



HB 120

The Center for Public Policy Priorities supports HB 120, which would codify and expand the award-winning noncustodial parent (NCP) Choices program. NCP Choices has demonstrated great success in helping noncustodial parents find employment, increasing the amount and consistency of child support payments, and increasing the household incomes of custodial parents. By increasing child support payments to low-income families, the program has the added benefit of reducing the reliance on TANF cash assistance by custodial parents and decreasing unemployment insurance claims.

NCP Choices Program: A Win-Win

↑ 50 percent

Average child support payments among participants are 50 percent higher and more consistent than non-participants.

↑ 21 percent

Participants are 21 percent more likely to find employment.

↓ 33 percent

Unemployment filings among participants were 33 percent lower.

↓ 21 percent

Reliance on TANF cash assistance by custodial parents dropped 21 percent.

Overview

The NCP Choices Program is a partnership among the Office of the Attorney General – Child Support Division (OAG), the Texas Workforce Commission (TWC), and family court judges. The program is intended to help unemployed noncustodial parents (NCPs) find work and financially support their children.

NCP Choices began in 2005 as a pilot project in five, largely urban sites. The success of the program at increasing child support payments and employment and retention rates among the hardest-to-serve NCP population led to its expansion. As of October 2010, the program operates in 17 workforce board areas that serve families in 44 child support offices.

The NCP Choices Program starts with court-ordered program participation connecting NCPs to job search, employment support services, and limited short-term training followed by close monitoring and compliance tracking. Workforce staff help participants overcome employment barriers and become more employable through job referrals, tracking job search efforts, and monitoring job retention for at least six months. Participants receive a range of services such as transportation assistance, help in obtaining work clothes or tools, short-term job training, subsidized employment opportunities, and GED or English as a Second Language courses. The program is modeled after the Texas Choices program – the employment services program for TANF recipients (custodial parents.) NCP Choices offers similar job support services and expectations for an NCP to those for a custodial parent (CP) receiving public assistance.

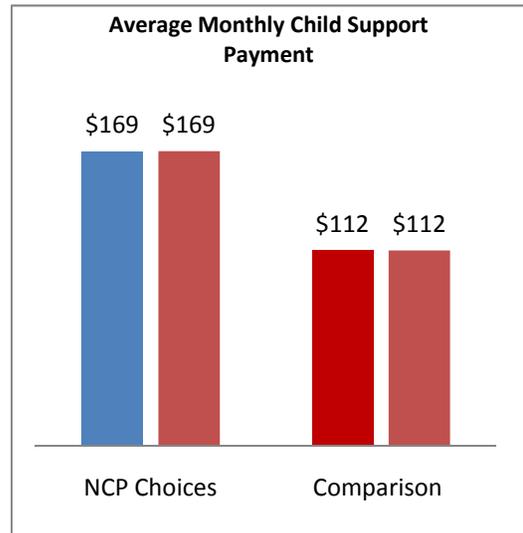
Collaboration between Partners		
Child Support	Workforce	Court
<ul style="list-style-type: none"> Identifies eligible parents and prepares cases for enforcement hearings Monitors payments and workforce status Prepares legal actions, as needed 	<ul style="list-style-type: none"> Meets with NCPs at court (initial intake) Provides services and monitors compliance Reports participation status to child support staff and judge (may provide testimony) 	<ul style="list-style-type: none"> Orders program participation Conducts compliance hearings Follows through with swift and certain consequences

NCP Choices was intentionally designed to leverage existing agency capacity and structure, including measures to prevent NCPs from slipping through the cracks of a referral process, and fully engaging the judiciary as a key partner. The bottom line for NCP Choices’ success has been strong collaboration of program partners, each with shared responsibilities, shared authority, and shared investment of funding and staff. Primary funding for the program comes from federal TANF funds with additional funding coming from federal child support performance incentive funds. Texas is one of five states with federal approval to use performance incentives for NCP employment.

Impacts

The Ray Marshall Center for the Study of Human Resources at the University of Texas conducted an independent, third party evaluation of NCP Choices from 2005-2009. The study compared NCP Choices participants to a matched comparison group of NCPs to determine program impacts. The evaluation asked:

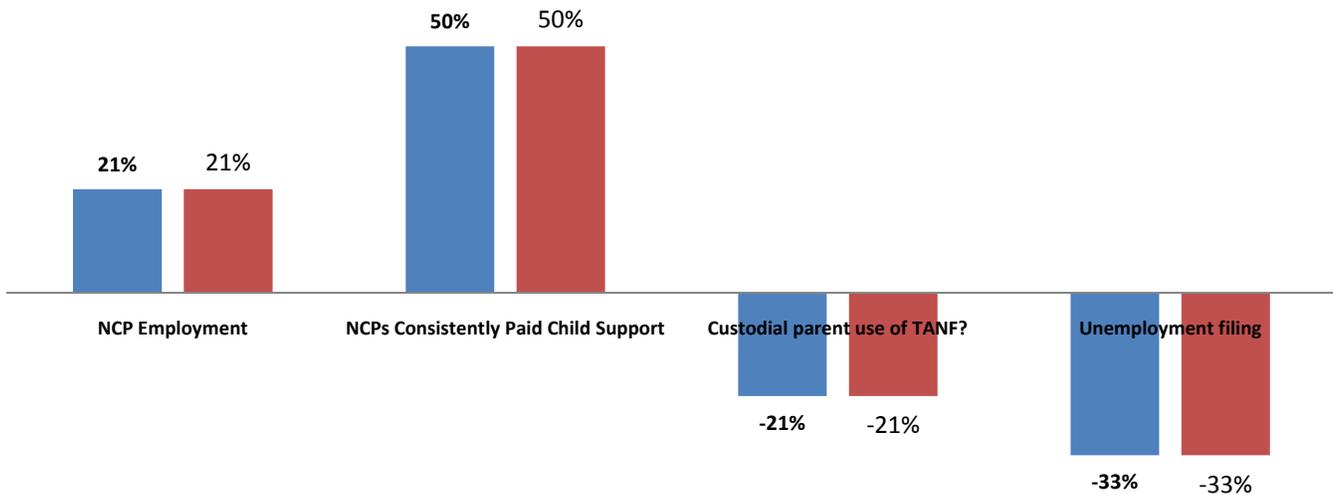
- Do program participants pay more child support and pay it more consistently?
- Are program participants employed more and stay employed longer?
- Do CPs associated with program participants use TANF to a lesser degree than CPs associated with the comparison group?



Source: Schroeder, D. & Doughty, N., “Texas Non-Custodial Parent Choices: Program Impact Analysis”, August 2009.

The results of the evaluation showed unequivocally that participation in NCP Choices significantly increases child support payments (both the amount and consistency) and employment (entry and retention) for NCPs, and reduces the use of TANF cash assistance by CPs associated with program participants.

NCP Choices Participants vs. Comparison Group*



Source: Schroeder, D. & Doughty, N., "Texas Non-Custodial Parent Choices: Program Impact Analysis," August 2009

*The program comparison group members were selected through a multivariate nearest neighbor match of 32 demographic, child support case, legal enforcement action, and employment and earnings characteristics.

One of the most important indicators of the sustained impact of NCP Choices is the shift in method of payment sources by the NCPs in the program - *almost twice as many program participants* pay through wage withholding as compared to the control group. In the first two quarters of FY 2011, **86% of all collections** were directly tied to employment as the source of payment.

The non-financial impacts of NCP Choices were not subject to the evaluation. However, qualitative evidence from program participants shows that consistent employment and child support payments reduced the conflict in their relationships with the custodial parents and improved their access to and interactions with their children. Other research has shown that children of involved parents do better in school, have fewer behavioral problems, and are less likely to become incarcerated.

The Case for Expansion

Currently, an NCP Choices participant:

- Could be facing jail time for non-payment of child support,
- Has a case with children who are current or former recipients TANF or Medicaid,
- Is under- or unemployed, has a social security number, and
- Resides in the workforce development board's service area.

HB 120 would provide for the expansion of NCP Choices to include unemployed obligors without a family connection to TANF or Medicaid. Successful NCP employment programs increase self-sufficiency and family stability, yielding short-term cost savings to the state, and long-term cost avoidance.