

## RESTORING FUNDING FOR CHILD SUPPORT ENFORCEMENT IS VITAL TO FAMILIES

The Deficit Reduction Act of 2005 cut federal funding for child support enforcement by about 20 percent. Families will lose billions of dollars in uncollected child support unless Congress restores the funds by passing the bipartisan Child Support Protection Act (H.R. 1386, S. 803).

- **Millions of families rely on child support enforcement services.**
  - The program serves over 17 million children and collects about \$25 billion annually.<sup>1</sup>
  - Services are available to families of all income levels. But most of the families that participate in the program are low- and moderate-income: 46% are families that have left welfare, 14% are current recipients of public assistance.<sup>2</sup> Nine out of ten custodial parents served by the program are single mothers.<sup>3</sup>
  - Child support helps families make ends meet, leave welfare, and avoid a return.
- **The cuts in funding for child support enforcement in the Deficit Reduction Act will cost families *\$1 billion or more per year* in uncollected child support.<sup>4</sup>**
  - The cuts started taking effect in October 2007. Some states and counties are preparing to lay off a third or more of their front-line staff, cutting customer services, and postponing computer upgrades. As a result, it will take longer to establish paternity and establish support orders, and collections will be less dependable.
  - The cuts will force programs to abandon promising initiatives that provide specialized services to low-income noncustodial parents, incarcerated and reentering parents, and battered women.
- **Failure to restore funding for child support enforcement could unravel a decade of progress.**
  - Over the past ten years, the child support program has doubled its collection rate, thanks to reforms enacted by Congress with strong bipartisan support. The program has become highly cost effective, collecting \$4.73 in child support for every \$1 spent by federal, state and local governments.<sup>5</sup>
  - The results-based incentive payment system adopted by Congress in 1998 has given states the incentives—and the resources—to steadily improve their programs. The funding cuts in the Deficit Reduction Act could reverse this progress, setting off a downward spiral in performance—unless the funding is restored by Congress.

June 2008

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<sup>1</sup> U.S. Dept. of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, FY 2007 Preliminary Report (2008) [2007 Preliminary Report].

<sup>2</sup> 2007 Preliminary Report.

<sup>3</sup> U.S. Census Bureau, *Custodial Mothers and Fathers and Their Child Support: 2005* (2007).

<sup>4</sup> Preliminary estimate by the Congressional Budget Office, 2008, assuming that states will restore half of the lost federal funds. If they do not, which is likely given the budget shortfalls most states face, even more support will go uncollected.

<sup>5</sup> 2007 Preliminary Report.