

Child Support Guidelines (Jessie Fan)

1. In 1984, the Congress passed the Child Support Enforcement Amendment to promote consistency and higher child support awards. Under this Amendment, child support guidelines are supposed to be
 - a. advisory **
 - b. rebuttable presumptive
 - c. nonrebuttable presumptive

2. Under the Family Support Act of 1988, the child support guidelines become
 - a. advisory
 - b. rebuttable presumptive **
 - c. nonrebuttable presumptive

3. If a guideline seeks to allocate to the child the proportion of parental income estimated to have been spent on the child if the household were intact, then this guideline uses
 - a. the percentage of income model
 - b. the Melson formula
 - c. the standard of living model
 - d. the income shares model **
 - e. the per capital model

4. If a guideline determines child support based on a percentage of the obligor's income and number of children without counting the custodial parent's income, then this guideline uses
 - a. the percentage of income model **
 - b. the Melson formula
 - c. the standard of living model
 - d. the income shares model
 - e. the per capita model

5. When estimating expenditure on children, the per capita method
 - a. divide total household net income by number of persons in the household
 - b. compare household income of two equally well-off households, one with children and one without children
 - c. divide total household expenditure by number of persons in the household **
 - d. compare expenditures of two equally well-off households, one with children and one without children

6. When estimating expenditure on children, the marginal cost method
 - a. divide total household net income by number of persons in the household
 - b. compare household income of two equally well-off households, one with children and one without children
 - c. divide total household expenditure by number of persons in the household
 - d. compare expenditures of two equally well-off households, one with children and one without children **

7. As household income increases, the expenditure on children as a percentage of total income

- a. increases
- b. decreases **
- c. remains unchanged

8. In the marginal cost method, there are two general approaches: the Engel method and the Rothbarth method. When using the Engle method, two households are considered to have the same standard of living if

- a. the budget share of food is the same **
- b. the budget share of all adult goods is the same
- c. the budget share of housing is the same
- d. the budget share of all child goods is the same

9. In the marginal cost method, there are two general approaches: the Engel method and the Rothbarth method. When using the Rothbarth method, two households are considered to have the same standard of living if

- a. the budget share of food is the same
- b. the budget share of all adult goods is the same **
- c. the budget share of housing is the same
- d. the budget share of all child goods is the same

10. According to Bassi and Barnow (1993), the true estimates of expenditure on children is likely to be within the range of Engle estimates and Rothbarth estimates, with the Engel estimates being the _____ bound and Rothbarth estimates being the _____ bound.

- a. lower, upper
- b. upper, lower **

11. Which of the following situation demonstrates economics of scale?

- a. Married individuals eat less than single individuals so they spend less on food per person.
- b. Married individuals eat more than single individuals so they spend more on food per person.
- c. Married individuals eat about the same amount as single individuals so they spend about the same amount on food per person
- d. Married individuals eat about the same amount as single individuals, but they may be able to pay less for the amount because of potential quantity discount and lower transaction costs (less frequent trips to the grocery store, compared to two single individuals). **

12. The most economically sound measure of standard of living for households of different sizes is

- a. per capita income
- b. gross household income

- c. net household income
- d. income-to-needs ratio **

13. According to Bartfeld (2000), custodial mother families usually _____ noncustodial families after divorce

- a. fair substantially better than
- b. fair substantially worse than **
- c. do just about as well as

14. According to Bartfeld (2000), child support guidelines, with its imperfections, is

- a. important in improving the well-being of custodial mothers and children. **
- b. not effective in improving the well-being of custodial mothers and children.
- c. damaging to the well-being of custodial mothers and children.

15. According to Bumpass and Lu (2000, as cited in Case, Lin, and McLanahan, 2003), over _____ of all children are expected to live apart from at least one biological parent, usually the father, before reaching the age of 18.

- a. 10%
- b. 20%
- c. 30%
- d. 40%
- e. 50% **

16. According to Case, Lin, and McLanahan (2003), from 1968 to 1997, the child support payment rate is typically

- a. below 25%
- b. between 25-50% **
- c. between 50%-75%
- d. between 75%-100%

17. According to Case, Lin, and McLanahan (2003), from 1968 to 1997, for never married mothers, the major factor undermining child-support payments receipts has been

- a. inflation
- b. unilateral divorce law
- c. the decline in the earning capacity of low-skilled men. **
- d. a and b

18. According to Case, Lin, and McLanahan (2003), from 1968 to 1997, for ever married mothers, the major factor(s) undermining child-support payments receipts has(ve) been

- a. inflation
- b. unilateral divorce law
- c. the decline in the earning capacity of low-skilled men.
- d. a and b **

19. According to Case, Lin, and McLanahan (2003), from 1968 to 1997, the following factors have been beneficial to child-support payments

- a. numerical child support guidelines
- b. universal withholding
- c. genetic testing
- d. all of the above **

20. Under the current Utah Child Support Guidelines, child care expenses are
- a. split 50-50 between two parents **
 - b. prorated according to income between two parents
 - c. included in the child support award

Consumer Debt & Personal Bankruptcy Questions: Jeff, Mandeep, Megan, Neil, Paul

CONSUMER DEBT

True or False:

Consumer Debt has been steadily decreasing for 50 years.

False*

Consumer Debt has been a driving force behind the economic growth of recent years?

True*

Consumer Debt is at an all-time high.

True*

Multiple Choice:

Items such as healthcare and energy have been rising at _____% per year for the last 5 years.

- A. 3%
- B. 5%
- C. 7%
- D. 10%**

Consumer Debt had grown to a total of _____ at the end of 2006.

- A. \$1.3 trillion
- B. \$1.7 trillion
- C. \$2.3 trillion**
- D. \$4.0 trillion

MORTGAGE CRISIS

True or False:

“We artificially stimulate the economy by large budget deficits and inflationary monetary policy”?

True*

An implication of the mortgage crisis is a booming economy?

False*

A way to prevent the mortgage crisis is to make a large down payment.

True*

Multiple Choice:

What is a proposed policy to eliminate the mortgage crisis?

- A. Launch new "FHA Secure" Initiative
- B. Pass Federal Housing Commission Initiative
- C. Foreclosure Avoidance Initiative
- D. A&C**
- E. All of the Above

Who is to blame for the mortgage crisis?

- A. Consumers who took out the loans
- B. Government
- C. Mortgage companies/brokers
- D. A&C**
- E. B&C
- F. All of the above

CONSUMER CREDIT COUNSELING

True or False:

Is credit counseling mandatory in order to file for bankruptcy according to the bankruptcy abuse prevention and protection act of 2005?

True*

Credit counseling cannot be used as a preventative tool?

False *

Consumers should be careful of credit counseling organizations that charge high up front or monthly fees?

True*

Planning does not mean having less it means having more with what you have

True*

Multiple Choice:

What is a specific way credit counseling can help senior consumers?

- A. it can help with debt consolidation
- B. It can help them live in retirement homes
- C. It can give them counseling the benefits of reverse mortgages**
- D. None of the above

PERSONAL BANKRUPTCY & CHAPTER 7

True or False:

1. If the average income during the 6 months before you file is more than the median income for a family of your size in your state, You MAY NOT be allowed to use Chapter 7 Bankruptcy?

TRUE*

2. In a Chapter 7 Bankruptcy, you usually only take one trip to the courthouse.

TRUE*

3. Under the new bankruptcy law of 2005, an “automatic stay” provides you with protection from an eviction from your place of residence.

FALSE*

Multiple Choice:

4. How long does a chapter 7 bankruptcy usually last?

- A. 2-3 months
- B. 4-6 months**
- C. 7-8 months
- D. 3-5 years
- E. none of the above

5. Which debts remain in a Chapter 7 Bankruptcy?

- A. most student loans
- B. recent federal, state, and local taxes
- C. child support
- D. All of the above**
- E. none of the above

PERSONAL BANKRUPTCY HISTORY & CHAPTER 13

True or False:

1. Under the new bankruptcy law passed in 2005 back taxes owed and alimony can now be discharged while filing for either Chapter 7 or Chapter 13.

False

2. Under the new Chapter 13 bankruptcy laws, filers must still make regular payments on their secured debts.

True

Multiple Choice:

The new bankruptcy law passed in 2005 is called:

- A. Bankruptcy Consumer and Creditor Protection Act of 2005
- B. Bankruptcy Abuse Prevention and Consumer Protection Act of 2005**
- C. Bankruptcy Code of Prevention and Protection Act of 2005
- D. Bankruptcy Prevention and Protection Act of 2005
- E. Bankruptcy Amendment and Consumer Prevention Act of 2005

Which of the following is NOT considered a Priority debt?

- A. Mortgage payments**
- B. Child Support
- C. Wages paid to employees
- D. Tax obligations
- E. Alimony

What is the limitation on secured debts under the Chapter 13 bankruptcy code?

- A. \$336,900
- B. \$1,336,900
- C. \$650,010
- D. \$1,010,650**

No-Fault Divorce Review Questions
Christine, Heather, Brenna, Spencer

1. Which of the following was NOT an intended goal of No-Fault Divorce legislation?
 - a) To prevent dangerous relationships from prolonging.
 - b) To account for the realities of married life.
 - c) To decrease the standard of living for women and children, post divorce.**
 - d) To provide less conflict in divorce, for the best interest of all parties involved, especially children.

2. What is meant by “One of the goals of No-Fault Marriage was to account for the realities of married life.”?
 - a) Sometimes divorce is the best solution for a particular couple or family.
 - b) Marriage isn't perfect.
 - c) People make poor decisions, and they are entitled to a way out of those decisions.
 - d) All of the above. **

3. According to 2004 divorce rate statistics, which state had the highest rate of divorce?
 - a) Nevada**
 - b) District of Columbia
 - c) California
 - d) Arkansas

4. Which of the following is NOT considered to be a factor in the rise in divorce rates?
 - a) The sexual revolution.
 - b) An increase in women working outside the home.
 - c) Decline in social acceptance of divorce.**
 - d) No-Fault legislation.

5. If you are a women, and you are in the age range from _____ to _____ when you get married, statistically speaking, you are the MOST likely to get divorced.
 - a) Under 20 years
 - b) 20 to 24 years**
 - c) 25 to 29 years
 - d) 30 to 34 years

6. What year did No-Fault Divorce become a law in California?
 - a) 1966
 - b) 1969**
 - c) 1970
 - d) 1975

7. What best describes the viewpoint made by the Governor's Commission on the Family?
 - a) Wanted to re-define the family law system by tightening the restrictions for divorce.
 - b) Fault based divorce was doing its job of serving the public interest.
 - c) Create a unified divorce law eliminating fault grounds for divorce, division of property, and support matters. **
 - d) Family Law System was functioning effectively.

8. Under Fault Divorce, what are some grounds for divorce?
 - a) Adultery and life imprisonment**
 - b) Fraudulent Contract and irreconcilable differences
 - c) Marital breakdown and intolerable cruelty
 - d) Desertion for three years and falling out of love

9. What 1849 who was allowed to govern grounds for divorce?
 - a) Legislature
 - b) Courts**
 - c) States
 - d) None of the above

10. How does Utah's divorce rank with the U.S.?
 - a) 5
 - b) 15
 - c) 25**
 - d) 45

11. According to the article by Martin Zelder and the presentation, what is Economic Surplus?
 - a) The difference between where you are and where you could be in regards to well-being**
 - b) Extra Money at the end of the month
 - c) A surplus of economic proportions
 - d) When you add where you are to where you could be in regards to well-being

12. If Gatsby marries Daisy his well-being is 50. If he stays single his well-being is 100. Will Gatsby marry Daisy?
 - a) Yes
 - b) No**
 - c) Not enough information

13. Daisy's marriage well-being is 200. Her next best alternative is being single with a well-being of 150. What is Daisy's surplus to marriage?
 - a) 200
 - b) 150
 - c) 100

d) 50**

14. What is a public good?

- a) A good in a marriage that is consumed in equal amounts by all members
- b) Something someone does for the good of the public
- c) A good that cannot be divided
- d) Both A and C**

15. What property best describes private goods?

- a) Only used by you, always
- b) Non-transferable
- c) Transferable**
- d) A good in a marriage that is consumed in equal amounts by all members

16. Which of the following are acceptable reasons for a covenant marriage divorce?

- a) Abuse
- b) Felony
- c) Adultery
- d) All of the above**

17. Which was the first state to pass a covenant marriage law?

- a) Arizona
- b) Louisiana**
- c) Utah
- d) Mississippi

18. Before entering into the covenant marriage regime, a couple must take part in what activity?

- a) They must have been dating for at least two years
- b) They must sign a contract stating that if they divorce then all assets must be distributed equally
- c) They must receive marriage counseling **
- d) They must perform at least ten hours of community service together

19. In the states currently practicing the covenant marriage regime, what is the percentage of marriages that are covenant marriages?

- a) About 1%**
- b) About 10%
- c) About 25%
- d) About 50%

20. In what year was the first state to pass the covenant marriage law?

- a) 1967
- b) 1989
- c) 1997**
- d) 2001

Questions for Medicare Presentation

Which part of Medicare is the prescription drug program?

- A) Part A
- B) Part B
- C) Part C
- D) Part D ***

If you are not 65 or older, what would qualify you to be accepted for Medicare?

- A) Early retirement
- B) Being permanently disabled ***
- C) Being unemployed
- D) Death of spouse

Medicare does not cover...

- A) Long-term care services
- B) Hearing exams and hearing aids
- C) Dental care and dentures
- D) B & C
- E) A,B, & C ***

Phase one of prescription drug coverage requires beneficiaries to pay what percent of costs of a covered drug?

- A) 15%
- B) 20%
- C) 25% ***
- D) 30%

Approximately how many people currently rely on Medicare for health insurance coverage?

- A) 44 million ***
- B) 25 million
- C) 4 million
- D) 500,000

Medicare Part D went into effect on...

- A) January 1, 2003
- B) January 1, 2004
- C) January 1, 2005
- D) January 1, 2006 ***

Medicare Part D is funded by:

- A) General revenues

- B) Beneficiary premiums
- C) State payments
- D) All of the above ***

Once Medicare Part D beneficiaries reach the Coverage Gap, they are required to pay how much of a covered drug?

- A) 50%
- B) 100%***
- C) 25%
- D) 75%

The Coverage Gap within Medicare Part D is often referred to as the...

- A) Black Hole
- B) Drop out
- C) Doughnut Hole ***
- D) Goose Egg

What percent of the Federal Budget was spent on Medicare in 2006?

- A) 13% ***
- B) 15%
- C) 18%
- D) 21%

Which part of Medicare helps pay for physician, outpatient, home health, and preventive services?

- A) Hospital Insurance Program
- B) Supplementary Medical Insurance ***
- C) Medicare Advantage Program
- D) Prescription Drug Program

In the third phase of Prescription Drug Coverage, beneficiaries are required to pay what percent of covered drug costs?

- A) 0%
- B) 2%
- C) 5% ***
- D) 10%

Low income individuals can apply for additional assistance to pay for costs not covered in the Coverage Gap through which program?

- A) Low income Subsidies
- B) Employers
- C) Medicare Advantage Plan
- D) Supplementary Medical Insurance

Enrollment in Medicare Part D is voluntary.

True/False True ***

Medicare is a Social Insurance Program that began in 1975.

True/False true***

Individuals contribute payroll taxes to Medicare throughout their working lives.

True/False True***

Prior to 1965, almost half of all seniors lacked medical insurance.

True/False True***

What are the three main challenges to keeping Medicare financially secure for the future?

Slide #7

- 1) Increasingly expensive medical care
- 2) Rapidly expanding aging population
- 3) Declining ratio of workers to beneficiaries

Why was a Coverage Gap created as part of Medicare Part D?

- 1) Give enrollees help with their first Portion of drug costs
- 2) Give more comprehensive help to People with low incomes
- 3) Give more comprehensive help to People with high drug expenses
- 4) Federal Government isn't likely to spend billions of dollars to eliminate the gap...but..
- 5) Popular demand for continuous coverage (eliminating the gap) might persuade more private Part D plans to offer it as an option

What are some of the challenges that seniors face as they try to enroll in Medicare Part D?

Slide 21

- 1) To many plans, all with different formularies, create confusion
- 2) Lots of time invested and knowledge acquisition needed to make the best decision