



The Our American States podcast—produced by the National Conference of State Legislatures—is where you hear compelling conversations that tell the story of America’s state legislatures, the people in them, the politics that compel them, and the important work of democracy.



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Child Support Program Changes Result in Stronger Families | OAS Episode 57

Welcome to “Our American States,” a podcast of meaningful conversations that tell the story of America’s state legislatures, the people in them, the politics that compel them, and the important work of democracy. For the National Conference of State Legislatures, I’m your host, Gene Rose.

The nature and demographics of jobs in this country are changing, with fewer men entering the workforce and the gig economy chipping away at traditional employment relationships and structures. State programs that oversee child support programs are taking notice.

In this episode of our podcast, we talk with officials in two states that have improved the success rates of collecting child support payments by changing structures to meet the needs of those that have child support obligations.

Later in the program we will talk with Noelita Lugo, an assistant deputy director of field initiatives in the Office of the Texas Attorney General’s Child Support Division, who will describe how that state’s program has become more efficient.

We start off our program with a look at how the state of Colorado has achieved similar success. Our guest for this segment is Larry Fabian, director of the Division of Child Support Services in the state of Colorado. Larry, let’s jump right in.

Talk to us about the relationship between a person’s employment status and how it affects child support for families involved. What’s the overall picture in Colorado?

Larry: We have learned through data analysis that approximately one-third of the families in Colorado that have a monthly ongoing child support obligation received nothing each month. The child support program in Colorado and nationally has the full arsenal of enforcement remedies to motivate payment behavior if an individual has the ability to pay child support and is simply choosing not to.

Those include drivers’ licenses: recreational, professional license suspensions; credit reporting, tax refund intercepts. And what we’ve learned is that there is a chunk of our caseload where an individual does not have the ability to pay child support.

So, what we’ve realized within the Department of Human Services here in Colorado is that not only in the child support program, but in all of our program areas, we need to have an

employment focus so that parents have the ability to have a job and that that is a great support for them in terms of improving their economic stability.

We have conducted something called a Family Resource Assessment where we talked to parents in the child support program and had them identify potential issues that they felt might impact their ability to pay child support. We then worked with a University of Northern Colorado professor to do some data analysis to see which of those factors actually predicted the fact that a parent would not be able to pay their child support.

And what we learned is that of all the potential barriers, being able to get a job and keep a job was the strongest predictor of payment behavior for parents. So, it's absolutely critical for us. We've also learned that particularly if an individual has felony or misdemeanor convictions, that that decreased the likelihood of payment of child support by 86 percent. And then transportation, finally, was a key factor, that if there were issues with being able to get transportation to a job, that reduced the ability to pay child support by 68 percent.

All of those factors are very, very important to working with parents that have a child support obligation. So in Colorado we really believe that if you want to have a real impact on assisting families out of poverty, we need to do more than just our court child support services, and we need to connect them to all of the resources they need to be able to more fully engage with their family and be able to pay child support, and employment is a key part of that.

Gene: Larry, we hear a lot about the gig economy such as car-sharing services, how they are growing and providing employment alternatives for people. Is that something that's making it easier for those with child support obligations to make payments in Colorado?

Larry: Well, I think it is giving some employment opportunities for folks to be able to pay their child support and support themselves. However, the laws in Colorado and in many states around the country do not provide the mechanism for folks that are working as independent contractors to have the people they are contracting with report their employment to the state and national directory of new hires.

If someone is an employee, there's a requirement that an employer when they hire them, that they have to report them to the state directory of new hires, and then we report that to the national directory of new hires. That information is shared nationwide. But what we've learned is, with the increase in the gig economy, we don't have the ability in an automated way to find out that information.

So that's something we are considering looking at with a potential statutory change to ask our employer partners to share that information with us so that we have that information in order to collect child support.

Gene: So, Larry, I understand you've been involved with the office there for about 20 years. What trends do you see that are affecting child support payments overall in the State of Colorado lately?

Larry: What's interesting is that our unemployment rate in Colorado is very low; I think it's like 2.5/2.6 percent. But we're still seeing about a third of our parents that owe child support that aren't

able to pay it. So simply looking at the unemployment rate is not a good barometer to know whether or not that improved economy is really helping those folks that have child support obligations.

So there's been a real transformation of the program here in Colorado. Several years ago, we changed our name from Child Support Enforcement to Child Support Services because enforcement is a part of what we provide to families on the right cases, but what we've learned is that's just a part of the services that we can offer to families and to parents.

So that's been probably the biggest transformation that we've seen. We really want the parents that we work with in child support to want our program to be one that they come to for support and assistance as opposed to run away from. So that's really what we're working to do is change our messaging and be able to provide those resources, provide those services.

We're not looking at our child support professionals that work in our county offices to become experts in employment and mediation and parenting time and those types of things, but rather to serve as a navigator in terms of connecting parents to the resources they need on an individual basis to be successful.

Gene: Now, Larry, I understand your state has attracted some attention for the Colorado Parent Employment Project. Tell us why that program was started.

Larry: The Federal Office of Child Support Enforcement a number of years ago created an 1115 grant opportunity called the Child Support Noncustodial Parent Employment Demonstration. Colorado was one of eight states that applied for and then were granted a five-year grant to test new approaches for providing child support services to our families.

So, in Colorado our version of that was called the Colorado Parent Employment Project. We worked with four county child support offices to develop a different approach in terms of working with those parents that are currently not able to pay their child support. So what we did was we reached out to 1,500 parents in the caseload in those four counties, actually more than that in order to get to 1,500, and let them know that we were part of this federal demonstration grant and asking for them to voluntarily agree to participate in this program.

The national grant is a randomized control where it's control experimental, so half of those 1,500 parents were put into an enhanced services group, and I'll share with you a little bit about what those resources were that those folks received; and the other half were in a business-as-usual control group for comparison purposes.

So 750 parents that were randomly assigned to the enhanced services group, we designed some new approaches and those included things such as fast-track review of the child support orders for those individuals to determine if they were at the appropriate level based upon the current financial circumstances of both parents. And if they weren't, we worked quickly to modify those orders to the correct level because the child support order needs to reflect the ability for a parent to be able to pay it in order to expect that it will be paid. So that was a piece of the services that we provided on this for the enhanced services group.

We also developed fatherhood groups and training and workshops for those parents that felt that that would be beneficial to them where they could talk with their peers and share experiences and talk about some of their struggles and some of the different things that can be done perhaps to become more engaged with their children.

We also provided connections to mediators to assist in the development of parenting time arrangements. Many of the children in our caseload were children born out of wedlock, so when the child support order was established it did not include a component for parenting time. So we felt that was an important piece to offer to those parents that maybe had never seen their child or they weren't satisfied with the level of relationship that had been developed.

Certainly, domestic violence was a strong concern, so we made sure it had protocols in place to not create a dangerous situation. But we wanted to offer that opportunity for parents to be able to get a parenting time agreement and be involved with their children. We've learned through research that a parent with a child support obligation that has a relationship with their child is much more likely to have more willingness to pay their child support. So we felt that was something that was very, very important.

We also created a number of work supports. We worked with workforce centers, Goodwill Industries and other folks in the communities in these four counties to find out about employment opportunities. As I mentioned before, a good number of the parents in our caseload were formerly incarcerated, so that's certainly a barrier for many of those parents. That was a key piece of it—finding those employers in the community that would be willing to offer employment to those individuals that had some criminal history. So that was a key piece of it as well.

We agreed to pay for work support. So, for example, if a parent needed some steel-toed boots in order to get a job on a construction site, that we could use the funding for that. So all of those wraparound services that were part of this had some very, very positive results.

We learned for those 750 parents that were in the enhanced services group, within six months 65 percent of those parents had found fulltime employment and were paying their child support within six months of enrollment. These are parents that were not working before they were enrolled in the project; they were not paying their child support. So we found very, very beneficial results from that.

The federal demonstration evaluation of the eight states is due out by the end of March, but we were able to look at the data for the enhanced services group and saw such improvement, such positive results, and the feedback from the parents was so positive, that that was all we needed to say: this is the right thing to do in the child support program.

Gene: It seems like you all were given some great flexibility here in order to try to implement some of these new programs. What gave you this flexibility to look at these other alternatives?

Larry: As part of the federal demonstration grant that was provided to us by the Federal Office of Child Support Enforcement, they basically gave us a waiver to be able to use the funding in this grant to be very creative and flexible in terms of developing services for parents and for families.

So we worked with our county partners in those four counties and said: Let's think of this as what if. What if we could design anything out that we thought would make a difference? Let's be creative. Our county partners were very creative in terms of coming up with great solutions.

And I can tell you that the Colorado Department of Human Services, which the child support program is a part of, for a number of years has been very committed to the importance of employment for the individuals, the citizens of Colorado that participate in the program. That includes things like families that are receiving TANF, families that are receiving child care assistance through the state, or food assistance.

There is an employment focus. So instead of just giving the benefit, we want to really support the work of those families and help them to get gainful employment so that we can improve the ability for their families to be more economically secure.

We've been working on a two-generational approach here in Colorado within the Department of Human Services to connect whole families to the resources they need to be successful. A family may come to us, let's say, requesting child support, but we're doing assessments and saying okay, we'll work to get child support for you, but what other needs do you and your family have and what are the resources within the Human Services Department or within your community that can assist you and your family.

Gene: OK Larry, we'll get you out on this. What advice would you have for other states that might be interested in starting a program like the Colorado Parent Employment Project?

Larry: I think that this really is an anti-poverty program. Doing this additional navigation and connecting parents to resources is an absolute game changer for families. We've learned in Colorado that one out of five children live in poverty; that's a Kids Count Colorado report.

We've also learned through the Congressional Research Service—there was a report in 2016 that said that nationally child support payments can represent an average of 49 percent of yearly income for poor families. So this is absolutely an anti-poverty program that can really lift up parents and families to not only be able to pay child support, but to have parents engaged with their children.

That would be the one thing I would really suggest, and just to be aware of the different funding opportunities that exist in states to be able to fund these kinds of programs. Many, many states have TANF block grant reserves where these funds would be available for creating these types of programs within a specific state. Every state also earns federal child support incentives based upon performance levels, and those dollars are available to fund this as well.

It really is a great program. It can make a difference. And if we really want to improve the performance levels nationally and in each state in terms of the families being able to depend on a consistent payment of child support, it's worth the time and investment to develop these programs for the citizens of each state.

Gene: We've been talking with Larry Fabian, who is the director of the Division of Child Support Services in the State of Colorado. Larry, congratulations on the success of your program and thanks for being a guest on "Our American States."

Larry: Thank you. I appreciate the opportunity.

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Gene: Joining us today is Noelita Lugo, who is the assistant deputy director of field initiatives for the Child Support Division of the Office of Attorney General in Texas. Noelita, welcome to the program.

Noelita: Thank you for having me.

Gene: Talk to us about how critical employment is to the child support program for custodial families.

Noelita: Sure. I am really privileged to have spent nearly all of my state service career with the child support division, and one of the points of pride that I have as part of that career is: Texas is incredibly successful at establishing and collecting child support for families. And, you know, Texas has really recognized that we need a wide range of enforcement tools.

And so with that, when I started off as an enforcement officer gosh, almost 20 years ago, I would listen to both sides, both the custodial and noncustodial parents, the experiences that they would share with me, the challenges that they would face; those were described during our negotiations either in the office or at court.

And so it was obvious then, as it is now, that different approaches are needed when you're interacting with whether it be a parent who has the means to provide support, but willfully refuses to do so, versus interacting with somebody who is really struggling to sustain themselves and they're having serious challenges with even meeting their financial obligations to their children.

One of the things that I used to hear then and still do now is that custodial parents, by and large, they simply want the other parent to contribute to the family, both financially and emotionally. And I think that second part doesn't always get as much attention, but custodial parents, they want a co-parent; they want a partner to help raise their child even if that other parent is not in the same household.

So what we heard from parents who have gone through the demonstrative parent choices program is that once the noncustodial parent finds employment, once they begin contributing financially, it really kind of frees up both of the parents to refocus their attention on what in my opinion is the tough stuff, co-parenting, right, like making sure that your child has the emotional involvement of both parents, having both parents work together and communicate about things other than just the lack of finances that may have occurred prior to the noncustodial parent being enrolled in Noncustodial Parent Choices.

Gene: You talked about the two different types of people that don't or are unable to pay child support. What percentage of people are those that don't necessarily have the means to provide the child support because they don't have employment?

Noelita: Sure. The good news is that the vast majority of our caseload, they pay their support, so I think it's around 70 to 75 percent of the noncustodial parents within our caseload, they pay their support. So that other 20 to 25 percent of the parents who owe support, a good portion of those parents have experienced unstable work histories, incarceration and other issues that have been a barrier to their ability to take care of their kiddos financially.

Gene: So what type of effect is the gig economy having on these child support payments?

Noelita: The consensus is that it's really just a new flavor to an old challenge. In our state, as I'm sure in all other territories, you encounter parents who are self-employed. Some of those parents, they have businesses, they have a business plan, they have a payroll department; they have a real business setup for themselves. Other parents come to our child support services and they tell us that they are self-employed, but when we do a little bit more digging and asking some clarifying questions, we come to find out that it's not so much that they have their own business; it's that they try to get by through informal jobs.

So, it may be cutting lawns or going to day labor camps. Or they may be a barber that occasionally works. So with the gig economy, I don't necessarily see that as a new challenge; it's just a different flavor to the same old thing where if a parent is self-employed, are they going to pay support even if we don't have a withholding order in place for their case. And in terms of the Noncustodial Parent Choices program, our workforce partners approach these customers in a similar fashion, whether they are Uber drivers, or whether they're somebody who says: you know, hey, I have a lawnmower in the back of my truck and I go around and cut lawns.

They still talk to those parents about: What are you good at? What do you enjoy? If you really do want to turn your lawnmower business or your employment activity into a business, let's talk about that. And so they walk the parent through kind of what it would take for them to turn their work into a career.

Gene: So, you have a program there called Noncustodial Parent Choices in Texas. Tell us what the catalyst was for starting that program.

Noelita: So, the program started in 2005, but really prior to that there had been about a decade's worth of research done with: How do organizations, how do systems reach low-income, unemployed men? At that time there was a lot of energy and focus around responsible fatherhood. Employment was a key component to the work that fatherhood programs were doing.

But the research that came out of that 1995 to 2005 time period was equivocal—programs with voluntary enrollment were solely based on recruitment and word-of-mouth. And while there is still value to that kind of approach, what we wanted to do is add a little bit more accountability and certainty to what would happen with program participants.

NCP Choices took that collective knowledge of prior endeavors and really kind of added a twist. So we included participation in NCP Choices as part of a child support order. We established communication channels and requirements for reporting, so reporting on participation with workforce, child support payment compliance, and then overall program performance metrics.

And then we partnered with the judiciary and that was really ... for me I think, looking back, was a key component and has set NCP Choices apart from some other programs that came before us. So, in partnering with our judiciary, the Title IV-D Courts are able to ensure that when consequences need to be doled out, when parents do need to be held accountable for failing to support their children, that the court can step in and do that.

And with NCP Choices, we're able to have the evidence, both from our agency on the child support perspective, and from workforce on a kind of employment participation standpoint, evidence to share with the court that shows what level of effort are parents putting in to finding and keeping work. And that really gets at the heart of the concern that parents would share with us prior to NCP Choices and, again, even today, is that: I can't pay child support because I don't have money. And so NCP Choices gives them an option to solve that problem.

And one of the things I wanted to add as well is that folks that may be unfamiliar with employment programs for child support cases, there may be an initial perception that these programs give people jobs, that you walk into the program and you're handed a job and there you go. But really, NCP Choices is about helping people build upon their existing skills and helping parents find opportunities for employment, for real career development. And then, ultimately, it's up to that person to go for it, to turn a job into a career and to go from just getting by to making a living.

Gene: So what kind of bottom-line results are you seeing from this? Do you have some statistics that you can share with us?

Noelita: So, in state fiscal year 2018 we enrolled almost 4,500 NCP, so just shy of 4,500 parents were enrolled in the program. Of those parents that were enrolled last year alone, they were able to pay \$6 million in child support. I can't stress this enough—these are parents who prior to being enrolled in the program, they hadn't paid on average in about six months prior to being enrolled. So to be ordered into the program and then have that group of parents pay almost \$6 million in child support, it's astounding and it's great for families.

In terms of cost effectiveness, for every dollar that we spend on NCP Choices, this is both workforce dollars and child support incentive funds, for every dollar that we spend, we collect \$8 back. That's an incredible cost effectiveness rate. The national average is a dollar spent, \$5.13 collected.

Now, in terms of the Texas child support program, our cost effectiveness is a dollar spent, \$10 collected. And so even with that, the NCP Choices program is above the national average and we see a really great return on investment.

Gene: So, what advice would you give state legislatures across the country when starting a program like what you have there?

Noelita: The first piece of advice would be: Don't take for granted how important partnerships are. I think a lot of times the soft skills are overlooked because it seems like such common sense. But building a program that recognizes the importance of those working relationships between child support, the court and their workforce partners, it's absolutely critical.

The other piece to that would be the working relationship between the workforce developer and the program participants. The program works best when you have a workforce developer who is skilled and dedicated, someone who understands how to communicate with parents in a way that's both encouraging them, but also respectfully nudging and prodding them.

I've been with NCP Choices since about 2007/2008, so just a few years after the initial pilot phase, and I can't tell you how many times I've heard from the program participants that what made a difference for them was that workforce person, knowing that they had somebody in their corner, but also knowing that that same person that was cheering them on was going to hold them accountable.

If they needed to come in and do work search, if they needed to turn in documentation, they knew that they were going to be held accountable by the workforce person and also equally held accountable by the Title IV-D Court, by the associate judges that hear these cases.

And, of course, it really kind of helped turn things around for how parents see child support services. So that would be the first thing I would say to a state legislator: you have to have solid working relationships with your program partners, people who from the top down are invested in making this work.

The second thing I would say kind of builds off of that and is: we have a cost-effective model because we're not trying to put on somebody else's hat; we're not out to become a fatherhood or a workforce recruitment agency. So, we partner with those experts, they do what they do best, and then we're all able to kind of reach families where they are.

The third thing I would say is in launching an employment program for child support parents, again, it makes good fiscal sense. The traditional model of child support enforcement relied heavily on punitive actions, whether it's probation, supervised probation, perhaps incarceration for some period of time due to failure of nonpayment. But not all parents' situations respond to those kinds of methods and so we need a wide range of enforcement tools.

And in launching a program like NCP Choices, I would hope that the stakeholders, the legislators, the decision makers, would keep in mind that these employment programs for child support customers, it's not an either/or; it's not oh, you either help people find work or you throw the book at them. It's really knowing when to use the right tool for the specific case and fact pattern that you're looking at.

And so again, for some of our noncustodial parents that have gone through NCP Choices, some of them chose to not avail themselves of services. Some of them chose to not pay their child support. And I think again, going back to that accountability piece, it is important for our communities and for families to know that when parents aren't doing their fair share, there is a consequence to that. I would really urge folks to keep in mind that it's not either/or; it really needs to be: look at all the enforcement remedies that are available to you and apply them as needed for that specific situation. And hopefully employment programs will be one of those.

Gene: We've been talking with Noelita Lugo, who is assistant deputy director of field initiatives in the Child Support Division in the Office of the Texas Attorney General. Noelita, we really appreciate you sharing your expertise with us today.

Noelita: Thank you. It's been my pleasure.

Music and Gene VO:

And that concludes this edition of "Our American States." We invite you to subscribe to this podcast on iTunes and Google Play. Until our next episode, this is Gene Rose for the National Conference of State Legislatures. Thanks for listening.