

# Resolution for Improving Access to Employment Services for Parents Owing Support

## **Introduction**

The National Child Support Engagement Association (NCSEA) is committed to improving the establishment and collection of child support owed to families and children. While the child support program's strong enforcement authority is an effective tool to achieve this goal, enforcement alone works less well for disadvantaged parents for whom unemployment or underemployment is the primary barrier to their payment of support. For this group, greater access to employment services is needed. Program experience and some research have shown that properly structured employment services are an effective strategy for connecting low-income parents to work, improving compliance with court-ordered child support payments, and improving their economic status and that of their families.

NCSEA strongly supports three connected but discrete policy changes that would together better serve the employment needs of parents owing support: 1) Require Workforce Development Boards to recognize unemployed and underemployed noncustodial parents as a priority population for Workforce Innovation Opportunity Act (WIOA) services; 2) explicitly include child support agencies as permissible members on Workforce Development Boards to further strengthen the relationship between the programs; and 3) authorize employment and other services for underemployed or unemployed noncustodial parents as an allowable cost for Title IV-D administrative expenditures.

## **Background**

Within the IV-D program, a large segment of parents owing support experience persistent unemployment and underemployment. Individuals without a high school diploma, GED, or post-secondary education, and those who have been involved in the criminal justice system, face the greatest employment barriers. Lack of work is a particular and unique concern for those who are legally obligated to provide financial support for their children—obligations that are created or enforced by the IV-D agency as part of the nation's overall public strategy to improve the economic well-being of financially vulnerable children and families. For this strategy to succeed, more effort is needed to proactively reduce employment barriers faced by parents ordered to provide child support.

There are also practical reasons to focus on increasing employment of parents owing support. Employment-based wage withholding is the most effective method for ensuring ongoing monthly support, and comprises about 70% of child support collections received by the IV-D program. Therefore, providing services to help parents with employment barriers get and keep jobs is key to improving ongoing monthly support collections. When an unemployed parent is unable to pay their child support obligation, the accumulation of high child support arrears can become a heavy burden, leading to other problems, including negative credit bureau reports, suspension of drivers licenses, and other administrative enforcement measures that negatively impact their lives.

Despite research evidence and states' recognition of the value of providing employment services for unemployed parents owing support, workforce development activities are not a permissible IV-D reimbursable cost. Instead, child support agencies have relied upon a variety of partners to provide these services, often through the local Workforce Development Board employment services providers. While access to such services was improved with the enactment of the 2014 Workforce Innovation and Opportunity Act (WIOA)<sup>1</sup>, significant opportunities remain to strengthen access for parents owing support.

These issues point to a need to statutorily require collaboration between the child support program and the WIOA Workforce Development Boards so unemployed parents receive services to enhance employability and secure employment, ultimately resulting in increased child support payments. To further support this collaboration, changes to federal law are also needed to allow states to expend federal match child support funds to collaborate, support, and further cooperate with WIOA and other employment services. This collaboration will bridge the gap between existing employment programs and underserved parents.

### **Coordination and Cooperation with Workforce Boards**

Child support agencies found that, under WIOA's predecessor, the Workforce Investment Act of 1998 (WIA)<sup>2</sup>, individuals with child support obligations who needed job training or

<sup>&</sup>lt;sup>1</sup> See WIOA; P.L 113-128, July 22, 2014.

<sup>&</sup>lt;sup>2</sup> See WIA; P.L. 105-220, August 7, 1998.

education often had difficulty navigating across agency lines to assemble an effective training and employment plan. To address WIA shortcomings, WIOA (effective July 1, 2015) brought an increased focus on low-income adults and youth with limited skills, lacking work experience, and facing economic barriers to success. It also sought to improve coordination between and among agencies so that workers and job seekers have more seamless access to a system of high-quality career services, education, and training through a one-stop service delivery system.

Under WIA, many parents owing support were considered hard to employ and consequently denied access to WIA services completely. WIOA provided new explicit permission for the local Workforce Development Boards to provide such workers employment and training activities in coordination with child support enforcement and child support services. While the specific permission and recognition of the value of WIOA and child support agency collaboration is helpful, it does not carry the full weight of a mandate of cooperation.

Although WIOA added public entities as permissible Workforce Development Board members—including local agencies or entities administering public assistance—child support programs are not specifically mentioned<sup>3</sup>. In those local WIOA areas where the public agency administering public assistance does not also administer the child support program, the child support agency will not be a part of the Workforce Development Board, which makes productive collaboration more challenging.

WIOA improved WIA's mandated prioritization of providing core services to public assistance recipients and other low-income individuals, when funds were limited, by removing the limited funds qualifier and expanding the mandated priority services beyond the WIA core services. However, the lack of a specific priority for parents owing support often results in an otherwise qualified parent not receiving the attention and services needed. As an example, some employment agencies may choose to accept only court-ordered individuals, or those referred from a diversion program, rather than accepting parents who voluntarily seek employment services to either get a job or find a better job.

#### **IV-D Funds**

When parents owing support receive employment services with the involvement of the child support program, there are positive outcomes associated with both the parent's

<sup>&</sup>lt;sup>3</sup> See WIOA §107(b)(2)(D)(v).

employment and child support collections. While some early pilots <sup>4</sup> produced mixed results, recent analysis suggests that those outcomes were likely the result of design choices more than the employment services themselves. Current models show employment services positively correlate to improved support payments. <sup>5</sup>

Current federal law does not allow federal match child support dollars to be spent on employment services. While states may use WIOA, Temporary Assistance for Needy Families (TANF) and IV-D incentive funds (under approved waiver) for this purpose, the extent to which they do so varies substantially both across and within states. Other demands for the use of those funds means that none of these funding streams provide a reliable or sufficient source of funding for employment services for parents owing support.

Child support programs do not want to, nor should they, become a wholesale employment services provider. The intent is not to unbundle what WIOA has joined together. Instead, the opportunity to use IV-D matching funds for employment services would allow the child support program to actively partner with WIOA and employment providers to facilitate participation by parents owing support in existing programs as well as develop new programs specifically designed to meet the needs of parents who have not been well served under current employment programs.

Allowable services should include: employment services to help parents owing support find and retain employment; enhanced case management to identify, enroll, and ensure accountability from participants; enhanced child support services, such as suspension of discretionary enforcement tools, accelerated access to order review and modification; occupational skills training; subsidized employment; and transportation costs to and from employment service programs.

These expenditures should be permissible, not mandatory, for states interested in designing and facilitating employment programs to better meet the needs of parents owing support and, at state option, available for all parents owing support who need

<sup>4</sup> See Cancian M., Meyer D. and Wood G.:Final Impact Findings from the Child Support Noncustodial Employment Demonstration (CSPED), March 2019.,

<sup>&</sup>lt;sup>5</sup> McCann, Meghan: Promoting Parental Employment to Boost Child Support, National Conference of State Legislators, 2019. , CSPED Reports (<a href="https://www.acf.hhs.gov/css/grants/grant-updates-results/csped">https://www.acf.hhs.gov/css/grants/grant-updates-results/csped</a>), PACT Reports (<a href="https://www.acf.hhs.gov/opre/research/project/parents-and-children-together-pact-evaluation">https://www.acf.hhs.gov/opre/research/project/parents-and-children-together-pact-evaluation</a>), and EJTD Final report (<a href="https://www.acf.hhs.gov/opre/resource/the-enhanced-transitional-jobs-demo-new-perspectives-creating-jobs-final-impacts-next-generation-subsidized-employment-programs">https://www.acf.hhs.gov/opre/resource/the-enhanced-transitional-jobs-demo-new-perspectives-creating-jobs-final-impacts-next-generation-subsidized-employment-programs</a>)

services, whether they are mandated to participate by court order or diversion program or seeking services on a voluntary basis.

## THEREFORE, NCSEA resolves to:

- 1. Urge Congress to:
  - a. Strengthen the connection between the Workforce Innovation and Opportunity Act and IV-D child support programs by requiring the Workforce Development Boards to recognize unemployed and underemployed parents owing support as a priority population for all WIOA services.
  - b. Add local government agencies administering IV-D child support programs as explicitly listed permissible members on Workforce Development Boards to further strengthen the relationship between the programs.
  - c. Amend existing law to allow 66 percent federal match dollars to be spent by IV-D child support programs on employment services for parents owing support, including case management, enhanced child support services, employment training, subsidized employment, and transportation costs associated with employment services.
- 2. Urge the Administration for Children and Families, Office of Child Support Services, to continue to promote further study and demonstration programs to determine the most effective employment program models, including subsidized employment, for serving parents owing support through funding and approval of state waivers.

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