

2015-16



**[THE ECONOMIC TRUTH ABOUT DIVORCE AND ALIMONY FOR
WOMEN AND CHILDREN IN FLORIDA]**

Overview of Content (Detailed Sources Enclosed)

- Stay-at-home mothers are increasing in the U.S. from previous decades. In the U.S., nearly 30% of all mothers are full-time stay-at-home mothers, and nearly 40% of Hispanic and Asian mothers are Stay-at-Home Mothers. Over 2.2 million children are home schooled in the U.S. In Florida alone, over 42,000 families (predominantly women) home-school over 60,000 children full time, with no pay, retirement benefits or Social Security credits. *(PEW Research Center, U.S. Bureau of Labor Statistics, Florida Department of Education: Home Schooling in Florida).*
- The majority of married men remain the primary breadwinner in their families. Only 20-23% of All employed married women earn more than their husbands (typically earning only slightly more: <10%). *(U.S. Bureau of Labor Statistics and U.S. Census Bureau)*
- In marriages where wives are employed outside of the home, the vast majority work part-time only with NO benefits, NO Retirement and make notably LESS than their husbands. *(PEW Research Center, U.S. Bureau of Labor Statistics).*
- The “average” informal U.S. caregiver of the elderly is a 49- year-old woman who works outside the home and spends nearly 20 hours per week—the equivalent of another part-time job—providing unpaid care to her mother, father or elderly friend for nearly five years. *(National Alliance for Caregiving -NAC and AARP Public Policy Institute)*
- Given their predominant caretaking of both young and old, women work 12 years less on average than men over the course of their careers – significantly reducing their life-time income, retirement contributions, earned Social Security credits or pension credits. *(National Alliance for Caregiving -NAC and AARP Public Policy Institute)*
- Single, older, divorced women are the most vulnerable and largest demographic group currently living below poverty level in America. The average U.S. senior man enjoys 70% more income than the average senior woman; yet “Reformists” want to dramatically reduce durations and automatically terminate alimony being paid to these women upon payor retirement. *(U.S. Bureau of Labor Statistics, U.S. Census Bureau, U.S. Social Security Administration)*
- In the U.S., Children are 28% more likely to live in poverty after a divorce *(U.S. Census Bureau)*
- Alimony IS NOT a gender-neutral issue. The recent U.S. Census continues to clearly show that 97% of those awarded alimony are women. Only 3% of working women earn substantially more than their husbands such that they may pay alimony post-divorce. *(U.S. Census Bureau)*

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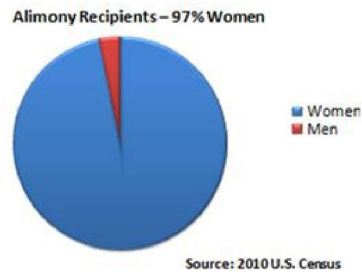
- In the U.S, 40% of women who are the primary heads of household are UNMARRIED, single mothers and women -- often divorced and living at or near poverty level. *(U.S. Bureau of Labor Statistics, U.S. Census Bureau, Pews Research Center)*
- Working women make 77cents on the dollar and lose on average close to \$430,000 over a lifetime due to the gender wage gap. Minority working women make ~68cents on the dollar. This wage gap has not improved in decades is not projected to close for at least 42 more years. This gap also widens significantly with a woman's age. *(Multiple studies enclosed)*
- The average single/divorced mother in Florida must pay 31% of her income for full-time childcare per child; Over 50% of her income PER CHILD, if she makes minimum wage. *(National Association of Child Care Resource & Referral Agencies (NACCRRA) 2012 Child Care Report – Florida)*
- In Florida and most other states, alimony/spousal support is statutorily awarded after careful judicial review and weighing of the totality of the circumstances including balancing the economic NEED and the economic ABILITY to Pay. Marriage is a legal contract and divorce is the breaking of that contract requiring judicial discretion, case-by-case, as once size does not fit all.
- Even under current Florida Statutes, the economic welfare of women and their children post-divorce is significantly driven to a lower standard of living towards poverty. Movements to further deplete and reduce alimony amounts, durations, equitable standards of living for both parties post-divorce, child support, and enforcement significantly accelerate this slide. *(Multiple studies enclosed)*

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Alimony is Not a Gender Neutral Issue – 96.9% of Alimony Recipients are Women.

- **According to the U.S. Census Bureau:** Women are the overwhelming majority of recipients depending on alimony for economic survival. According to the U.S. Census Bureau (2010 Census): 96.9% of alimony recipients are women.



- In the 2002 Census, 97.6% of alimony recipients were women.
- Only 3.1% of alimony payors are women (i.e. 3.1% of alimony recipients are men.) This trend has not changed over time.
- Alimony IS NOT a gender-neutral issue. Reductions in alimony will have economically devastating consequences targeting women and children, especially older women and stay-at-home mothers.

U.S. Census Bureau:

http://www.census.gov/hhes/www/cpstables/032011/perinc/new09_.htm

http://www.census.gov/hhes/www/cpstables/032011/perinc/new09_007.htm

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The Percentage of U.S. Women Who are Stay-at-Home Mothers is Increasing Since 1999, Not Decreasing

- **According to Recent Pews Research:** Nearly 30% of mothers in the U.S. are stay-at-home and do not work outside of the home (10.4 million women). This is an upward trend.
- This upward trend is driven by a mix of demographics, economics, labor markets and societal factors, including rising immigration.
- Nearly 40% (38%) of Hispanic mothers and 32% of Asian mothers are “stay-at-home” moms.
- These women work full-time in the home with no pay, no benefits, no qualified retirement plan, no pensions and no social security credits.
- The overall percentage of mothers who are stay at home in Florida is projected to be higher than this national average, due to our State’s substantial immigrant and multicultural population.



Pew Research Center April 8, 2014 Study: “After Decades of Decline, a Rise in Stay-at-Home Mothers”

U.S. BUREAU OF LABOR STATISTICS Monthly Labor Review
- BEYOND BLS SEPTEMBER 2014: Stay-at-home mothers through the years

Half of Over 10.4 Million U.S. Stay-at-Home Mothers (51%) Care for at Least One Child Age 5 or Younger; Many Also Have Limited Education

- 49% of these Stay-at-Home Mothers have a high school diploma or less.

Pew Research Center April 8, 2014 Study: “After Decades of Decline, a Rise in Stay-at-Home Mothers”

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U.S. Women are Giving Birth to Their First Child at Older Ages

- The share of U.S. women in their thirties among those giving birth for the first time has risen from 4% in 1970 to 22% in 2007.
- These women are much more likely to be older or nearing advanced age, still with minor children dependent upon them should their mid-term or long-term marriages fail.

National Center for Health Statistics. 2010. *National Vital Statistics Reports*. 58(24).

White House Council on Women and Girls March 2011:
Women In America Study

Women Slide Towards Poverty and a Significantly Lower Standard of Living More than Men After Divorce

- Long Island University's National Center for Women & Retirement Research reports that the average woman experiences a 45% decrease in her standard of living after going through a divorce. The average man, meanwhile, experiences a 15% **improvement** in his standard of living. U.S. Census Studies place the average Woman's decline at 37%.

Children Slide into Poverty Along with Their Mothers After Divorce. According to the U.S. Census Bureau:

- 73% of children living with a parent who divorce live in a household headed by their mother.
- Of women who divorced, over 50% more women were in need of public assistance compared to men (23 percent of women received public assistance, against 15 percent of recently divorced men).
- 59% of divorced women have less household income than recently divorced men, with 27 percent having less than \$25,000 in annual household income compared to 17 percent of recently divorced males.

U.S. Census Bureau Study, "The Marital Events of Americans: 2009." Report released in 2011 household with family and no husband.

<http://www.census.gov/hhes/socdemo/marriage/data/acs>

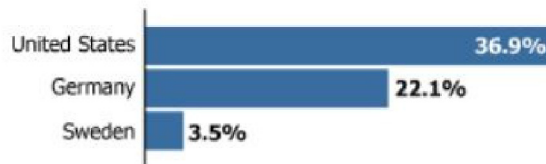
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<ul style="list-style-type: none"> • Divorced woman also are more likely to be in poverty; In fact, the level of poverty was DOUBLE for divorced women versus divorced men. (22 percent of recently divorced women compared to 11 percent of such men.) • 942,718 households in Florida are headed by women, the majority of whom are divorced. Nearly 30 percent of those households, or 272,446 households, have incomes that fall below the poverty level. <p>Children of Divorce Are 28% More Likely to Live in Poverty than Other Children</p> <ul style="list-style-type: none"> • According to the U.S. Census Bureau: Nearly 30 percent of children living with a parent who recently divorced lived in a household below the poverty level, compared with 19 percent for other children. 	<p>U.S. Census Bureau Study, "The Marital Events of Americans: 2009." Report Released in 2011. http://www.census.gov/hhes/socdemo/marriage/data/acs/</p> <p>U.S. Census Bureau (2012). <i>American Community Survey 1-Year Estimates 2011, Geographies: All States within United States, Table DP02: Selected Social Characteristics in the United States</i>. Retrieved 22 March 2013, from http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_11_1YR_DP02&prodType=table</p> <p>U.S. Census Bureau Study, "The Marital Events of Americans: 2009." Report released in 2011, household with family and no husband. http://www.census.gov/hhes/socdemo/marriage/data/acs</p>
<p><u>Older Single Divorced or Separated Women in the U.S. Are the Largest Share of Elderly Living in Poverty</u></p> <ul style="list-style-type: none"> • In the U.S., the share of elderly living in poverty is highest among single divorced or separated women (37% of total in Poverty). • Older women are twice as likely to be in poverty as older men. • According to the U.S. Social Security administration, "among older women, those who are divorced have dramatically lower incomes and higher poverty rates than widows and most other social security beneficiaries." 	<p>SSA Bulletin Vol.72 No. 1, 2012: Retirement Prospects of Divorced Women</p> <p>Center for American Progress, October 2008 Bulletin: Straight Facts on Women in Poverty</p> <p>Population Reference Bureau - OLDER WOMEN'S INCOME AND WEALTH PACKAGES IN CROSS-NATIONAL PERSPECTIVE Dr. Timothy M. Smeeding, Janet C. Gornick, Eva Sierminska, and Maurice Leach* CRR WP 2008-1 Released: February 2008</p>

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- Older Divorced Women are also more likely than most retirees to run out of resources later in life.
- The United States has more of these single female divorced poor than any other developed country due to its lower/lack of social safety nets.

PERCENTAGE OF OLDER DIVORCED/SEPARATED WOMEN LIVING IN POVERTY IN DEVELOPED NATIONS (Smeeding)



- Additional statistics regarding this national crisis of older divorced/separated women in poverty are further detailed within this report.

SSA Bulletin Vol.72 No. 1, 2012: Retirement Prospects of Divorced Women

Population Reference Bureau -
 OLDER WOMEN'S INCOME AND WEALTH
 PACKAGES IN CROSS-NATIONAL PERSPECTIVE
 Dr. Timothy M. Smeeding, Janet C. Gornick, Eva Sierminska,
 and Maurice Leach* CRR WP 2008-1
 Released: February 2008

Women and Children Who Live in the South Are Even More Likely to Slide Into Poverty After Divorce

- **According to the U.S. Census Bureau:** Divorce rates tend to be higher in the South because marriage rates are also higher in the South," Diana Elliott, a family demographer at the Census Bureau, stated in the report's release.
- In contrast, in the Northeast, first marriages tend to be delayed and the marriage rates are lower, meaning there are also fewer divorces.
- Alimony and child custody/support laws in wealthier Northeastern states, such as MA, do not necessarily translate well to southern states or other areas of our nation.

U.S. Census Bureau Study, "The Marital Events of Americans: 2009." Report released in 2011.

<http://www.census.gov/hhes/socdemo/marriage/data/acs/>

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<p>Only 20-23% of All Married Women Earn More than their Husbands (typically only earning a fraction or even just \$1 more)</p> <p>According to the U.S. BLS: Only 20-23% of married women earn more than their husbands and in many cases the wives earnings do not exceed the husband's income by more than 10%. Wives were counted as earning more even if they reported earning <u>ONLY \$1 more annually than their husbands.</u></p> <ul style="list-style-type: none"> Note: The TRUE Figures of Wives Earning More than Their Husbands are significantly lower than Reformists Misstate. 	<p>U.S. Bureau of Labor Statistics 2011 http://www.bls.gov/cps/wives_earn_more.htm <i>Note: The BLS table EXCLUDES all marriages where the wives do not work and the husband in the sole income earner. When this subgroup is factored into the table, the resulting average is only 20-23% of Married Women out earning.</i></p> <p><i>These true lower figures are also supported by PEW's Research Studies showing the figures in 20 percentile range. Historical PEWS research study going back more than 30 years shows only a modest trend in wives out earning husbands from 18% in the 1980s. <u>Recent U.S. Census data places the percentage of Wives out earning Husbands at an even lower figure of 15%.</u></i></p>
<p>Wives Who Out-Earn Their Husbands Represent only 8.7% of the U.S. Labor Force.</p> <ul style="list-style-type: none"> According to the U.S. BLS: Among married-couple families, 54 percent had earnings from both the wife and the husband in 2010, compared with 44 percent in 1967. (BLS 2010 data). <u>NOTE: This is only a 23% increase in both wives and husbands working over 46 years.</u> According to the U.S. BLS: Wives who out earn their husbands are a small percentage of the total labor force. Wives who out earned their husband, whether their husband had earnings or not, represented only 8.7% of the total labor force. Wives who out earned their husband, regardless of their husband's earnings, represented 18.6% of total women in the labor force. 	<p>U.S. Bureau of Labor Statistics -- EMPLOYMENT CHARACTERISTICS OF FAMILIES —2012 http://www.bls.gov/news.release/famee.toc.htm</p> <p>U.S. Bureau of Labor Statistics February 2013 Release (includes 2010 data) Women in the Labor Force</p> <p>U.S. Bureau of Labor Statistics, Current Population Survey, "Employment status of the civilian non-institutional population by age, sex, and race," <i>Annual Averages</i> (2012); Bureau of Labor Statistics, Current Population Survey, "Wives who earn more than their husbands, 1987–2011," <i>Annual Averages</i> (2012)</p>

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<ul style="list-style-type: none">• In marriages where wives work, the majority of wives are only secondary earners. Wives' earnings contribute significantly less of their families' total income than their husbands• 71.9% of husbands out earned their wives among these dual-earner couples.• Working wives on average contributed only 38% of the total family income in 2010 compared to wives contributing 27% of families' total income 40 years earlier in 1970.	<p>U.S. Bureau of Labor Statistics -- EMPLOYMENT CHARACTERISTICS OF FAMILIES —2012 http://www.bls.gov/news.release/famee.toc.htm</p> <p>U.S. Bureau of Labor Statistics February 2013 Release (includes 2010 data) Women in the Labor Force</p> <p>U.S. Bureau of Labor Statistics, Current Population Survey, "Employment status of the civilian non-institutional population by age, sex, and race," <i>Annual Averages</i> (2012); Bureau of Labor Statistics, Current Population Survey, "Wives who earn more than their husbands, 1987–2011," <i>Annual Averages</i> (2012)</p>
<p>Women Are Twice as Likely to Work Part-Time and Less Likely to Find Full-Time Employment</p> <ul style="list-style-type: none">• According to the U.S. Department of Labor: Women are nearly twice as likely as men to work part time. In 2010, 26.6 percent of women worked part time compared to just 13.4 percent of men.• More women are currently working part-time than were doing so prior to the recession, reflecting the increase in women working part-time because they can't find full-time work. <u>One in five women working part-time is doing so because they cannot find full-time work.</u> Prior to the recession, less than one in ten women working part-time was doing so because they couldn't find full-time work.• The imputation of full-time income to non-working or part-time working women is specious at best.	<p>U.S. Department of Labor: Women's Employment During the Recovery http://www.dol.gov/sec/media/reports/femalelaborforce/</p>

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A Significant Gender Gap Exists Between Life-Time Earnings Power of Women and Their Ability to Save for Retirement

- **According to the U.S. Department of Labor – Office of the Chief Economist:** On average women earn ~20% less than men but this effect grows over time for women. As men gain experience in the labor force their wage gains typically exceed those experienced by women.
- Over a 15-year period, "the more likely a woman is to have dependent children and be married, the more likely she is to be a low earner and have fewer hours in the labor market. The opposite holds true for men: marriage and dependent children make it much more likely that a man has higher earnings" according to IWPR (Institute for Women's Policy Research).
- Taking the wage gaps by age in 2010, if these were the gaps that all cohorts of women faced at each age, then by age 25 a woman working full-time, full-year will have earned \$6000 less than a man working full-time full-year. By age 35, a woman who experiences the typical gap at each age in 2010 has earned \$28,000 less than a man earning median earnings at every age.
- By age 65 the earnings gap has ballooned to over \$379,000.
- The impact of this gap on women's savings and the compounding of their retirement savings over time is even larger. Proposals to automatically stop alimony payments at retirement would devastate older divorced women impacted by this gap.

U.S. Department of Labor: Women's Employment During the Recovery

<http://www.dol.gov/sec/media/reports/femalelaborforce/>

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Equitable Distribution of Assets Does Not Close the Retirement Savings and Income Gap of Women

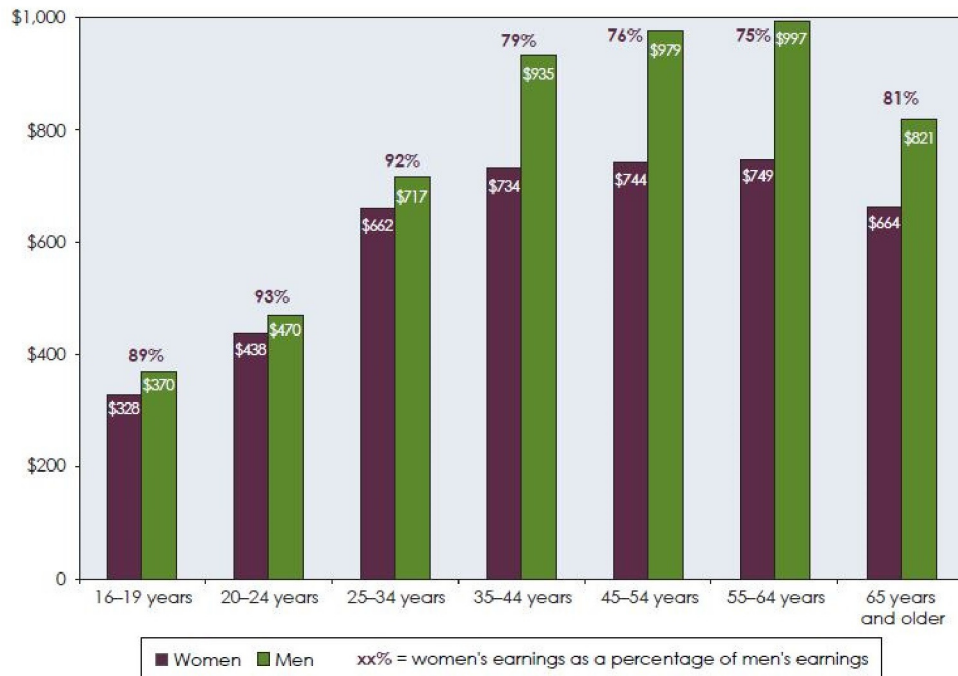
- Even though divorcing couples may divide assets 50-50, the Husband because of his superior earning power will replace some or all of those assets over time while the wife, because of her lack of earning power, will be liquidating assets from day one and will ultimately go broke. **The purpose of alimony is to somewhat equalize this disparity.**

Forbes May 17, 2013

<http://www.forbes.com/sites/jefflanders/2013/05/17/what-divorcing-women-need-to-know-about-alimony-reform/>

As Women Get Older The Gender Gap in Life-Time Earnings and Savings Power Worsens and The Cumulative Effect is Severe

Median Weekly Earnings, by Age and Gender, 2011¹⁴



Source: Current Population Survey, reported in U.S. Department of Labor, U.S. Bureau Of Labor Statistics. (October 2012). *Highlights of Women's Earnings in 2011*. Table 1.

www.bls.gov/cps/cpswom2011.pdf