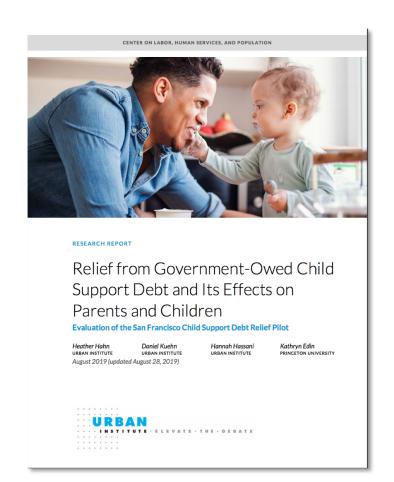


THE POTENTIAL OF A PILOT – WHAT CAN HAPPEN WITH CHILD SUPPORT DEBT RELIEF?

April 29, 2020

Presented by

WALTER & ELISE HAAS FUND



WEBINAR CONTROL PANEL

PARTICIPATE

During the presentation —
Type your question in the

QUESTIONS BOX

to be addressed during discussion breaks or during Q/A





Working Together to Achieve Economic Security for All

As the only membership organization for grantmakers focused on advancing economic security, the Asset Funders Network connects philanthropic leaders to drive greater impact where it's needed most.

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SPEAKERS



PADMINI PARTHARSARATHY

WALTER & ELISE HASS FUND



HEATHER HAHN

URBAN INSTITUTE



CHRISTA BROWN

FINANCIAL
JUSTICE PROJECT



RONNELL HAMPTON

GROWING GREATNESS



> Welcome	Padmini Parthasarathy
 Evaluation Results: San Francisco Child Support Debt Relief Pilot 	Heather Hahn
The San Francisco Financial Justice Project	Christa Brown
& The Experience of a Parent	Ronnell Hampton
> Q&A	Padmini Parthasarathy

April 29, 2020

Evaluation Results: San Francisco Child Support Debt Relief Pilot

Asset Funders Network Webinar



Public Assistance Payback

- When California families receive public assistance, they receive up to \$50 in child support
- The rest of the child support payment goes to the state
- Unpaid child support accrues as debt to the state

How Do Parents Accrue Child Support Debt?

Unaffordable orders; high interest; stiff penalties

"I could barely afford that rent, so once the child support kicked in, I didn't know what to do. I literally lived in my car for two years after that."

"Once that interest kicks in, there's no turning back."

If a child support payment is late, "it's gonna make you late for the rest of your life."

Unaffordable orders; high interest; stiff penalties

"It's on top of you trying to pay your regular child support, and then on top of that, you're trying to pay your back child support [to the government], and then on top of your back child support, you're trying to pay that interest. It's like where do I get a relief at?"

"I have to choose between paying child support and supporting my child."

National Context for San Francisco Pilot

National Context for San Francisco Pilot

Research:

- Child support debt creates barriers to employment, relationships, and self-sufficiency
- Parental support benefits children in short & long term
- When child support goes to children, parents pay more

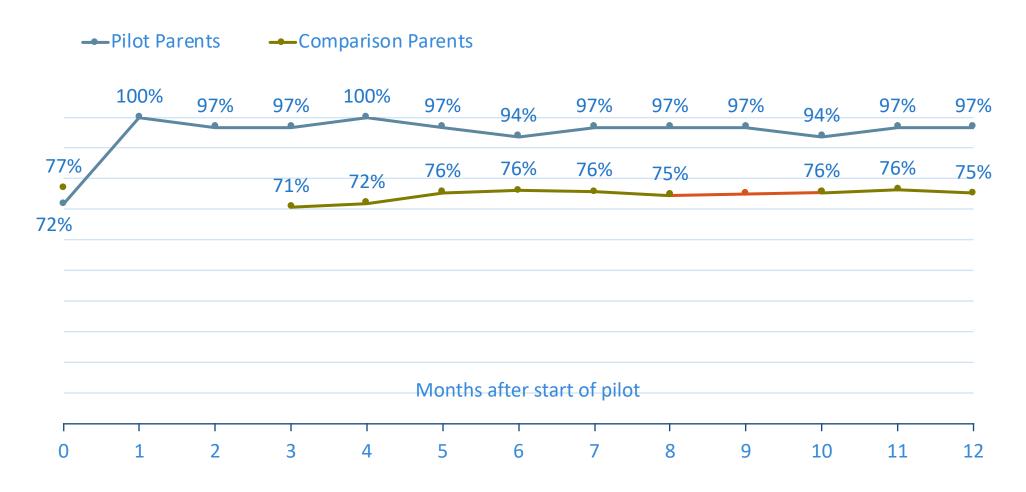
Law:

State flexibility on orders, debt, & public assistance payback

Pilot Results

More Consistent Child Support Payment

Percentage of parents who made required monthly child support payments after the debt relief



Source: Hahn, Heather, Daniel Kuehn, Hannah Hassani, and Kathryn Edin. 2019. Relief from Government-Owed Child Support Debt and Its Effects on Parents and Children: Evaluation of the San Francisco Child Support Debt Relief Pilot. Washington, DC: Urban Institute. (Authors' calculations from City and County of San Francisco Department of Child Support Services administrative data.)

Notes: Comparison-group parents are selected to match pilot parents on baseline characteristics using propensity-score-matching techniques. See appendix for details on the matching strategy. Data on comparison parents are not available for the ninth month after treatment, so the value is interpolated. The gap is marked with a dotted line.

Reduced Stress

"The relief program made me see at the end of the tunnel there will be a better life for me and for my kids."

"I felt more free, like I was starting a new beginning in life. Like life was starting over for me."

"I've just been more happy, more able to think a little bit more, breathe more."

Improved Credit Scores, Employment & Housing Status

"If your job requires you to drive, obviously you need a car, and if your license is suspended then it kinda puts you out of the game."

"They took a look at my credit report. I mean, it wasn't the greatest but it's a lot better than 400. I was able to get into [an apartment]. I was able to actually rent a car after that. And now I can work for Lyft because I'm using their rental car program."

"If I didn't have the debt relief, well I'll probably be still sleeping in the van right now."

Increased Feelings of Control Over Finances

"So, when the [pilot] come along, it was a big relief. Now I could...pay my part of the bills without a problem."

"I have a cushion now."

"Right now, after this debt relief thing, I maxed out my 401(k)....I'm really proud of that..."

Improved Relationships with Children and Coparents

"We hang out even more and go out on weekends, just to movies and stuff like that. [Before,] I couldn't afford to take my kids to a movie..."

"It did help, I guess, with the relationship with me and the mother because she's seen me in a different light. I guess after I got it paid off, she was like, 'Oh, Okay...He's taking care of something."

"Back then...we would get in a fight because I was always stressed because I knew I didn't have the money, and my license was suspended..."

Improved Relationship with Child Support System

Before: "They just look at you as a paycheck, or bad guy, or monster."

After:

"It feels like someone's on your side finally.."

"I think they care now... I mean, they're looking out for some people that's trying."

Implications for Policy and Practice

Policy Implications

- 100 percent child support payment to family
- Forgive government-owed debt
- No interest on debt owed to government

Practice Implications

- Ensure all parents feel heard and respected in court.
- Recognize that parents want to support their children
- Make the child support system more welcoming.

THE SAN FRANCISCO FINANCIAL JUSTICE PROJECT





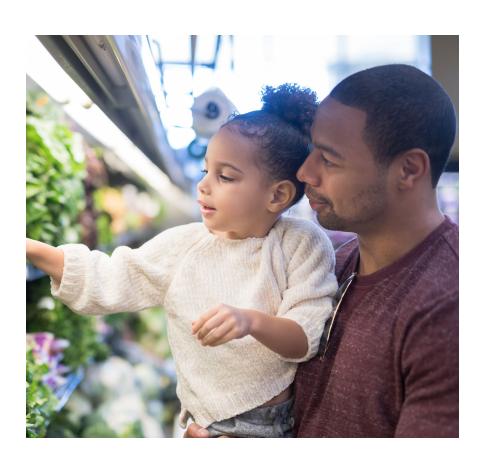
THE FINANCIAL JUSTICE PROJECT

A first-in-the-nation countywide effort to alleviate the inequitable burden of financial penalties on struggling San Franciscans.



"It's not going to support my children"

THE CONTEXT



\$368 million

The amount of child support payments intercepted to repay the cost of benefits in FY17-18

\$7 billion

The amount of debt owed by parents to reimburse the cost of needed public benefits

> Two-thirds

The percent of children whose payments are intercepted that are children of color.

<\$15,000

The median annual income of a parent who owes this debt

THE PILOT



The pilot utilized the state's Compromise of Arrears
Program, which allows eligible parents who pay down
10% of their government-owed debt & have the rest
forgiven

\$40K Using \$40,000 from the Walter and Elise Haas Fund, we were able to make down payments on parents' behalf

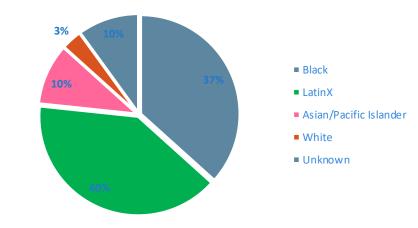
Eligibility:

Parents were eligible if they had a child in San Francisco, lived in the Bay Area, had a current child support order, had between \$500-\$50,000 in debt, and agreed to participate. Parents participated in a one-time, three-hour workshop

THE DEMOGRAPHICS







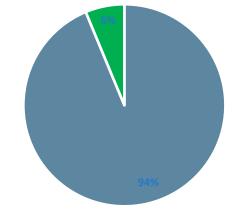
Male

■ Female

Parents:

 32 parents participated

Gender:



Children:

- 50% of parents in the pilot had more than one child.
- Parents had 55 children in total.

THE IMPACT



"I love my kids. They changed my life. They made me a better man ... The hard-earned money I do make, I want that to go toward my kids. I have no problem paying child support. But it should be fair."

THE IMPACT

Narrative Change:

Local, statewide, and national articles and op-eds in the media calling for reform











Legislative Progress:

- Two bills passed off the senate and assembly floors- progress that some said was impossible two years ago.
- Reforms included in the Governor's January budget proposal
- Continued work in light of COVID-19 pandemic, and CARES Act relief funds

THE LESSONS



None of this would have been possible without the unique, public-private partnership, including:

- The Department of Child Support Services
- The Urban Institute
- The Walter & Elise Haas Fund
- Tipping Point Community
- Sage Financial Solutions
- The Financial Justice Project

Key Lessons:

- Philanthropic dollars can be used to test ideas that can lead to permanent, broad reform
- Building trust and understanding with families can take time
- Having the data & the stories can change minds

THE SOLUTIONS



A conversation with:

Ronnell Hampton
Founder, Growing Greatness
Child Support Reform Advocate

EXPERIENCE & PERSPECTIVE



RONNELL HAMPTON

GROWING GREATNESS



FUNDER PERSPECTIVE



PADMINI PARTHARSARATHY

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FUNDER PERSPECTIVE



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- Invest in work on the ground, including pilots and their evaluations
- Support policy change efforts, including advocacy,
 research, and communications strategies
- Collaborate across sectors
- Listen to people affected by situations and center
 them in solutions

Q & A





WALTER & ELISE HASS FUND



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QUESTIONS

Click the **QUESTIONS** box to share a question for the presenters.



INTRODUCTIONS







PADMINI PARTHARSARATHY

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AND YOUR RESPONSES WILL INFORM
OUR FUTURE PLANNING

