CALIFORNIA CHILD SUPPORT DEBT

A POLICY ANALYSIS

A Project

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MASTER OF PUBLIC POLICY AND ADMINISTRATION

by

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Department of Public Policy and Administration

Abstract

of

CALIFORNIA CHILD SUPPORT DEBT

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Alexis Dascoulias Foley

Introduction

There is too much child support debt in California (CA). Child support debt is also known as arrears. In a recent report from the California State Senate Subcommittee No. 3, (2021, February 16) the State of CA records approximately 18.5 billion dollars in arrears. Parents Paying [child] Support (PPS) who fail to meet current child support obligations and collections accumulate and owe debt to one or both of the following entities: the government and/or their families. Since 2003, government owed debt in CA has reduced (Sorensen, 2003), but total debt continues to rise due to amount of debt increasing to families. Initial issues identified include effective and fair adjustments in interest rate and establishment of child support orders that reflect inflation and cost of raising kids. An underlying problem identified is with the enforcement-based nature of the child support narrative and taking steps to change the narrative toward strengthening families and strengthening systems for supporting children in CA communities. This report considers the portion of debt on the rise for families, the need for intervention and what the CA State Legislature can do to intervene to (a) alleviate debt burden, (b) increase PPS ability to pay and meet current child support obligations consistently over time, and (c) strengthen family formation for overall support of the child.

Literature Review

The literature review section examines current research available on child support debt. The review brings forward three major themes: (a) arrears and unintended consequences, (b) behavior and decision making, and (c) access to justice. In these themes we gain more understanding behind issues with the child support narrative. These issues are behavioral, economic and cultural in nature. Unintended consequences of arrears create significant equity issues for Californians who come from low-income, single parent and/or un/underemployed households. Financial stress creates additional pressures that impact behaviors and decision-making of family members. This in turn creates negative pressures of emotional transference on children requiring support within the family formation. This brings up significant questions for access to justice in determination for setting fair child support orders that reduce debt burden, increase ability to pay current collections and strengthen family formation for overall support of the child.

Methods

The primary method used for this analysis is the Criteria Alternatives Matrix (CAM). The objective of the CAM is comparative assessment of each alternative based on outcomes and criteria for analysis. This method presented in the book *Policy Analysis for Problem Solving* (Meltzer and Schwartz, 2019) and a rationale-based policy analysis method suggested for adapting a comparative study of alternatives based on outcomes and criteria to measure outcomes in meaningful ways. The rational-based model is comprised of five key steps (p. 21) that can be adapted for best use of exploration of the problem. The steps include: (1) define the problem, (2) identify alternatives, (3) determine objectives and criteria, (4) weigh and assess outcomes, (5) make a recommendation. The analysis process is iterative and lasted an entire school semester. As suggested in *Policy Analysis for Problem Solving*, complementary approaches blended into this analysis include the multiple streams (MLS) framework (Herwig, et al., 2017; Zahariadis, 2015) and design thinking (Ideo, 2020).

Analysis

The analysis includes a discussion of the alternatives and points to reference tables included in the Appendix section of this report. While there are limitations acknowledged in this study, the CAM offers a lens into three alternatives: (1) change the interest rate, (2) change the guideline formula used for calculation of child support orders, and (3) change the child support narrative. The first alternative comes in three variations. The second alternative comes in two variations. The third alternative addresses the underlying issue and relates to the first two alternatives and the general issues and objectives outlined in this report; that there is too much child support debt owed to families and behavioral economic objectives to (a) alleviate debt burden, (b) increase PPS ability to pay and meet current child support obligations consistently over time, and (c) strengthen family formation for overall support of the child.

Conclusion

This section offers a short discussion of findings and offers four recommendations for next steps. Findings suggest incorporation of all three alternatives, while striking the right balance for efficient, effective and politically acceptable policies for appropriate agenda setting, policy adoption to avert any potential issues for local implementation.

_______________________, Committee Chair
Robert Wassmer, Ph. D.

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Date

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I. INTRODUCTION

Central Problem Statement

There is too much child support debt in California (CA). In a recent report, from the California State Senate Subcommittee No. 3, (2021, February 16), the State of CA records approximately 18.5 billion dollars in child support arrears. Parents Paying [child] Support (PPS) who fail to meet current child support obligations owe existing debt and accumulate future debt owed to one or both entities: the government and their families. Please refer to Figure 1 below to reference a chart on total and average arrears owed by PPS to government and to families.

Figure 1: Total and Average Amount of Arrears Owed by Income Bracket (in thousands)

Income Brackets	Total Arrears		Average Amount	
	Government	Family	Government	Family
No Reported Income	$1,346,127,574	$1,997,006,311	$21,232	$36,189
$0.01 - $10,000 annually	$1,761,750,931	$2,553,251,099	$17,735	$28,293
$10,000 - $20,000	$1,837,938,000	$2,869,980,680	$14,327	$22,302
$20,001 - $40,000	$1,332,088,959	$2,579,666,621	$12,384	$18,157
$40,001 - $60,000	$352,160,151	$901,682,698	$14,887	$20,419
$60,001 - $80,000	$122,384,916	$360,307,422	$15,745	$20,237
$80,001 - $100,000	$46,262,640	$164,614,175	$16,464	$21,390
$100,000 +	$60,194,673	$224,240,980	$19,840	$26,929
TOTAL	$6,858,907,845	$11,650,749,985	$15,737	$23,576

Figure #1: Total and Average Amount of Arrears Owed by Income Bracket (2021, p.3)

California Child Support Debt

Child support debt is also known as child support arrears. Arrears are past due child support collections that collect 10 percent interest. Initially, child support programs were set up as cost recovery programs for collecting back cost of public assistance for supporting children on TANF, SNAP or Medicaid. Depending on the nature of a case, PPS owe arrears to government, and/or to families. The state may intervene to reduce or compromise arrears owed to government using the CA state Compromise of Arrears debt reduction program. However, for arrears owed to families, only custodial parent or family have a right to request reduction of arrears and the statewide debt reduction program is limited to PPS compromising government owed debt.

Child support is a money judgement, located in the CA Code of Civil Procedures (CCP) Section Number 685.010, and accrues a ten percent annual interest charge if not paid immediately. States may charge interest on arrears as an enforcement incentive to drive current collections and thus the rate charged is higher than the market rate. Federal mandate allows states to charge interest on past due child support as an enforcement tool or incentive to get parents to pay. Some states have interest rates as high as twelve percent; others as low as six or four percent (NCSL, 2019). There are twenty-two United States and U.S. territories that do not charge interest on child support money judgements. Studies indicate that a high interest rate on top or orders set above 15 percent of a PPS's income does not yield a positive increase in child support payments; nor reduce arrears. As of writing this report, there is no evidence of studies performed that indicate a high interest rate improves the rate of payments. This might be because PPS making payments successfully are difficult to evaluate for what influencing factor is motivating payment. Most likely, the factor influencing PPS payment and compliance is the desire for meeting needs of the child more than any specific enforcement method.

Courts may establish money judgements for child support orders between parents. Orders are calculated based on income and timeshare of children using a statewide uniform guideline formula located in the CA Family Code (FAM) Section 4055. The formula is: CS = K[HN – (H%)(TN)], where CS is equal to child support; K is the "amount of both parents' income allocated for child support;" HN is equal to the "higher net earner's net monthly disposable income;" H% is the "approximate percentage of time that the high earner has" custody of the child/ren; and TN is equal to the "total net monthly disposable income of both parties." To calculate TN, FAM Section 4059 outlines calculations based on taxable income and deductions for employer contributions, union dues or retirement benefits, health insurance or plans, other outstanding child support orders, job-related expenses, or other identified hardship. In CA, the guideline formula has not been updated since its establishment in 1992. Presently, the formula does not reflect inflation nor cost of raising kids. The CA Legislature could update the K factor variable in the guideline formula to reflect inflation and cost of raising kids.

Related Problem

Two related problems identified for focusing the scope of analysis in this report for legislative alternatives relate to economic principles of interest rate and inflation: (a) the charge for interest rate and (b) a guideline for setting orders that reflect inflation and cost of raising kids. First, the interest rate on CA child support money judgements is 10 percent. This contributes to significant accumulation of arrears and is one area identified for legislative intervention towards outcomes that reduce arrears, also increase ability of PPS to pay, increase collections to families, and strengthen supportive relationships for child and family. Lowering the interest rate to 7 percent was a prior recommendation to the Legislature (2003, Sorensen).

Second, the guideline formula is unchanged since 1992. FAM Section 4067 indicates the Legislature shall review the guideline formula every four years to ensure appropriate application in determination of child support amounts. Additionally, "the review shall include consideration of changes required by applicable federal laws and regulations or recommended from time to time by the Judicial Council (JC) pursuant to Section 4054" (FAM Section 4067, 1992). JC includes the guideline formula in four-year reviews; however, the Legislature has not updated the formula to reflect inflation or cost of raising kids. Additionally, the formula does not reflect ability of PPS to pay and meet current child support obligations over time. This is noteworthy for this report as federal regulations for setting and enforcing child support orders were updated in 2016 by the Office of Child Support Enforcement, per Executive Order 13563, known as the Final Rule; to reflect setting orders based on PPS ability to pay and to reduce debt burden. Specifically, to target outcomes that reduce debt burden, improve employability and ability to pay via opportunities for low-income PPS to gain and retain employment and establish stable income to contribute to consistent and responsible child support collections.

Underlying Problem

An underlying problem for prevalence of child support debt stems from an outdated child support narrative. The child support narrative begins as an economic story of cost recovery for public assistance and going after deadbeat dads with no interest in supporting their children (Ball and Wellbank, 2017; Meltzer and Schwartz, 2017). The desire of child support practitioners and experts is to shift the narrative to child-centered policymaking, prioritization and implementation that empowers and strengthens families. Child support debt and other legal fines and fees (ranging from traffic citations to criminal justice related restitutions) create a vicious cycle of debt and economic underachievement. This has a negative impact and stigma for single parent, low-income, and underemployed households. Many families rely on child support to reduce poverty, strengthen child safety net and family formation. The enforcement-based stigma of child support puts government distracted by parents behaving badly at the center of the narrative. This is counterproductive to the alternative of placing children at the center of the policy making narrative for making fair determinations of establishment of reliable orders that strengthen and support children and families successfully. Research supports a child-centered narrative that empowers families with tools that strengthen families and strengthen systems already in place.

The Vicious Cycle

Child support arrears create a vicious cycle for families in child support programs with little opportunity for economic achievement. According to the Judicial Council (2017) "Review of the Statewide Uniform Guideline Formula," compliance in child support obligations diminishes for orders established over fifteen percent of PPS monthly income, regardless income level (p. 167). In many cases, PPS who might be delinquent in child support payments, owing debt, also face numerous other legal fines, fees on top of recidivism in the criminal justice system. This creates a challenging struggle for PPS and for families to break the cycle of debt, become gainfully employed, establish a stable source of income, achieve ability to pay and increase current collections to child in their current environment (Turetsky and Waller, 2020).

Need for Intervention

There is emerging need for government intervention to avert market failure for systems and services to function for child support. The four primary characteristics of market failure are: (1) inefficient policies in market structure, (2) insufficient access or supply for public goods, (3) insufficient control for market externalities and (4) information asymmetry (Munger, 2000). Presently the structure of the child support collections for PPS with debt is an unstable market. The charge on interest rate is high. The guideline factor does not account for inflation, cost of raising kids or ability of PPS to pay. First, while parents struggle to meet obligations, and government struggles to enforce collections, debt oversaturates the market over time. Second, while initially government debt dominated the market, now family owed arrears dominates the market. Third, while government can intervene formally on uncollectable government owed debt, PPS are still saddled with family owed debt, placing increased strain on family members, child and family formation. These factors build compounding tensions over time in the child support market, making it hard for orders established to be efficient and equitable to mitigate overwhelming accumulation of debt.

Shifting the child support narrative towards child centered policymaking and strengthening families can have a positive impact on addressing resource and income limitations in equitable, efficient and feasible ways. The externality created by PPS not making child support payments affects the child, family formation and society negatively in that the PPS have an obligation to step up to meet the support needs of children. However, the PPS does not necessarily consider and weigh this externality when not making child support obligations, especially under external pressures of unstable income, recidivism, fines fees, and a vicious cycle with no end in sight. It is for this reason I believe that government must intervene to ensure procedural guarantees for low income and single parent households for equitable and effective distribution of limited resources in kind and beneficial ways. One way is by controlling for debt as a damaging long-term externality with compounding impacts by maximizing any avenues for debt relief. This includes reducing high interest rate and establishing orders that reflect inflation, cost of raising kids, and ability to pay.

Local Child Support Agencies (LCSAs)

Child support programs support children and families with caring staff and limited resources. CA has 47 LCSAs operating statewide serving 58 counties, to help parents with public or private child support cases with services for locating parents (family finding), establishing paternity, and establishing/enforcing collections and arrears. LCSAs provide services helping parents request and fill out forms. Routine forms include income and expense declarations, simplified financial statements, and stipulations for agreements to make modifications to child support agreements without seeking a court appearance. These forms gather information that is used to apply the guideline formula for establishment of orders. The Statute intends LCSAs to be a neutral party to facilitate financial and medical support to children. However, LCSAs often times fill out main forms and are technically not neutral because they represent CA counties, which have their own interests related to the forms or to the county. LCSAs do not receive a profit for services but do receive incentives for good performance.

Child Support Reform in 1996 and 1999

In 1996, CA established the Child Support Commissioner and Family Law Facilitator Program with signing AB1058 into law, and a Task Force formed. This program is commonly known as the AB1058 Courts Program. The purpose was to establish expedited, accessible, timely and cost-effective child support policies for parents and administrative procedures. The statute established a Task Force comprised of "family law judges, commissioners, public and private attorneys" and "representatives from the Judicial Council and CA Department of Social Services" (Judicial Council, 2019, p.1).

In 1999, the CA State Child Support Reform Act established the CA state agency DCSS, under the FAM. This wave of reform was meant to move the child program from under the enforcement oversight of the District Attorney's Office (and the Code of Civil Procedures), to the FAM, under oversight of the newly established DCSS. During this statutory shift and program reform, interest rate related to child support money judgements remained untouched under the overhead of the Code of Civil Procedures (CCP), where it still resides today.

Through creation of the AB1058 Courts Program and establishment of DCSS, CA made actionable steps to change the child support narrative in a series of legislative reforms in 1996 and 1999. In 2003, Urban Institute released results from a six-part study to examine collectability on 14 billion dollars in child support debt. The 2003 Collectability Study estimated seventy percent of debt owed from PPS was due to the state to recover costs for public assistance. Additionally, over sixty percent of debtors had incomes below 10,000 dollars per year, and low likelihood to pay. Low likelihood to pay indicates ninety-five percent chance uncollectable, or difficult to collect. The study estimated the State could collect back twenty-six percent of debt from debtors over a 10-year period; however, at a 10 percent interest rate, the study projected debt to increase and exceed 34 billion dollars by 2010.

The Final Rule

In 2016 Executive Order 13563 introduced the Final Rule for Flexibility, Efficiency and Modernization in Child Support Programs to update the establishment for child support orders

(OCSE, 2017). OCSE updated regulations in January 2017. The intent is to strengthen and enhance existing rules that are 35 or more years old, by amending rules to give parents, applicants, programs and states more flexibility using modern, evidence-based and technologically driven systems to get direct resources to children and families more quickly and consistently (OCSE, 2017). The goals of the Final Rules are to: set obligations based on PPS ability to pay to "increase consistent, on-time payments to families, move nonpaying cases to paying status, increase the number of [PPS] supporting their children, improve child support collection rates, reduce the accumulation of unpaid and uncollectable child support arrearages, and incorporate technological advances and evidence-based standards that support good customer service and cost-effective management practices" (p.1). In Hodges and Vogel (2020), authors examine state changes to guidelines for establishment of child support obligations based on updates to the Final Rule. Authors look at impacts to a range of income levels from poverty to low-income and impacts of implementation based on the goals of the Final Rule as outlined above in this paragraph. Authors examine issues of nonpayment under updated state regulations and identify ability to pay as the most significant factor contributing to issues of nonpayment. In conclusion, authors illuminate "striking the right balance between the needs of the [PPS] and the needs of the child," (p.21) this includes ability of PPS to pay and meet own basic subsistence needs, while maximizing consistent and fair financial contributions to the child. The article highlight the importance of this balancing act now more than ever, especially with current threat of economic crisis, including unemployment and equity implications scarcity of resources. This has meaningful implications for public policymakers and administrators striving for good governance and more evidence-based and effective performance systems.

Reducing Arrears

Since the Collectability Study (2003), CA made steps to reduce debt burden through recommendations for the creation of the Compromise of Arrears debt reduction program. Since 2003, CA has been successful in leveraging down government owed debt; however, the program is only eligible for families with government owed debt, not debt owed to families. According to the Good Plus Foundation (2020) Fact Sheet on Reducing Arrears, "80 percent of [national] arrears in the child support program are owed to families" (p.17). As noted previously, only families have a right to compromise family owed arrears. However, according to the Good Plus Foundation (2020) Fact Sheet on Reducing Arrears, families are generally open to leveraging down family owed debt and can benefit from policymakers putting policies into place for voluntary debt reduction. This puts a lever in place for participants to voluntarily pull, and something that programs can advertise and refer participants to voluntarily engage with. There are case examples for in leveraging down family owed debt, such as the Judicial Payment Plan program in Michigan (2020, p.17), and Mediation for Family-Owed Arrears in New York City, NY (p.18).

Alternatives

Upon examination of alternatives for child support debt leveraging and debt reduction, there are a variety of alternatives emerge. Some alternatives appropriate for Legislative action while others are appropriate for action with State Agencies (such as DCSS or JC), or with local initiatives (such as with AB1058 Court Programs, or at LCSAs). This report focuses on analysis of alternatives for Legislative intervention.

The first area for Legislative intervention is examination of the interest rate child support arrears, defined as money judgements, reflected in Chapter 5, Section 685.010 of the CCP. Part (a) states that "interest accrues at the rate of ten percent" for unsatisfied remaining money judgement amounts. Part (b) states that the Legislature may change the interest rate, operative of the date that the statute takes effect.

The second area for Legislative intervention is via examination the guideline for establishing child support orders, for economic effectiveness in reducing debt burden over time and increase ability to pay and meet child support obligations consistently and in caring ways over time. This guideline remains unchanged since its establishment in 1996. This report looks at possible impacts of inflation on debt burden, households and the state, for economic forecasting of fitness for strengths and weakness of guideline if it remains unchanged and with low priority for change on the horizon.

The third area for Legislative intervention is changing the child support narrative in the State Statute itself, from a narrative of cost recovery and enforcement to a narrative that is child-centered, focused on strengthening families and strengthening the systems that serve families. The Legislature may do this by way of addressing changes to the interest rate, and/or addressing changes to the K Factor guideline. Addressing these changes allows the child support narrative to grow and to continue to express its changing voice in the codified language of State Statute. This allows future resonance of the narrative to carry forward rather than continue to be misunderstood living among complex economic and bureaucratic systems and processes. Changing the narrative to child-centered allows policymakers and administrators to empathize and identify more with the problems parents are bringing forward, the needs of the child and promoting healthy parental responsibility for the child to grow and thrive it its immediate environment.

Section Summary

Since 2003, government owed debt in CA has reduced, but due to the debt increased to families, total debt in CA has increased and will continue to rise without interventions (Sorensen, 2003). The introduction of this report offered here identifies debt on the rise for families. The next section of the report examines research and alternatives that can point to possible legislative interventions.

II. LITERATURE REVIEW

This section reviews research on child support debt and brings forward themes related to child support debt, unintended barriers and child-centered policymaking. Common themes I identify that intensify child support debt include high interest rates, establishing fair orders and creating a child-centered narrative.

Arrears and Unintended Consequences

There is a growing body of evidence-based alternatives on child support debt and framing the conversation on child support and child-centered policymaking. Arrears create an unintended a barrier for low-wage workers to improve their own ability to pay in self-sufficient ways. Through the literature, former Federal Child Support Commissioner Vicki Turetsky shines through. Turetsky served as Federal Child Support Commissioner for OCSE from 2009 to 2016. Turetsky assisted authors of Policy Analysis for Problem Solving (2017) in weaving in child support and child support debt as a case study for policy analysis throughout the book. Using evidence-based analysis for policy problem-solving, common issues identified in relation to child support debt are high interest rates, legal fines and fees, administrative processes and procedures, enforcement, imputed income, and retroactive obligations.

Turetsky and colleagues Maureen R. Waller (Professor at Cornell University) and Alan Michael Graves (Director of National Programs at Good Plus Foundation) presented at CSDA for a Webinar on October 27, 2020, sharing research-based alternatives for child policymakers and community practitioners, especially in light of impacts and strain from the COVID-19 pandemic. Key takeaways highlighted unintended overwhelming consequences of arrears for low-income families, particularly people of color with owing increasing amounts of legal and financial obligations.

These populations struggle with maintaining a source of income (via stable employment), struggle with mental health and struggle with family relationships. Turetsky collaborated with Waller on the research article “Piling on Debt” (2020). The piece identified three common policies that contribute to child support debt burden: incarceration, civil contempt proceedings, and driver’s license suspensions. Turetsky collaborated with Graves and the Good Plus Foundation to assemble the innovative Child Support Toolkit (2020). The Toolkit information on alternatives to reduce arrears, pay child support directly from PPS to families (without paying towards cost recovery for public assistance), and framing the child support narrative around child-centered policymaking. Together, Turetsky, Waller and Graves highlight the overwhelming impact of unintended policymaking consequence or low-income families.

Behavior and Decision-Making

Debt reduction programs can help parents reduce existing and prevent accumulation of future debt. However, states can only intervene to cancel uncollectable debt owed to the state. When it comes to debt owed to families, custodial parents have a right to authorize forgiveness of debt. According to the Child Support Policy Fact Sheet on Reducing Arrears, initial findings suggest “custodial parents are more positive than negative” when asked about negotiating family owed child support debt (p.17). The state and localities can consider expansion of debt reduction programs for outcomes that strengthen Paying Parent’s ability to pay and meet child support obligations over time and strengthen supportive relationships in the family.

Themes emerge of debt burden and financial strain on social-emotional health and wellness children and families. In the article “Family Matters” from the Journal of Family and Economics Issues, Kelley, LeBron and Hill (2020) perform an extensive literature review. Researchers identify eleven areas where financial aspects of running a household and providing child support intertwine intermittently with family formation, behavior, decision-making and relationships of everyday life. For instance, financial aspects for running a household impact parenting authority, access to childcare, access to eldercare or for elders to participate in childcare, financial literacy of family members, gender roles, power dynamics and more; all with social-emotional implications for children, parents, family members and family formation. According to the Child Support Policy Fact Sheet on Reducing Arrears, child support arrears increase tensions that "increase paternal depression and alcohol abuse…" and overall lead to disengaged, ineffective parenting (p. 1).

The presentation from the Urban Institute on "Transforming Child Support Services; Transforming Lives" at the 2016 annual conference for AB158 Courts identifies child support debt as a vicious cycle for families with diminished economic opportunity, requiring support and intervention. The presentation acknowledges that child support is a vital tool for reducing poverty; however, there is a need to change the narrative that provides support that empowers PPS via connections to jobs and ensuring equity for geographic mobility and economic opportunity outside of one's zip code of origin. This additionally requires effective communication and coordination of behaviors for collaborative decision-making between child support programs, courts, public assistance programs and local employers to economically empower PPS, reduce unintended policy impacts of debt and improve payments for child support.

Effective information processing and collaboration can build positive engagement for families and community services to empower responsible parenting and strengthen supportive family relationships for children. In a recent study by Klein and O'Brien (2018), "People use less information than they think to make up their minds," authors examine seven studies and find that in today's fast-paced information age that much information is at risk for loss in translation among information exchange participants. In a Science News article, "How coronavirus stress may scramble our brains" (2020), stress limits the brain's ability to perform comprehensive tasks that rely on memory or a though-out plan, counterproductive to effective decision-making. These studies highlight the importance of stress on inhibiting decision-making. This points to ethical importance of intentional decision-making for public policymakers and public administrators to put policies and procedures in place that alleviate stressors, are strength-based and set humans and systems up for success. This circles back to the need for intervention to update policies based on current knowledge of equitable, effective and mutually beneficial approaches to meeting desired goals of policy outcomes.

In Smith's Doctoral Dissertation (2020) on the experience of fathers participating in a fatherhood program, the highlights benefits from engagement with case workers and service providers. Case workers and service providers play a key role to help parents navigate disfluency between experiences of parenting, expectations of being in the child support program and ability to manage and meet own needs (stable housing, stable employment and consistent visitation). Smith identifies ability to gain and retain employment and participation in consistent visitation as factors that improve PPS intrinsic motivation and capacity of PPS to pay and meet child support obligations. Additionally, role of case workers as key in building capacity for self-sufficiency to continue to meet child support commitments over time. Smith's dissertation shows importance of having support to process information, navigate the systems at large and gain the tools earn a stable source income, meet child support obligations, participate in visitation and build supportive relationships with children.

Access to Justice

Ability to pay and likelihood to pay current child support obligations emerge as two thematic barriers for reducing child support debt. The Child Support Tool Kit (2020) identifies the central goal of child support as child well-being versus cost recovery. Shifting the child support policy narrative from cost recovery to centering on child well-being increases ability of state and local programs to improve flow of support and resources to the child in their immediate environment. This includes strategies to reduce arrears, prioritize current child support over arrears payments and interest payments, and passing government owed money directly to families in order to reduce family stressors that empower opportunities for economic empowerment and advancement for households that are supporting children. Strategies include helping PPS navigate disfluency in systems procedures and requirements, pathways to gain and retain employment, ensure regular visitation, and engage in healthy parent-child and co-parenting relationships.

The Smith Dissertation (2020) and the Child Support Tool Kit (2020) highlight the importance of local programs and services to help parents navigate systems, build skills empower healthy parenting to build resiliency in crisis, especially in response to COVID-19. In seeking out a method to help parents build resiliency, the Strengthening Families Framework from the Center for the Study of Social Work Policy (CSSWP) emerges as one possibility to guide thinking. The Strengthening Families Framework identifies Five Protective Factors for Strengthening Families. These factors are: "parental resilience, social connections, knowledge of parenting and child development, concrete support in times of need, and social and emotional competence of children" (p.1). In October 2020, United States Senators Wyden, Van Hollen and Davis introduced a bill: Strengthening Families for Success Act of 2020 (S. 4844). This bill promotes a modern and definitive shift in federal language for child support policy, for elimination of cost-recovery for public assistance in public assistance cases. These cases are the public child support cases, centering on kids in foster care and Medicaid. This bill intends to mitigate economic impacts from COVID-19 pandemic and child support for public assistance cases.

In response to the COVID-19 pandemic, there seems to be an opportunity to advance changes in the narrative even further from enforcement-driven and cost-recovery towards intrinsically driven by parent for responsible parenting, to design child-centered approaches advance economic empowerment for families and transform cost-effective administrative practices for families and the state.

Section Summary

In this section, I introduced initial themes child support debt, behavior and decision making, and access to justice. Initial findings suggest that financial stressors negatively impact behavior and decision making for family members supporting children. Given the current environment of socio- economic and social-justice pressures, plus operational deficits for public services on the horizon, California policymakers must not delay decision making to reform child support policies, beginning with the child support narrative, any further. There is a pressing need to help families reduce existing debt, slow accumulation of future debt and increase ability to pay current collections consistently through collaboration and innovation of current systems in place. This in turn benefits a fair process for positive behaviors and decision-making that strengthen the family formation, promote responsible parenting and build supportive family formation relationships children.

III. METHODS

Policy Problem

There is too much child support debt in California. While child support debt to government is decreasing, overall debt is increasing due to the debt owed to families. As the state works to reform the Compromise of Arrears Program (COAP) for levering down stated owed debt, this report looks complementary efforts in alternatives for legislative intervention that optimize efforts to reduce of arrears (existing and future), improve PPS ability to pay and meet current child support obligations consistently, and strengthen supportive relationships for children (either in existing family structure, or in existing systems and services working collaboratively and locally with children and families). I have identified three areas for legislative engagement and intervention to boost attempts in reducing debt burden: change the interest rate, change the guideline formula and change the child support narrative. This remainder of this report offers an analysis that compares and contrasts alternatives to change the interest range, the guideline formula and child support narrative, based on outcomes and measures using a Criteria Alternatives Matrix (CAM) analysis. This section describes the CAM method and defines key terms for analysis (Meltzer and Schwartz, 2017).

Method

For this analysis, I selected the CAM approach. The objective of the CAM is comparative assessment of each alternative based on outcomes and criteria for analysis. This method presented in the book *Policy Analysis for Problem Solving* (Meltzer and Schwartz, 2019) and a rationale-based policy analysis method suggested for adapting a comparative study of alternatives based on outcomes and criteria to measure outcomes in meaningful ways. The rational-based model is comprised of five key steps (p. 21) that can be adapted for best use of exploration of the problem. The steps outlined include: (1) define the policy problem, (2) identify policy alternatives, (3) determine objectives and define criteria, (4) weigh outcomes among alternatives based on the criteria, and (5) make a recommendation. The fundamental objective is to define a problem, apply evidence and use logic to evaluate alternatives, outcomes and impacts.

The analysis process is iterative. As suggested in *Policy Analysis for Problem Solving*, complementary approaches include blending in principles from the multiple streams (MLS) framework (Herwig, et al., 2017; Zahariadis, 2015) and design thinking (Ideo, 2020). The MLS approach factors in navigating the political environment for opportunities. Design thinking includes gets up close to the problem to empathize and define the problem. Then ideate, prototype, and test for feedback from stakeholders. Design thinking is iterative and collaborative and can be applied by policy makers and public administrators in strategic, rapid and time-saving ways (Knapp, 2016). In building this CAM analysis, I utilized the rationale model as a five-step guide and incorporated elements of MLS and design thinking to arrive at a menu of options and impacts for recommendations and next steps.

Selection of the Alternatives

In this analysis, alternatives I have selected are: (a) change the interest rate, (b) change the guideline formula, and (c) change the child support narrative. Please refer to Table 1 in the Appendix of this report: Legislative Policy Alternatives, for a list of selected alternatives. I selected these alternatives because they are action-oriented alternatives that emerge in which the Legislature may choose to intervene for reducing arrears, increasing collections to kids and improving supportive relationships and systems for children and families. In addressing changes to the interest rate, I consider a range of three possibilities: (1a) elimination of the interest rate, (1b) lowering the interest rate (to 4 percent or lowering), and (1c) lowering the interest rate (to 7 percent). I selected this range of alternatives to examine a comparison among three options for legislative comparison of choices. Elimination is the most progressive option, while 4 percent is less progressive option, and 7 percent comes forward as a prior recommendation made to the CA Legislature, in the Collectability Study (2003).

In addressing changes to the guideline formula, I consider a range of two possibilities for changes: (a) a minor tweak versus (b) a substantial change. The minor tweak is to update the K Factor in the guideline formula to reflect inflation and cost of raising kids. The more substantial update requires creation of a new guideline formula that reflects compliance with the Final Rule for to establish child support obligations based on PPS ability to pay and meet child support obligations, reduce unpaid and uncollectable arrears, increase child support collections to families, and “incorporate technological advances and evidence-based standards that support good customer service and cost-effective management practices” (p.1). This entails crafting a guideline that reflects inflation, cost of raising kids, PPS ability to pay, and strengthens abilities of families and systems to effectively transact child support resources in times of need, and especially through times of economic downturn. An updated guideline formula promotes a child support narrative that improves current collections to families and reducing arrears.

In addressing changes to the child support narrative, I consider legislative initiatives that update the language of the statute itself to reflect child and family centered policies and procedures. This includes updates such as continuing the path of 1990’s child support reform for changing the narrative by moving from an enforcement and cost recovery-based narrative to a narrative centered around supporting children, strengthening families and strengthening existing services that interact with children and families in our communities. I selected this alternative because it ties to the underlying problem for breaking the vicious cycle of child support debt on low-income families, toward lifting children and families out of poverty and empowering parental responsibility for strengthening the family formation. Some specific language to consider for changing the child support narrative overlaps with changing the narrative regarding interest rate, economic changes over time and crafting a fair guideline order that is modern, flexible, fair and efficient. Changing the narrative can be as simple as lowering the interest rate to 7 percent or updating the K Factor variable to reflect inflation or cost of raising kids. Or, as progressive as lowering even further to 4 percent or to elimination or creating a whole new guideline formula that sets orders based on ability to pay, with a goal to reduce arrears, and a goal to increase current collections to families. These updates reflect acknowledgement of child support arrears detriment and impact on current collections and current family formation.

Outcomes

In this analysis, I identify three outcomes for analysis and for fulfilling three main objectives: (a) reduce (existing and/or future) arrears, (b) improve PPS ability to pay and meet child support obligations consistently over time, and (c) strengthens existing family structure or existing systems for kids, families, PPS, state government and local government. I selected these outcomes based on findings in this report that reducing arrears leads to increased collections and strengthening of relationships for supporting children. Please refer to Table 2 in the Appendix of this report: Identified Objectives, for a list of objectives.

Criterion

The three criterion I have selected are equity, political acceptability. Please refer to Table 3 in the Appendix of this report: Criteria Definitions and Weights, for a list of criteria definitions and weights. The objective of each criterion is to maximize for each; for instance, to maximize equity, efficiency and political acceptability across an alternative's outcomes. Please refer to Table 4 in the Appendix of this report: Interpretation of Ratings of the Criteria for Alternatives and Objectives, for a rubric of criteria definitions and weights for maximizing each criterion. I designed each criterion to add up to one whole impact towards an alternative with different weighted impacts based on the importance of the overall criterion in making an impact that is democratically fair in the spirit of California systems for good governance. Equity receives the highest rating at 50 percent weight, followed by efficiency at 40 percent weight and political acceptability at 10 percent weight.

In this report, I apply the following definitions to my criterion for understanding impacts towards outcomes. Equity is fairness in the outcomes and impacts of the proposed alternative to reduce (existing and/or future) arrears, improve PPS ability to pay and meet child support obligations consistently over time and strengthen existing family structure of existing systems working in service delivery with children and families. Equity has both vertical and horizontal implications for family members (income level, unemployment impacts, demographic impacts) and for existing agency operations (adapting or leveraging evidence-based and technologically effective systems or structures) for establishing child support orders. Equity receives the highest weighting because families need to navigate a fair process and it is government's responsibility to facilitate a fair process.

Efficiency is cost-effectiveness and procedural effectiveness in outcomes and impacts of the proposed alternative to reduce (existing and/or future) arrears, improve PPS ability to pay and meet child support obligations consistently over time and strengthen existing family structure of existing systems working in service delivery with children and families. Efficiency considers long-term fixed costs and short-term variable costs, alongside the effectiveness of these costs over time to substantially and sustainably address the problem. Efficiency receives the next weighted impact because efficiency is central to bridging statutory implementation from state to local.

Political acceptability is likability in the outcomes and impacts of the proposed alternative to reduce (existing and/or future) to state policy makers and/or local-regional public administrators to support outcomes that reduce arrears, improve PPS ability to pay and meet child support obligations consistently over time, and strengthen existing family structure of existing systems working in service delivery with children and families. Political acceptability is based on the current economic times of urgency decision-making impacted by COVID-19 pandemic. Political acceptability receives the lowest weight because it is more subjective than objective.

Section Summary

In this section, I begin by returning to the policy problem: there is too much child support debt owed to families. Next, I introduce my method for analysis, the CAM analysis. This includes selection of my three alternatives, identification of outcomes and definitions of criterion for weights and measures. Tables 1 through 3 in the Appendix reflect and organize this information. In the next section, I perform the CAM analysis using the method described here.

IV. ANALYSIS

Acknowledgements of Limitations in this Study

In this analysis, I note the following limitations of the study. This study is an assessment and evaluation for the purpose of my culminating project towards graduation and completion. This study does not contain perfect information and is not as detailed as I would like in some areas, in respect to examination of all the dynamic impacts across all California for child support programs, operations, stakeholders and especially for families. This study also contains my implicit bias in wanting to push equitably for policies that are child centered that strengthens families. While this study has extensive limitations due to incomplete information and my own implicit bias that might influence outcomes on the score cards for this analysis, this study is an initial attempt by myself to open an intentional conversation for policy analysis about legislative initiatives that overall help the state, local governments, and especially families reduce existing debt, reduce accumulation of future debt, and change the child support narrative. Child support debt reduction has positive impacts that improve opportunities for children and families from low income and single parent households. While this study sparks conversation and curious exploration, future studies can examine a desired alternative in further detail with other appropriate and missing information and data sources that can inform contingency planning for disfluency and prioritization, agenda setting, adoption and implementation for the most effective outcomes and pathways towards outcomes for children, families and the state, across the board.

Alternative #1 – Change the Interest Rate

Lowering the California interest rate is a prior recommendation proposed to the State of California in the 2003 Urban Institute Report “Examining Child Support Arrears in California: The Collectability Study.” The report states that the interest rate is high given the 2003 market value and recommends a seven percent interest rate. The report suggests that the State look at alternatives that the Franchise Tax Board (FTD) and Internal revenue Service (IRS) employ. The FTD and IRS have a "two-pronged system" in place for incentives for those unwilling to pay, unlikely to pay, or likely to under pay. Penalties for FTD and IRS in 2003 were set at four percent and given serious consideration on a case-by-case basis. "This approach ensures that late payments reflect the time value of money but does not penalize noncustodial parents for nonpayment unless there is a reason to do so" (2003, p.E-22).

The California interest rate presents significant equity issues for low-income families, single-parent households, and parents who are un/under-employed with little opportunity for economic advancement. Child support debt accumulates quickly with a ten percent interest rate and is burdensome to debtors' ability to pay and comply with orders while earning income, possibly facing other legal finds and fees, and managing meeting basic subsistence needs while fostering supportive relationships with children. Some states have four to six percent rates, or no interest rate on child support.

For this analysis, I consider a range of three approaches to Alternative #1: changing the interest rate. Alternative #1b considers lowering the interest rate to four percent, and Alternatives #1c considers lowering to seven percent. I selected four percent because it appears a lower interest rate among states (on a scale of zero to twelve) from to the National Conference on State Legislatures (2019); and seven percent because it appears as a prior recommendation made to the CA Legislature, in the Collectability Study (2003). Please refer to Table 6 in the Appendix of this report: Alternative 1 Impact Scorecard Change the Interest Rate. Alternative #1a considers elimination of the interest rate on child support money judgements. Alternative #1b emerges as preferred alternative among variations for Alternative #1, changing the interest rate by lowering to 4 percent; followed by #1a for elimination, and #1c for 7 percent.

Alternative #2 – Update the Guideline Formula

The statewide uniform guideline formula remains unchanged since its establishment in the Family Code in 1992. Additionally, it requires update and assessment for compliance with the federal Final Rule for flexibility, efficiency and modernization in child support enforcement, for outcomes that reduce unmanageable debt, improve pathways to employment, and reduce participation in the criminal or underground economies. Updates to consider for the guideline formula include one that is simpler and another that is more complex. The simple step to take is updating the K Factor variable to account for inflation and the cost of raising kids. A more complex step to take is updating the entire guideline formula that strive for or above and beyond compliance with the Final Rule.

In considering the first variation, updating guideline formula to reflect inflation and cost of raising kids, this would be a simpler legislative adjustment to the K Factor variable in the guideline formula. In considering the second variation, this would require more substantial analysis for changes related to PPS income, ability to pay and reducing debt burden. For this analysis, I consider a range of two approaches to Alternative #2: changing the guideline formula. Please refer to Table 7 in the Appendix of this report: Alternative 2 Impact Score Card Change the Guideline Formula. Alternative #2b for creating a new guideline formula emerges as the preferred alternative among two choices for updating the guideline formula.

Alternative #3 – Change the Narrative

Creating a child-centered policy narrative in CA is essential to strengthening families and systems that promote responsible parenting, ability to pay and meet child support obligations over time and maximize flow of resources to the child; to grow and thrive in their immediate environment. Creating a child-centered or family-centered policy narrative is essential in CA legislative language. Child and family-centered language in the AB1058 Courts Program and in

State Statute promote placing children and families at the center of policymaking and administration at the local level for a fair determination of child support obligations that impact children and families outside of the courtroom and public service offices.

As noted earlier, the child support system creates a burdensome and vicious cycle for children and families with debt. Debt burden negatively impacts PPS's ability to pay, especially when orders are over 15 percent of a PPS' income. This has overwhelming impacts for low-income and/or single-parent households, especially for households of color that often include high propensity for debt, legal fees and fines, and recidivism in the criminal justice system. Debt burden creates unintended economic barriers for unemployed and underemployed PPS, which can push PPS further underground and less likely to participate responsibly and supportively in family formation. For this analysis, I consider Alternative #3: changing the child support narrative in state statute. Changing the child support narrative can happen by changing the interest rate and/or the guideline formula or pursuing alternatives that this report might not have considered due to limitations such as incomplete information. Please refer to Table 8 in the Appendix of this report: Alternative 3 Impact Scorecard Change the Narrative. This alternative as a whole, ranks highest.

Summary of Results

At a glance, the Alternative Impact Score Cards offer a reference to a comparison of the alternatives based on specified criteria. Please refer to Table 5 in the Appendix of this report: The CAM Analysis Alternative Summary Impact Scorecard. In looking at the alternatives, I make the following observations. Alternative #3 for changing the narrative emerges as the highest-ranking alternative, followed by Alternative #2b for changing the guideline formula and Alternative #1b for lowering the interest rate to 4 percent.

Section Summary

In this section, I consider limitations of the study and opening up a conversation of alternatives for analysis and options for next steps. In opening the conversation, I consider three alternatives, with some variation among for analysis against the status quo. I have framed analysis of each alternative using the rational model for policy analysis objective, and by building a CAM analysis in the form of an Alternative Impact Score Card. In the next section, I describe findings and conclusions to consider recommendations for next steps.

V. CONCLUSION

A Review of the Findings

I have placed a review of the findings referenced in Tables 5 through 8 in the Appendix of this report. In the review, we can identify which alternatives stand out depending on criteria weights and measures for equity, efficiency and political acceptability. Additionally, which variations among alternatives show promising outcomes towards desired objectives. Alternative #3 stands out as the strongest. This is notable due to its relationship with the underlying problem. In observing the findings among alternatives #1 and #2, Alternative #2b is the next favorable, followed by Alternative #1b.

Recommendations

After a review of the findings, I respectfully recommend the following.

1. Change the interest rate. Consider reducing the interest rate. 10 percent is too high and there are alternatives such as lowering to elimination that offer a boost in the right direction towards long term debt reduction. The 4 percent interest rate appears the most promising. One benefit is that it cuts the current interest by 60 percent and leaves an interest rate in place to charge as an enforcement tool. This lower interest rate ensures policymaking that can reduce the speed at which a 10 percent interest rate accumulates.
2. Change the guideline formula. A quick fix to the statute would be to update the K Factor in the guideline formula to reflect inflation and cost of raising kids. A more substantial fix would be creating a new guideline formula that is in alignment with the Final Rule. Either update is a step in the right direction towards debt reduction. The first would be an easier step, while the second would require more detailed analysis. I recommend an incremental update to the guideline order, beginning with Alternative #2a and following up to address Alternative #2b to allow time for further reflection and analysis.

3. Change the child support narrative. Reflect changes in the State Statute at every chance for shifting language to child centered. One way could be changing the state statue to reflect a low to no interest rate. Additionally, update the guideline factor to reflect inflation and cost of raising kids. Shifting language promotes ways to address the underlying problem at local levels. Shifting language is essential to improve systems to meet needs for child support in local communities. This includes access to a fair system for setting orders and increasing collections to families equitably, efficiently and effectively. In reflection of the analysis results, for changes to the child support narrative, I recommend (a) lowering the interest rate to four percent and (b) updating the K Factor in the guideline formula. For subsequent steps, I consider one more recommendation for (c) preparing a new guideline formula that not only takes into account inflation and cost of raising kids, but also reflects on PPS ability to pay based on income, reduces arrears, increases collections to families, caps setting orders at 15 percent income, and strengthens supportive relationships for children in the family formation.
4. Consider further research on any of these alternatives, or other legislative initiatives that achieve outcomes towards (a) reduction of (existing and/or future) arrears, (b) empowers PPS ability to pay and meet child support obligations consistently over time, and (c) strengthens existing family structure or existing systems in place for impacts in effective adoption and implementation at local levels. Consider impacts analysis for outcomes to kids, PPS, families, state agencies and local agencies. Utilize criteria defined in this report, or identify, define and adapt specific criteria for a more refined analysis.

APPENDIX OF TABLES

Table 1 - Legislative Policy Alternatives			
Alternative			Description
1a	Change the interest rate		Eliminate the 10 percent interest rate on child support money judgements
1b	Change the interest rate		Lower the interest rate to 4 percent on child support money judgements
1c	Change the interest rate		Lower the interest rate to 7 percent on child support money judgements
2a	Change the guideline formula		Update the K factor variable in the guideline formula to reflect inflation and cost of raising kids
2b	Change the guideline formula		Create a new guideline formula in alignment with the federal Final Rule
3	Change the narrative		Change the child support narrative to supporting children, families and healthy household economies

Table 2 - Identified Objectives	
1	Reduce existing and/or future arrears.
2	Improve PPS ability to pay and ability to meet child support obligations consistently, over time.
3	Strengthens existing family structure and/or existing systems for kids, PPS, state and local government.

Table 3 - Criteria Definitions and Weights			
	Criterion	Definition	Impact Weight
1	Equity	Fairness in the outcomes and impacts of the proposed alternative to reduce (existing and/or future) arrears, improve PPS ability to pay and meet child support obligations consistently over time and strengthen existing family structure of existing systems working in service delivery with children and families. Equity has both vertical and horizontal implications for family members (income level, unemployment impacts, demographic impacts) and for existing agency operations (adapting or leveraging evidence-based and technologically effective systems or structures) for establishing child support orders. Equity receives the highest weighting because families need to navigate a fair process and it is government's responsibility to facilitate a fair process.	0.5
2	Efficiency	Cost-effectiveness and procedural effectiveness in outcomes and impacts of the proposed alternative to reduce (existing and/or future) arrears, improve PPS ability to pay and meet child support obligations consistently over time and strengthen existing family structure of existing systems working in service delivery with children and families. Efficiency considers long-term fixed costs and short-term variable costs, alongside the effectiveness of these costs over time to substantially and sustainably address the problem. Efficiency receives the next weighted impact because efficiency is central to bridging statutory implementation from state to local.	0.4
3	Political Acceptability	Likability in the outcomes and impacts of the proposed alternative to reduce (existing and/or future) to state policy makers and/or local-regional public administrators to support outcomes that reduce arrears, improve PPS ability to pay and meet child support obligations consistently over time, and strengthen existing family structure of existing systems working in service delivery with children and families. Political acceptability is based on the current economic times of urgency decision-making impacted by COVID-19 pandemic. Political acceptability receives the lowest weight because it is more subjective than objective.	0.1
	Total	All three criterion together.	1

Table 4 - Interpretation of Ratings of the Criteria for Alternatives and Objectives				
Criterion		Ratings Using a Likert Scale: "4" to "0."		
		"4" - Positive Impact	"2" - Neutral Impact	"0" - Negative Impact
1	Equity	This alternative is highly effective at achieving the three identified objectives: (a) reducing debt burden for PPS, (b) increasing collections to families and (c) strengthening supportive relationships for child and family formation.	This alternative has a neutral impact on the three identified objectives: (a) reducing debt burden for PPS, (b) increasing collections to families and (c) strengthening supportive relationships for child and family formation.	This alternative has a negative impact on identified objectives with an inverse effect that (a) increases debt burden, (b) decreases collections and (c) diminishes supportive relationships for child and family formation.
2	Efficiency	This alternative is highly cost effective and administratively expeditious for families and community staff participating in child support programs. This alternative meets the three objectives.	This alternative has a neutral impact on the three identified objectives. This alternative has neither positive nor negative impacts on the three outcomes.	This alternative has a negative impact that is not cost effective nor administratively expeditious for families and community staff participating in child support programs. This alternative has negative and compounding impacts on the three outcomes.
3	Political Acceptability	This alternative is highly favorable for prioritization. Positive impacts are embraced and ready to be advanced.	This alternative is neither favored nor opposed.	There is large and widespread opposition for this alternative.

Table 5 - The CAM Analysis Alternative Summary Impact Scorecard					
		Criteria			
		Criterion #1	Criterion #2	Criterion #3	Total Score
		Equity	Efficiency	Political Acceptability	
Alternative 1: Change the Interest Rate					
Alternative 1a: Eliminate	Total (Rating * Rank)	1.5	1.4	0.25	3.15
Alternative 1b: Lower to 4%	Total (Rating * Rank)	1.75	1.4	0.35	3.5
Alternative 1c: Lower to 7%	Total (Rating * Rank)	1	0.8	0.4	2.2
Alternative 1: Overall Impact				Total	2.96
Alternative 2: Change the Guideline Formula					
Alternative 2a: Update the K Factor	Total (Rating * Rank)	1.5	1.2	4	3.1
Alternative 2b: Create a New Formula	Total (Rating * Rank)	1.75	1.4	0.2	3.25
Alternative 2: Overall Impact				Total	3.225
Alternative 3: Change the Child Support Narrative					
Alternative 3: Change the Narrative in State Statute	Total (Rating * Rank)	1	0.8	0.4	2.2
Alternative 3: Overall Impact				Total	3.8

Table 6 - Alternative 1 Impact Scorecard Change the Interest Rate					
		Criterion #1	Criterion #2	Criterion #3	Total Score
		Equity	Efficiency	Political Acceptability	
Alternative 1a	Rating	3	3.5	2.5	
Change the interest rate: Eliminate	Weight	0.5	0.4	0.1	
	Total	1.5	1.4	0.25	3.15
Alternative 1b	Rating	3.5	3.5	3.5	
Change the interest rate: Lower to 4%	Weight	0.5	0.4	0.1	
	Total	1.75	1.4	0.35	3.5
Alternative 1c	Rating	2	2	4	
Change the interest rate: Lower to 7%	Weight	0.5	0.4	0.1	
	Total	1	0.8	0.4	2.2
Alternative 1				Total	2.95

Table 7 - Alternative 2 Impact Score Card Change the Guideline Formula					
		Criterion #1	Criterion #2	Criterion #3	Total Score
		Equity	Efficiency	Political Acceptability	
Alternative 2a	Rating	3	3	4	
Change the guideline formula: Update the K Factor	Weight	0.5	0.4	0.1	
	Total	1.5	1.2	4	3.1
Alternative 2b	Rating	3.5	3.5	2	
Change the guideline formula: Create a new one	Weight	0.5	0.4	0.1	
	Total	1.75	1.4	0.2	3.35
Alternative 2				Total	3.225

Table 8 - Alternative 3 Impact Scorecard Change the Narrative					
		Criterion #1	Criterion #2	Criterion #3	Total Score
		Equity	Efficiency	Political Acceptability	
Alternative 3	Rating	4	3.5	4	
Change the child support narrative in state statute	Weight	0.5	0.4	0.1	
	Total	2	1.4	0.4	3.8
Alternative 3				Total	3.8

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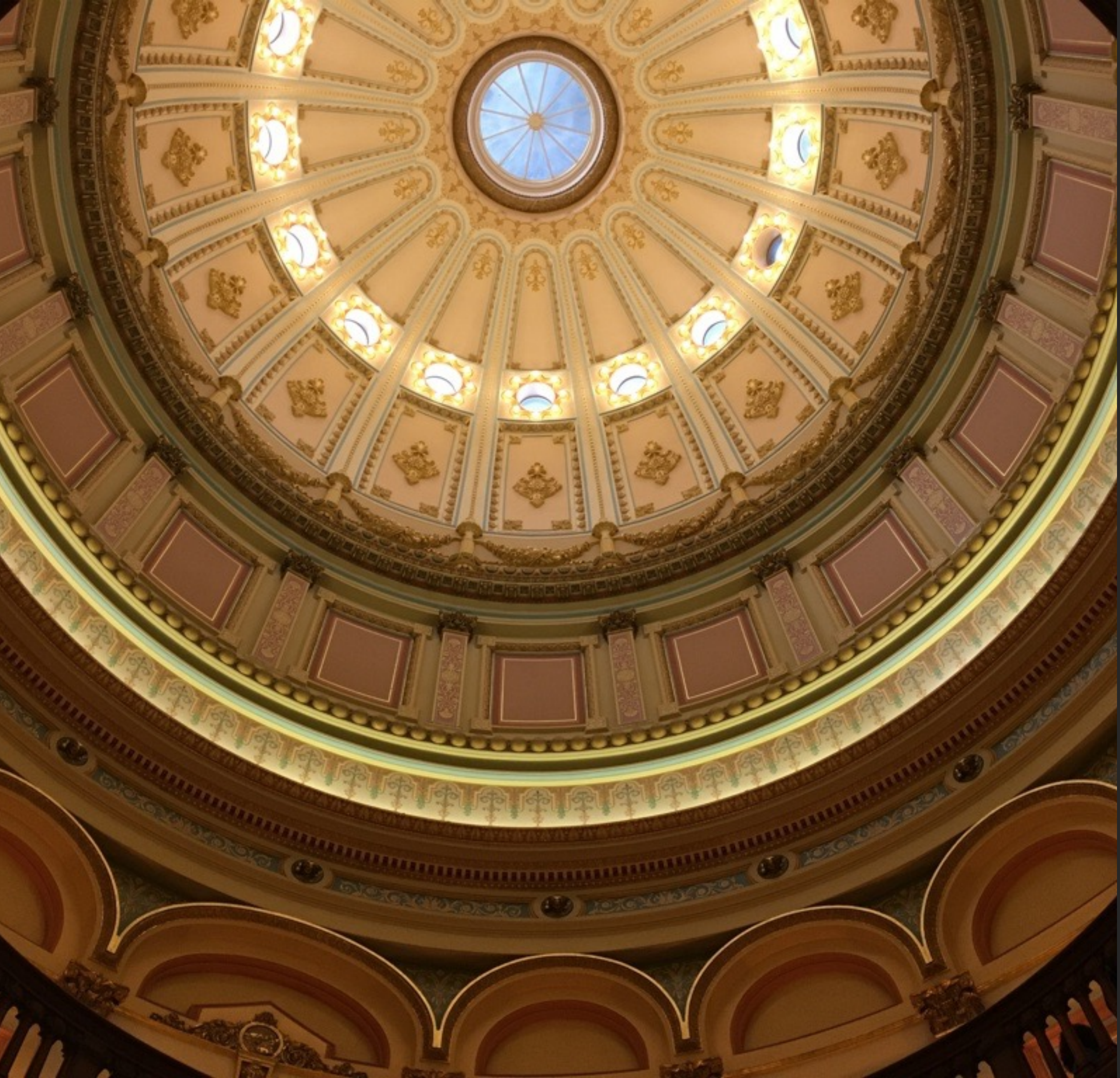


California Child Support Debt

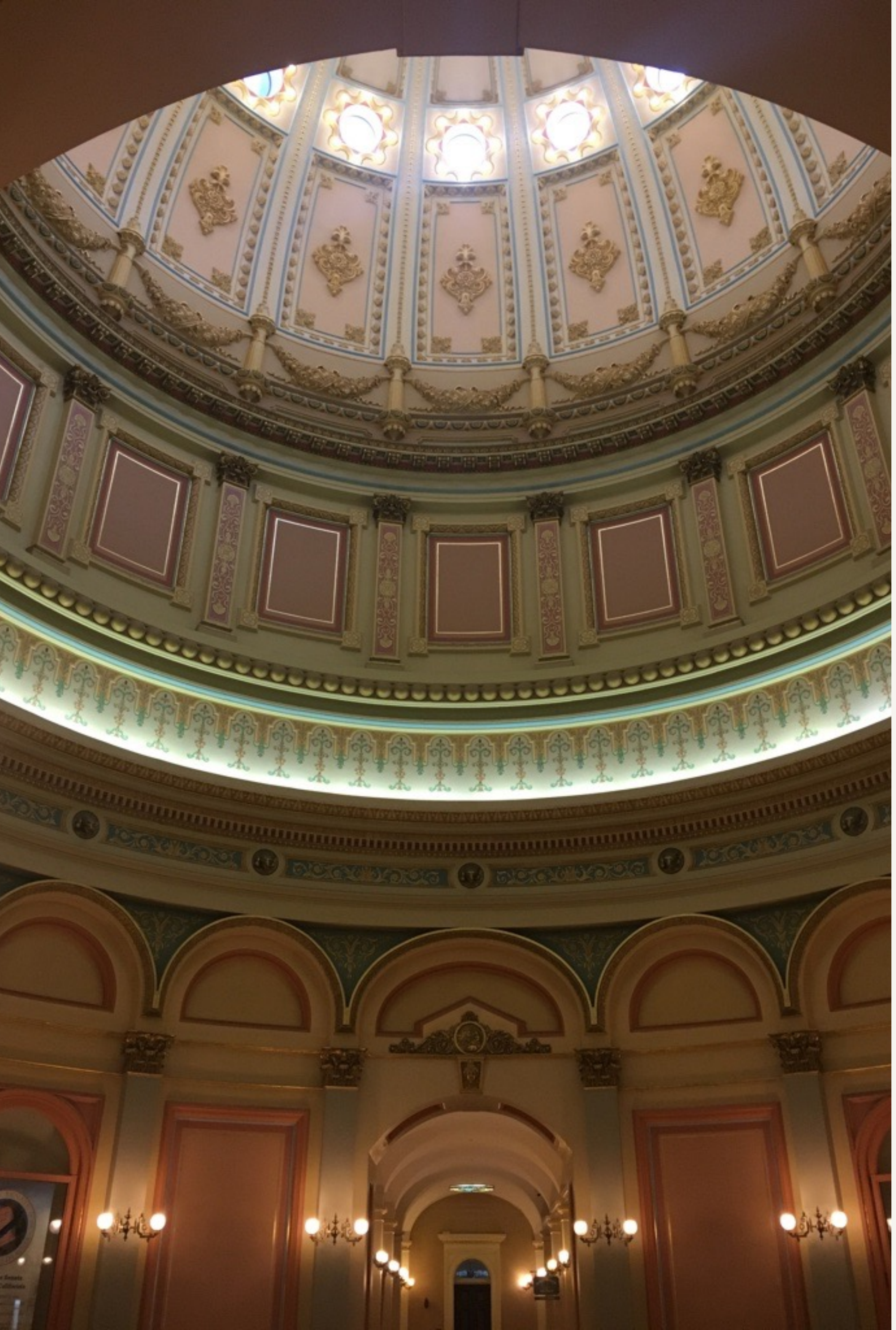
A Legislative Policy Analysis

By Alexis Foley

May 14, 2021

PUBLIC POLICY & ADMINISTRATION

AT SACRAMENTO STATE



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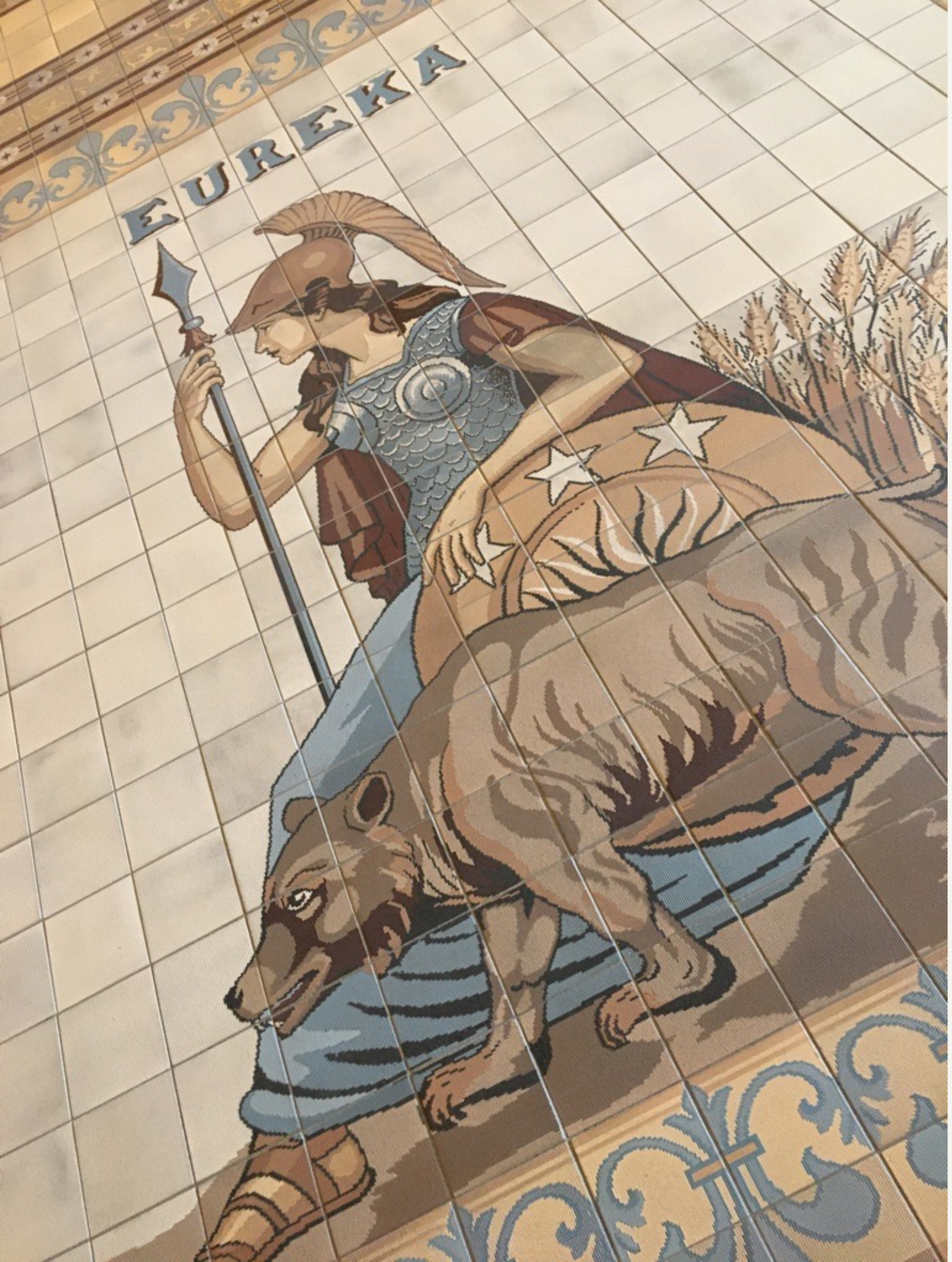
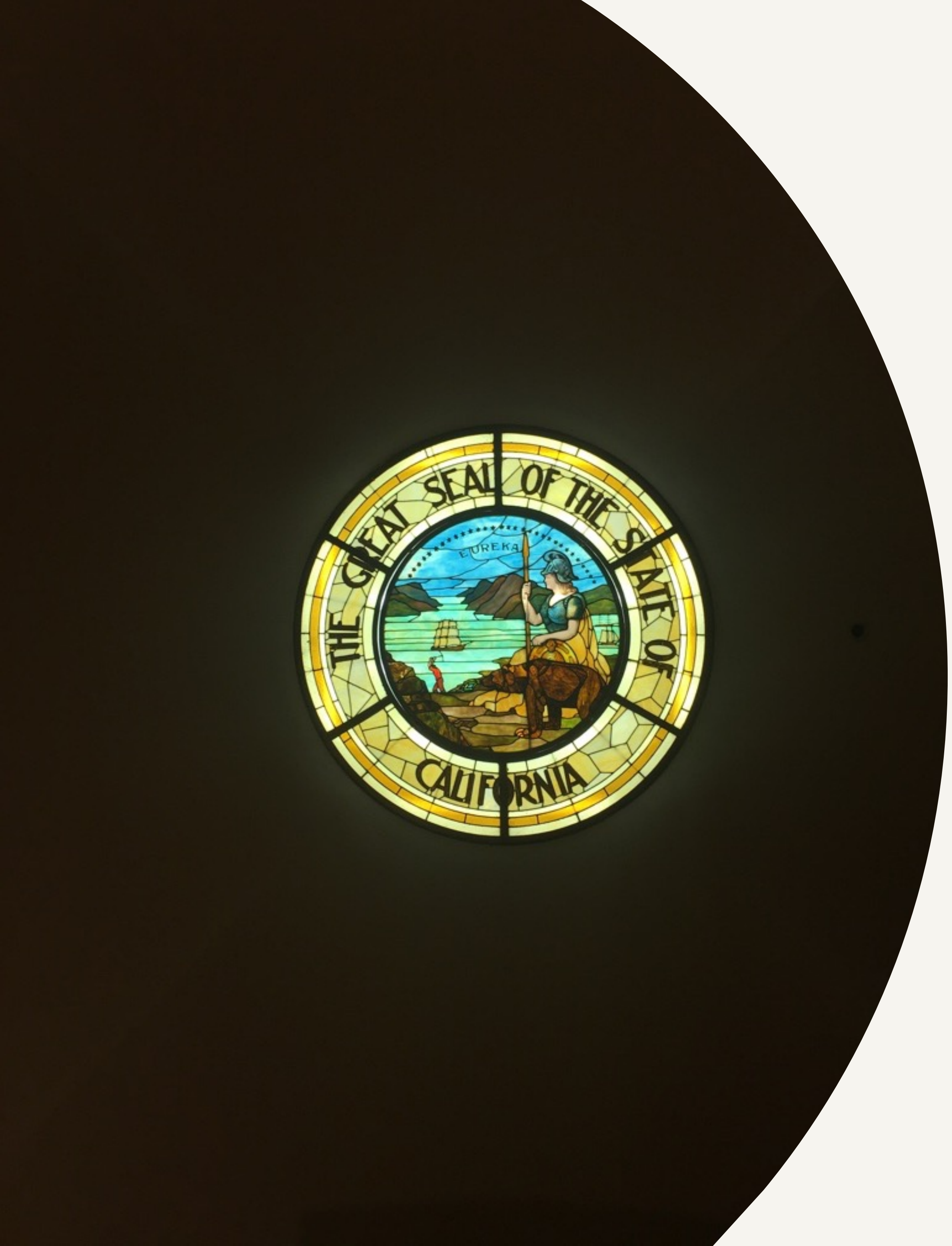
Tonight's Presentation

- **Welcome!**
- **Methods & Analysis**
  - ✓ *Problem Statement*
  - ✓ *Criteria Alternatives Matrix*
  - ✓ *Outcomes & Findings*
- **Questions & Comments from Stakeholders**



Methods & Analysis

Rational Model	(Meltzer & Schwartz, 2019)
1. Define the Problem	*Chapter 1*
2. Alternatives and Objectives	*Report, pg. 9; Tables 1-2, pg. 31*
3. Criteria and Weights	*Chapter 3; Tables 3-4, pg. 32*
Equity (50%)	
Efficiency (40%)	
Political acceptability (10%)	
Measures: Likert scale "0" to "4"	
4. Assess the Outcomes	*Appendix, Tables 5-8, pg. 34*
5. Arrive at a Recommendation	*Chapter 5*



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Legislative Alternatives

Report, pg. 9; Table 1, pg. 31

- **Change the interest rate**

  CCP § 685.010

  Eliminate, Lower to 4%, Lower to 7%

- **Change the guideline formula** *pg. 3; pg. 7*

  FAM § 4055, CS = K[HN - (H%)(TN)]

  Update the K factor variable, Create a new formula

- **Change the narrative** *Chapters 1 & 2*

  Child-centered, Resource-centered, Supportive

Outcomes & Recommendations

Outcomes *Appendix, Tables 5-8, pg. 34*

1. Change the Narrative
2. Update the Guideline Formula
3. Change the Interest Rate

Preferred Outcomes

1. Create a New Guideline Formula
2. Lower the Interest Rate to 4%

Recommendations *Chapter 5*

1. Change the Narrative
2. Lower the Interest Rate
3. Update the Guideline Formula
4. Call for Collaborative Governance

Thank you! Questions and comments from the audience?