

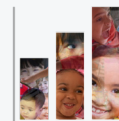


# Millennials in the Child Support Program

By Elaine Sorensen

This brief examines various characteristics of millennial custodial and noncustodial parents in the child support program. It shows that millennials are the largest generation of custodial parents in the program, but that Generation X noncustodial parents owe most of the child support debt. It also shows that about two-thirds of millennial custodial parents are living in or near poverty, which is not significantly different than Generation X custodial parents when they were the same age. Millennial noncustodial fathers, on the other hand, are less likely to be working and more likely to be living in or near poverty than Generation X noncustodial fathers when they were the same age.

## ***STORY BEHIND THE NUMBERS***



Through a deeper understanding of the trends in child support program data and other data that affects the program, the *Story Behind the Numbers* series aims to inform policy and practice and strengthen program outcomes.

## Millennials in the Child Support Program

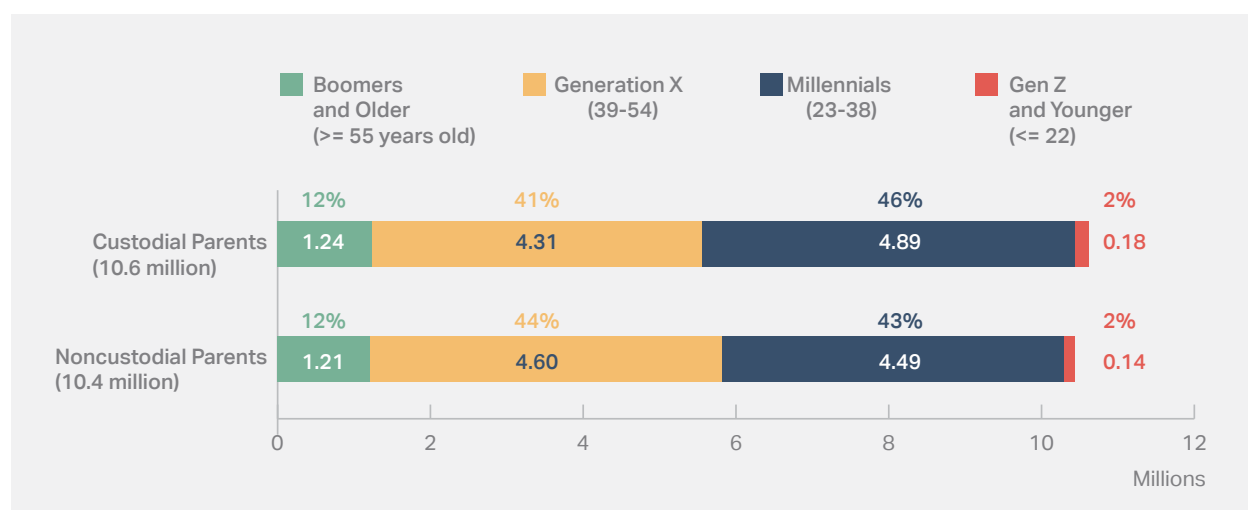
Each new generation in the United States shifts cultural and societal norms. The millennials, the most recent generation to reach adulthood, are no different. They are leading the way in adopting the latest technologies that are transforming our lives, but they are also delaying marriage, having fewer children, spending longer periods living with their parents, and accumulating large amounts of debt.<sup>1</sup> The Great Recession contributed to some of these trends, but most have lasted beyond that time.

Now that the millennials (those born between 1981 and 1996) are on the cusp of surpassing Baby Boomers as the nation's largest adult generation, it is time to examine their impact on the child support program. To address this issue, this brief uses several data sources, including data from the national child support program's Federal Case Registry and Debtor File, and survey data from the U.S. Census Bureau and the National Center for Health Statistics.

### Millennials are the largest generation of custodial parents in the child support program

There were 10.6 million custodial parents in the child support program's Federal Case Registry in December 2019 (Figure 1). Approximately 46% of them, or 4.89 million, were millennials, which represented the largest generation among custodial parents.<sup>2</sup> Generation X was the next largest generation of custodial parents with 4.31 million, representing 41% of custodial parents. In contrast, there were only 1.24 million custodial parents who were Baby Boomers or in older generations, representing an estimated 12% of custodial parents and less than 200,000 who were Generation Z and in younger generations, representing 2% of custodial parents.

**Figure 1. Number and Percent of Custodial and Noncustodial Parents in the Child Support Program by Generation**



Source: OCSE's Federal Case Registry, December 2019

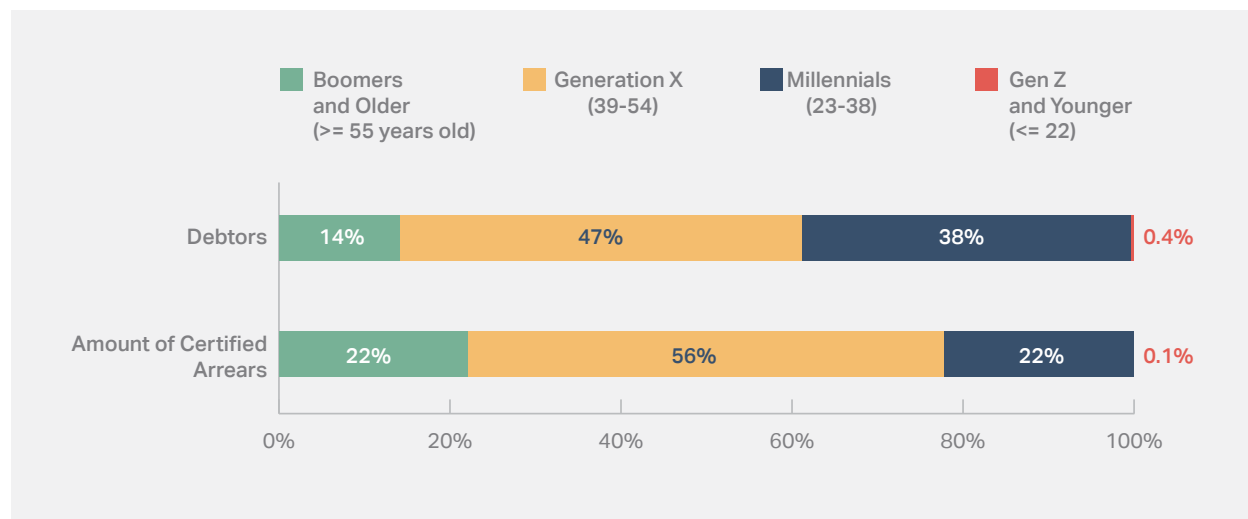
Note: Each generation has its age range in 2019 in parentheses. Column percentages may not sum to 100% due to rounding.

Turning to noncustodial parents, there were nearly 10.4 million noncustodial parents in the Federal Case Registry in December 2019. Generation X was the largest generation with 4.6 million, representing 44% of noncustodial parents. Another 43% of noncustodial parents, or 4.49 million, were millennials.<sup>3</sup> Although millennials have not yet surpassed Generation X among noncustodial parents in the child support program, we expect this to change in the next year or two.

## Generation X is the largest generation of debtors in the child support program

We also examined noncustodial parents who owed arrears that had been certified by OCSE's Federal Offset program and the amount of certified arrears that they owed by generation. Using data from OCSE's Debtor File, Figure 2 shows that, as of January 2020, Generation X was the largest generation of noncustodial parents who owed certified arrears, referred to as debtors, representing 47% of all debtors and owing 56% of total certified arrears. Millennials represented 38% of debtors and owed 22% of total certified arrears. Baby Boomers and older debtors represented only 14% of debtors, but they also owed 22% of total certified arrears, the same as millennials. The average amount of certified arrears owed by Baby Boomers and older debtors was \$33,911 compared to \$12,526 among millennials.

**Figure 2. Percent of Noncustodial Parents Who Owe Certified Arrears (Debtors) and the Amount of Certified Arrears Owed by Generation**



Source: OCSE's Debtor File, January 2020

Note: Column percentages may not sum to 100% due to rounding.

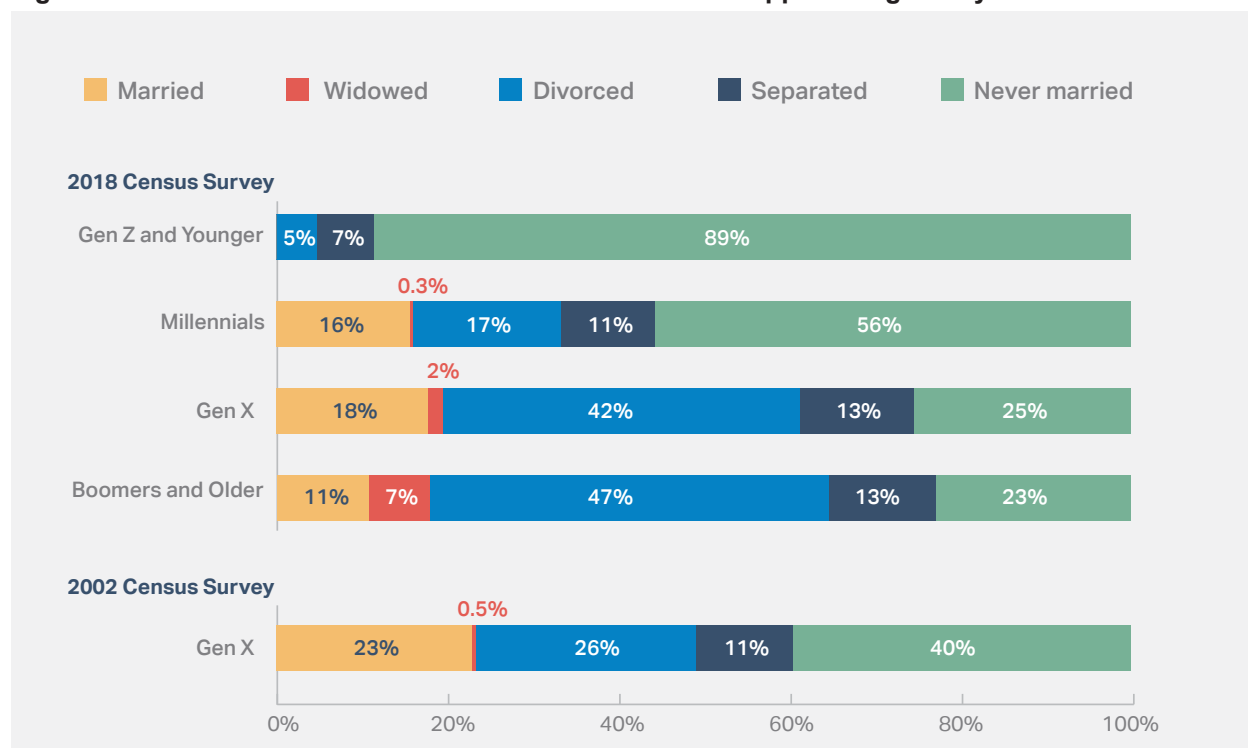


## Millennial custodial parents are more likely to be never married than Generation X at the same age

Using Census data on custodial parents collected in April 2018, we find that the marital status of millennial custodial parents in the child support program is very different than that of earlier or later generations. In 2018, 56% of millennials were never married compared to 25% of Generation X and 89% of Generation Z and younger parents (Figure 3). Similarly, 17% of millennial custodial parents were divorced compared to 42% of Generation X and 5% of Generation Z and younger parents.

Another way to examine the marital status of custodial parents by generation is to ask the question: Is the marital status of millennial custodial parents different than that of Generation X custodial parents when they were the same age? We find that the answer is yes – the marital status of millennials is significantly different than that of Generation X when they were the same age as millennials. As noted above, 56% of millennial custodial parents were never married in 2018, but far fewer Generation X custodial parents (40%) were never married when they were the same age as millennials (in 2002).<sup>4</sup> Also, 17% of millennial custodial parents were divorced in 2018, but 26% of Generation X custodial parents were divorced when they were the same age as millennials (in 2002).

**Figure 3. Marital Status of Custodial Parents in the Child Support Program by Generation**



Source: U.S. Census Bureau, 2002 and 2018 Current Population Survey Child Support Supplement

Note: Column percentages may not sum to 100% due to rounding.

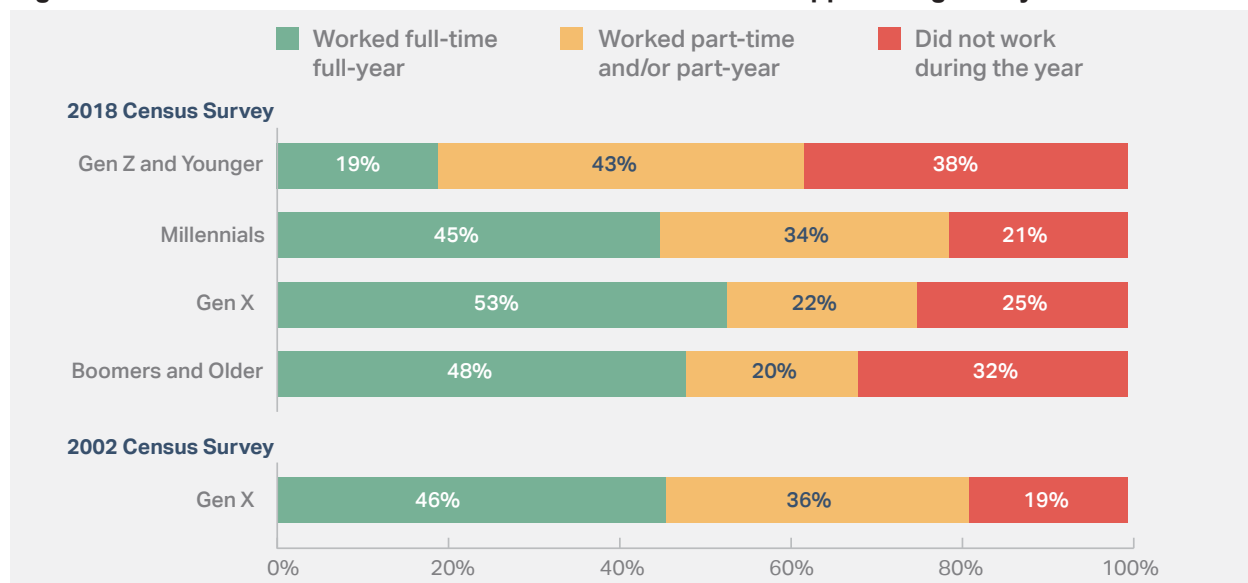
A third way to examine the marital status composition of custodial parents by generation is to ask: How does the marital status of one generation of custodial parents change over time? Figure 3 shows the marital status of Generation X custodial parents in 2002 when they are between the ages of 22 and 37, and then again in 2018 when they are between the ages of 38 and 53. In 2002, 40% of Generation X custodial parents were never married and 26% were divorced, but in 2018, these figures had reversed. In 2018, 25% were never married and 42% were divorced. During this period, an increasing number of married families ended in divorce, adding to the number of Generation X custodial parents and altering their marital status composition. These findings suggest that millennial custodial parents will also experience a decline in the proportion who are never married. But because millennial custodial parents started out with a higher percent of never marrieds than earlier generations, it is likely that the proportion of never marrieds will remain at much higher levels than among earlier generations going forward.

## The work force status of millennial custodial parents is not significantly different than that of Generation X at the same age

The Census data on custodial parents collected in April 2018 asked respondents about their work experience in the prior year (i.e. 2017). Using these responses, we find that nearly 80% of millennial custodial parents in the child support program worked in 2017 (Figure 4). Earlier generations were slightly less likely to work in 2017 – 75% of Generation X and 68% of Baby Boomers and older custodial parents worked that year. Generation Z custodial parents were the least likely generation to work in 2017 at 62%.

Millennial custodial parents in the child support program were also more likely to work part-time or part-year than earlier generations, but less likely to work part-time or part-year than Generation Z and younger parents. These differences are due, in large part, to the stage in life that each generation of custodial parents is experiencing. Millennials were between the ages of 22 and 37 in 2017, prime years for having young children in the home. Generation Z and younger custodial parents were between the ages of 15 and 21 in 2017, prime years to be in school.

**Figure 4. Workforce Status of Custodial Parents in the Child Support Program by Generation**



Source: U.S. Census Bureau, 2002 and 2018 Current Population Survey Child Support Supplement.

Note: This survey asks respondents about their work experience during the prior year (i.e. 2001 and 2017). Column percentages may not sum to 100% due to rounding.

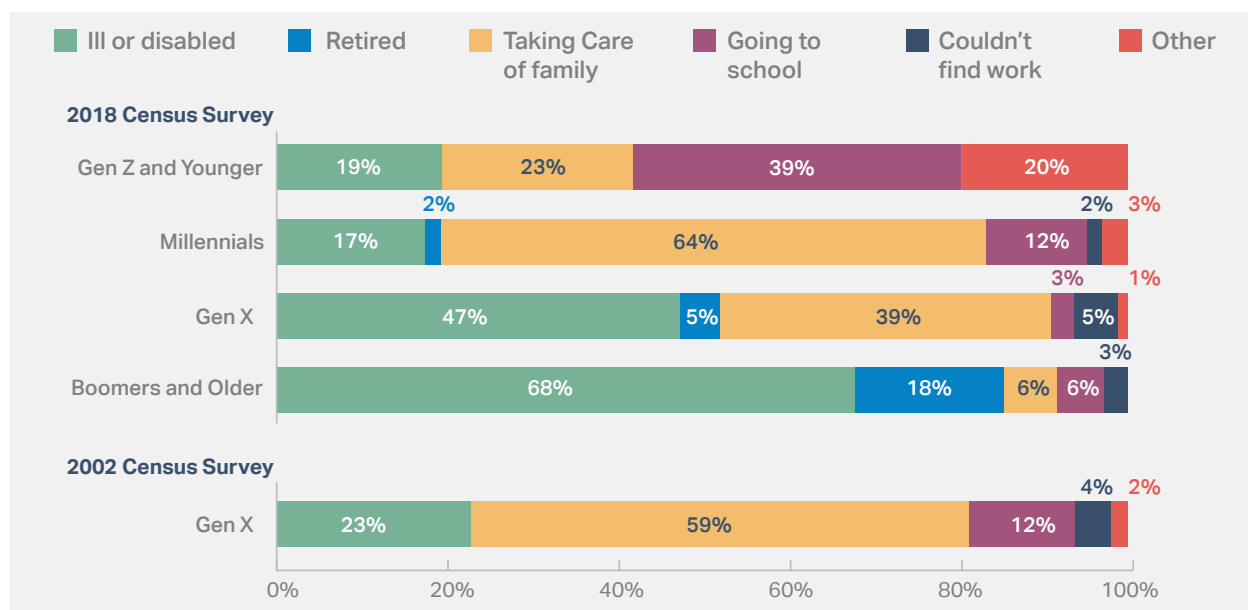
Figure 4 also shows that when Generation X custodial parents were the same age as millennial custodial parents (in 2001), their work force status was similar to that of millennials when they were the same age (in 2017). Specifically, 45% of millennial parents and 46% of Generation X parents worked full-time, full-year when they were between the ages of 22 and 37 years old. Another 34% and 36% worked part-time or part-year, respectively.

## Reasons for not working among millennial custodial parents are not significantly different than those among Generation X at the same age

Examining the reasons why custodial parents are not working reinforces the importance of where generations are within their life cycle. About 64% of millennial custodial parents, who were between the ages of 22 and 37, were not working because they were taking care of their family, but only 39% of Generation X custodial parents, who were between 38 and 53 years old, gave this reason for not working in 2017. In contrast, 17% of millennial custodial parents were not working in 2017 because they were ill or disabled, but 47% of Generation X custodial parents gave this reason for not working. On the other hand, 12% of millennial custodial parents were not working in 2017 because they were going to school, but 39% of Generation Z custodial parents gave this reason for not working (they were between the ages of 15 and 21).

When Generation X custodial parents in the child support program were the same age as millennials (in 2001), the reasons they gave for not working were similar to those given by millennial custodial parents in 2017. Just under 60% of Generation X parents said they did not work because they were taking care of their family compared to 64% among millennial parents. Another 23% of Generation X parents said they were not working in 2001 because they were ill or disabled compared to 17% among millennial parents in 2017.

**Figure 5. Reason Not Working Among Custodial Parents in the Child Support Program by Generation**



Source: U.S. Census Bureau, 2002 and 2018 Current Population Survey Child Support Supplement.

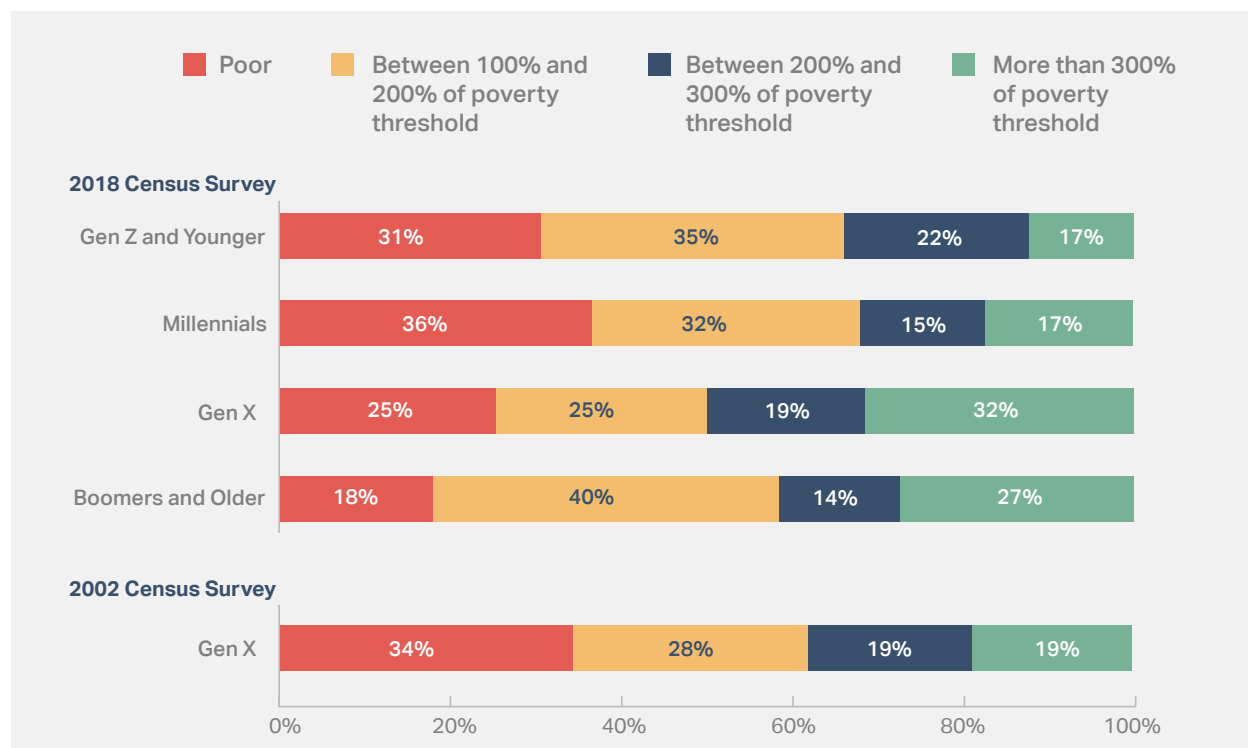
Note: This survey asks respondents why they were not working during the prior year (i.e. 2001 and 2017). Column percentages may not sum to 100% due to rounding.

## The poverty status of millennial custodial parents is not significantly different than that of Generation X at the same age

Figure 6 shows that 36% of millennial custodial parents in the child support program were poor in 2017. Another 32% had family incomes that fell between 100% and 200% of the poverty threshold, referred to as living near poverty. Thus, 68% of millennial custodial parents in the child support program lived in poverty or near poverty in 2017. Generation X was the only generation of custodial parents who had a significantly lower rate of living in poverty or near poverty than the millennials in 2017. That year, 50% of Generation X custodial parents lived in poverty (25%) or near poverty (25%).

Are millennial custodial parents poorer than Generation X custodial parents were at the same age? Other research has examined whether millennials are poorer than earlier generations, and it generally concludes that they are.<sup>5</sup> Figure 6 shows that when Generation X custodial parents were the same age as millennial custodial parents (between the ages of 22 and 37 in 2001), 34% of them were poor and 28% lived near poverty. Although these figures are somewhat lower than the figures for millennials (36% and 32%), their differences are not statistically significant. Thus, we cannot conclude from this analysis that millennial custodial parents in the child support program are more likely to live in poverty or near poverty than Generation X custodial parents when they were the same age.

**Figure 6. Poverty Status of Custodial Parents by Generation**



Source: U.S. Census Bureau, 2002 and 2018 Current Population Survey-Child Support Supplement

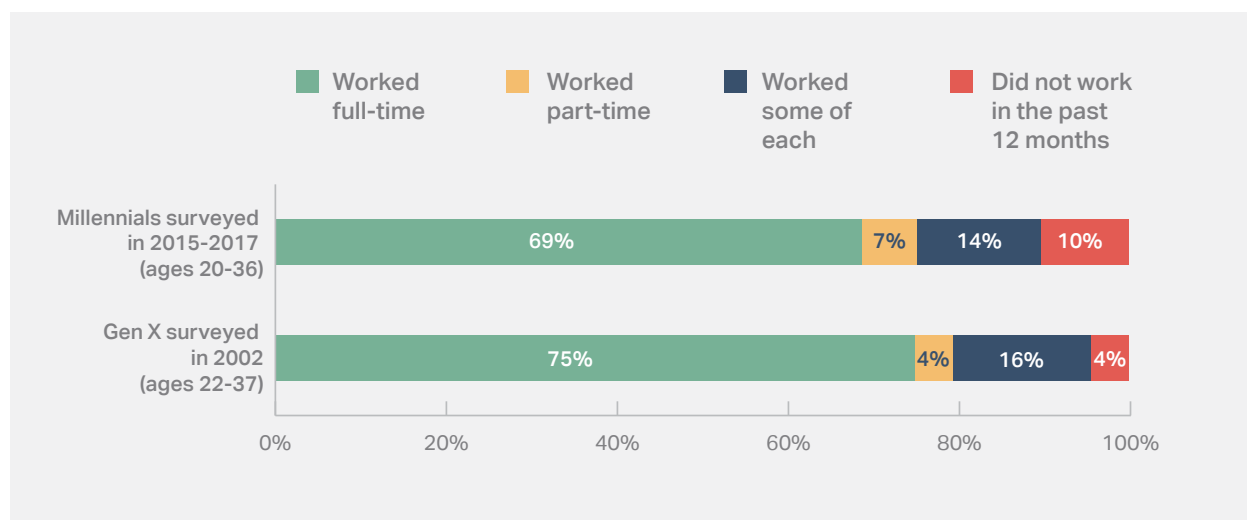
Note: This survey asks respondents about their poverty status during the prior year (i.e. 2001 and 2017). Column percentages may not sum to 100% due to rounding.

## Millennial noncustodial fathers are less likely to work and more likely to live in near poverty than Generation X at about the same age

Using data from the National Survey of Family Growth (NSFG), conducted by the National Center for Health Statistics, we can compare the employment and poverty status of millennial noncustodial fathers during 2015 to 2017 to Generation X noncustodial fathers in 2002 when they were about the same age as millennials during 2015 to 2017.<sup>6</sup>

Figure 7 shows that millennial noncustodial fathers were significantly less likely to have worked during the 12 months prior to participating in the survey than Generation X noncustodial fathers when they were about the same age (in 2002). Ten percent of millennial noncustodial fathers did not work during the 12 months prior to participating in the 2015-2017 survey. In contrast, when Generation X noncustodial fathers were about the same age, 4% of them had not worked during the 12 months prior to participating in the survey. Figure 7 also shows that the percent of millennial noncustodial fathers who worked full-time was 69% during 2015 to 2017, but 75% among Generation X noncustodial fathers in 2002 when they were about the same age.

**Figure 7. Workforce Status of Noncustodial Fathers by Generation**



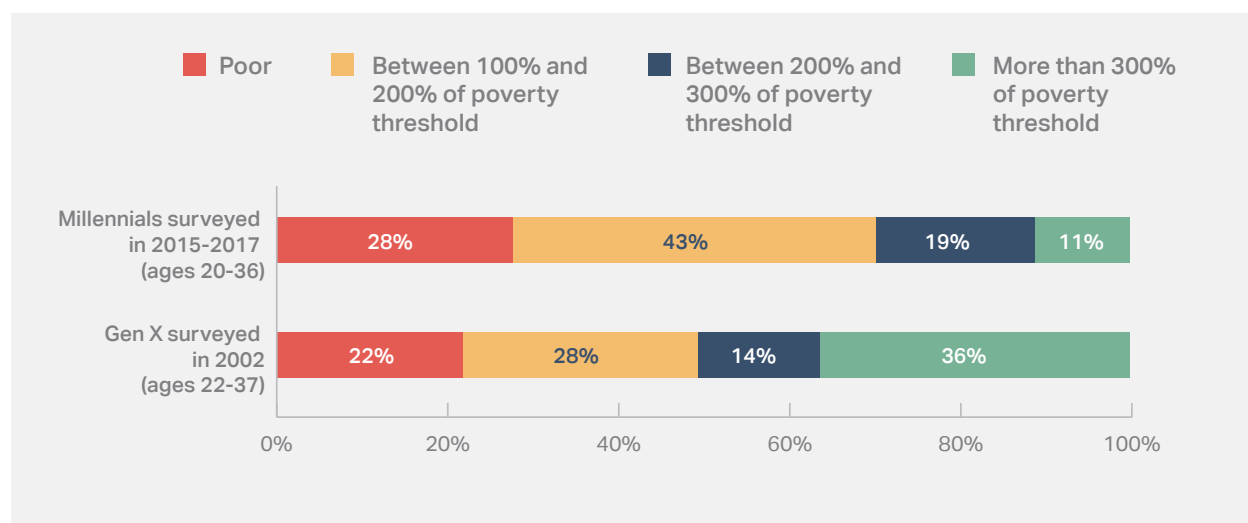
Source: National Survey of Family Growth, Male File, 2002 and 2015-2017

Note: Column percentages may not sum to 100% due to rounding.



Figure 8 shows that 28% of millennial noncustodial fathers lived in poverty in 2015-2017. In 2002, when Generation X noncustodial fathers were about the same age, 22% of them lived in poverty. This difference (28% vs. 22%) is not statistically significant. Thus, the poverty rate among millennial noncustodial fathers was not significantly different than that experienced by Generation X noncustodial fathers when they were the same age. However, Figure 8 also shows that 43% of millennial noncustodial fathers lived in near poverty (i.e. between 100% and 200% of the poverty threshold) in 2015-2017, but only 28% of Generation X noncustodial fathers lived in near poverty at about the same age in 2002. This difference (43% vs. 28%) is statistically significant. Thus, millennial noncustodial fathers were significantly more likely to be living in near poverty than Generation X noncustodial fathers when they were the same age.

**Figure 8. Poverty Status of Noncustodial Fathers by Generation**



Source: National Survey of Family Growth, Male File, 2002 and 2015-2017

Note: Column percentages may not sum to 100% due to rounding.

## Conclusion

This brief takes a closer look at millennial custodial and noncustodial parents. It shows that millennial custodial parents are less likely to marry than earlier generations, but their work force and poverty status are not significantly different than that of Generation X custodial parents when they were the same age. Nonetheless, 68% of millennial custodial parents in the child support program lived in poverty or near poverty in 2017, suggesting that this population could benefit from increased child support. On the other hand, it also shows that millennial noncustodial fathers are less likely to work and more likely to live in near poverty than Generation X noncustodial fathers when they were about the same age. Thus, the child support program is in the difficult position of facing a strong need to receive child support among millennial custodial parents while also facing what appears to be a weakening ability to pay child support among millennial noncustodial fathers.

## Endnotes

- 1 Pew Research Center has a comprehensive set of articles on millennials.  
<https://www.pewresearch.org/topics/millennials/>
- 2 The total number of custodial parents in December 2019 is from OCSE's Federal Case Registry (FCR) report number FP002. That month there were 10,638,598 living custodial parents with known age in the FCR. The numbers of custodial parents by generation are estimated using these data and a sample of custodial parents from OCSE's Federal Case Registry.
- 3 The total number of noncustodial parents in December 2019 is from OCSE's FCR report number FP002. That month there were 10,374,841 noncustodial parents and putative fathers who were living and had a known age. The numbers of noncustodial parents by generation are estimated using these data and a sample of noncustodial parents and putative fathers from OCSE's Federal Case Registry.
- 4 The 2002 CPS-CSS had a sample size of 4,934 custodial parents and 1,679 were Generation X custodial parents in the child support program.
- 5 Christopher Kurz, Geng Li, and Daniel J. Vine. (2018). Are Millennials Different? Finance and Economics Discussion Series 2018-080. Washington, DC: Board of Governors of the Federal Reserve System,  
<https://doi.org/10.17016/FEDS.2018.080>.
- 6 The National Survey of Family Growth (NSFG) is conducted by the Centers for Disease Control and Prevention's (CDC) National Center for Health Statistics (NCHS). The most recent data available were collected between September 2015 and September 2017. The survey interviewed 4,540 men between the ages of 15 and 49. Because of this age limitation, we can only examine one generation – the millennials - using these data. The survey was also conducted in 2002. At that time 4,928 men between the ages of 15 and 44 were interviewed. For more information about the NSFG, go to: <https://www.cdc.gov/nchs/nsfg/index.htm>. The NSFG uses a series of questions to identify noncustodial fathers. First, it collects a detailed fertility history. Then it asks, for each child who is still alive, the child's current age and usual place of residence. Based on these questions, the NSFG provides a recoded variable that identifies which men have nonresident children aged 18 or younger. We use this recoded variable to identify noncustodial fathers. In the 2015-2017 survey there are 237 millennial noncustodial fathers; in the 2002 survey there are 344 Generation X noncustodial fathers. Researchers have shown that the NSFG provides the most reliable estimates of noncustodial fathers when compared to other surveys (J. Bart Stykes, Wendy D. Manning, & Susan L. Brown. (2013). *Nonresident fathers and formal child support: Evidence from the CPS, the NSFG, and the SIPP*, Demographic Research 29(46): 1299-1330  
<http://www.demographic-research.org/Volumes/Vol29/46/> DOI: 10.4054/DemRes.2013.29.46).