

Additional Data on Child Support Receipt Among Welfare Recipients in Minnesota

Child support may help reduce reliance on cash-grant welfare by providing an alternative source of income for custodial parents. New research by Donald Hirasuna and Maureen Pirog investigates the receipt of child support by Minnesota Family Investment Program (MFIP) cash-grant recipients with data from 1998 to 2003. This short subject supplements an earlier short subject, *Do MFIP Participants Receive Child Support?* (June 2007), which also summarized research on welfare recipients' receipt of child support from 1998 to 2003.

The Minnesota Family Investment Program (MFIP)

MFIP is Minnesota's Temporary Aid to Needy Families (TANF) welfare program. The program provides cash grants and food assistance to low-income families. Participation in the cash-grant portion of MFIP is generally limited to 60 months.

Child support

Noncustodial parents make child support payments to custodial parents. Child support may be provided as basic child support, child care support, or medical support.

Prior to 2007 in Minnesota, basic child support payments depended on the income of the noncustodial parent. Child care support was determined based on the income of both parents. For court-ordered child support after 2007, basic, child care, and medical support depend on the incomes of both parents. If child support payments result in a noncustodial parent's income falling below 120 percent of the poverty guidelines, he or she is subject to only a minimum monthly payment.

Child support and MFIP recipients

Researchers found that 26.1 percent of current and former MFIP cash-grant recipients received child support from 1998 to 2003.

- 18.7 percent received child support while receiving MFIP cash grants.
- 21.5 percent received child support sometime after leaving MFIP cash assistance.

Child support helps reduce reliance on cash-grant welfare

Receipt of child support payments seems to increase parents' likelihood of leaving welfare and reduce the likelihood of reentering cash-grant welfare.

- Consistent payments further increase the odds of exit and reduce the likelihood of reentry to welfare.
- Higher payments are associated with higher probability of exit and lower probability of reentry.
- Child care support payments are more effective in preventing reentry than basic child support payments. This is likely because custodial parents receiving child care assistance have work income that prevents them from returning to cash welfare.

Custodial parents with work barriers are less likely to benefit

Parents with work barriers are less likely to have a child support order. When there is an order, they are more likely to have lower payments and be owed arrears. The following groups are more likely to face work barriers and are also less likely to receive child support:

- Parents who have been sanctioned for noncompliance with welfare requirements
- Parents who received a hardship extension to the 60-month limit for cash grants
- Parents without a high school diploma
- Parents who are 60 years old or older
- African American or American Indian parents
- Parents with more children
- Parents with limited language skills who need an interpreter

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For more information about child support in general, see the House Research publication, *Minnesota's Child Support Laws: An Overview*, June 2007. For more information about welfare recipients and child support receipt, see the House Research publications, *Does Child Support Help Families Transition Off of Welfare?*, August 2007; *Do MFIP Participants Receive Child Support?* June 2007; and *Do MFIP Participants Receiving Child Support Differ from Those Not Receiving Child Support? Findings from 1998 to 2003*, June 2007.

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