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The Child Support Enforcement (CSE) Program

Introduction

The Child Support Enforcement (CSE) program was enacted into law on January 4, 1975 (P.L. 93-647). When the program was first established, its goals were to reimburse the states and the federal government for the welfare payments they provided families, and to help other families remain self-sufficient and stay off welfare by obtaining consistent and ongoing child support payments from the noncustodial parent. Over time, the CSE program has evolved from a “welfare cost-recovery” program into a “family-first” program that seeks to enhance the well-being of families by making child support a more reliable source of income.

This program has the potential to impact more children and for longer periods of time than most other federal programs. It may interact with mothers, fathers, and children for 18 years and in some cases up to 30 years if the noncustodial parent owes past-due child support. In FY2015, it served 15.9 million children (about 22% of children in the United States).

Scope of CSE Program

The CSE program is a federal-state program that provides services to both welfare and non-welfare families. (Today, this distinction is based on whether the family has received cash assistance from the Temporary Assistance for Needy Families block grant (TANF)). TANF families (and other families enrolled in certain assistance programs, such as Medicaid) are automatically enrolled free of charge. Families who have never received TANF must sign up and also pay a \$25 annual user fee if the CSE agency collects at least \$500 per year for them.

The program is available in all 50 states; the District of Columbia; the territories of Guam, Puerto Rico, and the Virgin Islands; and 62 tribal nations. It is generally operated at the county level of government.

The CSE program is administered at the federal level by the Office of Child Support Enforcement (OCSE) in the Department of Health and Human Services (HHS). The OCSE helps CSE agencies develop, manage, and operate their programs effectively and according to federal law. Specifically, OCSE administers federal matching funds and awards grants to states, provides policy guidance and technical assistance, conducts program audits, and supports research through demonstration grants. OCSE also operates the Federal Parent Locator Service and the National Directory of New Hires.

Program Components

The CSE program increases the reliability of child support paid by noncustodial parents by

- locating noncustodial parents,
- establishing paternity,
- establishing child support orders,
- reviewing and modifying child support orders,
- collecting child support payments from noncustodial parents,
- establishing and enforcing medical child support, and
- distributing child support payments to custodial parents.

CSE Collections and Methods

In FY2015, the CSE program collected and distributed \$28.6 billion on behalf of families. Two-thirds of CSE collections were for families that had never received cash payments from the TANF program.

Table 1. CSE Collections by Family Type, FY2015

Family Type	Collections (billions)	Percentage
TANF Families	\$0.8	3%
Former TANF	\$9.0	31%
Never TANF	\$18.8	66%
Total	\$28.6	100%

Source: Congressional Research Service (CRS), based on data from the U.S. Department of Health and Human Services (HHS).

The majority of the collected payments (93%) went to families and the remainder went to the states and federal government as reimbursement for public assistance dollars that went to families.

Most child support payments are collected from noncustodial parents through income withholding. In FY2015, approximately three-quarters of collections were obtained through income withholding. Other methods of enforcement include

- intercepting federal and state income tax refunds;
- intercepting unemployment compensation;
- filing liens against property;
- sending insurance settlement information to CSE agencies;
- intercepting lottery winnings, judgments, or settlements;

- seizing debtor parent assets held by public or private retirement funds and financial institutions;
- withholding, suspending, or restricting driver's licenses, professional or occupational licenses, and recreational or sporting licenses; and
- denying, revoking, or restricting passports.

In addition, all jurisdictions have civil or criminal contempt-of-court procedures and criminal nonsupport laws that may be used when noncustodial parents fall behind in their payments and accumulate arrears. (These procedures and laws are in addition to the enforcement methods listed above.) Federal criminal penalties may be imposed in certain cases.

Federal law also provides for international enforcement of child support.

CSE Caseload and Composition

In FY2015, the CSE system handled 14.7 million cases.

Table 2. CSE Cases by Family Type, FY2015

Family Type	Number (millions)	Percentage
TANF Families	1.6	11%
Former TANF	6.3	43%
Never TANF	6.9	47%
Total	14.7	100%

Source: Congressional Research Service (CRS), based on data from the U.S. Department of Health Human Services (HHS). (Totals do not sum because of rounding.)

According to data presented in OCSE's most recent Report to Congress, among all custodial parents who are eligible for child support, and not just those enrolled the CSE program, 82% are women, 78% are 30 years old or older, 55% have just one child, 68% are white, 25% are black, and 23% are Hispanic of either race (2014 data).

Among all custodial families eligible for child support, 29% have income below the federal poverty level. In 2013, child support represented 41% of family income for poor custodial families that received it (2014 data).

CSE Expenditures and Financing Structure

In FY2015, combined federal and state administrative expenditures for CSE amounted to \$5.7 billion. CSE is a federal-state matching grant program under which states must spend money in order to receive federal funding. The federal government reimburses each state 66% of all allowable expenditures on CSE activities. This requirement is "open-ended" in that there is no upper limit or ceiling on the federal government's match for those expenditures.

There are five funding streams associated with the CSE program. The first two streams (mentioned above) are state

and federal matching funds. Third, states collect child support on behalf of families receiving TANF assistance to reimburse themselves (and the federal government) for the cost of TANF cash payments to the family. Fourth, the federal government provides states with an incentive payment (estimated at \$481 million for FY2015) to encourage them to operate effective programs. Federal law requires states to reinvest CSE incentive payments back into the CSE program or related activities. Fifth, application fees (\$25 per year) and costs recovered from non-welfare families may help finance the CSE program.

CSE Access and Visitation Programs

Separately, OCSE administers an Access and Visitation grant program, funded at \$10 million each fiscal year. These funds are awarded to 50 states, DC, Guam, Puerto Rico, and the Virgin Islands. Eligible activities include mediation, counseling, education, development of parenting plans, visitation enforcement, and development of guidelines for visitation and alternative custody arrangements.

Program Effectiveness

In FY2015, the CSE program collected \$5.26 for every \$1 it spent.

The program made collections for 61% of its caseload in FY2015 (compared to 23% in FY1998, when the 1996 welfare reforms were just being implemented). For FY2015, those cases with collections were 69% of the never-TANF caseload, 60% of the former-TANF caseload, but only 34% of the current-TANF caseload.

Issues

CSE issues that have been raised include the following:

- Should child support orders be more aligned with the noncustodial parent's ability to pay?
- Should child support orders in cases where the noncustodial parent is unemployed, underemployed, or incarcerated be automatically reviewed and modified?
- Should child support arrearages (i.e., unpaid child support) be reduced or forgiven if the noncustodial parent does not have the resources to pay them (and the custodial parent is in agreement)?
- Should the CSE program have the option of funding work-oriented programs for noncustodial parents who are unable to meet their child support obligations?
- Should the states bear more of the costs of their CSE programs (i.e., reducing the federal matching rate)?
- Should the federal and state governments continue to retain collections to reimburse TANF costs, or should all of the TANF family collections be "passed through" to those families? (Should the current state option to pass through some TANF family collections be altered?)

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