

## Veterans in the Child Support Caseload

*The Story Behind the Numbers Fact Sheet Series takes a closer look at child support program data collected by state, tribal and federal agencies. This series presents the results of data analyses to better understand program performance and caseload trends. Through a deeper understanding of the story behind the numbers, the series aims to inform policy and practice and strengthen program outcomes.*

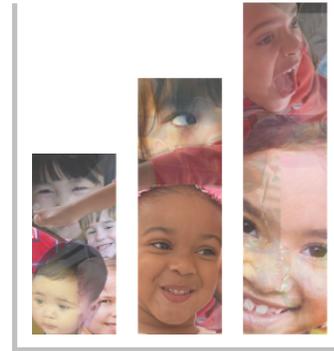
*This fact sheet focuses on veterans who are noncustodial parents in the child support caseload and how the program can help them.*

### Homeless Veterans Project

Since early 2010, the Department of Health and Human Services through its Office of Child Support Enforcement (OCSE), the Department of Veterans Affairs (VA), and the American Bar Association have been engaged in a pilot project to develop models of collaboration to help veterans who are homeless or at risk of being homeless with their child support issues. The project, with demonstrations in nine sites,<sup>1</sup> has two goals: 1) to remove child support barriers that might make it difficult for homeless and formerly incarcerated veterans to reintegrate into the community, and 2) to increase their ability to provide financial and emotional support to their children.

This demonstration project comes at a critical time for both the VA and OCSE. The VA, in conjunction with the United States Interagency Council on Homelessness, has a plan to end homelessness among veterans by 2015.<sup>2</sup> Child support debt can make it more difficult for veterans to find employment and housing and can also be a psychological barrier to reestablishing family relationships. Homeless veterans have identified the need to resolve child support issues as one of their major concerns.<sup>3</sup>

At the same time, child support programs are looking at new ways to work with noncustodial parents, including veterans, who want to support their children but have substantial barriers to finding and keeping employment.



Research indicates that most of the child support debt is owed by noncustodial parents who have no reported earnings or reported earnings of less than \$10,000 a year, and that much of that debt is uncollectable.<sup>4</sup> As a result of this research, state child support agencies have developed early intervention programs to identify noncustodial parents struggling to pay their child support, have developed special work programs for unemployed and underemployed parents, and implemented arrears forgiveness programs for low-income men.

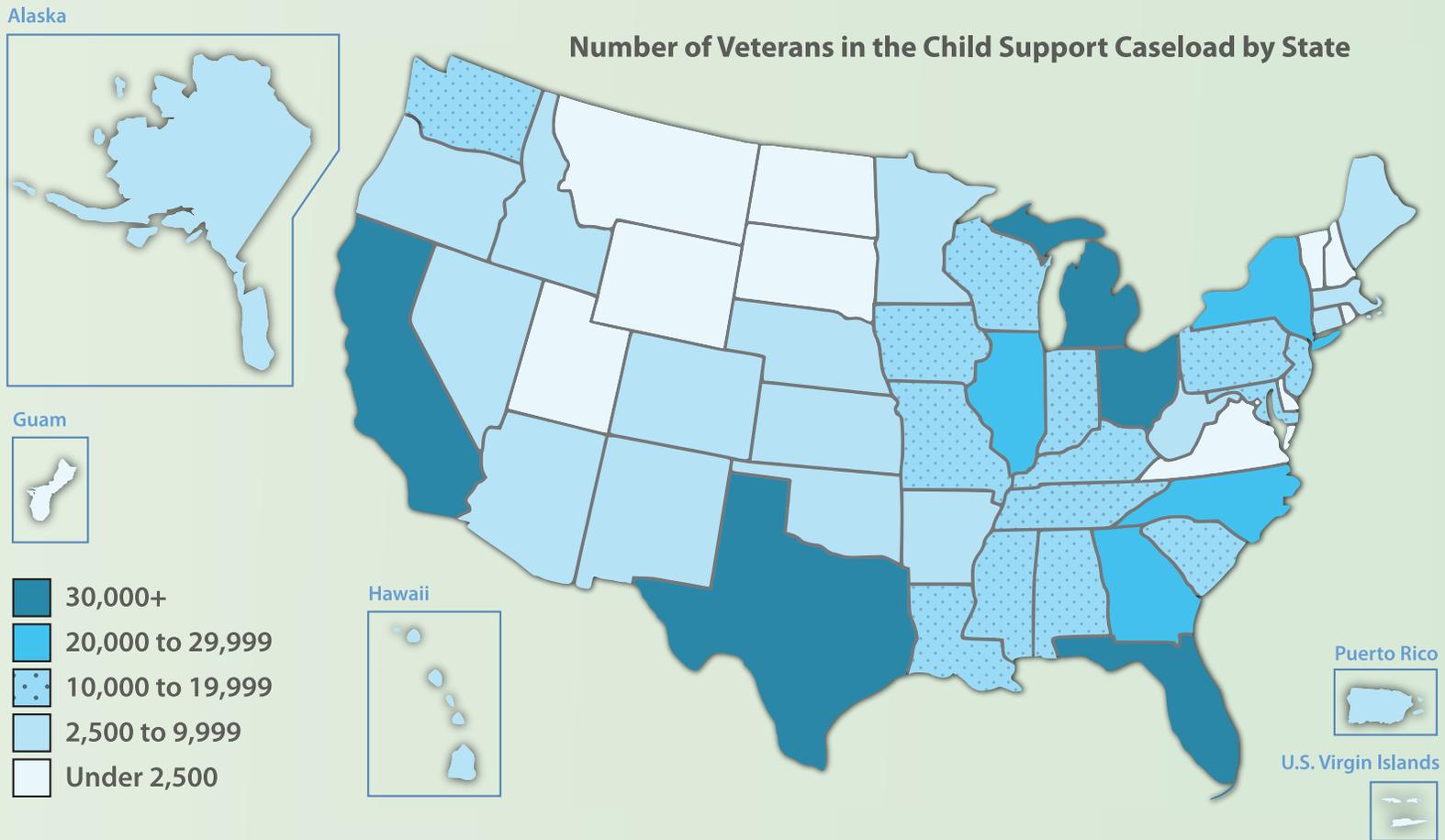
### How many veterans are in the child support caseload?

To facilitate our understanding of veterans in the child support caseload, HHS and VA conducted a data match in December 2010 to determine how many veterans were in the caseload and their case characteristics. This information is important for assessing the potential for implementing such collaborations nationwide.

Veterans comprise a small proportion of the noncustodial parent child support caseload. Out of 10.7 million noncustodial parents included in the match,<sup>5</sup> veterans comprise just over 5 percent of the total. This proportion does not vary much by state. It ranges from just under 4 percent of the noncustodial parents in Utah to 9 percent of noncustodial parents in Alaska.

However, small percentages do not necessarily mean small numbers. The number of noncustodial parents who are veterans in the child support caseload ranges from about 600 in the Virgin Islands to almost 61,000 in Texas. About half the states have more than 10,000 veterans in their child support caseload.

## Veterans in the Child Support Caseload



## What do we know about veterans in the child support caseload?

The veteran population in the child support program poses some unique challenges. Over \$7 billion of the child support arrearages owed by noncustodial parents is owed by veterans. This represents about 7 percent of the total child support debt, slightly more than the veterans' share of the population. In Alaska, Nebraska and Guam, veterans owe more than 10 percent of the state child support debt.

The per capita child support debt owed by those veterans with debt is on average 27 percent higher than the per capita child support debt owed by all noncustodial parents. The average debt owed by veterans with debt is about \$24,500 and the comparable per capita debt for all noncustodial parents with debt is \$19,200. Only in Connecticut is the average per capita debt for veterans approximately the same as for all noncustodial parents. In Nebraska and Puerto Rico, the per capita child support debt for veterans is over 50 percent higher than the states' average.

The veteran population in the caseload is substantially older than the noncustodial parent population in the child support caseload as a whole, which may be a reason for the higher per capita debt by veterans. Almost 50 percent of veterans in the child support caseload are over age 50, while for the caseload as a whole only 14 percent of noncustodial parents are over age 50. This means that veteran noncustodial parents are three times as likely to be older than an average noncustodial parent. The District of Columbia and the Virgin Islands have the highest proportion of older veterans, and California, Texas, Ohio, Michigan, and New York have the largest number of veteran noncustodial parents over age 50. Based on feedback from the pilot sites, many of the veterans participating in the pilot are Vietnam-era veterans with adult children, rather than more recently returning veterans. These cases are often arrears-only cases, that is, there is no current support obligation remaining.

## Veterans in the Child Support Caseload

Nonetheless, this debt keeps increasing in those states that charge interest. From this match, OCSE did not obtain information on how much of this debt is owed to the state for reimbursement of welfare costs and how much is owed to the custodial parent.

Veteran noncustodial parents in the child support caseload are more likely to have child support orders than is true for the overall population of noncustodial parents. Eighty-seven percent of veteran noncustodial parents have child support orders, while only 79 percent of all noncustodial parents have orders. In Alaska, California, Colorado, Maine, Pennsylvania, Virginia, West Virginia, and Wisconsin, over 95 percent of veterans with a child support case have orders.

It is not known why veterans in the child support caseload are more likely to have orders than non-veterans. It may be that veterans are more likely to have been married and subsequently divorced than other noncustodial parents in the child support caseload who may have never married. Additionally, it may indicate that at the time child support services were initiated, the veteran had income from either military pay or civilian employment. Being divorced and having more income are both associated with increased likelihood of having a child support order.

While average arrears are likely to be higher for veterans in the child support caseload, on the whole veterans are no more likely to have arrearages than are child support noncustodial parents overall. Sixty-one percent of veterans with child support orders and 61 percent of all noncustodial parents with child support orders have arrearages.<sup>6</sup> However, there is wide variation across the states. In six states and two territories,<sup>7</sup> noncustodial parents who are veterans are substantially less likely to have arrearages. In California, Illinois, Pennsylvania, Rhode Island and Wisconsin, veteran noncustodial parents are more likely than the overall caseload to have arrearages.

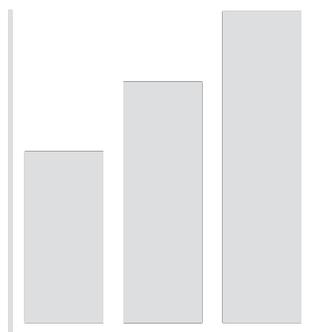
## What are the challenges in working with veterans who owe child support?

The ability to address child support issues can be affected by whether or not the noncustodial parent lives in the state where the child support case resides. Homeless veteran populations are transient and may be less likely to live in the state where a child support case was initiated. Based on an analysis of the veterans with a current address on file with the VA, which are those veterans receiving VA compensation/pension or education benefits, it was found that about 44 percent of noncustodial parents who had received veterans benefits have a child support case in another state rather than in the state in which they currently reside. This is a higher rate of out-of-state residence than for other groups of noncustodial parents, where the proportion living in other states was able to be determined. There was considerable variation in this proportion among the states. Living in a state different from the location of the child support case ranged from 32 percent in Ohio and Wisconsin to 67 percent in the District of Columbia and the Virgin Islands.

Working with veterans presents a particular challenge for child support agencies because many veterans do not live in the states that have jurisdiction of their child support cases. They are likely to have high child support arrears and may not be motivated to pay support because the children are no longer dependent on their custodial parents for support and care. Likewise, programs and individuals working with veterans may not identify outstanding child support issues, or know to ask the child support agency for assistance. They may not understand the ways that high child support debt can have an adverse impact on housing and employment. However, by working together, the VA, OCSE and their partners are finding ways for veterans to resolve their child support issues and support their families.

*This brief was prepared by Linda Mellgren, Office of the Assistant Secretary for Planning and Evaluation, HHS and Dennis Putze, Office of Child Support Enforcement, ACF, HHS based on a data match between the OCSE Federal Case Registry, the OCSE Debtors file and the Department of Veterans Affairs Beneficiary Identification Location Subsystem.*

## Veterans in the Child Support Caseload



## References

- <sup>1.</sup> The demonstration sites are: Atlanta, GA; Baltimore, MD; Boston, MA; Chicago, IL; Los Angeles, CA; Minneapolis/St Paul, MN; San Diego, CA; Seattle, WA; and Washington, DC.
- <sup>2.</sup> The plan, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness*, is available at: [http://www.usich.gov/PDF/OpeningDoors\\_2010\\_FSPPPreventEndHomeless.pdf](http://www.usich.gov/PDF/OpeningDoors_2010_FSPPPreventEndHomeless.pdf).
- <sup>3.</sup> The latest CHALENG report, *The Seventeenth Annual Progress Report, Community Homelessness Assessment, Local Education and Networking Group (CHALENG) for Veterans, Fiscal Year (FY) 2010, Services for Homeless Veterans Assessment and Coordination*, is available at: [http://www.va.gov/HOMELESS/docs/challeng/CHALENG\\_Report\\_Seventeenth\\_Annual.pdf](http://www.va.gov/HOMELESS/docs/challeng/CHALENG_Report_Seventeenth_Annual.pdf).
- <sup>4.</sup> The report, *Assessing Child Support Arrears in Nine Large States and the Nation*, by E. Sorensen, L. Sousa and S. Schaner, (The Urban Institute, 2007) is available at: <http://aspe.hhs.gov/hsp/07/assessing-CS-debt/index.htm>.
- <sup>5.</sup> There are more than 11 million noncustodial parents in the caseload; however, the match excluded some noncustodial parents, such as parents who did not have a verified social security number.
- <sup>6.</sup> Other research, such as the Sorensen report cited above, shows higher rates of arrearages. The data match used for this report is based on child support debt certified by the state as being eligible for IRS tax offset.
- <sup>7.</sup> The states and territories are: Idaho, Maryland, Mississippi, Nevada, New Mexico, South Dakota, Puerto Rico and the Virgin Islands.

