House Research

Short Subjects

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Do MFIP Participants Receive Child Support?

Under the Minnesota Family Investment Program (MFIP), child support counts as unearned income, which can reduce the amount of a family's MFIP grant. This short subject provides some statistics on MFIP and child support from 1998 to 2003, including how many MFIP families received child support payments.

What is child support and how is it established?

A court may order basic, medical, and child care support for the care of a child. For divorced or legally separated couples, a court may order one or both parents to pay child support. If a child's parents are not married, paternity may need to be established before a court will order child support. In state fiscal year 2003, there were 194,027 cases with court orders for child support in Minnesota, according to the Child Support Division of the Minnesota Department of Human Services (DHS).

What is the Minnesota Family Investment Program (MFIP)? MFIP provides cash and food assistance to low-income families with children. It is the state's Temporary Assistance for Needy Families (TANF) welfare program, and in 2003 the average monthly caseload was 45,017 (DHS).

Are MFIP participants required to assist with child support enforcement efforts?

An individual receiving MFIP must provide the child support agency with information about the noncustodial parent unless there is "good cause" for not doing so (e.g., if the pursuit of child support could reasonably result in harm to the child). Persons who fail to comply are sanctioned until they return to compliance or are no longer eligible for MFIP (Minn. Stat. § 256.741, subd. 7). Minnesota statutes require DHS to close cases that are sanctioned for six consecutive months, at which point their food stamp eligibility must be redetermined (Minn. Stat. § 256J.46, subd. 1).

How much child support did MFIP families receive?

Among families on MFIP for the first time between 1998 and 2003, 19 percent (11,396 of 60,356) received basic child support for at least one month while on MFIP. MFIP families with child support orders received child support in about half (53 percent) of the months it was ordered (This amount may have been more or less than the amount ordered). The median monthly basic child support payment for MFIP families was \$236. (\$0 payments were not included in the median calculation; all dollar values are inflation-adjusted to 2005.) See Figure 1 for a regional breakdown of child support receipt.

How much did child support receipt vary from family to family? Between 1998 and 2003, MFIP families with child support orders received between \$0 and \$1,900 in monthly basic child support payments, with 24 percent of families with an order never receiving basic support while on MFIP and 4 percent of families with an order receiving more than \$500 each month (see figure 2). These results may understate the amount of child support receipt by current welfare recipients, since some families with more in child support may become ineligible for MFIP.

Twenty-six percent of MFIP families were owed child support arrears. The median arrears amount was \$1,544.

How many MFIP families received other types of support from 1998 to 2003?

<u>Medical support</u>: Four percent of all MFIP participants received at least one month of medical support to help pay for health insurance while on MFIP (8 percent had a medical support order).

<u>Child care support</u>: Two percent of all MFIP participants received at least one month of child care support (3 percent while on MFIP had a child care order). The median monthly child care support receipt was \$79.

Figure 1: Monthly Basic Child Support Receipt by Region (Median)

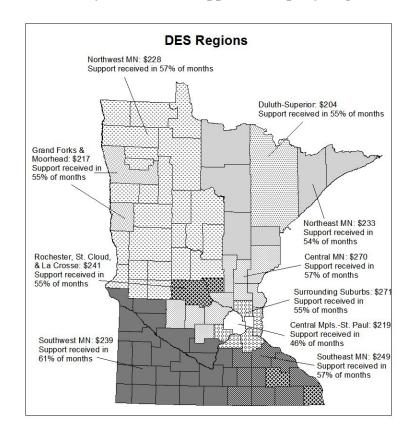
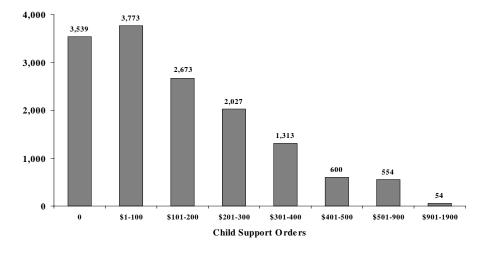


Figure 2: Distribution of Monthly Basic Child Support Received while on MFIP (1998-2003)



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