



Colusa, Sutter and Yolo Regional Child Support Agency Leadership Advisory Committee

To: RCSA Leadership Advisory Committee
From: Natalie Dillon, Regional Director
Subject: Program Changes and DEI (Agenda Item #7)
Date: November 9, 2023

The California Child Support program is evolving from an enforcement, cost recovery model to one that is centered on working with and engaging both parents, reducing poverty, and supporting children. In accordance with this shift, there have been numerous legislative and policy changes impacting how local child support agencies (LCSAs) deliver services.

Concurrently, the California Child Support program is incorporating a strong equity vision. The California Department of Child Support Services' (DCSS) newly created Office of Equity developed a roadmap that addresses building workforce capacity, disaggregating customer data, community engagement – specifically with disadvantaged customers, and programmatic and policy equity by design.

This RCSA report provides the Leadership Advisory Committee updates on three significant programmatic changes - Child Support and Foster Care, and Uncollectible Debt, Former Assistance Pass Through and their intersection with Diversity Equity and Inclusion (DEI).

Program

Foster Care

On August 11, 2023, DCSS released updated policy letter Child Support Services Information (CSSI) Letter 23-10 implementing AB 1686 Foster Care. This bill essentially ceases new Foster Care, ARC and KinGap referrals after 1/1/2023 to child support from child welfare unless the parent makes more than \$100,000 or 400% of the federal poverty level (FPL). This new law and policy change will reduce the number of child support cases by approximately 42,000 statewide and 652 cases for CSY and reduce statewide collections by approximately \$20 million and approximately \$260,000 reduction in collections for the RCSA.

On October 23, 2023, DCSS released CSSI Letter 23-11 regarding Foster Care Referrals Prior to January 1, 2023, as well as Child Support Services Program (CSSP) Letter 23-02 regarding Foster Care Arrears. These policies also apply to Foster Care, ARC and KinGap cases. ARC and KinGap programs serve children placed with relative caregivers. This policy directs LCSAs to close previously referred cases unless the parent makes more than \$100,000 or 400% of FPL and



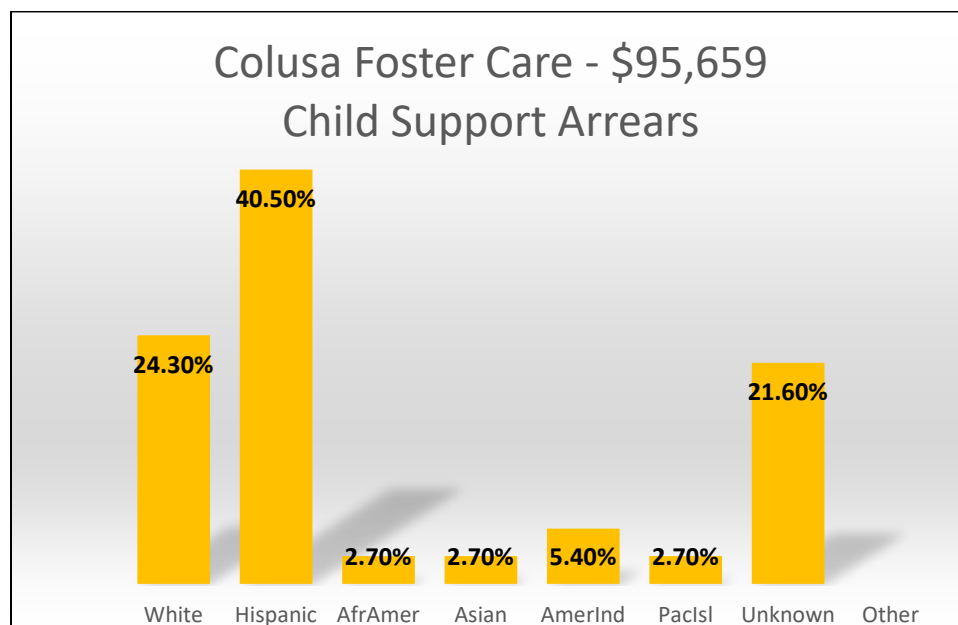
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eliminate all associated child support arrears as uncollectible. The work to close these cases is significant; cases that have current child support orders will require a court modification of the order, redistribution of any child support collections that occurred after January 2023, potential impacts to cross cases, changes to accounts, elimination of accrued child support debt and associated interest, etc. Although this policy change is positive for many of our communities most fragile families, there is an associated workload and negative impact to RCSA child support collections.

As of the end of last month, the Colusa Sutter Yolo RCSA has 652 impacted cases with over \$6,477,280 in child support arrears.

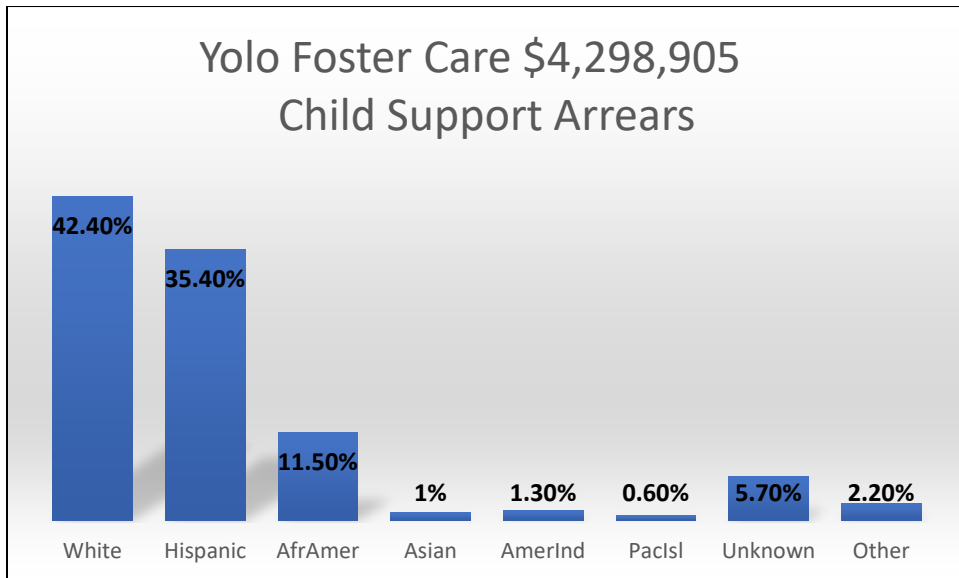
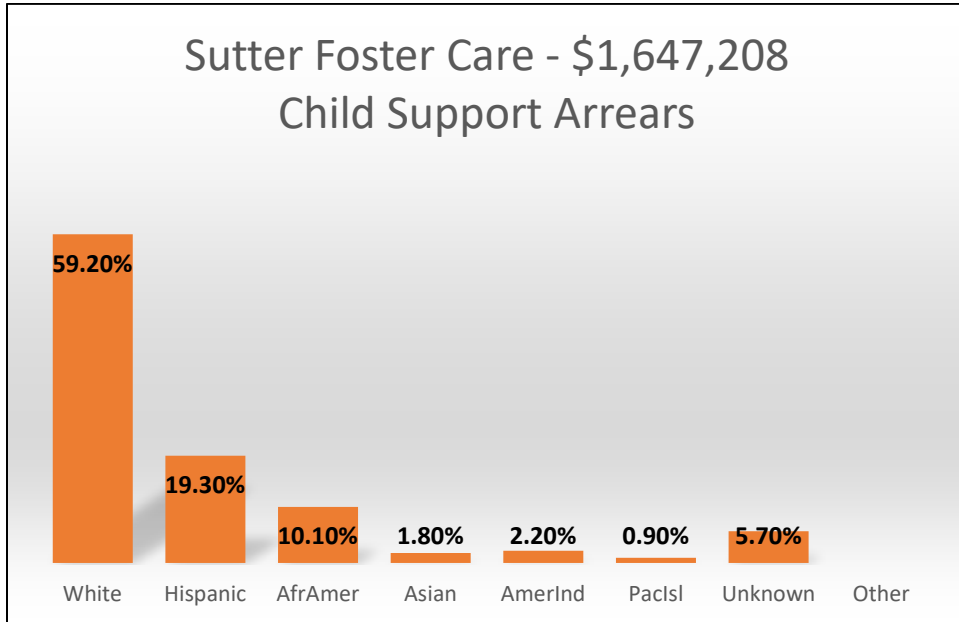
| | Foster Care cases | ARC/KinGap cases | Associated Child Support Arrears |
|-------------|-------------------|------------------|----------------------------------|
| Colusa | 37 | 6 | \$121,721 |
| Sutter | 238 | 9 | \$1,702,721 |
| Yolo | 314 | 48 | \$4,652,838 |
| RCSA | 589 | 63 | \$6,477,280 |

Here is a breakdown of Child Support cases associated to Foster Care (excludes KinGap and ARC) by county and race.





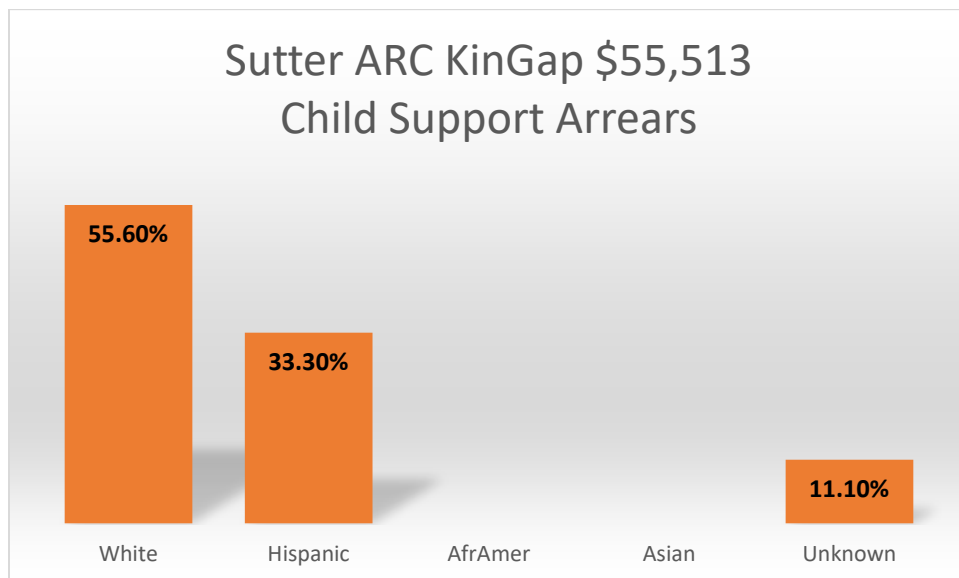
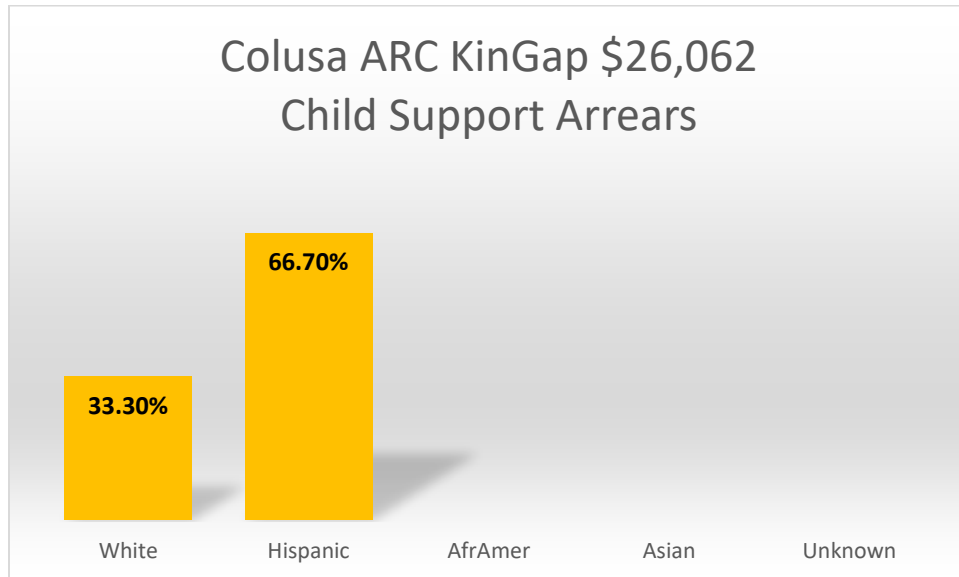
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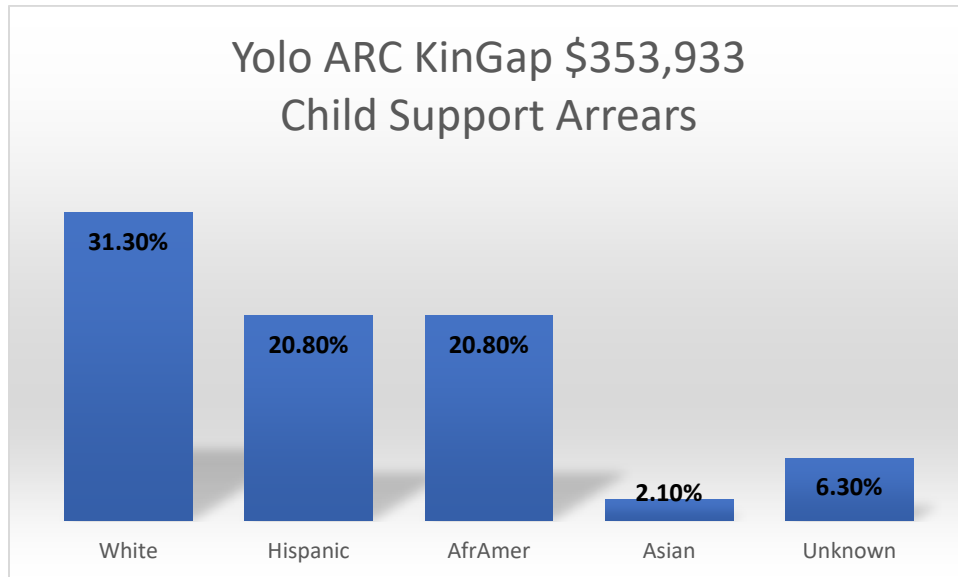
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Here is the data for ARC and KinGap cases, a much smaller segment of the caseload and arrears, by county, by race:





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It should be noted that race and demographic data in CSE, the Child Support system is not completely accurate, some of which is dependent on caseworkers at case opening, other data comes from various interfaces. However, does provide a perspective on those impacted by these policy changes.

Uncollectible Debt

On August 2, 2023, DCSS released updated policy and procedure implementing AB 135 – Uncollectible Debt. Phase 1 of Uncollectible Debt specifically addresses those obligors whose sole source of income is derived from one of the following:

- Supplemental Security Income/State Supplementary Program for the Aged, Blind, and Disabled (SSI/SSP) benefits.
- A combination of SSI/SSP benefits and Social Security Disability Insurance benefits.
- Cash Assistance Program for Aged, Blind, and Disabled Legal Immigrants (CAPI) benefits.
- Veterans Administration Disability Compensation Benefits in an amount equal to or less than the amount the noncustodial parent would receive in SSI/SSP benefits.

Although this program will have a significant impact on the child support obligors who are very low income and have these specific income types, the volume of cases impacted by Phase 1 is relatively small; an estimated 9,000 cases statewide. This policy change is anticipated to



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provide significant relief to these low-income obligors who owe money to the government. There are approximately 225 impacted cases in the RCSA, with a combined total of \$4,617,615 in child support arrears owed to the government. Although there are 225 cases reflected in this population, some of these obligors will continue to owe child support to the other parent and thus will not automatically result in case closure.

| Phase 1 Uncollectible Debt | Child Support Arrears Owed to the Government |
|---|---|
| Colusa | \$24.25 |
| Sutter | \$729,010.34 |
| Yolo | \$3,888,580.63 |
| RCSA | \$4,617,615.22 |

Phase 2 of Uncollectible Debt will be a much more expansive program whereby many low-income California parents who owe child support to reimburse public assistance costs to the state will be determined as no longer enforceable. DCSS contracted with the University of California at San Diego (UCSD) for a 2023 Collectibility Study. Along with the study, it is expected that UCSD will release an algorithm, that when applied to the California Child Support caseload, will identify those cases with specific characteristics that may be eligible for uncollectible debt. It is anticipated that Collectibility Study will be available in early 2024 and the policy for Phase 2 will be released in the latter part of 2024.

Former Assistance Pass Through

Beginning in May 2024, child support arrears collected on cases where the Parent Receiving Support (PRS) previously received public assistance will be “passed through” to the PRS in lieu of being recouped to recover public assistance costs. Although implementation is six months out, this policy change requires the local child support agency to do extensive PRS locate work. Since money historically did not distribute to these families, but was instead recouped, these parents generally did not keep their addresses current with the Child Support program, nor did they enroll in Direct Deposit or Electronic Payment Cards. This is creating a new workload for all California local child support agencies. If not done, when money starts being disbursed after



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May, if there is no locate, the money will suspend, not disburse, and require even more work – and more importantly, delay getting money to low-income parents.

This policy change will result in more money to historically low-income families. Approximately 60% of the RCSA caseload has been on public assistance at one time. Because this policy applies solely to cases who previously received CalWORKs, the children on many of these cases are emancipated. The average age of the parent who will receive money is approximately 54. Receipt of this passed through child support may impact some people's eligibility for needs-based programs, such as CalFresh, MediCal, Child Care, Housing, etc. There is currently a Legislatively mandated workgroup, which I participate on, analyzing these potential impacts.

The California Legislature has also expressed support for applying this same policy for those who currently receive CalWORKs – passing through child support to the family, in addition to concerns noted above regarding impact to eligibility for other programs, there are budgetary concerns as this would be a loss of State General Funds and would require California to pay the feds back for their portion of the TANF grant that has been passed through to the family.

Diversity Equity and Inclusion

In addition to making these program changes, the RCSA is also interested in growing workforce capacity as it pertains to DEI. Yolo County is also implementing a countywide DEI workgroup in which staff of the RCSA will participate. RCSA staff recently participated in a DEI survey developed by the Carter Development Group to gain staff's perspectives and experiences related to their work in child support. We are committed to providing the best possible environment for our entire workforce. Gaining employees perspective helps us understand their experiences as it relates to work and is an essential step in creating a truly diverse, equitable, and inclusive community. The survey responses are confidential and will not part of any medical, employment, or disciplinary record. No individually identifiable information will be reported. Disaggregated data broken down by detailed sub-categories will not result in any personally identifiable information.