

Dissertation Prospectus Abstract

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Title: Minimum Wage Increases and Child Support Payments:
A Secondhand Anti-Poverty Regime

Abstract:

Child support, a monthly payment intended to offset the cost of raising a child and to help provide a safe, stable, and enriching household in which to grow, can be required by law from the non-resident parent. Yet by the end of 2010, it was estimated that approximately 11.3 million individuals owed over \$110 billion in back child support in the United States. Among those, 313,463 non-custodial parents in Washington State owed over \$1.8 billion (DSHS, 2010). Plainly, there can be obstacles for the non-custodial parent in consistently paying the full amount of child support. For instance, the level at which a payment obligation is set often relies on information regarding the ability of the non-custodial parent to pay, but may not account for all the vagaries of workforce participation for a low-paid worker. Meager or inconsistent wages may amplify hurdles to making payments. Other obstacles, like the perception of being treated fairly or unfairly, may contribute to the willingness of the non-custodial parent to meet child support obligations fully (Plotnick, 2019). As a consequence, defaults on child support payments are not rare. This study explores whether implementation of laws to increase the minimum wage result in an increase in child support payments among families who have established such obligations in the State of Washington. The federal minimum wage rate, \$7.25 per hour, has not increased since 2009. Wage rates, particularly for the low-wage worker, have largely remained flat or even declined in real dollars across the entire country. However, there have been notable inroads. Some states, like Washington, have indexed the minimum wage to the inflation rate. A 2020 decision in the national spotlight, Florida voters passed Amendment 2 that incrementally raises the state minimum wage to \$15 per hour, the first state to raise its minimum wage to \$15 through a ballot measure. Moreover, numerous jurisdictions now have minimum wage rates above both federal and state minimums. Seattle's Minimum Wage Ordinance took effect in 2015, gradually raising the minimum to \$15 per hour and thereafter adjusting the rate to account for inflation. These types of jurisdiction-level patchwork of minimum wage increases lends itself to a natural experiment, a comparison of those whose employers are located in a jurisdiction subject to a minimum wage increase and those whose employers are not, over the same timeframe. Washington State represents just such a condition. While wage levels represent just one factor that could influence consistent and full child support payments, it may be among the leading factors. An increase in wages for low-wage, non-custodial parents via an increase in minimum wage might be one way to help obligated parents make child support payments and avoid the accumulation of related debt. To quantify such changes could richly inform both the setting of wage rates and child support obligations.

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