



February 10, 2022

The Honorable Nancy Skinner
Chair, Senate Budget and Fiscal Review Committee
1021 O Street, Room 8630
Sacramento, CA 95814

The Honorable Phil Ting
Chair, Assembly Budget Committee
1021 O Street, Room 8230
Sacramento, CA 95814

**RE: Department of Child Support Services – Budget Item No. 5175
Supporting Local Child Support Agency Administration – SUPPORT**

Dear Chairs Skinner and Ting:

On behalf of the organizations represented above, we write to express our appreciation for the Governor's proposal to provide \$20.1 million General Fund to the California Department of Child Support Services (DCSS) for support of Local Child Support Agencies. However, we also urge the Legislature and Administration to capitalize on the state budget surplus as an opportunity to fully fund Local Child Support Agencies (LCSA) for both existing and upcoming workload to improve the economic well-being of vulnerable children and families.

The child support program and child support payments resulting from work performed by LCSAs are a crucial safety net for California's children. Child support payments fight poverty providing food, shelter, health care, clothing, and other basics children need to thrive. After over 15 years of flat funding, LCSAs experienced a loss of caseworkers and other vital staff. This significantly impacted the reach of the program and California has fallen behind national averages due to an inability to process new cases for families in need. The Child Support Directors Association, in consultation with DCSS, conducted a Level of Effort study in 2018 which analyzed federal and state mandated casework activities and identified the minimum level of funding needed to provide sufficient resources to LCSAs to conduct those activities. This led to the establishment of a funding methodology which was codified in Family Code 17306.1. In addition to the Governor's \$20.1 million General Fund proposal, California's 30 least funded LCSAs would require an additional \$14.2 million to be fully funded to meet the minimum statutory and programmatic requirements of the child support program according to the Level of Effort study.

While 30 of 47 LCSAs are currently underfunded to fulfill the existing requirements of the child support program, workload is expected to grow substantially in the coming years due to new federal rules. The federal Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs (FEM) Final Rule is based on the assumption that no two cases are the same and no two parties in any given case have the same economic needs and limitations. The new federal guidelines require gathering and analyzing information from a broad spectrum of sources not previously utilized or currently available through automated interfaces. The state must invest in LCSAs so that they can conduct more extensive case management services with both case participants, provide additional training to staff for whole family case evaluations and connections to social services, and improve hiring practices to focus on case management and evaluations rather than mass processing. To effectively establish child support orders, LCSA caseworkers will have to spend more time on individual cases and with individual case participants. In addition, the FEM Final Rule supports program modernization, reduction of accumulated unpaid arrears, customer service, and management practices. The new federal rule is a culture shift in how LCSAs do their work and will require resources to effectuate. It is estimated that an additional \$15.7 million General Fund investment will allow California's LCSAs to begin implementation of these laudable program improvements.

When a parent needs help collecting child support ordered by a court, his/her local child support agency works under federal and state law to collect and distribute funds. A well-functioning, fully-funded California child support system:

- Ensures children have the financial and emotional support they need;
- Provides case management and connections with social services including cash, nutrition, health care, child care, and employment services to which a family is entitled; and
- Supports non-custodial parents in meeting their obligations and maintaining relationships with their children.

Approving the Governor's proposal in conjunction with the additional resources discussed will create a more equitable child support system in California and allow LCSAs to recruit and retain qualified staff. Our organizations and members believe the child support program at its core balances the benefits of child support distributions directly pulling children and families from poverty with the impact collections have on the paying parent. The goal of LCSAs is to keep the balance child-centered.

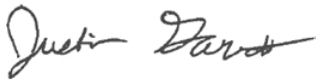
Sincerely,



Greg Wilson
Executive Director
Child Support Directors Association



Tiffany Whiten
Senior Government Relations Advocate
SEIU California State Council



Justin Garrett
Sr. Legislative Representative, Human Services
California State Association of Counties



Kelly Brooks-Lindsey
Legislative Advocate
Urban Counties of California



Sarah Dukett
Legislative Advocate
Rural County Representatives of California

cc: The Honorable Susan Talamantes Eggman (Chair), Chair, Senate Budget and Fiscal Review Subcommittee No. 3
The Honorable Dr. Joaquin Arambula, Chair, Assembly Budget Subcommittee No. 1
Adam Dorsey, Department of Finance
David Kilgore, Director, California Department of Child Support Services
Renita Polk, Senate Budget and Fiscal Review Committee
Rebecca Hamilton, Senate Republican Fiscal
Nicole Vazquez, Assembly Budget Committee
Eric Dietz, Assembly Republican Fiscal