is fortunate to have had the opportunity to work closely with the Interstate Commission on Child Support throughout the development of its recommendations to Congress. We share the Commission's goals for a more efficient child support withholding system and know that the Commission and Congress are sensitive to the balance between social goals and employer burden. In this spirit, we are providing these comments on H.R. 4605, the Work and Responsibility Act of 1994.

- **Ensure That Child Support Withholding Always Takes Priority.** Under the current laws, child support may be interrupted by a bankruptcy order, and does not take priority over a federal tax levy unless the child support order was received before the levy. We urge Congress to pass legislation that gives child support absolute priority over all other wage attachments.

- **Uniform Interstate Family Support Act (UIFSA).** Although UIFSA was drafted with the intent of removing the legal issues surrounding the direct servicing of interstate child support orders, experience has shown that without further modification, UIFSA merely raises new issues and numerous unanswered questions—particularly for employers.

Currently, there is no agreement as to which state's law governs the order—the law of the issuing state or the law of the employer's state. If the law of the employer's state prevails, states would be required to modify orders to conform to the laws applicable in the employer's state. Such a system would invite confusion and errors. If the law of the issuing state prevails, employers of all size would be required to know the child support laws of all states from which orders originate. This too can result in confusion and errors. It is important that Congress make it clear which state's law prevails; however, it is also important that UIFSA not be adopted without minimum imposed uniformity in all states with respect to:

- Definition of income subject to withholding;
- Definition of disposable earnings;
- Maximum amount of disposable earnings subject to child support withholding (ASPM recommends a cap of 50%);

Maximum administrative fee an employer can charge an employee
(ASPM recommends a maximum fee of \$10 per pay period);
When the employer must begin withholding (i.e. days from receipt of order);
When an employer should stop withholding (date specified in order or upon
termination);
When an employer must remit amounts withheld
(ASPM recommends payment within 10 days from date withheld);
Whether or not medical support orders are considered in the CCPA limit; and
The procedures that apply when there are multiple withholding orders and
insufficient disposable income to satisfy all orders (ASPM recommends a
state-computed allocation).

UIFSA as currently drafted does not address the issue of competing interstate orders. It is possible that an employer will receive more than one withholding order for a single employee, each withholding order being issued from a different state. UIFSA does not contain a provision that addresses how the employer is to determine which order has priority. Special procedures are required so that the priority issue is contained in the withholding orders before the employer receives them; or alternatively, a procedure that allows the employer to return the competing orders to the respective states where arbitration can be handled between the states.

Without these essential modifications to UIFSA it is our belief (as well as the belief of some states such as Montana, Maine, and South Dakota) that the current system of reciprocity and registration (e.g., URESA) is superior to the "legalization" of direct servicing.

- **Recovery of Employer Cost.** Federal law currently allows employers to collect an administrative fee for child support withholding. However, the amount of the administrative fee is legislated by each state. Based on studies conducted by ASPM, the average cost to withhold and disburse child support is \$10 per employee per pay period. Most states allow for a much lower administrative fee. We urge Congress to mandate that the administrative fee for child support withholding be no less than \$10 for each pay period in which withholding is made from an employee's wages. We concur that the combined total of the child support withheld and the administrative fee not exceed the maximum percentage of disposable pay allowed by law (e.g., 50%).

- **Multiple Withholding Orders.** In those instances where there is more than one child support withholding order against an employee's wages, and disposable pay is insufficient to cover both, states are inconsistent with respect to how withholding should be computed. Some states require an equal allocation to all withholding orders (e.g., Texas), while other states require that withholding be computed based on the sequence in which the withholding orders were received (e.g., Indiana). We propose that the procedure be uniform for all states, and believe that the allocation method is the most fair to dependent children. We further recommend that the enforcement agency, rather than the employer, be responsible for computing the amount allocable to each child support order. This is already being done in some states.

- **Uniform Withholding Orders.** We urge Congress to require that one federally-approved uniform withholding order be used by all entities issuing child support withholding orders — IV-D or non-IV-D. The current lack of uniformity in withholding orders invites costly errors for employers, enforcement agencies, and custodial parents.

- **Disbursement of Child Support Withheld.** Under the current system, most employers are required to issue a separate payment to each registry within the state. In Texas alone, there are 255 "court registries" to which child support withholding is paid. At this time, only 22 states have one central repository for the payment of child support. The requirement to issue multiple payments to multiple agencies is not only costly for employers, but can create problems for the collection agencies, and ultimately, the custodial parent. We propose that a single collection and disbursement operation be put in place. This collection and disbursement function could be operated by private contractors under the supervision of a governing board. Through the use of such technologies as EFT, we believe that there would be no delay in making payments to custodial parents under such a system. In fact, we think that efficiency would increase because withholding payments would no longer be transferred between agencies and across state lines as they are now. Errors would also be eliminated. When an employer is required to issue payments to multiple agencies, payments are frequently forwarded to the wrong agency. This results in significant delays in paying the custodial parent. However, under a central payment system, employer burden would be significantly reduced as a single payment or electronic transfer is far less expensive and time consuming than several.

- **Direct Payment to Custodial Parents.** Employers generally encounter customer service problems when they send withholding payments directly to the custodial parent (rather than a registry). Under these circumstances employers are forced not only to withhold child support but to perform the functions of a child support registry—an inappropriate role for employers and one that many are simply not equipped to handle. Asking that employers serve as customer service representatives to custodial parents generally places them in an adversarial relationship with their employees. Furthermore, employee privacy is sometimes deprived—particularly when custodial parents appear at the workplace to "demonstrate" their anger at the amount of child support that is being paid. Employers have reported such incidents, and they often result in extreme embarrassment to the employee and severe disruption of work.

For these reasons we urge Congress to adopt a provision making it a requirement that child support withheld from wages be paid to a registry and not paid directly to the custodial parent. Furthermore, custodial parents should be instructed to address all questions to the registry and not the employer. Such a provision will also allow the states to better monitor and enforce these withholding orders.

- **Immediate Withholding Upon Date of Hire.** Some propose that employees indicate if they owe child support and the amount of the child support owed on a modified Form W-4 and based on this information, the employer would begin withholding child support immediately. Because the employer has no official confirmation as to the amount of withholding, or to whom the withholding is to be paid, we urge Congress to include a

protocol provision that would allow employers to hold the amounts withheld in trust until a confirming withholding order is received by the employer from the appropriate enforcement agency.

- Reporting Child Support Withheld on Form W-2. Some recommend that employers be required to report the total amount of child support withheld on the Form W-2. We believe that this information is best obtained from the child support enforcement agencies. Most enforcement agencies have the automated systems necessary to track and report this type of information. It is our belief that the benefit derived from the information does not justify the cost incurred by businesses.

- New Hire Reporting. We support the proposal that a national directory of new hires be established for the reporting of new hires and rehires. ASPM has developed, with the input of those responsible for child support enforcement, a comprehensive proposal for a national new hire reporting program, attached to this testimony as Exhibit I. We urge Congress to include these provisions in H.R. 4605.

- Software Standards and Edit Criteria. Most employers process their payrolls with the assistance of some type of automated system. With this in mind, software standards and edit criteria, when properly promoted by the Federal Office of Child Support Enforcement, would provide software vendors and payroll service providers an incentive for including routines that ensure that child support is withheld correctly and paid over timely. Currently, few payroll systems notify the user when the standard child support payment exceeds the maximum percentage of disposable pay. Some software systems attempt to prioritize wage attachments, but do so improperly. By providing guidelines to software vendors and service providers, who are relatively few in number, many employers will be in compliance with the many laws governing child support withholding, including the Consumer Credit Protection Act.

- Employer Outreach. The laws governing child support withholding and certain provisions of the CCPA are generally not understood by employers, particularly as it relates to interstate child support withholding. It is ASPM's belief that most instances of noncompliance are the result of ignorance and not willful disregard. In light of this, we encourage Congress to develop a program of employer outreach that includes seminars and easy-to-read publications. It is our further recommendation that employers be involved in the development of this outreach program.

EXHIBIT I

RESOLUTION

URGING CONGRESS TO AUTHORIZE THE DEVELOPMENT AND IMPLEMENTATION OF A NATIONALLY-ADMINISTERED DATABANK OF NEW HIRES AND REHIRS

Introduction

This draft was developed by the Office of the Attorney General, State of Texas, Child Support Enforcement Division with the oversight of Cecelia Burke, Director of the Child Support Enforcement Division incorporating input from the American Society for Payroll Management, child support enforcement associations, and other business groups.

Purpose

The purpose of this resolution is to bring about uniformity in the reporting of new hires and rehires and to ensure that these reporting requirements are efficient and cost-effective for both government and business.

RESOLUTION

1. Whereas, wage withholding for child support enforcement has been found to be the single most effective means of ensuring compliance with court-ordered obligations;
2. Whereas, the main impediment to a greater usage of wage withholding is the lack of information regarding the employment of obligors;
3. Whereas, several state child support enforcement programs have developed innovative programs mandating the reporting of new hire information in an effort to obtain wage assignment orders in a more expeditious manner;
4. Whereas, these programs have been so universally successful and cost-beneficial in the assistance they provide to the child support program in obtaining wage assignments and child support collections that it can be concluded that such a program could work on a national level;
5. Whereas, this enforcement technique has been endorsed as a best practice in child support enforcement by the U.S. Commission on Interstate Child Support, the American Public Welfare Association and the U.S. Office of Child Support Enforcement;
6. Whereas, the differences in reporting requirements between state programs provide problems for businesses (particularly multi-state employers) in complying to the fullest extent possible; and,

Resolution - conclusion

7. Whereas, there are several other potential spin-off benefits to a new hire reporting program such a potential cost containment of unemployment and worker's compensation insurance fraud;

8. Be it therefore resolved, that Congress authorize uniform standards for new hire reporting and authorize the implementation of a national databank of all new hires and rehires by taking the following steps:

a. Mandating that all employers report all of their new hires and rehires (See Model Design Document) within 35 days of their hiring date to the federal oversight board (See Model Design Document) assigned the responsibility of administering the databank of new hire and rehire information;

b. Granting flexibility in the form in which employers report so that the reporting can be undertaken in an efficient manner, capturing information needed by users of the databank, utilizing paperless methods of data input to the greatest extent possible;

c. Requiring access by and providing appropriate federal funding to state child support enforcement programs to the databank for the purposes of locating obligors and issuing wage withholding orders;

d. Requiring access by and providing appropriate federal funding to state employment security agencies to protect against unemployment compensation fraud;

e. Allowing access by state workers' compensation insurance boards to protect against workers' compensation fraud;

f. Creating an advisory board of state child support enforcement administrators, employment security commissioners, payroll and human resources professionals and employers (or members of organizations representing employers, payroll and human resources professionals) to develop the program and its regulations and standards.

g. Passing legislation requiring that all employees be required to show their social security cards to employers at the time of hire and redevelop the social security card so that forgery will be reduced.

h. Ensuring that employer penalties for failure to report new hires and rehires are reasonable, and do not exceed the existing penalties for failure to file an information return (i.e., \$50 for each failure to report to a maximum penalty of \$250,000 per year).

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MODEL DESIGN DOCUMENT
NATIONAL DATABANK FOR NEW HIRE REPORTING
(Proposed by the American Society for Payroll Management)

A. Purpose and Use of National New Hire Databank

The primary purpose of the national new hire databank is the location and swift execution of wage withholding orders for child support. However, in an effort to gain the greatest cost-benefit from the databank, the new hire data should also be used to prevent: (1) unemployment and workers' compensation insurance fraud, and (2) welfare fraud, (3) locating individuals who have defaulted student loans under the guarantee student loan program, and (4) the prevention of welfare fraud. In that unemployment and workers' compensation insurance fraud contribute significantly to the increasingly high costs borne by business for these insurance programs, employers would directly benefit by extending new hire reporting to these areas.

B. Who Must Report?

All employers are required to report new hires and rehires within 35 days of the day of hire or rehire. A rehire is not an employee with a lapse in pay, but rather an employee who was separated from employment and whose employment was subsequently reinstated. Employers are not required to report non-employees (i.e., independent contractors). The state may assess penalties for failure to report; however, these penalties should not exceed the federal penalties for failure to file information returns⁵⁰ for each employee and for each 35-day period the employer fails to report, to a maximum penalty of \$250,000 per year.

C. What Must Be Reported ?

Employers shall submit to the databank: (1) date of hire, (2) employee name, (3) social security number, (4) employee's home address, including state and ZIP code, (5) employee's work state, (6) employer's payroll processing address, state and ZIP, (7) employer's federal identification number, (8) employee's termination date; (9) if information available, if child support is owed, and (10) if information available, the date of birth of the employee.

D. Reporting Formats

Reporting formats should promote accuracy of input without creating a reporting hardship on business. The best method of reporting would be toll-free access to Interactive Voice Response (IVR). Other methods of allowable reporting should be: (1) tape, (2) diskette, (3) cartridge, (4) Electronic Data Interchange, (5) modem access, and (6) pre-printed scannable forms. It is our belief that use of the Form W-4 for reporting new hires is impractical as the form does not contain all of the information necessary for new hire reporting.

E. Social Security Numbers

Employees who wish to evade their child support obligations could escape detection through the national new hire databank by providing a false name and/or social security number to the employer. Thus, it is reasonable to believe that new hire reporting will create a significant increase in the number of invalid social security numbers reported to the Social Security Administration. Invalid social security numbers not only threaten the usefulness of the new hire data, but will increase the existing wage posting problem that plagues the Social Security Administration. In anticipation of this, the following is recommended:

(1) A federal requirement that all employees show their social security card to the employer at the time of hire;

(2) A penalty of \$1,000 for providing an employer with a false name or social security number;

(3) Modification of the social security card, such as the addition of a hologram or an ID photo, to make forgery of the social security card more difficult. All employees would be required to obtain the modified social security card over a five-year phased-in period; and

(4) Employer access to on-line verification of social security numbers.

F. Funding of Databank

The databank can be primarily funded by charging users access fees. The user fee can be justified through the cost savings realized by those who use the data. It should also be emphasized that because information is submitted by employers directly to the databank, the child support enforcement agencies are spared the expense of data gathering, data input, and data maintenance.

G. Administration of Databank

A private vendor should be sought to set up and maintain the databank with the oversight of an administratively appointed oversight board. Because the databank serves various agencies, the board should consist of members representing the various agencies that will make use of the databank.

For further information contact:

Debera Salam
Director; Child Support Enforcement Task Force
American Society For Payroll Management
4638 Clydesdale Drive
Houston, TX 77084



NATIONAL CHILD SUPPORT ADVOCACY COALITION

February, 1994

CHILD SUPPORT ENFORCEMENT

IT'S NOT EASY FOR ANYONE

The National Child Support Advocacy Coalition (NCSAC) is the oldest and largest national network of individual advocates and independent child support advocacy organizations across the nation. NCSAC membership offers a broad based perspective representing the interests of both AFDC and non-AFDC families. NCSAC interfaces with local, state and federal government officials and monitors both state and federal legislation.

The object of the child support enforcement program is to hold parents accountable for supporting their children and to collect this support. Due to a number of obstacles, this program has yet to meet Congressional expectations. The potential for child support collections has been estimated at over \$47 billion by a White House task force on welfare. This estimate has nearly doubled since a 1984 national study set the collection potential at \$24 billion dollars. Of the \$13 billion support collected in 1993, state child support enforcement agencies collected \$8 billion.

Furthermore, studies have proven it is not the inability to pay, but rather refusal to pay that has plunged children into the depths of poverty. Most non-custodial parents are able-bodied and can contribute to the financial support of their children. Simply put, they do not pay because they know they can get away without paying.

We cannot depend solely upon legislation to fix the problems. There has to be improved cooperation between the states and the federal Office of Child Support Enforcement. More importantly, there has to be increased public awareness that non-support is a crime and should not be confused with welfare.

To this end, the majority of NCSAC members offer the following recommendations as a collective effort to assist in the development of a more effective child support enforcement program. NCSAC emphasizes "Child Support Enforcement" is not synonymous with Welfare. They are separate issues and should be dealt with accordingly.

ORGANIZATION AND STRUCTURE

1. The Federal Office of Child Support Enforcement (CSE) program should be a single and "separate" agency, reporting to an Assistant Secretary. Unless the Child Support program is separated from the Welfare program, it will always be viewed as a social problem.
2. The State structure should mirror the Federal design with reporting authority to the Governor.
3. This combined show of strength would send a message to the general public that non-support will not be tolerated.
4. The CSE program should not be federalized in IRS or SSA.

FEDERAL COMPLIANCE WITH THE SOCIAL SECURITY ACT

Section 452 of the SSA sets forth duties of the Secretary of HHS. OCSE/HHS has failed miserably in the following:

1. Establish minimum organizational and staffing requirements.
2. Provide technical assistance to the States, for example: review of state computer contracts for compliance with federal regulations prior to execution of same, thereby saving millions in re-negotiations; distribution of Policy Interpretation Questions (PIQs) and responses to all State IV-D Directors, etc.
3. Receive applications from States to utilize U.S. Courts and follow through to completion.
4. Submit to Congress an annual report on all activities, not later than three months after the end of each fiscal year.

IMPROVEMENTS AT FEDERAL LEVEL

1. Equalize AFDC and Non-AFDC IRS tax intercept criteria. Currently submission threshold for AFDC is \$150 and N-AFDC is \$500.
2. Eliminate age 18 restriction in Non-AFDC IRS tax intercept cases.
3. Improve utilization of IRS full collection process.

4. W-2 forms should include child support withholdings.
5. W-4 reporting should be expanded to include Federal employees
6. Expand access to all tools available to IRS.
7. Amend the Fair Debt Collection Practices Act (FDCPA) to exempt collection of child support.
8. Amend the 1982 federal law permitting garnishment of military pay to comply with 1984 and 1988 child support withholding statutes.
9. Run annual SSN match against all federal agencies to identify delinquent civil service employees. Forward employment and medical insurance coverage data to states for enforcement.
10. Federal audits should measure performance rather than process.
11. Reconsider extending 90% Federal Financial Participation (FFP) for state automated systems.
12. Reactivate training contracts for legislators, judicial, state personnel and ABA Child Support Project.
13. Mandate all incentive moneys be reinvested in state IV-D programs.
14. Remove Non-AFDC incentive cap in order to increase interstate collections.
15. Extend FFP to reimburse state administrative costs for Non-IV-D automatic withholding cases.
16. Mandate universal statute of limitations for collection of child support arrears that would include exhaustion of all avenues (eg. Social Security Retirement Benefits, Pensions, Inherited Estates, etc. or upon death of non-paying parent).
17. Mandate states adopt Administrative Process.
18. Ratify United Nations Convention of 1956.
19. Establish a Central Agency through which States are mandated to enter reciprocal agreements with foreign countries participating in U. N. Convention of 1956.
20. Mandate corrective measures for delinquent parents at international level, such as: confiscation of passports; improved detection at U.S. borders through SSN crosschecks.

21. Currently international child support cases are entered by states as interstate cases. Consequently, data on international cases is non-existent. Require States to collect and include data in the Annual Report to Congress.
22. Add new categories to U.S. Bureau of Census studies on Child Support And Alimony to include: gender; residency; payment patterns; employment data (wage earner vs. self-employed); etc.
23. Extend FFP to reimburse states to enforce and collect medical arrears in IV-D cases
24. Mandate states to report all eligible AFDC and N-AFDC cases and amount of child support arrears to Credit Bureaus. Clarify which state is responsible for reporting arrears to credit bureaus in interstate cases.

PATERNITY

1. Require States to conduct DNA testing (specifically buccal swabs of saliva samples) at the birth of the child, rather than waiting until the child is 6 months of age which is the current practice. In addition to expediting the paternity establishment process, it produces less trauma to the newborn child.
2. Establish support obligations at birth.
3. Provide 90 percent FFP funding for all administrative costs to establish paternity.

ENFORCEMENT

There is no argument that locate is the number one obstacle impacting the effectiveness of the current system. One cannot begin paternity establishment, enforcement or collection actions unless the non-custodial parent can be found. State and Federal Parent Locate Services do not meet the challenges that are posed by determined child support evaders, especially where non-paying parents possess multiple Social Security Numbers, the self-employed, and interstate cases.

Proposed legislation should be amended to require that all states access each other's driver's license, employment, unemployment, corrections, etc. through a single network. Currently, the Electronic Parent Locator Network (EPLN), which can be accessed without a Social Security Number, provides this service in nine states and could easily be expanded throughout the nation.

1. Standardize all forms (withholding, garnishment, etc.)
2. Revoke/restrict licenses, including professional, drivers, etc.
3. Prioritize payment disbursement: Current, Non-AFDC arrears, state AFDC reimbursement, tax liabilities
4. State systems and programs should be uniform throughout the state
5. States should contract with Credit Bureaus for reporting of debts and locating purpose
6. States should create central registry for all child support orders

FEDERALIZATION OF CHILD SUPPORT ENFORCEMENT

An overwhelming majority of NCSAC members do not support federalizing child support enforcement under the Internal Revenue Service (IRS). To do so, would be like "jumping out of the frying pan into the fire". Recent General Accounting Office (GAO) reports detail problems and deficiencies at the IRS. The problems at the IRS mirror those found in state child support enforcement systems.

- * Staffing imbalances
- * Flawed staffing methodology
- * Case prioritization schemes
- * Large numbers of low priority cases not worked
- * Inadequate collection process
- * Inaccurate data and statistics
- * IRS systems are "outdated, inefficient, unintegrated and error prone."
- * Accounting errors
- * collection efforts suspended on 40% of inventoried accounts
- * Tax payer's lifestyle not considered in payment of debt
- * Uncollectible accounts increased over 178% since 1987

Aside from these internal problems, the IRS has never enthusiastically embraced enforcement of child support. The cost and time required to transfer entire caseloads and train federal personnel would be staggering. In addition, already impoverished single parents would be further burdened until the IRS expands its offices and services. All in all, a unwelcome move of this magnitude could only result in utter chaos and disaster.

CHILD SUPPORT ASSURANCE

Upon close examination of the child support assurance process, one finds it difficult to deny the strong similarities between assurance and welfare. Like welfare, child support assurance is:

- * a benefit program
- * funded by the federal government
- * primarily created for impoverished single parent families
- * treats symptoms, rather than cause
- * promotes more government control over family life
- * creates more disincentives than incentives

Advocates admit that only with a stronger and more improved child support enforcement program will child support assurance succeed. The child support enforcement program cannot reach that point without time and money. Are child support assurance advocates willing to wait? Or are they willing to jeopardize both programs? Our tax dollars cannot adequately fund both programs at this time.

Opposition to this entitlement program has raised many unanswered questions.

- * Does the (Garfinkel) total net cost estimate of \$2.1 billion only include eligible welfare cases?
- * What is the duration of eligibility for child support assurance compared to welfare?
- * Has this been factored into the cost estimate? What is the breakdown for welfare cases versus non-welfare cases?

- * Will this program be available to all parents in possession of a child support order?
- * Is it economically sound to consider extending this program to parents without child support orders?
- * What is the additional tax burden in this case?
- * Without reliable statistics and data, how can you project program costs?
- * Will it really be cost effective?
- * Do we want to create another layer of bureaucracy?
- * What are the additional costs of assured health benefits?
- * Many support awards are much lower than the published benefit levels. What are the projected costs in these cases?
- * With no sound data on cases outside the IV-D system, how can you project these costs?

Presently State IV-D personnel cannot adequately handle the current caseloads. Child support assurance will increase administrative costs and the need for additional staff. Each year states encounter a strong reluctance from state legislators to invest in the child support enforcement program. With the current trend to limit welfare to two years, state legislators will have second thoughts about pouring money into another entitlement program that so closely resembles welfare?

Upon close scrutiny, proposed and current demonstration projects in progress are confined solely to cases presently on welfare or where the parent has recently gotten off welfare. Without demonstration projects that include N-AFDC cases, there is no sound and admissible data to support the computer projected costs as reported to Congress. Crystal ball gazing and hypothesizing are not consistent with the current administration's thrust of "Reinventing Government".

In conclusion, child support assurance in it's current form will not "end welfare as we know it", but will only disguise it under another name.

For further discussion and explanation, please contact Irene von Seydewitz, NCSAC President (908)745-9197 or Betty Murphy, Director of Government Relations (703)799-5659.

**TESTIMONY BY J. SAMUEL GRISWOLD, Ph.D. BEFORE THE
HUMAN RESOURCES SUBCOMMITTEE OF THE WAYS AND MEANS
COMMITTEE OF THE UNITED STATES HOUSE OF
REPRESENTATIVES**

July 28, 1994

Thank you Mr. Chairman and members of the committee for allowing us to present testimony to you today on the subject of welfare reform. My name is J. Samuel Griswold and I am the State Director of the South Carolina Department of Social Services. I have held this position for the past three years. Prior to this, I served as the Deputy Executive Director of the South Carolina Budget and Control Board, thus I am very familiar with state government and the expenditures it makes for welfare services.

Today in South Carolina, as well as throughout the United States, there is a national debate on welfare reform. The outcome of this debate will have far reaching implications not only for the poor or near poor, but for all our citizens, social institutions, and the nation's economy. While there are many different systems, methods, techniques, and approaches being proposed, *there is a consensus of opinion that the welfare system presently available to address the needs of the nation's poor citizens is not working.*

Except for the Family Support Act of 1988, there have been relatively few changes to the AFDC program since it began in the 1930's. The program was initiated to provide economic security for widows and fatherless children. It was not expected that mothers would work outside the home as they now often do. The current population served is very different from the original population. Most mothers on AFDC are not widows, and children who receive AFDC today typically are not orphans. America's economy has been drastically restructured over the past decades. This restructuring has had a significant impact on the types of work available for low-skilled people, including those on welfare.

Osborne and Gaebler in their book, *Reinventing Government*, point out that government's role when reforming welfare should be to increase opportunities for the poor to enter the mainstream, to have jobs, and to exercise individual responsibility.

To that end, the 1993 South Carolina House of Representatives passed House Resolution H4190, mandating the creation of a task force made up of over thirty members from the South Carolina House of Representatives, state agencies, private organizations and recipients to study all aspects of the problem of welfare dependency in South Carolina and to submit its recommendations for reform to the South Carolina House by January 15, 1994. Upon passage of this resolution staff at the S.C. Department of Social Services immediately began working to gather the following types of data:

- survey of the literature on the effectiveness of welfare systems
- welfare reform initiatives undertaken by other states
- demographic and statistical data on South Carolina's welfare and general populations

This information was gathered into a handbook entitled, *Welfare Reform--Making It work for Everybody: The Challenge of Self-Sufficiency in the Nineties.*

The first meeting of the entire task force was held Tuesday, October 5, 1993. The task force was organized by its chairmen into three study groups:

- Self-Sufficiency Study Group
- Family Responsibility Study Group
- Welfare Delivery and Accountability Study Group

The Self-Sufficiency Study Group's mission was to assess and develop innovative strategies to provide intervention and assistance for welfare families and serve as a transitional bridge leading to decreased dependence on the system; to provide incentives for increased Self-Sufficiency; and to redesign existing programs to better enable AFDC recipients to obtain an adequate standard of living by working.

The Family Responsibility Study Group's mission was to identify ways to effectively reallocate limited health and social services resources by creating strategies that stress responsible family planning, emphasize reciprocal obligations between the State and AFDC clients and prevent the need for public assistance.

The Welfare Delivery and Accountability Study Group's mission was to design system accountability and control measures that will minimize the potential for abuse and fraud and to develop quality assurance mechanisms that will produce the efficient and effective delivery and use of services.

Each of the study groups met numerous times over the course of 12 weeks. The study groups compiled and analyzed information for the development of specific recommendations, which they reported to the full task in December 1993. The voting members of the task force met several times in December and January to develop the final report based on the study group recommendations. The *Final Report of the South Carolina House of Representatives Task Force on Welfare Reform*, was submitted to the Speaker of the S.C. House on January 14, 1994.

The recommendations contained in the *Final Report of the South Carolina House of Representatives Task Force on Welfare Reform* were used as a basis to develop specific legislative initiatives. Although the legislative initiatives were not passed by the General Assembly, provision was made for a Welfare Reform Pilot Project in a proviso contained in the 1994-95 General Appropriations Act. This proviso allocated \$2 million to the S.C. Department of Social Services for development of a four county welfare reform pilot project based on the recommendations made in the task force's final report.

The astounding part of developing the welfare reform process in South Carolina, is that both conservatives and liberals came together with relatively little dissension around three guiding principles. Welfare reform must support the family, promote social reciprocity and be community based. Consensus on these guiding principles formed the vision for welfare reform in South Carolina. At the national level no such vision of welfare reform has been enunciated. The closest we have come to a statement of national vision is, "we must reform welfare as we now know it." If we are going to have meaningful welfare reform we must reach consensus on guiding principles. We must decide what we want our new system to do, not what we dislike in our current system.

In South Carolina the strength of our welfare reform process is that within the framework of family, social reciprocity and community we debated each item for inclusion in the program. If an item failed the test of compliance

with the principles, it did not become part of our welfare reform program. These three principles are explained as follows:

The Family is the basic building block of our society. It is clearly an institution in crisis in America today. There needs to be a strong national and state policy commitment to supporting and strengthening of the family and the values that sustain it.

A "principle of reciprocity" should exist between those receiving assistance and the institutions which provide it. While society has a certain obligation to provide support, opportunity and preparation, individuals also have a responsibility for their own well-being, to avail themselves of opportunities, and to contribute to the overall good of society through productive employment or other contributions.

State and community-based approaches will have the highest likelihood of success. It is important that states and communities, in which issues and problems contributing to dependency exist, acknowledge a sense of ownership in the problems and invest themselves in the solutions. State and community-based programs should have enough flexibility to design approaches specific to the unique character of the problems and cultures of the localities in which people live.

Specific components which should be reflected in the reform programs are as follows:

- The family structure should be supported and encouraged in program design. Current programs have built-in disincentives to maintenance and support of the family unit and the exercise of parental responsibilities.
- The father as well as the mother should be included in programs. Current programs (with the exception of child support enforcement) focus almost exclusively on the mother and her dependent children. Fathers should be expected to do more than merely provide economic support. Current programs (including child support enforcement) contain disincentives for fathers to assume their family responsibilities in all facets. This should change.
- Programs should have tangible goals for client-specific achievements to move them toward self-sufficiency. These should be developed with clients and should have specific time limitations. We should work "with" clients, not "on" them and agree on time limited goals after which support would cease.
- Programs should incorporate a strong set of values focusing on the family and societal expectations. This should incorporate involvement of local community groups such as churches, schools, and civic organizations. We have shied away from this component in program design to the point that programs are bureaucratically sterile and no message is sent to clients on what expectations are for their role in society, the job market, family responsibilities and individual responsibilities for self-sufficiency.
- Programs should eliminate the current contradictions and "dependency brainwashing" that exists. The categorical nature of our welfare "system" sends contradictory messages to clients and greatly contributes to administrative inefficiency. One can build the argument that our current programs actually work "too well." Clients are responding to what we do, not what we say or hope to have

come out of these programs. Interfaces and integration of programs should be in place to eliminate these contradictions.

- o Programs should be designed to thoroughly incorporate work support components to encourage the transition from dependency to the world of work. Current programs send contradictory messages to clients which sometimes make dependency a more viable economic alternative than work. The transition to work should be smooth, sure, and a more viable alternative economically. Supportive transition services (child care, transportation, health care, improvement of self-esteem, etc.) should be phased in and out in a manner which clearly makes the transition in the clients' best interests.
- o Greater use should be made of experience-based counselors. Nothing succeeds like success itself. Using people who have "been there" and are now successful as counselors creates greater empathy with the client, greater credibility with the client, and minimizes the excuses.
- o There should be clear program parameters and expectations, but there should be enough flexibility that states and communities can design or select alternatives that best meet local problems and needs.
- o The system should include "carrots" as well as "sticks." It should be clear to clients that the system, and ultimately leaving the system, has definite rewards built in. Contrarily, not participating and progressing in the program should have clear penalties.
- o Programs should take advantage of dramatic enhancements in technology not only in program administration but also in the actual delivery of services to clients. Data networks, training programs, and the looming fiber optics revolution can provide new horizons for effective and efficient service delivery.
- o There should be a strong emphasis on enhancing life skills, parenting skills, home budgeting, and appropriate socialization of males.
- o Some accumulation of assets should be allowed for investment in a home, education, micro-business, etc. You have to be "dirt poor" to get on our current system, but you also have to stay "dirt poor" to continue even limited participation. There is no incentive to try to begin to accumulate wealth because the minute you do, the resources of the current system are cut off.

Clearly designing a welfare system which meets these goals and challenges is a formidable task. The S.C. Department of Social Services proposes a new concept—the Self-Sufficiency Stipend—to enable citizens to become independent. The concept represents a significant change in the provision of benefits and services. This concept places the responsibility for the care and nurturing of children on their parents, where it belongs.

South Carolina proposes to change the focus of the welfare program. Currently approximately 700 Economic Service Workers expend 100 percent of their working hours to meet one goal: providing monetary benefits to clients. These workers spend hours checking and rechecking cases to ensure that a family entitled to a benefit of \$200 does not receive a check for \$187 or \$206.

Workers carry caseload of 200-275 families and have face-to-face contact with them once a year at an annual review. No time or effort is expended on moving these families toward self-sufficiency, since it requires all the caseworker's effort to maintain the status quo.

Non-exempt adults are referred, of course, to the JOBS program. Here the focus is on providing training, education and jobs. But again caseloads are high--350-400 per worker and resources are limited. In addition to high caseloads and limited resources, both workers and clients perceive a separation of goals--getting a check is not tied to getting a job. Different workers and different programs govern these two separate goals. This separation sends a strong message to the clients we serve: "getting a welfare check is an end in itself."

The Self-Sufficiency and Parental Responsibility Program--welfare reform in S.C.--is based on a holistic model. Casemanagers are assigned to provide, coordinate, and facilitate all the services provided to a client, economic as well as social.

Clients who apply for AFDC/Food Stamp benefits will have an initial interview to determine economic eligibility. The economic eligibility determination process will be streamlined to enable casemanagers to spend most of their time assisting families in achieving self-sufficiency.

Following the economic assessment an appointment will be scheduled for the individual to return for a comprehensive assessment. This assessment will help to define the family's needs and the barriers present within the family which prevent them from attaining self-sufficiency.

The casemanager will then meet with the adult family member to develop the Individualized Self-Sufficiency Plan (ISP). This plan is a reciprocal agreement between the family and the agency. Within the plan a vocational objective will be identified for each adult and steps to be taken to achieve this objective will be defined. Services to be provided to eliminate or minimize barriers will be listed and responsibilities of parents will be clearly enumerated. Finally, the amount of time needed to achieve the ISP will be determined and included as part of the plan. Except in unusual circumstances, benefits will terminate at the end of the time agreed upon to achieve the goals in the ISP.

The plan will require that parents ensure children receive proper immunizations and health screenings, also that the children attend school regularly. It will require parents to be appropriately involved with parent/teacher organizations and other school functions.

In short, the plan will require that parents support children both financially and emotionally.

This plan agreed upon and signed by the casemanager and the client becomes the blueprint for the family to attain independence and self-sufficiency. The casemanager will act as a counselor, facilitator, and manager throughout the life of the case. The casemanager will meet with the client as needed to ensure that goals are being met, offering support and assistance in resolving difficulties. The casemanager will work with the entire family to assist the family to remain intact as it moves toward self-sufficiency. The casemanager will monitor to make sure children are attending school and will work to see that the family has adequate and safe living quarters and that basic needs are met. When necessary, the

casemanager will refer the client or family outside the agency for additional counseling and services.

Upon completion of the goals set forth in the ISP, the individual will be considered job ready. If individuals have not found employment in their specified vocation within 30 days, they will be instructed to look for any employment available.

At the end of 30 days, if the individual has not found employment, the Self-Sufficiency Stipend (AFDC, Food Stamps, and Medicaid) will be terminated unless the client agrees to both of the following conditions:

- The individual agrees to accept any employment offered; and, in the alternative
- The individual agrees to accept work experience placement in a public or private entity.

The casemanager will work with the client, and every effort will be made to assist the client in becoming employed. The casemanager will continue to meet with the client as long as he/she receives assistance, on an as needed basis, to ensure that the client is actively pursuing employment.

This plan is a reciprocal agreement with definite consequences for failure to comply. If a client does not comply with the requirements of the plan the entire family will lose eligibility for AFDC, Food Stamps and Medicaid. Clearly, the parent must accept responsibility for doing everything within his/her power to make the family self-sufficient.

In addition to reshaping the eligibility process, South Carolina has also applied to the Administration for Children and Families seeking waivers to modify current AFDC policy to ensure that it reflects the new realities of our economy and our society.

Policy within the AFDC program must support the goals and values of self-sufficiency. Consequently, the Section 1115 Waivers South Carolina has requested encompasses the following policy changes:

- To encourage family formation and discourage family breakup, the parental deprivation rule will be eliminated, allowing two parent families to participate in the Self-Sufficiency and Parental Responsibility program.
- In order to ensure that clients reenter the work force quickly after the birth of a child the parents in the self-sufficiency and parental responsibility program will be required to participate in self-sufficiency activities when the youngest child is six months old.
- To promote work and independence and to reduce the disincentive to employment revise the earned income disregard to 50 percent of gross earnings.
- To encourage the development of job skills and independence, exclude the income of a minor child when determining eligibility or payment amount.
- In order to ensure that families have reliable transportation to get them to and from the work place, the \$1500 equity cap on vehicles will be removed and one vehicle per family will be disregarded regardless of equity or fair market value.

- To encourage saving and building for the future, disregard interest and dividend income.
- To permit families to establish savings that can help them weather emergencies without reentering public assistance, raise the resource limit to \$3000 from \$1000.
- To help families plan for the future and act responsibly in planning for emergencies, disregard the cash value of life insurance.
- To increase child support collections and ensure that non-custodial parents do not relinquish responsibility for children, require (by court order) the participation of non-custodial parents in the Self-Sufficiency and Parental Responsibility program.
- To encourage the formation of families and to encourage two income families, allow the same income exclusion for stepparents as for any other member whose income will be considered in the budget.
- To provide maximum transitional assistance to families as they move from public assistance to work

We believe these waivers will help families to attain their maximum level of independence, self-sufficiency and self-esteem. We anxiously anticipate the prompt approval of these waivers by the Administration for Children and Families.

Child support enforcement is also a critical component of any type of welfare reform. In fact the first line of defense is the enforcement of parents' responsibility for their children. Both custodial and non-custodial parent must accept this responsibility for their children.

To ensure that children receive the support they need South Carolina has passed several items of legislation relating to child support enforcement, including bills to make voluntary paternity and child support agreements recognizable and enforceable in a court of law. South Carolina is pursuing the passage of additional legislation which will be more far-reaching. Proposed legislation includes:

- Requiring Social Security Numbers (SSN) or an application for a SSN of all persons listed on birth certificates, marriage licenses, and marriage certificates.
- Procedures for attaching insurance settlements for collecting child support arrearages.
- Revoking drivers licenses and professional licenses of parents who fail to pay child support as ordered.

The improvement of child support collections is one of the most efficient strategies for preventing the need for public assistance for some families and for helping others get off AFDC.

Another strategy of crucial importance to improving the status of the poor citizens of South Carolina and the nation is the teaching of family life skills. Many welfare recipients have not been provided opportunities to learn basic parenting skills, financial planning, nutritional know how, family planning and methods to cope with family crises. A major aspect of the Self-Sufficiency and Parental Responsibility program is the requirement that

recipients participate in a family life skills training course. Such a program will address as one of its major components the prevention of teenage pregnancy.

In conclusion South Carolina envisions a reformed assistance program which joins the recipient and the community in a program tailored to enable families to develop to the point that they are economically independent.

Welfare reform cannot be parcelved as the sole province of the agency responsible for welfare. We must motivate and involve other agencies, some of them new to the welfare arena, before a solution can be realized. Agencies such as, the Department of Commerce, the Technical Education System, Vocational Rehabilitation, and the Department of Education must play vital roles in true reform. Additionally, private sector employers must be extensively involved in providing job opportunities for welfare recipients.

Real welfare reform must take place in the communities where recipients live and work. It must involve organizations at the local level such as, churches, local governments, civic organizations, recreation commissions and health departments.

In the search for meaningful welfare reform most citizens look to the federal and state governments for solutions. We must change the focus from these levels of government to the local community level. That is, we must convert the problem from a big government problem to a community problem—one that affects everyone who lives and works within the community.

This new system will not be achieved overnight; it will take time to bring it to reality, but it can be done. This new system recognizes that those receiving assistance do not do so by choice but by necessity and circumstance. In addition, it recognizes that by respecting the dignity of the family and the individual more positive results can be achieved. We believe that we can achieve such a new system. We ask that you allow South Carolina and all states the flexibility to design programs that work for all our citizens. I will be happy to respond to any questions.



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H.R. 4506
WELFARE REFORM - 1994

PATERNITY REGULATIONS AND WELFARE REFORM

PUBLIC HEARING
THURSDAY, JULY 28TH, 1994
COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEE ON HUMAN RESOURCES
HON. HAROLD FORD, CHAIRMAN

"G I V E C U S T O D Y T O D A D D Y"
W E L F A R E R E F O R M I S F O R F A T H E R S T O O !!!

AMERICA'S INVOLVED FATHERS RESPOND TO THE CALL FOR
INCREASED PARENTAL RESPONSIBILITY

TESTIMONY OF BILL HARRINGTON
NATIONAL DIRECTOR
AMERICAN FATHERS COALITION
2000 PENNSYLVANIA AVE. NW SUITE #-148
WASHINGTON D.C. 20006

THURSDAY, JULY 28TH, 1994

PRESIDENT OF FATHERS' RIGHTS OF WASHINGTON STATE
BOX 5345, TACOMA, WA. 98415
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COMMISSIONER - U.S. COMMISSION ON CHILD & FAMILY WELFARE
APPOINTED BY SPEAKER FOLEY ON MARCH 22, 1994

LEGAL ASSISTANT
LAW OFFICES OF RICHARD KELLEHER
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COMMITTEE ON WAYS AND MEANS
HUMAN RESOURCES SUBCOMMITTEE
HOUSE OF REPRESENTATIVES
WASHINGTON D.C.
THURSDAY, JULY 28TH, 1994

TESTIMONY OF BILL HARRINGTON - WELFARE REFORM 1994 - H.R. 4605

GOOD MORNING, MR. CHAIRMAN, AND COMMITTEE MEMBERS. MY NAME IS BILL HARRINGTON, AND I AM FROM THE "OTHER WASHINGTON" - FROM TACOMA AND SEATTLE, THE GREEN AND MILD PACIFIC NORTHWEST.

I am here today as National Director of the American Fathers Coalition. We are the Fathers' Rights leaders from all over America. Additionally, we are academics, social science researchers, attorneys, mental health professionals, second-wives and girlfriends, family members and supporters.

I am here today as the leader and organizer of several meetings in this past year with the White House, and the White House Welfare Reform Working Group on Welfare Reform issues. Additionally, I was responsible for the Congressional Symposium held on June 17th where our fathers and mens issues were presented to several Congressional staff members.

I am NOT HERE to suggest that fathers are right and mothers wrong, or fathers are good and mothers are bad, or anything like that. We see the de-institutionalization of the family as a disaster for our society, and especially for the challenge facing parents today in our troubled world. We value equally the commitment of both parents to each other, to work together, for the benefit of their children.

THE REALITY IS THAT MOST DIVORCED PARENTS, BOTH FATHERS AND MOTHERS, WORKING TOGETHER MANAGE TO REACH AGREEMENT ON MOST ISSUES. THESE AGREEMENTS MAY NOT BE IN THE BEST INTEREST OF THE CHILDREN, BUT THEY ARE AGREEMENTS THAT AVOID CONTINUING FIGHTING AND STRESS FOR THE CHILDREN. THESE 70% PARENTS, ALMOST ALL LEGALLY FIT PARENTS, ARE THE PARENTS WHO MAKE THE SYSTEM WORK IN SPITE OF ITSELF. THE PROBLEM AREAS FOR NATIONAL POLICY MAKERS ARE THE 25-30% OF PARENTS IN SEPARATED AND DIVORCED CASES, WHO ARE OF QUESTIONABLE FITNESS AND EMOTIONAL STABILITY, THESE ARE THE SOURCES OF MOST OF THE CASES REQUIRING ENTITLEMENT FUNDING. THESE ARE ALSO THE CASES WHERE FATHERS HAVE THE LEAST IDEAS OR UNDERSTANDING OF THEIR PARENTAL RIGHTS AND PARENTAL DUTIES WITH THEIR CHILDREN.

FOR BOTH FATHERS, AS WELL AS MOTHERS, MODERN LIVING HAS PLACED EXTRAORDINARY DEMANDS ON THEIR PARENTHOOD, SOMETIMES UNFAIRLY. PREVIOUSLY, PARENTS LIVED and parented WITH ADDITIONAL COMMUNITY SUPPORT. THIS support CAME FROM FAMILY MEMBERS, NEIGHBORS AND FRIENDS. IN TODAY'S WORLD, TOO MANY PARENTS LIVE PRIVATIZED LIVES, WITH ONLY THE SUPPORT OF THE INTERNAL NUCLEAR FAMILY, IF THAT. FACING EXTRAORDINARY DEMANDS TO CONSUME, AND SOCIAL PRESSURES FOR INDIVIDUAL PERSONAL FULFILLMENT AND HAPPINESS, PRESSURES ON PARENTS TO MEET UNREALISTIC EXPECTATIONS CAUSES MANY FAMILIES TO MEET EMOTIONAL BREAKING POINTS WITH INCREASING FREQUENCY. ALL TOO OFTEN THIS IS HAPPENING EARLY IN THE FAMILY HISTORY, RATHER THAN LATER.

WHEN THESE BOILING POINTS AND BREAKING POINTS OCCUR, AND TEMPORARY PARENTAL SEPARATION OCCURS, AND STATE INTERVENTION SOON FOLLOWS, WHAT WE SEE IS THAT PARENTS ARE TOO OFTEN PLACED INTO DIRECT ADVERSARIAL CONFLICT RATHER THAN GENUINE DISPUTE RESOLUTION. EXISTING INTERVENTION POLICIES AND PERSONNEL TOO OFTEN DIVIDE FAMILIES, AND THE FAMILY ONCE BROKEN APART, IS TOO OFTEN IMPOSSIBLE TO PUT BACK TOGETHER AGAIN. THIS SOUNDS LIKE THE HUMPTY-DUMPTY STORY AND IT IS.

SOCIETY PAYS AND PAYS AND KEEPS PAYING FOR THIS WRONGFUL INTERVENTION OF THE GOVERNMENT INTO THE FAMILY. THE TIME HAS COME TO CHALLENGE THE UNDERLYING POLICIES THAT FORCE STATE INTERVENTION, THAT CREATES BROKEN FAMILIES, AND REQUIRES ENTITLEMENT PROGRAMS TO GO INTO ACTION. THE APRIL 1993 ISSUE OF ATLANTIC MAGAZINE, DAN QUAYLE WAS RIGHT, HAS EFFECTIVELY CHRONICLED HOW AMERICA'S PRESENT DIVORCE SYSTEM IS CONTRARY TO THE BEST INTEREST OF CHILDREN.

WITHOUT NATIONAL FAMILY POLICIES THAT ARE MALE POSITIVE AND FATHER INCLUSIVE, FAMILY FRIENDLY AND ALSO FAMILY SUPPORTIVE, AND BASED ON THE POSITIVE DYNAMICS OF MODERN TWO PARENT FAMILIES, EXISTING POLICY ENFORCEMENT IS HARMFUL TO FAMILIES AND WRONGLY INJURES MILLIONS OF INNOCENT CHILDREN. THESE ARE LITTLE PEOPLE, OUR CHILDREN, WHO WE ARE SUPPOSEDLY INTENDING TO HELP, BUT ARE ACTUALLY HURTING UNDER OUR EXISTING POLICIES. THESE INNOCENT CHILDREN ARE THE REAL LOSERS IN THE CURRENT SYSTEM.

America's fathers are here today to become involved with Congress as a necessary policy making component. Fathers are here today to join with many other voices for fundamental attitudinal reforms on family policy based on respect for two-parent values. Without father-friendly provisions, welfare reform is doomed to limited success or outright failure. It is our intent to contribute to this debate with positive proposals intending to re-establish father parenting as a day to day feature in the lives of children not currently living with both natural parents.

AMERICA'S FATHERS ARE HERE TODAY TO BEGIN REVERSING OVER 170 YEARS OF AMERICAN HISTORY OF FATHERS BEING SEDUCED, PUSHED, PULLED AND SHOVED TO THE PERIPHERY OF FAMILY LIFE. OUR GOAL IS TO BRING FATHERS BACK INTO A CO-EQUAL, CENTRAL ROLE, OF FAMILY LIFE THROUGHOUT EVERY COMMUNITY AND NEIGHBORHOOD.

I am also here, individually, as an appointed Commissioner, to the U.S. Commission on Child & Family Welfare created under the authority of PL 102-521. We are still waiting for the three appointments by President Clinton so the Commission can be up and running.

The work of this Commission, and its recommendations, will serve to give Congress new agenda items for legislation in the following years. The reality that people are involved from the perspective of fathers and two-parent family values will increase the credibility of new legislation. I will have the personal opportunity through service on this Commission to contribute to these new proposals. Working together, with fathers and mothers, and other interested policy researchers, we can provide a better future for America's troubled children than has occurred in the past. We can learn from unintended consequences of well intentioned legislation, to avoid the mistakes of the past.

I am here today as the leader and organizer of several meetings in this past year with the White House, and the White House Welfare Reform Working Group on Welfare Reform issues. Additionally, I was responsible for the Congressional Symposium held on June 17th where our fathers and mens issues were presented to several Congressional staff members. We had a panel of very experienced leaders present a history of issues and proposals for Congressional action.

ON BEHALF OF RESPONSIBLE, LOVING AND CARING FATHERS, FATHERS FROM ALL OVER AMERICA, FATHERS WHO LOVE THEIR CHILDREN AS MUCH AS MOTHERS, FATHERS WHO ARE FINALLY WORKING TOGETHER POLITICALLY AT THE NATIONAL LEVEL ON FAMILY POLICY AND WELFARE REFORM ISSUES, WE THANK PRESIDENT CLINTON PERSONALLY, AND THE CLINTON ADMINISTRATION, FOR PUTTING FAMILY POLICY ISSUES ON THE NATIONAL POLITICAL AGENDA, thereby ESTABLISHING A BASIS FOR THESE HEARINGS.

TO ITS CREDIT, CONGRESS IS NOW PLAYING ITS ROLE IN HOLDING HEARINGS, receiving testimony, and beginning the analysis of THE VARIOUS ISSUES THAT ARE NOW ON THE TABLE. WE THANK CONGRESS FOR HOLDING THESE HEARINGS AND GIVING OUR AMERICAN FATHERS COALITION AN OPPORTUNITY TO TESTIFY.

MR. CHAIRMAN, IT IS OUR BELIEF, AND OUR OPINION, THAT WHILE FATHERS ARE MOST CERTAINLY A PART OF THE PROBLEM REGARDING FAMILY POLICY AND WELFARE ISSUES, THAT MORE IMPORTANTLY, FATHERS ARE AN UNDERAPPRECIATED, ALMOST IGNORED, PART OF THE SOLUTION. WE ARE PART OF THE NEW COALITION OF FAMILY POLICY ADVOCATES WHO ARE IN AGREEMENT THAT "DAN QUAYLE WAS RIGHT", that father\child relationships are important and ought not be ridiculed or diminished through legal procedures or government policy.

We are here today to follow previous major policy enactments in both 1984 and 1988. This Subcommittee began this 1994 process on March 15th, 1994 and the American Fathers Coalition has a statement in the record. We thank the Subcommittee for printing our statement as it includes our full package of policy proposals presented to the White House Welfare Reform Working Group on December 16th, 1994.

MR. CHAIRMAN, we are here today as fathers, proud to be fathers, and we are neither embarrassed nor ashamed to admit we love and cherish our children and we accept our roles as involved and responsible male parents. Each child has both a father as well as a mother. While this seems obvious, America today has a situation of "APARTHEID" for 50% of America's children. In America today, there are estimated as high as 20,000,000 children without benefit of day to day parenting by fathers. This is a tragedy of immense proportions, and is a situation only getting worse as we fail to adopt policies, and a change of attitude about fathers. This tragic situation of fatherless children is a direct result of government policies such as the one first adopted in the 1950's, "The Male Out of Home Rule". Policies such as every other weekend residential schedules between children and fathers have served to first separate fathers from their children, then totally disrupt the father\child psychological bond, and finally served to keep children away permanently from their fathers.

MR. CHAIRMAN, THE GREATEST MYTH is that fathers have never really cared about their children, and they easily walked away from their family responsibilities and never looked back. The reality, MR. CHAIRMAN, is the opposite for the large majority of fathers. Some of these fathers were sold on the work ethic to the point they worked as much overtime as possible, and also worked weekends, to provide the American dream for their family and children. These fathers never had a chance once the divorce started and the mother opted not to work, and instead, went on welfare.

FOR THE UNMARRIED FATHER, he was told constantly he had no rights to custody of his children. Until the Supreme Court case of Stanley v. Illinois in 1972, Courts had usually adopted the property rule to children, and unmarried mothers still continue to see their children as their personal property. Mothers, and mothers alone, will decide if the father is allowed any meaningful role in the lives of the children, other than paying child support.

Before we can even begin to legislate about fathers, in paternity cases especially, we must understand our federal government has almost no understanding of fathers. In the White House Welfare Reform Working Group draft report, dated Feb. 26th, 1994, on page #37 attached, we see that our federal government really has no idea what fathers are all about, and our government has even fewer ideas about what programs will really work.

America's fathers want to know how our government can even attempt new family policy legislation when our government has no real understanding of fathers? Vice President Gore recently participated in Re-Union III in Nashville, Tennessee and the topic was male involvement with children. This conference was highly received, but it was only a beginning. We wonder if the recommendations from that Conference are before this Subcommittee? What other studies about fathers are before the Subcommittee? If few or none are before this Subcommittee, how can we seriously argue that new legislation is based on informed decision-making?

P A T E R N I T Y I D E N T I F I C A T I O N

H.R. 4605 - PART E - SECTION 640 - 643 - PAGE 281 - 293

MR. CHAIRMAN, in paternity cases, if a father physically holds his child within the first 24 hours of life, research shows that the father is twice as likely to remain actively involved in that child's life. MR. CHAIRMAN, what provisions are in H.R. 4605 or any other welfare reform bill that would assist any unmarried father to be notified of the hospitalization of the mother and the expected birth of the child? If few or none, then how can we say that welfare reform in 1994 will have different results than in previous legislation? If the answer is NO, why isn't the important research on father\child emotional and psychological attachments before this Subcommittee, research that will help committee members understand the critical nature of the paternity identification process?

This issue of birth notice and participation in the delivery of the child is the beginning of the child development process. If a father is involved from the beginning, there is a greater likelihood the child's rights and need for parenting by both parents will be met. SECRETARY SHALALA'S testimony before the full Committee discussed the effects on children for poverty if their parents fail to meet certain criteria: married, over age 18, and employed. If the mother fails or refuses to identify the father, the child has a poverty likelihood of nearly 80%. However, if the father is involved and also meets these elementary criteria, the poverty likelihood drops to around 8%. MR. CHAIRMAN, this is why the recommendation from the American Fathers Coalition that father identification be mandatory in pre-birth classes and pre-natal checkups is so critical. The provisions of Section 641 on page 288 of H.R. 4605 are critical if this legislation is to have any chance of success. The issues we have raised about the father's name on the birth certificate, the child being given the father's surname, and a temporary residential schedule, are critical to be spelled out, and not just assume the states know what Due Process matters are to be addressed.

The mothers must understand from the beginning that father participation is critical for the short and long term best interests of the child. When this does not happen, we begin the process of a fatherless child. Failure to identify the father at the outset and establish a father\child relationship actually is institutionalized child abuse.

Unmarried mothers, even before conception, must be made to understand, and what must become a mandatory process, is the earliest possible identification and involvement of the father in the life of the child.

Most states have laws that talk about wrongful intervention into the life of a child is also wrongful intervention into the parent\child relationship. On what basis do we protect mothers from legal sanctions for the failure of their duty to establish paternity identification? Here we have a simple case of research that clearly shows the disadvantage of children being raised in one parent homes, and yet we allow it to occur over and over and we do nothing to reverse this result.

MR. CHAIRMAN, every mother knows she is a mother, or about to be a mother. Every woman knows she is pregnant and soon to be a mother. However, other than direct notice by the mother to the father, how do we expect the father to know he is about to become a father? This failure by mothers, and our lack of sanctions, to establish early and clear identity of the father, is but one major example of the anti-father gender bias at work in our paternity identification system.

WASHINGTON STATE PATERNITY IDENTIFICATION FORM

MR. CHAIRMAN, I live down the street from St. Joseph's Hospital in Tacoma, the first hospital to institute a program based on Washington's new law requesting assistance from hospitals in identifying paternity fathers. Research shows that many paternity fathers are in fact present at the hospital for the birth of their child. The statistics are that married fathers are present in the birth room in over 80 of births, and unmarried fathers are there over 50% of the births. Most fathers do not sign the paternity forms because they are living with the mother and no signature is legally necessary or the mother has not told the father about the expectant birth and he has no reason to be at any hospital. Some fathers feel pressured to sign the forms as they are told they have to do so before the mother is allowed to put their name on the birth certificate. Other fathers are told they have no rights to the child unless they sign. These fathers are never informed by a neutral party about their actual parental rights.

The Washington State experience shows a marked increase in paternity identification with the use of the forms. The increase in paternity identification is a good result and we support this result. The American average of less than 20% total paternity identification is a national disgrace. The Washington State rate is now at 40%. However when paternity identification is actively pursued as in Michigan and Wisconsin, we see rates over 60 and 70%.

PROBLEMS WITH WASHINGTON STATE PATERNITY IDENTIFICATION FORMS

MR. CHAIRMAN, Washington State's paternity identification form is likely unconstitutional, and is for certain anti-father from the very beginning. No father in his right mind, with any awareness of Due Process under the 14th Amendment, having received thorough legal representation, would sign the document. The document for the mother says I am the mom and he is the dad. The document for the father says I am the dad and I agree to pay child support. The overreaching assumption is that mom is automatically the custodial parent. The only basis for collection of child support is as the custodial parent, yet, in these cases of hospital paternity identification, the father has no legal representation, and is never asked if he wants to be the custodial parent. The child is automatically placed on welfare, and into a dependency lifestyle, as if that is in the best interest of the child.

MR. CHAIRMAN, we want to be very supporting of the intent of Section 640 (4)(C)(i) for fathers to be notified of their legal rights to facilitate cooperation in the paternity identification process. Our reluctance, however, is to be asked to blindly trust HHS to hire and train objective legal counsel. When we are talking about issues such as father custody, making moms repay a fair share of AFDC funds, or advising a father on filing criminal charges for Custodial Interference, we are talking about trained and experienced legal counsel in Civil Rights law. Otherwise the process is doomed.

The problem for society is what happens if the father is the better parent and wants official status as the custodial, and fully responsible parent? What happens first is that the government REFUSES to help the father. If the father inquires of the hospital staff or HHS personnel, he is told that he must hire a private attorney. This is not what happens for mothers, so why the difference in process? A mother gets a free government attorney, and can be in Court or establish an OSCE Child Support Order within a few days if the mother goes on welfare. The father is helpless against his child going onto welfare and into a dependence lifestyle. This official anti-father discriminatory process must be changed !!!

Already, MR. CHAIRMAN, over 10% of welfare cases have resulted in father custody. Single father households are now at 13% of all single parent households, the fastest growing family formation in America. YES, MR. CHAIRMAN, fathers are capable of taking care of

children on a full time basis. According to the 1990 census, 1,400,000 households are headed by single fathers.

Why don't the paternity identification forms inform the father of his substantive 14th Amendment rights to have his name on the birth certificate, his right to have his child take his surname, and his father's right to have regularly scheduled, even minimum, parenting time (residential schedule), even temporarily until a Court hearing is held and formal temporary orders are established? A law review article that discusses the legal status of unmarried fathers is: A FATHER'S RIGHT: SOME INCONSISTENCIES IN THE APPLICATION OF DUE PROCESS AND EQUAL PROTECTION TO THE MALE PARENT, American Journal of Family Law, by Carol Lynn Tebben, Summer of 1990.

The key point made in the law review article is the failure of states to protect the father's 14th Amendment Due Process rights with respect to identification and parenting of his child. The comment is as follows:

"The U.S. Supreme Court has recognized a natural father's established relationship with his child as a protectable due process and equal protection interest. This interest has been extended further by the Court to include a natural father's potential relationship with his child. The states, however, have been divergent in their application of constitutional protection to these interests, and many states give only cramped or minimal protection. A father's 14th Amendment rights are often pitted against such crucial public policy issues as the integrity of the family, the stability of the adoption process, or the best interest of the child. Although the Court has recognized that rights of the natural father are protectable, the Court also allows a great deal of discretion to the states in determining the extent of that protection. In some state cases, the results have been contradictory to the Court's declaration that a father's established or potential relationship with his child is protected. For many fathers seeking to protect the relationship with a child, the 14th Amendment has proven to be meaningless."

The only reality of the existing Washington State paternity identification form is to establish an administrative process designed to enter child support orders. The critical importance of the father\child relationship and any notion of day to day father parenting is totally ignored.

HOWEVER, MR. CHAIRMAN, with a proper form, prepared under federal regulations, with 14th Amendments rights established and recognized in federal law, the document could be of great assistance in dramatically increasing the formal identification of unmarried fathers in the United States. The American Fathers Coalition strongly supports this process, because it is our belief and opinion, that if more unmarried fathers knew their legal rights, and had safeguarded legal procedures for paternity identification, that more paternity fathers would be involved as day to day fathers, and many more would even be primary caregivers of their natural children. This means far fewer absent fathers, fewer AFDC cases and welfare spending, and savings to American taxpayers. This is a winning formula that will truly help children.

WOMEN'S OPPOSITION PROVES POINT

MR. CHAIRMAN, OUR AMERICAN FATHERS COALITION can certainly understand your hesitation to take our words of discrimination against fathers with any depth of sympathy. However, MR. CHAIRMAN, we have the words of THE WOMEN'S ADVOCATE, the newsletter of the National Center on Women and Family Law from New York. The January 1994 newsletter contains two articles: HHS Issues Proposed Regulations on Paternity establishment and 2 - Joint Custody and Non-Marital Children. These articles express deep dissatisfaction and fear of new federal laws. Why? Simply because mothers will lose their favored status to automatic presumption of custody. The

fear is stated in the following words:

"The proposed rules on in-hospital paternity establishment contain provisions that could be problematic for women and children."

Here we are in an epidemic of children born to unmarried parents, and the American people want solutions, and the White House and Congress are poised and ready to take action, and the official women's rights position is opposition. What does this say about women's rights advocates and their commitment to relieving the pain, suffering and impoverishment of children born to unmarried parents, who by their very birth status, have higher rates of failed lifestyles than if they were born into family circumstances with both parents?

CONSTITUTIONAL RIGHTS OF CHILD TO IDENTIFICATION OF BOTH PARENTS

MR. CHAIRMAN, every child has a Constitutional right to the notification and identity of each of its natural birth parents. The question is that paternity not is it just good

I. THE PARENT-CHILD RELATIONSHIP IS A CONSTITUTIONALLY PROTECTED RIGHT FOR BOTH PARENT AND CHILD.

The issues raised in a dissolution or paternity case involving custody of minor children and the ultimate resolution of those issues will affect, in the most profound, intimate and decisive manner, the entire course of the minor child's remaining life. While the adult parties may garner the bulk of attention in asserting and denying various legal rights it is critical to consider that for the minor child, there may be no greater moment in his or her life.

The minor child's claim to the continuity of a parent-child relationship, and his or her respect as a human being, and his or her claim to Constitutional protections have been largely ignored or misplaced by the legislature, courts and legal profession in this state.

A minor child is entitled to Constitutional protections and the rights which flow from such protections. The minor child's interest in a parent-child relationship constitutes a fundamental liberty interest giving rise to a full panoply of Constitutional Protections.

CONSTITUTIONAL RIGHTS OF A PARENT TO PARENT\CHILD RELATIONSHIP

The U.S. Supreme Court has made plain beyond any doubt that a parent's desire for a right to "the companionship, care, custody and management of his or her children" is an interest that is "far more precious" than any property right. See May v. Anderson, 345 US 528, 97 L.Ed 1221, 73 S. Ct. 840 (1952).

A parent's interest in the companionship, care, custody and management of his or her children rises to a constitutionally secured right, given the centrality of family life as the focus for personal meaning and responsibility. See Stanley v. Illinois 405 U.S. 645, 31 Led 2d 551, 92 S Ct. 1208 (1972) May v. Anderson, supra.

Parental rights have been recognized as being "essential to the orderly pursuit of happiness by free men". Meyer v. Nebraska, 262 US 390, 67 Led 1042, 43 S Ct. 625 (1923).

A parent's right to custody and companionship of a natural child has been specifically accorded protection under the Constitution. Smith v. Organization of Foster Families 431 US 816, 53 Led 2d 14, 97 S.Ct. 2094 (1977); Stanley v. Illinois supra; Caban v. Mohammed 441 US 380, 99 S.Ct. 60 L.Ed.2d 296 (1979).

In Quilloin v. Walcott, 434 US 246 at 255-256, 54 L.Ed.2d 511, 98 S.Ct. 549(1978), the court implied that "a (once) married father

who is separated or divorced from the mother and is no longer living with his child "could not constitutionally be treated differently from the currently married father living with his child". See also Franz v. United States, 707 F2d 582 at 595 (1983).

Child custody and paternity determinations involve a judicial intervention and restructuring of family life of the parties before the court. That such determinations involve a fundamental liberty interest of the parties, protected by the U.S. Constitution, cannot be tenably disputed. As the court in Franz, supra, observed:

...a parent's right to the preservation of his relationship with his child derives from the fact that the parent's achievement of a rich and rewarding life is likely to depend significantly on his ability to participate in the rearing of his children. A child's corresponding right to protection from interference in the relationship derives from the psychic importance to him of being raised by a loving, responsible, reliable adult. Id., at 599 (Emphasis added).

It logically follows that where the parent's right in a parent-child relationship is constitutionally protected the child enjoys a corresponding right worthy of equal if not greater protection. A minor child could have no greater right subject to judicial determination. This position has been recognized by the California Courts:

"...The establishment of the parent-child relationship is the most fundamental right a child can possess, to be equated in importance with personal liberty and the most basic of constitutional rights". Ruddock v. Ohls 91 Cal. App.3d 271 at 277-278, 154 Cal Rptr 87 at 91 (1979)

JUDICIAL INDIFFERENCE

The traditional reluctance of courts to confront complex questions and to protect constitutional rights in dissolution actions, coupled with rapidly changing social norms, account for the lack of judicial precedence in the area of protections of fundamental liberty rights of parent-child relationships.

The proliferation of divorce and concomitant increase in children of divorce and lifestyle changes with the resultant increasing number of "illegitimate" children are unprecedented in the history of our nation.

"In short, the institution of the "broken" family is becoming ever more socially important. To rely on the absence of a strong tradition of respect for one of the constituent relationships of that institution in determining its constitutional status seems senseless. Recognition of the need to adjust the meaning of the Constitution to conform to changes in social life requires that we eschew reliance on history." Franz, supra, at 601.

The mechanical and brutal application of the existing sole custody laws via the "primary residential parent" model of most states does violence to America's minor children and their due process rights. The nature of the deprivation suffered by an individual is of critical significance in the due process calculus, for the process to which one is entitled is in part determined by the possible loss suffered. See Goldberg v. Kelley, 397 U.S. 254 (1970); Joint Anti-Facist Refugee Committee v. McGrath, 341 U.S. 123 (1951) (Frankfurter, J., concurring); Morrissey v. Brewer, 408 U.S. 471 (1972) Children are routinely denied both parents following a divorce, even when both parents are found to be equally fit as to have custody.

Our American family courts must become aware of the lifetime harm they are causing to innocent children wrongly denied access and parenting by their fathers. The harm is to girls as well as boys.

The courts should continue protecting the family entity during dissolution because the dissolution of the parents does not terminate the familial bonds as it pertains to the children or the rights of the parents. The only bond terminated is that bond between the parents that does not relate to the children.

NATIONAL CAMPAIGN AGAINST POVERTY

The American fathers Coalition has proposed a unique and challenging campaign to eliminate child poverty and dependency lifestyles. It will reduce 30-50% of all welfare cases within one year. This is compared to the goal of a reduction of maybe 5% of cases under H,R, 4605 by the year 2000.

Every father with a child on AFDC has an average income of \$15,000. Even if child support is paid in full and on time, the mother will still be on welfare in over 95% of the cases.

However, if custody were given to fathers on a temporary basis for three years while the mother was completing her education; getting a high school diploma or a masters degree, and getting off drug dependency, the children could be living off welfare and out of dependency, and the father will never be asking for a penny of entitlement funding. Once the mother has worked for a full year with an income above the poverty level, she could re-petition the Court for joint custody and significant parenting time with the children.

Attached are a couple of backup papers printed by the American Fathers Coalition that identifies our proposal in detail. The following is a short review of law review articles of fathers issues relating to custody of their children.

FATHERS RIGHTS - EQUAL CUSTODY OF CHILDREN

CULTURAL CONTRADICTION OF FATHERS AS NON-PARENTS, 128, Family Law Quarterly, Spr. 1987 by

FATHER-CHILD RELATIONSHIPS AFTER DIVORCE: CHILD SUPPORT AND EDUCATIONAL OPPORTUNITY, Family Law Quarterly, Sum. 1986, by Judith Wallerstrin and Shauna Corbin

FATHERS' RIGHTS AND FEMINISM: THE MATERNAL PRESUMPTION REVISITED, Harvard Law Review, 1978, by Rena K. Uviller.

JOINT CUSTODY, FEMINISM, AND THE DEPENDENCY DILEMMA, Berkely Women's Law Journal, 1989, by Katherine T. Bartlett and Carol B. Stack

MORE SINGLE MEN BECOME HEADS OF HOUSEHOLDS, STUDY SAYS. Seattle Times, June 9th, 1992, page A-2, 1992

RECOGNIZING THE FATHER/ILLEGITIMATE CHILD RELATIONSHIP FOR INTERSTATE SUCCESSION. 27 DePaul Law Review, 175-189, 1977, by Michael J. Zarski.

THE EQUAL RIGHTS AMENDMENT: THE PENNSYLVANIA EXPERIENCE Dickinson Law Review, 1976, by Phyllis W. Beck

THE SEARCH FOR EQUALITY IN A WOMAN'S WORLD: FATHERS RIGHTS TO CHILD CUSTODY, Rutgers Law Review, Vol. 43, 1990, by Judith Bond Jennison.

TRADITION AND THE LIBERTY INTEREST: CIRCUMSCRIBING THE RIGHTS OF THE NATURAL FATHER, Brooklyn Law Review, Vol. 56, 1990, by Elizabeth A. Haddad.

SUMMARY

MR. CHAIRMAN - fathers come in many shapes and sizes, showing many social strengths and weaknesses. We are blessed with our brawn to provide for our families and children but we are burdened with our alienation from our children. While many men have been blessed with the ability to speak on controversial social issues and provide leadership for our country, we are just now gaining our voices to speak about the critical importance of father\child relationships.

America's fathers appeal to the members of the House Human Resources Subcommittee, and to all members of Congress, to remember their fathers, and what their fathers meant to them in their lives and fulfillment of their dreams before voting in a stampede to enact another piece of legislation that may be laced with unintended consequences. Where the fathers more remembered for the almighty dollar or a piece of humanity? Was it a fathers strong voice giving encouragement, or a fathers quiet voice demonstrated through commitment to the work ethic and example?

The most recent GAO report on the OCSE should give Congress considerable doubt about enacting new get tough child support legislation that is more punitive than positive in its overall effect.

The American Fathers Coalition appeals to the good sense of Congress to stand back and review the total playing field of American life, and focus on positive parenting policies, rather than more negative, and counterproductive lawmaking.

It is time to view fathers as an unmeasured asset to America's troubled children. Let's start bringing fathers into family life at the beginning and stop shoving and pushing them away.

We stand ready to assist Congress in any way that we can to meet the above goals.

We thank Congressman Gibbons and Congressman Ford for their willingness to hear from the American Fathers Coalition and we hope our words and proposals are taken with the positive feelings with which they were offered.

WELFARE REFORM ISSUE PAPER

Prepared for February 26, 1994
Meeting of the Working Group on
Welfare Reform, Family Support and Independence

~~CONFIDENTIAL~~ DRAFT-For Discussion Only
1205

Issue: Enhancing Responsibility and Opportunity for Noncustodial Parents

Under the present system, the needs, concerns and responsibilities of noncustodial parents are often ignored. The system needs to focus more attention on this population and send the message that "fathers matter". We ought to encourage noncustodial parents to remain involved in their children's lives—not drive them further away. The well-being of children who live only with one parent would be enhanced if emotional and financial support were provided by both of their parents.

Ultimately, the system's expectations of mothers and fathers should be parallel. Whatever is expected of the mother should be expected of the father, and whatever education and training opportunities are provided to custodial parents, similar opportunities should be available to noncustodial parents who pay their child support and remain involved in the lives of their children. If they can improve their earnings capacity and maintain relationships with their children, they could be a source of both financial and emotional support.

Much needs to be learned about noncustodial parents, partly because we have focused relatively little attention on this population in the past, and we know less about what types of programs would work. We propose the following approaches:

Work opportunities and obligations for noncustodial parents. A portion of JOBS and WORK program funding would be reserved for training, work readiness, educational remediation and mandatory work programs for noncustodial parents of AFDC recipient children who cannot pay child support due to unemployment, underemployment or other employability problems. In addition, States may have an option for mandatory work programs for noncustodial parents. States would have considerable flexibility to design their own programs.

Grants for access and parenting programs. We propose grants to States for programs which reinforce the desirability for children to have continued access to and visitation by both parents. These programs include mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement including monitoring, supervision and neutral drop-off and pick-up, and development of guidelines for visitation and alternative custody arrangements.

We also propose demonstration grants to States and/or community-based organizations to develop and implement noncustodial-parent (fathers) components in conjunction with existing programs for high-risk families (e.g. Head Start, Healthy Start, family preservation, teen pregnancy and prevention). These would promote responsible parenting, including the importance of paternity establishment and economic security for children and the development of parenting skills.

RESPONSIBILITIES OF SCHOOL-AGE PARENTS

The program of transitional assistance followed by work that was outlined earlier in this document focuses on the responsibilities of custodial parents, especially young parents, to work and prepare for work as a condition of receiving benefits. All young parents seeking government assistance would be expected to prepare for and go to work. Like the child support provisions, the obligations inherent in the program send a clear message about the consequences of parenthood, ensuring that welfare receipt does not release either parent from their responsibilities to work and support their children.



DEPARTMENT OF HEALTH
VITAL RECORDS
P.O. Box 9709, ET-11
Olympia, WA 98504-9709
(206 753-5936)

PARENTAL INFORMATION and PATERNITY AFFIDAVIT

*This is a legal document.
Complete in ink and do not alter.*

NAME OF CHILD - FIRST, MIDDLE, LAST		DATE OF BIRTH
CITY OF BIRTH	HOSPITAL	
NAME OF MOTHER - FIRST, MIDDLE, LAST (MAIDEN SURNAME)		MOTHER'S DATE OF BIRTH
MOTHER'S STATE OR COUNTRY OF BIRTH	MOTHER'S RACE	MOTHER'S SOCIAL SECURITY NUMBER
NAME OF HUSBAND (IF MOTHER MARRIED) - FIRST, MIDDLE, LAST		HUSBAND'S DATE OF BIRTH
HUSBAND'S STATE OR COUNTRY OF BIRTH	HUSBAND'S RACE	HUSBAND'S SOCIAL SECURITY NUMBER

ONLY POSSIBLE FATHER OF THE CHILD, IF NOT HUSBAND (Please Print Clearly)

NAME OF FATHER - FIRST, MIDDLE, LAST		FATHER'S DATE OF BIRTH	FATHER'S STATE OR COUNTRY OF BIRTH
FATHER'S SOCIAL SECURITY NUMBER	RACE	OCCUPATION	BUSINESS

IMPORTANT: *After the original birth certificate has been sent to the registrar, the child's last name is not changed if this section is blank.*

CHILD'S NAME - FIRST, MIDDLE, LAST

BOTH PARENTS MUST SIGN BEFORE A NOTARY PUBLIC

B. We, the natural mother and natural father, declare under penalty of perjury under the laws of the state of Washington that the following statements are true and correct.

I certify that I am the natural mother. The above information is true and the man named above is the only possible father. I make this affidavit to name the natural father on my child's birth certificate and show a change of the child's name if noted above. During this pregnancy my marital status was:

Single Married Divorced/Widowed
Date of divorce/death: _____

Mother's Signature _____
Address _____

Phone Number _____
State of Washington, County of _____
Signed and sworn to (or affirmed) before me on _____
by _____

(Signature of notary public)

L.S. _____
(Title)

My appointment expires _____

I certify that the above information is true. I make this affidavit to show that I am the natural father on my child's birth certificate and provide for a change of the child's name if noted above. I also understand that by acknowledging paternity of this child I accept an obligation to provide child support under the laws of the State of Washington.

Father's Signature _____
Address _____

Phone Number _____
State of Washington, County of _____
Signed and sworn to (or affirmed) before me on _____
by _____

(Signature of notary public)

L.S. _____
(Title)

My appointment expires _____

Notary signature and seal must appear on this form in spaces marked L. S. Do not attach a separate notary statement.

Statement of Judith Lichtman, President
Women's Legal Defense Fund

to the Subcommittee on Human Resources
of the Ways and Means Committee
on the Child Support Provisions of H.R. 4605

July 28, 1994

The Women's Legal Defense Fund ("WLDF") is pleased that the Subcommittee on Human Resources of the Ways and Means Committee is considering comprehensive reforms of our country's child support system. WLDF is a national, nonprofit advocacy organization that for more than twenty years has worked for policies that help women and their families achieve economic security, equal opportunity in the workplace, and access to quality health care. For more than ten years, we have worked in Congress, the executive branch, and the states, to improve our country's child support system. In our research and advocacy, we have particularly emphasized the problems faced by low income women in obtaining child support, and the inadequacy of child support awards; thus, our statement will focus on those issues.

Since 1975, Congress has tried to legislate an effective, state-based child support system. Some significant improvements have occurred. Nevertheless, the system is still failing millions of children and their single mothers. Over half of all women potentially eligible for child support -- 5.4 million families -- received no payment at all, according to the U.S. Census Bureau. The economic loss to children is staggering. The Urban Institute estimates that if child support orders reflecting parents' ability to pay were established and fully enforced for all children, nearly \$48 billion in support would be provided: over three times as much as the roughly \$14 billion in child support that is currently paid.

More Fundamental Reforms Are Required: the Federalization of Support Enforcement and a National Program of Child Support Assurance.

Overall, the child support provisions of H.R. 4605 would make important improvements in the state-based child support system. However, even more fundamental reforms are needed to assure that all children benefit from the support of both parents.

First, WLDF recommends that the enforcement of child support obligations be federalized. This would permit enforcement functions to be handled by a single agency, with adequate enforcement powers, that could reach child support obligors wherever they live and work. State agencies would be able to focus on establishing paternity, and establishing and modifying child support orders.

The goal of H.R. 4605, in contrast, is to improve state enforcement by providing more federal support and requiring reforms at the state level. At the federal level, a national child support registry and new hire registry would be established. States would be required to develop more centralized and automated systems for enforcement, increase the enforcement tools available to state agencies, and expedite the processing of cases. If they were fully implemented, these reforms could improve the state-based system significantly; however, the dismal record of state child support enforcement makes this unlikely. A different approach to enforcement, as proposed in H.R. 4051, is required.

Second, WLDF urges the establishment of a national system of child support assurance, as proposed in H.R. 4051. Children need and deserve the support of both parents, and custodial parents need a reliable supplement to wages. Now, when a noncustodial parent fails to make a monthly payment, or makes only a partial payment, the burden falls on children and their caretakers. Child support assurance would protect children from this loss, by guaranteeing eligible children a minimum, reliable amount of child support each month. It is an approach that alleviates child poverty, while promoting work and parental responsibility, and should be a central part of welfare reform.

Demonstrations of the child support assurance concept would be established by H.R. 4605. The proposal, however, is too restricted to provide a real test of the concept. Only three, not

necessarily statewide, demonstrations would be funded. Children for whom orders had not been established despite their mothers' efforts would not be eligible to participate. Most disappointing of all, AFDC payments would be reduced dollar for dollar by the assured benefit. Thus, there would be no economic gain for children in families receiving AFDC, and far less encouragement for their parents to seek to combine child support and work. More comprehensive and better designed demonstrations are proposed by H.R. 4767.

More Families Must Be Helped to Obtain Support Awards.

Over 40 percent of all potentially eligible single mothers do not have child support awards. Low-income single mothers are particularly at risk for not having a child support award: 57 of mothers living in poverty, and 75 percent of never-married mothers lacked child support awards. To determine why the mothers who need child support the most do not even get into the system, a couple of years ago WLDF organized focus groups of low-income single mothers -- white, African-American, Latina, and Asian-American, urban and rural -- and asked them.

We found that most of the mothers wanted child support, but lacked key information about the system, were unable to use the system successfully, or were discouraged from even trying. Language barriers and transportation problems prevented others from getting help. The principal problem was not mothers' refusal to cooperate with the system; the problem was the system's failure to cooperate with them. A 14 year old mother told us:

I don't know what's going on. I'm just confused . . . I have these papers that come from the [child support agency] attorney and they told me fill out a form with the signature of the baby's father. But they never gave me the form, so I called the office and left a message on the machine and they never call me. I call about every day and they never call me . . .

A Newark woman reported:

The welfare office asks us to go to the Hall of Records to update information about where the father [is] . . . I really don't understand why . . . I go to the Hall of Records, give . . . a lot of information. Six months later they're asking me the same kind of information that I already gave them.

She never received child support; nor did a rural woman who gave information about the father to agency workers and was told, "we know him, we go out drinking every Friday night."

The frustrations mothers report in dealing with overloaded, inefficient child support agencies are shared by workers in those agencies. Pat Addison, a child support agency worker in Virginia, explained the problem to the Senate Subcommittee on Federal Services, Postal Service and Civil Service on July 20, 1994.

Our current caseload assignment per worker is 1000 cases and growing all the time . . . [I]f a worker was actually able to look at each case and devote time to it the total available time would only be 98 minutes a year which works out to 8 minutes a month per case.

In such a system, encouraging agencies to impose more sanctions for failure to cooperate in the collection of support, as H.R. 4605 would do, poses substantial risks of injustice. And cutting off benefits to children and mothers does nothing to increase the number of child support awards established and collected. To do that, we need effective outreach, more efficient case processing systems, and improved staffing. This testimony focuses on the first of these requirements.

H.R. 4605 makes some provision for improving access to child support services. States must develop plans to make services more available to working parents, and to parents with limited proficiency in English. While these requirements address important barriers, they are inadequate. For example, they do not address the transportation problems rural women face or ensure that low-income women who are not receiving AFDC learn about child support

However, the demonstration projects were able to modify awards in only a limited percentage of cases selected for review: 10 percent overall. Orders were more than twice as likely to be modified in AFDC cases (15 percent) as in non-AFDC cases (6 percent). The likelihood that a case would be modified depended heavily on how the state chose to staff its modification project. The three states that used full-time, project-dedicated staff to conduct their modification projects modified awards in 10 to 11 percent of the cases selected. The one state that used existing staff, with other child support enforcement responsibilities, modified only 4 percent of the cases selected. The average length of time required after case selection for case review and modification was over six months (196 days).

H.R. 4605 proposes major changes in the laws governing modification of orders -- eventually. Virtually no changes will be required in the current inadequate system for modifying orders for five years. As of October, 1999, however, states will have responsibilities that their record to date, and the results of the modification project, suggest they will be hard pressed to fulfill.

States will be required, every three years, to review all orders in the central case registry, which is to include all cases in which an order has been entered or modified on or after October 1, 1997, as well as all other cases in which services are being provided by the state child support agency. There are a few exceptions. States will not be required to undertake such a review if it would not be in the best interests of the child, or if both parents, having been informed of the modified support amount that would be imposed, have declined such modification in writing. Unfortunately, states also will be excused from modifying orders if the change in the amount is no more than ten percent, a change which could still be significant to a low income family, or one with several children. In addition to periodic reviews, H.R. 4605 would require states to afford parents a review upon request whenever the income of either parent has changed by more than 20 percent (an inappropriate standard in states where changes in the custodial parents' income would not affect awards), or there have been other substantial changes in circumstances. However, H.R. 4605 does not afford parents access to the information they need to decide whether to request a review.

A better approach to updating awards is outlined in H.R. 4767. By October, 1995, states would be required to have laws in place requiring that all orders subsequently issued or modified provide for an annual cost of living adjustment. Unlike a review and adjustment pursuant to the child support guidelines, which usually requires gathering considerable financial information from both parents, a cost of living adjustment can be made automatically. This is a feasible way to assure that awards at least keep pace with inflation.

In addition, under H.R. 4767 States would have to review and adjust the order in accordance with the guidelines every three years, at the request of either parent; parents could also request a review based on a significant change of circumstance. To enable parents meaningfully to exercise their rights to request a review, parents would be required to exchange financial information annually.

There is bipartisan agreement that significant steps must be taken to improve the child support system. WLDF urges the Subcommittee to be bold and creative, and to develop a system for child support enforcement and assurance that will address children's needs for economic security.

enforcement services. Better approaches are taken in H.R. 4767 and H.R. 4570, which would require States to develop and implement overall plans for serving underserved populations, and to work with non-profit agencies and other government agencies that serve low-income families.

Outreach programs to encourage voluntary paternity establishment are specifically required by H.R. 4605, and programs to educate expectant parents on their "joint rights and responsibility in paternity" are authorized. Unfortunately, and ironically, states are given the option to penalize expectant mothers for failure to participate in programs about the responsibilities of paternity.

Although increasing the number of cases in which paternity is established is essential, the best interests of children must be paramount. For cases in which establishing paternity, or pursuing support, will not be in the best interests of the child -- for example, where it is reasonably expected to result in physical or emotional harm to the child or caretaker, or where the child was conceived as a result of rape or incest -- H.R. 4605 continues the good cause exception to the cooperation requirement contained in current law. Significantly, it also requires child support agency staff to inform mothers, orally as well as in writing, about the exception.

A National Child Support Guideline Should Be Developed to Improve the Adequacy of Awards.

To improve the adequacy and uniformity of child support awards, Congress required that states develop and use guidelines in setting child support awards. WLDF analyzed how the guidelines in effect in the states in 1989-1990 would affect 12 typical families. We found that many state guidelines failed to provide adequately for children, even when there was sufficient parental income, and that awards varied considerably among the states. The greatest disparity was found in the typical family in which the mother and children were receiving AFDC, while the father's income was about \$2,000 above the federal poverty level. Awards ranged from a low of \$600 to a high of \$4,227, more than seven times as much.

H.R. 4605 addresses this problem by calling for the establishment of a National Commission on Child Support Guidelines. The Commission's potential effectiveness is weakened, however, by the nature of its mandate. Congress ultimately must decide if a national guideline is advisable; requiring the Commission to resolve this issue before it develops a national guideline for consideration by Congress is a prescription for deadlock. Moreover, the legislation should not attempt to list every factor the Commission should consider in developing a guideline. The specific but incomplete listing contained in H.R.4605 simply invites controversy over the significance of such omissions as the appropriate treatment of expenses for elementary or secondary education. Instead, as proposed in H.R. 4767 and H.R.4570, the Commission should be generally directed to consider various guideline models, their benefits and deficiencies, and any needed improvements.

The System for Modifying Awards Must Be Improved, to Maintain the Adequacy of Awards.

Even if child support awards were adequate when first set, they tend to become inadequate over time. Increases in the income of noncustodial parents are not reflected in award levels, and inflation erodes their value. Congress addressed this problem in the Family Support Act of 1988, which required that, as of October 1993, states update orders in all AFDC cases every three years. By the same date, States were required to have a system in place for updating awards in non-AFDC cases being handled by the state child support agency, at the request of either parent, every three years.

The evaluation of the results of four demonstration projects testing different approaches to the review and modification of child support orders highlight both the potential advantages of modifying orders, and the problems with the current system. Over 90 percent of the modifications resulted in increases in awards, and the average increase in awards was over 100 percent. Even though awards went up, compliance rates stayed about the same, so the amount of support actually paid went up over 100 percent.

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Testimony Prepared for Presentation Before
the Subcommittee on Human Resources:
Committee on Ways and Means

My name is Pamela Cave. I am a single mother of five young children. I am still married to my husband. My children are all legitimate, and they all belong to my husband. I was an ADC recipient in Fairfax County, Virginia, from June 1990, when my husband initially deserted our family, until January 1, 1993- the date that the Division of Child Support Enforcement was finally able to change the ADC agency case to non-ADC status. We presently have a monthly income of six-hundred and sixty dollars. This is less than we would receive from ADC, but it is an amount that has been court ordered nonetheless.

I have collected and studied proposed legislation and accompanying remarks. I have some genuine concerns regarding the assumptions and perceptions of current federal regulations pertaining to the implementation of AFDC programs. I know from my experiences that the mishandling of cases does occur. I have personally had to appeal agency actions on several occasions. I have won my appeals. I have also assisted in the preparation of agency appeals for applicants who have been wrongly denied benefits. The application process itself is lengthy and specific in its requirements. When fraud occurs, it is generally the result of the error or the apathy of an agency employee. The majority of eligibility workers I have encountered are overloaded with cases and are simply not capable of handling the large caseload in a manner consistent with quality, timely processing of applications.

I am grateful to have the opportunity to meet with you and discuss some of my concerns and experiences. The text of the legislation I have read thus far, as well as the media coverage of the topic at hand, seems to focus on the stereo-typical image one might have of a "welfare mother". We are not all unmarried. We are not all uneducated. We are not all lazy. We are not all irresponsible. We are not all looking for a free ride or a hand-out. I am concerned that the focus on the "welfare mother" is striving to treat a symptom of the problem. If welfare reform is to be of merit, it must seek to address the root of the basic problem.

The basic problem is that our current society is so focused on and driven by individual rights that accounta-

bility and responsibility have gone out the window. We use our individual rights as our excuses for avoiding responsibility and accountability for our actions. It takes two people to produce a child. Therefore, our society should expect and demand that both parents be held responsible and accountable for providing for the needs of their children.

I heard Charles Murray make a disturbing remark on a recent "20/20" report presented by John Stossel. Mr. Murray stated that the father of an illegitimate child has no legal obligation to provide for that child. This statement is not true. When an applicant submits the necessary paperwork to be considered for AFDC, she, or he, must sign a statement allowing the subrogation of her or his rights to pursue an absent parent for child support to the state of jurisdiction. This is the case regardless of the marital status of the applicant. An applicant is required, by law, to provide the agency with information regarding the absent parent. Unless an applicant can provide a compelling reason why such co-operation would be detrimental to either herself, himself, or the child, this requirement must be met in order for an application for assistance to be considered and approved. This requirement alone suggests the legal responsibility of the absent parent.

Our government would be well-served to educate the public regarding this matter. The public should be informed that welfare checks are not simply available for the asking. The public should be told that 87 percent of welfare monies distributed today are done so under the auspices of the AFDC program. This program is specifically for children who are proven to be missing the support and benefit of one absent parent. This education should motivate your constituents to demand that parents, both, be held accountable under penalty of law to provide for their children. We need tough, criminal, federal guidelines for child support enforcement.

In the State of Virginia, it is a misdemeanor to drive up to a chicken coop and flash the birds with automobile headlights. Yet, the same code of law providing this statute encourages child support enforcement agencies to pursue child support only via a civil process. There seems to be a need for tougher, more aggressive enforcement procedures at all levels; state, county, city, and federal. I can't tell you how many times I have heard the statement, "We can't get blood from a turnip", in reference to my own child support case. Yet, my husband has been allowed to decrease his ability to pay from nine-hundred dollars per month to six-hundred and sixty dollars per month, all while under the purview of Fairfax County Child Support Enforcement. Here again, we have the dilemma of an agency overburdened by a large caseload, often understaffed, and often under motivated.

I have yet to hear of proposals which address some of

these concerns. The policies that are now in place in Fairfax County, Virginia, are representative of some of the proposals I have recently read. In Fairfax County, many of the ideas expressed in new legislative proposals have already been implemented county-wide. We do have programs available which offer job training and skills learning for unemployed parents receiving AFDC. We have programs which offer child care to parents receiving AFDC to enable them to seek employment or to pursue further education and/or training. We have assistance available to provide for transportation and other work-related expenses. We have an abundance of social programs available, but, if any of these programs are to be of merit by being truly effective, the county agencies charged with implementing the programs must be adequately staffed, trained, and motivated.

I have personally encountered several agency workers who were on the job implementing agency policy without first possessing a thorough knowledge of the complex rules, methods and procedures involved in the assessment process regarding AFDC eligibility. Here, again, we have a situation of a service agency overburdened by a large caseload, often understaffed, and, perhaps, undermotivated. I am concerned that as we aggressively suggest, plan, and discuss methods to improve the system, we may continue to overload and overburden it by not properly building the foundation of agency staff and support fundamentally necessary to implement complex social programs.

Child support enforcement must be handled in a manner consistent with deterring absent parents from failing to support and/or provide for their children. I have learned the "hard way" that no one can be "made" to be responsible. Responsibility must come from within a person's character. But, our government can hold absent parents accountable, under penalty of law, for failing to support their children. If deterrence is to be effective, penalties must be swift, mandatory, and uncompromising. This simply cannot be accomplished via the civil processes generally utilized today. Simply obtaining proper legal service upon an absent parent can take months, if it ever successfully occurs at all.

Before new policies are formulated and subsequently implemented, we must fully understand what we are building on. We must look to the "big picture" and cast aside assumptions which may lead to the perpetuation of the problems we are hoping to resolve. We must fully understand and recognize the relevance of effective child support enforcement in the process of reducing welfare rolls. We must acknowledge the criminality of willfully neglecting to support a child, and we must move forward with policies which focus on the possibilities for the future and not on the mistakes of the past.

Pamela J. Cave

WRITTEN STATEMENT OF ROGER F. GAY
**Project for the Improvement of
Child Support Litigation Technology**

SUBMITTED FOR THE RECORD TO
THE SUBCOMMITTEE ON HUMAN RESOURCES,
COMMITTEE ON WAYS AND MEANS,
U.S. HOUSE OF REPRESENTATIVES

ON THE SUBJECT OF THE WELFARE REFORM
AND PARENTAL RESPONSIBILITY

IN CONJUNCTION WITH HEARINGS OF THE SUBCOMMITTEE
HELD JULY 26-29, 1994

F. The Record

Alla barn har rätt att få en god start i livet.
Every child has a right to get a good start in life.
(Swedish Convention on Children's Rights)

Nowhere outside of government circles does "Parental Responsibility" mean that parents should be punished if they are unable to provide. Nowhere else does it seem to imply government control and manipulation of parental resources. Quite the contrary. It means that parents make their own decisions and act upon them. Several European countries are still supportive of that freedom. Many people still regard it as a right. But it is clear that Parental Responsibility is under attack. Even if you have hidden under a rock and are not aware of the unrestrained government power that has been brought to bear on families, you can see the evidence in the armies that have formed to attempt to protect the home ground.

pa•ren•tal adj. 1. of or pertaining to a parent 2. proper to or characteristic of a parent: *parental feelings*. 3. having the relation of a parent. 4. *Genetics*. pertaining to the sequence of generations preceding the final generation, each generation being designated by a P followed by a subscript number indicating its place in the sequence.

re•spon•si•bil•i•ty n., pl. **-ties**. 1. the state or fact of being responsible. 2. an instance of being responsible: *The responsibility for this mess is yours!* 3. a particular burden of obligation upon one who is responsible: *the responsibilities of authority*. 4. a person or thing for which one is responsible: *A child is a responsibility to its parents*. 5. reliability or dependability, esp. in meeting debts or payments. 6. **on one's own responsibility**, on one's own initiative or authority: *He changed the order on his own responsibility*.

re•spon•si•ble adj. 1. answerable or accountable, as for something within one's power, control, or management (often fol. by *to* or *for*): *He is responsible to the president for his decisions*. 2. involving accountability or responsibility: *a responsible position*. 3. chargeable with being the author, cause, or occasion of something (usually fol. by *for*): *Termites were responsible for the damage*. 4. having a capacity for moral decisions and therefore accountable; capable of rational thought or action: *The defendant is not responsible for his actions*. 5. able to discharge obligations or pay debts. 6. reliable or dependable, as in meeting debts, conducting business dealings, etc. 7. (of a government, member of a government, government agency, or the like) answerable to or serving at the discretion of an elected legislature or the electorate.

Parental Responsibility: What is it?

Both parent have an equal duty to support their children.
(Oregon Revised Statute 109.010; 109.030, 1988).

For five years, I have been involved in a project that I have called the *Project for the Improvement of Child Support Litigation Technology*. That is a title with a purpose. The word "Improvement" is certainly key to understanding the project. But the use of the word "Technology" is also important. During these years I have tried to help people understand what technology is, and to help them understand why it is important to recognize that the formulae and numbers used to determine a child support award is technology. In a nutshell, developing child support guidelines that meet the requirements of the Family Support Act is dependent upon a scientific understanding of the child support question and a great deal of sophistication in engineering.

Although there were a few pioneering efforts presented in the 1980s, notably by Maurice Franks in Colorado, Judith Cassetty in Texas, and Judge Melson in Delaware, those efforts were mostly ignored in favor of formulae that anyone could develop, and that would be applied without comprehension. It is no secret that they were designed in favor of the goal of increasing the amount of child support awarded. Producing awards in each case that are just and appropriate was not a concern in the design of the current generation of child support guidelines. Nonetheless, following one requirement in the Family Support Act, judges throughout the country must presume that the amount calculated by use of their state's formula is the correct amount to be awarded.

The mandate for presumptive use of child support guidelines dramatically changed the engineering requirements for their design. Two of the problems with implementation of the Family Support Act are that the mandate was put into effect before development of the science and technology needed to meet its legal requirements and no effort was made to develop the science and technology that is needed. The process has been purely political and has proven inadequate.

The Family Support Act caused a significant shift in decision-making authority from judges to child support technology. Because adequate technology has not been available, the net effect has been a shift from case-by-case decisions in a court of law to *en masse* decisions made by state legislators using the extremely crude methods that have been available. The central focus of the *Project for the Improvement of Child Support Litigation Technology* has been to develop the science and technology of child support decision making to a point that it is sophisticated enough to properly handle the decision-making role. One thing that is perfectly clear, is that producing awards that are just and appropriate in each case will require fundamental changes in the design of child support guidelines.

Foremost in my mind has been the removal from state law of rational principles upon which a child support decision is made. Robert Braid explained the problem in *The Making of a Deadbeat Dad* (Trail Lawyer, March 1993). Robert Braid is a professor of Accounting, Economics, and Finance in New Jersey who decided to work out for himself what a just and appropriate child support award would be in his own case. Although New Jersey is a state that has made many valiant efforts to improve the law and practice of domestic relations, parents there suffer from the same problem found in other states. They have no legal definition for "child support". They have only a mathematical formula that lacks a rational basis for analyzing a particular case. This problem stems from the poor design of child support guidelines. States cannot find a set of rational principles that correspond to their formulae.

There is no way for a parent to challenge a child support calculation without knowing what child support is. There is no way for states to determine whether their guidelines produce awards that are just and appropriate without knowing what child support is. There is no way for child support awards to be anything but arbitrary without a definition for child support. The right of rebuttal and evaluation of guidelines are requirements of the Family Support Act. Without a clear definition of the fundamental principles upon which a child support award is based, that is not dependent upon the guidelines themselves for interpretation, it is obvious that states are not in compliance.

I have sent a proposal to this subcommittee to strengthen the requirements of the Family Support Act by requiring each state to provide a legal definition for child support. Because it is so obvious that states are not in compliance without a legal definition, it was initially my opinion that a change in regulations would more easily solve this problem. The perceived problem with that approach seems to be that requiring states to provide a definition would conflict with their freedom to establish their own criteria for rebuttal. I personally do not see a conflict as long as states are allowed to write their own definitions. Nonetheless, I do not expect changes in the regulations without an explicit requirement in the law.

Finding a Better Way

I have sent a copy of a draft of the most recent report from the project to this subcommittee. That report is entitled; *New Equations for Calculating Child Support and Spousal Maintenance With Discussion on Child Support Guidelines*. The report presents current results from five years of work focused on the problem of designing child support guidelines that are easy to understand and flexible enough to provide just and appropriate awards in every case. The Office of Child Support Enforcement and Assistant Secretary in HHS, David Ellwood have also received copies.

There is a common link between the new equations for child support and those presented by Franks, Cassetty, and Melson mentioned above. All four are based on established legal principles for the award of child support. Rather than saying that the use of such a formula would promote uniformity in child support orders, it would be more accurate to say that it would promote uniform application of law. The new equations are designed to adapt to variations in circumstances by use of a small number of mathematical techniques. Therefore, without great complexity, calculations can be adjusted to produce a just and appropriate award in each case. The new fundamental equation for child support has the unique feature of including a precisely calculated standard of living increase allowable in a child support award.

Analysis included in the report shows that there are natural limits to the effectiveness of child support transfer payments for improving the economic well-being of children. In other words, private child support is ineffective when dramatic increases in children's standard of living is required. This natural limit occurs in relation to the standard of living of the custodial parent. When this limit is reached there is a sudden, sharp decline in the percentage of any additional money transferred to the custodial parent that would actually be spent on children. This is the cross-over point between child support and spousal maintenance. It is the point at which suddenly, any additional payment would be primarily for the enrichment of the custodial parent.

Awards calculated by current guidelines include a hidden margin of spousal maintenance. The new equations provide the newest method that can be used to estimate the total amount of spousal maintenance included in child support awards nationally. The first was simply to compare new award levels with those made by judges before guidelines became presumptively correct. The second, an extremely detailed method, was presented by Robert Braid in *The Making of a Deadbeat Dad*, mentioned above. Approximately 50 percent of the current total amount of court ordered child support is actually spousal maintenance. It is reasonable to believe that the award of spousal maintenance is inappropriate in a very large number of cases in which it is now included.

Understanding that the custodial parent's standard of living is the limiting factor, it may be appropriate in some cases to award spousal maintenance to increase the standard of living of the custodial household. The paper presents companion equations for the calculation of spousal maintenance in balanced proportion to the child support award, to bring the entire household to an appropriate standard of living. I believe this is the first time an integrated mathematical model for child support and spousal maintenance has been presented. It is illegal to include spousal maintenance in a child support award. With the new equations, the distinction between the two is clearly made so that spousal maintenance can be awarded separately when it is appropriate.

There is also a section entitled "Poverty and Welfare" in which I discuss child support assurance. The limiting factor for child support recipients who are potentially eligible for government assistance is the assurance of money available for spending on children. In other cases, the custodial parent's total income, perhaps supplemented by a spousal maintenance award, limits the amount of spending on children by the custodial parent. One can see a potential problem in low income custodial homes. If a custodial parent has no income, does that force the child support award to zero as well? The answer is no. It is perfectly consistent with the theory presented in the paper, for a non-custodial parent to pay as much as possible toward supporting any standard of living the government assures for the children involved. If spousal maintenance is also awarded, it is consistent with the theory for the non-custodial parent to cover the cost of maintaining the entire household if he has the ability to do so.

The Swedish Model

Irwin Garfinkel's 1982 paper, *Sweden's Child Support System*, presented a strategy for expanding the welfare system and increasing employment for social workers. He explicitly mentioned the unfavorable environment for such expansion during the Reagan years. He recommended playing on the conservative buzz phrase "personal responsibility", and presented a partial view of the Swedish system as an alternative model. His essay provided the basic blueprint for the nation's welfare reform plan of the 1980s and those discussed in these hearings.

Garfinkel's impression that the Swedes had a much better child support compliance rate than the United States was incorrect. Our best estimates of child support compliance in the United States, without our new expensive collection system, were between 70-90 percent. It is much higher in a population of fully employed payers. Now that we have expensive computer systems to keep track of every child support case, more accurate estimates are available. Robert Melia appeared before this subcommittee in June of last year and reported a compliance rate in Massachusetts of 80 percent. Taking account of all the information available in the past, Mr. Melia's estimate is probably accurate. Given the unemployment rate, it is not at all surprising that the number is only 80 percent, and not 90 or higher. Garfinkel reported that the compliance rate in Sweden was approximately 75 percent.

I believe the real Swedish model is in many ways a good one. More than 80 percent of all separated parents in Sweden have joint custody of their children. When married parents are separating, joint custody is automatic. When parents have joint custody, the courts are not allowed to become involved in the details of family management, such as the creation of child support orders and enforcement. Of the remaining 20 percent, the government becomes involved only to the extent requested by the parents.

The Swedes do not have a special computerized registry for parents who pay and receive child support. They do not have a large child support police force. All Swedish residents are included in a national registry which they use for a great variety of purposes. I doubt that anyone in Sweden would be foolish enough to suggest that development of such a system only for collection of child support could ever be cost effective. It is important to note that when child support is collected through their government program, the same mechanisms are put into use that would be applied to other citizens in other circumstances. It is a basic principle of fairness that everyone in their society is treated in the same way.

Their child support formula and collection apparatus are applied only in a very small percentage of cases. I want to stress that they have not created a huge separate bureaucracy for doing this. When they are aggressive in the act of collection, the outcome is most often a negotiated settlement in which the current circumstances of the paying parent are taken into account. They do not as we do in the United States, force compliance with arbitrary orders, and they do not act without accounting for the change in circumstances that led to an inability to pay. I have gotten to know some Swedish government workers very well. It is apparent to me that they are very hard working and very concerned about helping people who need it.

It is no surprise to me that the Swedish system relies more heavily on personal responsibility than does the U.S. system. The Swedes that I know have a great sense of personal responsibility. I believe that sense of personal responsibility would still exist in the United States if it were respected. Certainly, we can't expect pride in the idea of being personally responsible to survive when it is bent to mean capitulation to government control over one's personal life. What may be surprising to many Americans is that the social welfare system in Sweden has a great deal to teach us about good conservative government. It should not be so surprising when you consider the tremendous amount of social services they deliver. They view health care, for example, as a right. This makes it necessary to invent a good, efficient, health care delivery system. If they operated the way we do, they would quickly go bankrupt.

Continuing Problems in Political Debate

What should be at the top of the list of complaints for anyone who really wants to see things done properly, is that the public is being badly misinformed about the proposals for welfare reform. People have been promised that these reforms will save money. States would not on their own have taken the same path the federal government has. They understand that spending billions of dollars in an effort to collect child support from people who can't afford to pay doesn't make any sense. They are supportive of the federal reforms because of the federal tax dollars that are paid to them for their participation. It is a lie to tell the public that there is enough money available in the collection of unpaid child support to justify present expenditure on the program, let alone the incredible increases that are proposed. It's just a pork barrel.

It is extremely popular today, for state and national politicians to claim that they propose to cut-off welfare benefits after some fixed period of time. What could be a more blatant lie? Every proposal with a press release claiming to cut benefits is actually designed to increase benefits and to drop means testing. Not only would benefits continue, but they would be higher, and would be given to millions of people who are financially comfortable in their own right.

It is pathetic to propose collection of child support through the IRS, reporting of child support obligations to employers, universal wage withholding, revoking occupational, professional, and business licenses, and most certainly to establish forced work programs for fathers who fall behind in their payments. The program you have created, and the proposals in front of you, are only as deep and sophisticated as a press release. Millions of people are being cheated, and may be devastated, because you have not paid serious attention to creating a system that works properly. As an example, we can be sure that people who have spent a lifetime building a business or profession will fall on bad times and get behind in their child support payments. As a result, they may lose their license to operate, and therefore lose their means of support. Is it possible that you are so lacking in conscience that you would not only cause that to happen, but are willing to create the possibility of forcing those people into low wage government labor? I guess the new question is; How many suicides does it take to satisfy the average politicians desire for a sound bite?

In his speech, the President claimed that he based his dedication to expanding the child support enforcement program on a paper written by Elaine Sorensen of the Urban Institute. According to Ms Sorensen, only 14 billion dollars in child support is paid annually out of 48 billion dollars that should be. This claim is not supported by hard data. It assumes that child support awards will be significantly increased from their already arbitrarily high level. And it completely misrepresents the record of payment by non-custodial parents who can afford to pay.

It would be of great service to the country if the news industry would make a serious effort to report accurately on the subject of child support and welfare reform. Throughout the 1980s and into the 1990s, every major news outlet inundated the public with anti-father propoganda. The news industry has been key in creating and maintaining the false impressions that allow the corruption of our system to flourish. They have been challenged. The only result I have seen is that they report less often. The smoke and mirrors proposal of presidential candidate, Gov. Tommy Thompson has

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received strong promotion, especially from fellow Republican Pat Robertson. President Clinton's welfare reform speech slipped by without commentary on his dishonesty. It is extremely disturbing that our free press, existing as one of the basic foundations of life in the United States, has simply acted as part of the government propaganda machine.

Obviously, the political steam has run out. The public is beginning to wonder why, after a lengthy trial period, the child support scheme has not produced promised results. Now there are people who want to start the whole cycle over again by replacing the false impressions given by Irwin Garfinkel and minority staff member Ronald Haskins with misinformation even more condemning to non-custodial parents. Its time we put these snake oil salesman out of the business of making public policy.

For the same reason, it is a waste of our time and resources to create a national commission on child support guidelines. We all know how commissions operate. We have been through child support guideline commissions in every state and we have seen what the *Commission on Interstate Child Support* did. These commissions are created for the purpose of making the recommendations that the politicians who created them want. They do not have the capacity or the will to analyze objectively or to create the science and technology that is needed. If you wanted intelligent and useful reform of child support and welfare you would have been providing financial support for serious research. Working through the established mechanism of the American National Standards Institute is probably the best alternative for creation of standard child support technology.

And the Answer is ...

Being able to support a family financially, is for many, one of the most basic practical goals in life. But it is not in any sense equal to parenting. Responsible parents love and care for their children. They spend time with them. They assist in their education. They teach them about life. They empathize with them when life seems unfair. They teach by example such life skills as courage, responsibility, honesty, and the ability to solve problems. The only aspect of current proposals dealing directly with the subject of parental responsibility is the provision to provide grants to further the goal of bringing fathers together with their children. The best parent is both parents. Growing up in a society filled with condemnation of one or both parents is an attack on the identity and self-esteem of children.

The United States has a long tradition of awarding more child support than most other countries in the world, and one of the highest compliance rates for payment of court ordered child support. It is my impression that fathers in the United States have been unsurpassed in their generosity of time and financial resources when it comes to their children. The United States government needs to refocus its energies toward honest analysis and debate on the subject of child support and welfare. If a system that works properly is ever to emerge, we need first to develop the scientific understanding and technology necessary to accomplish that goal.

We certainly have no need to force millions of parents into the welfare system that do not need or want to be there. Citizen armies have formed in an attempt to protect the family against a government intent on destroying it. In order to save the family and the personal integrity of those who belong in it, this welfare reform movement must incite the greatest battles of the war.

Related Testimony:

Oversight Hearing on Child Support Enforcement, June 10, 1993

Changes in the Poverty Rate and Distribution of Income, September 10, 1992.

Downey / Hyde child support enforcement and assurance proposal, July 17, 1992.

Contributor to: *Minority Report of the U.S. Commission on Interstate Child Support*, Don Chavez, Commissioner; Phil Holman, ed.; June, 1992.