

Welcome to the 27th Annual AB 1058 Child Support Training Conference

Our Vision of Child Support

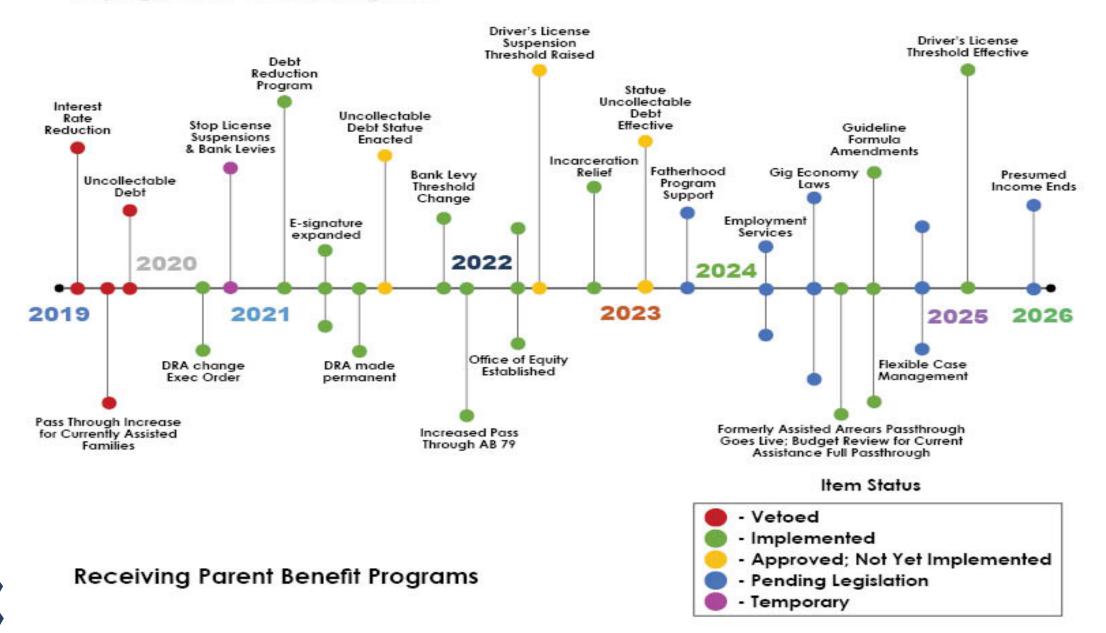
David Kilgore, Director

Kristen Erickson-Donadee, Chief Deputy Director

Dr. Andre Lockett, Chief Equity Officer

August 30, 2023

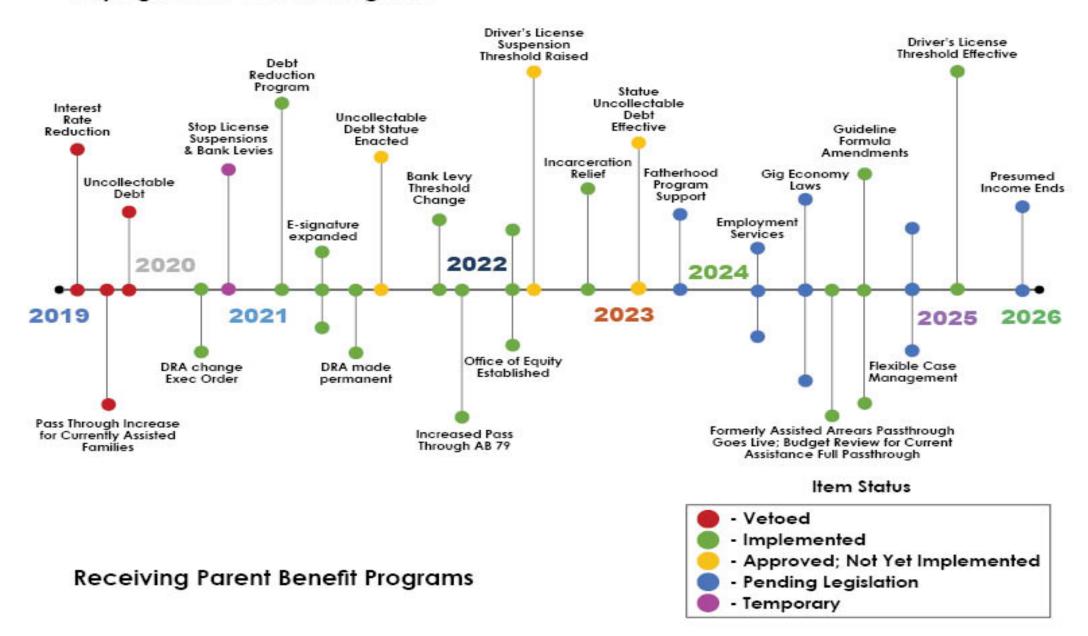




DRA

- Federal Deficit Reduction Act approved distribution of child support debt payments taken from tax offsets and economic stimulus payments to families before the government
- By Executive Order in May 2020
- Made permanent by Legislative action in 2021
- Estimated to increase payments to families by \$16.7 million annually

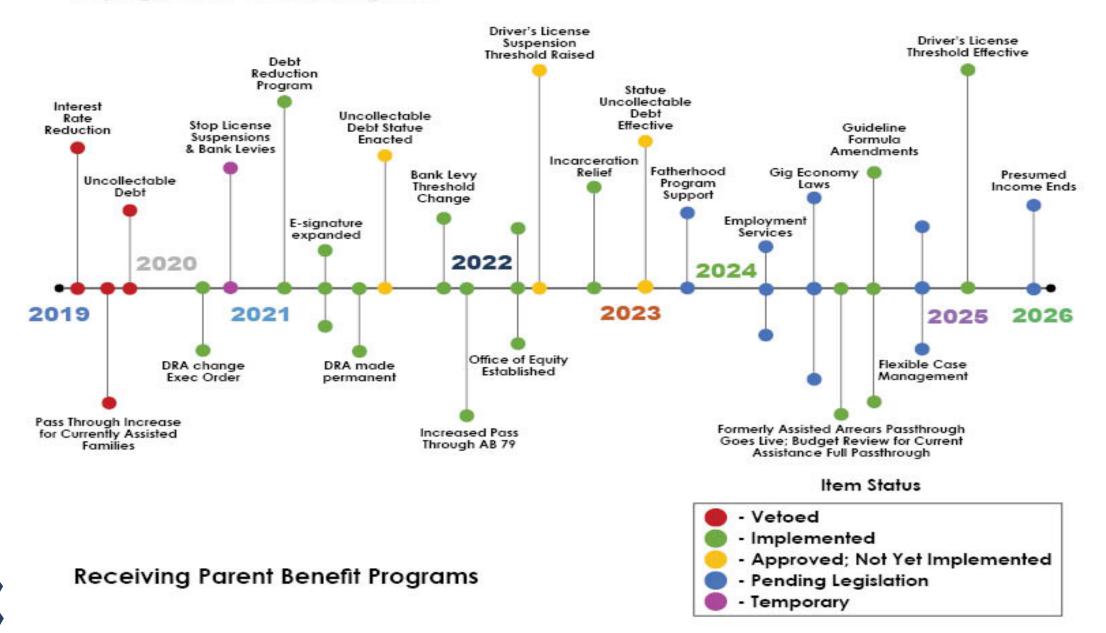




Debt Reduction Program

- Implemented in May 2021
- Provides eligible parents with arrears the opportunity to reduce the amount they owe to the government
- Shifted from percentage basis to stronger focus on ability to pay
- Awareness campaign to alert those denied in the past
- In two years approved 166.7 million for reduction, with a 120% increase in collections over prior years

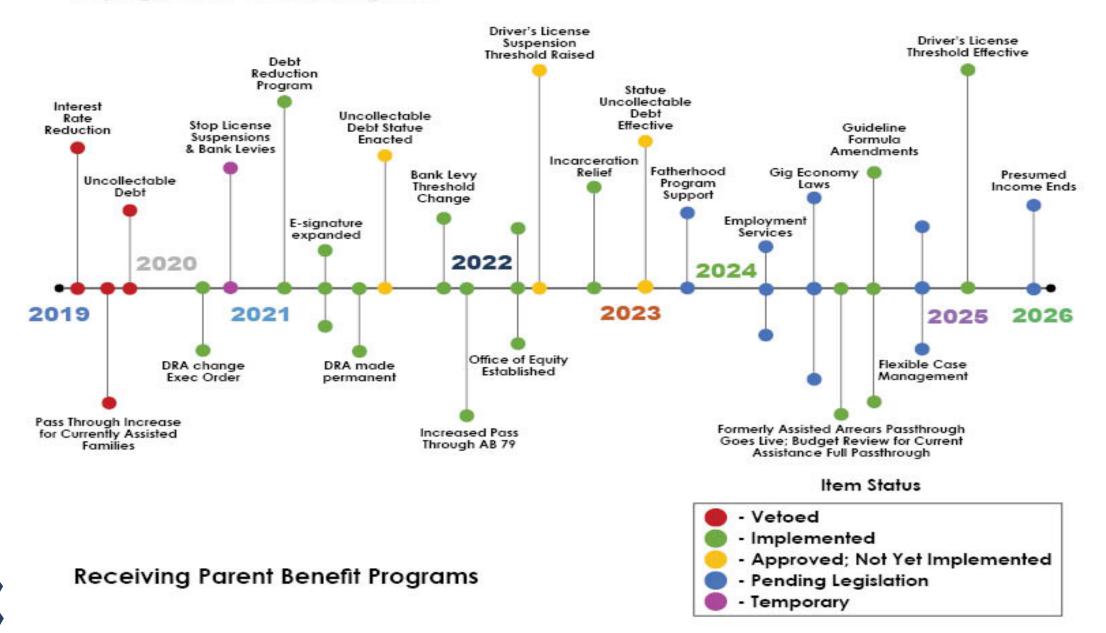




Bank Levy Threshold Change

- Implemented in December 2021
- Increased the threshold to trigger automated bank levies for non-compliant cases
- 275,000+ levies with \$22.4 million collected in 2019, only 5,400 levies and \$27.7 million collected in 2022: a 98% reduction in levies and increased collections
- This saves parents an estimated \$4.5 million in bank fees they did NOT have to pay

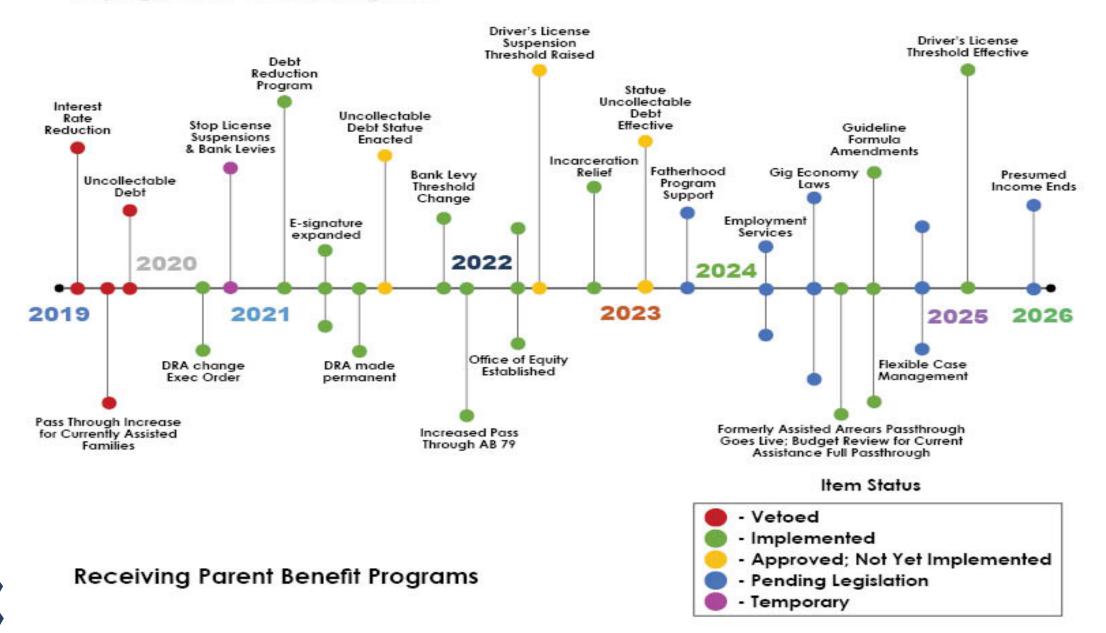




Increased Pass Through

- Implemented in January 2022
- Increased the amount "passed through" to a parent receiving aid to Federal maximum: from \$50 to \$100 for one child, and up to \$200 for two or more children living in the home
- Increased payments to families by an estimated \$44 million in the first budget year

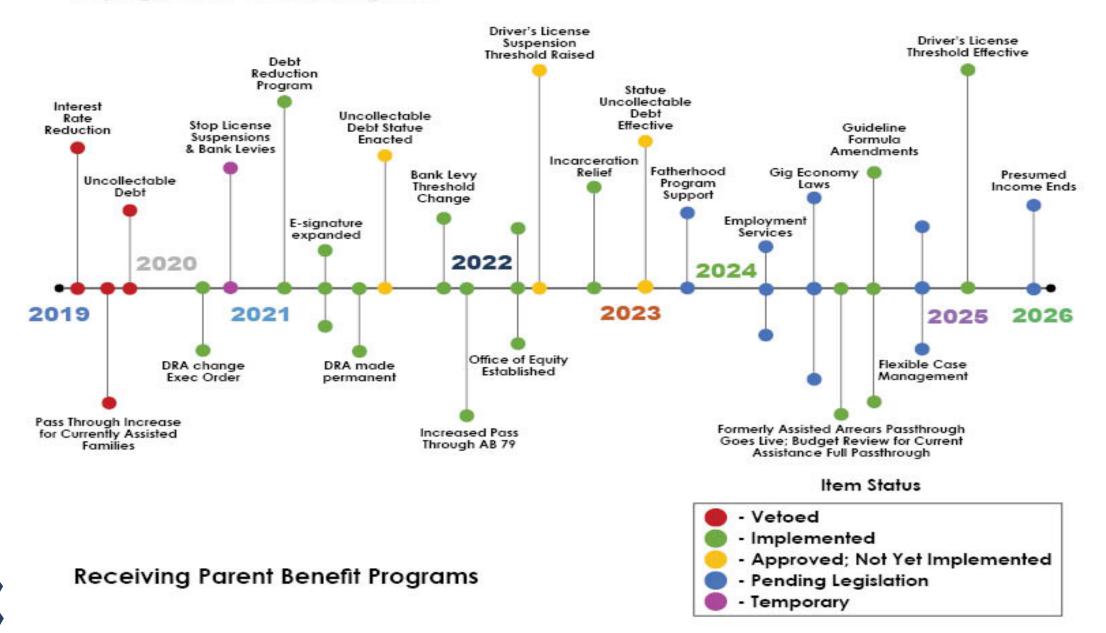




Incarceration Relief

- Enacted in September 2022
- Expands relief for incarcerated parents paying support by:
 - Removing sunset date; now permanent
 - Removing exception based on the type of crime
 - Now applies to all periods of incarceration after enactment, removing restriction to orders issued on or after 1/1/2021
- DCSS now required to conduct an evaluation of the effectiveness by January 1, 2026

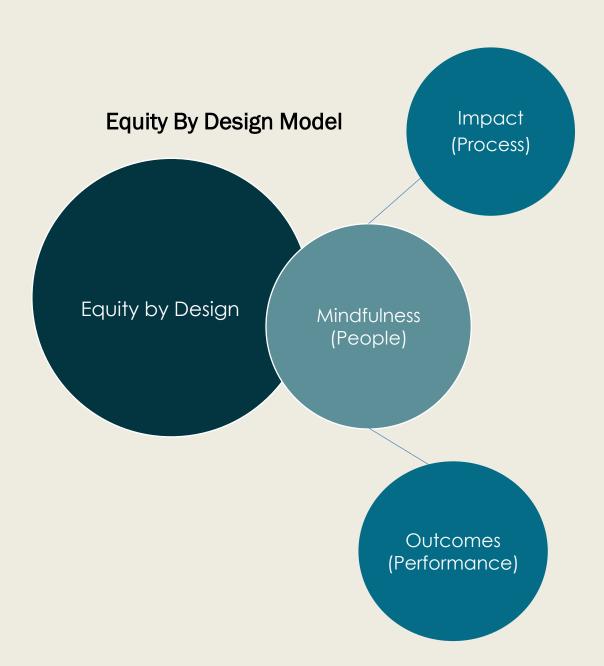




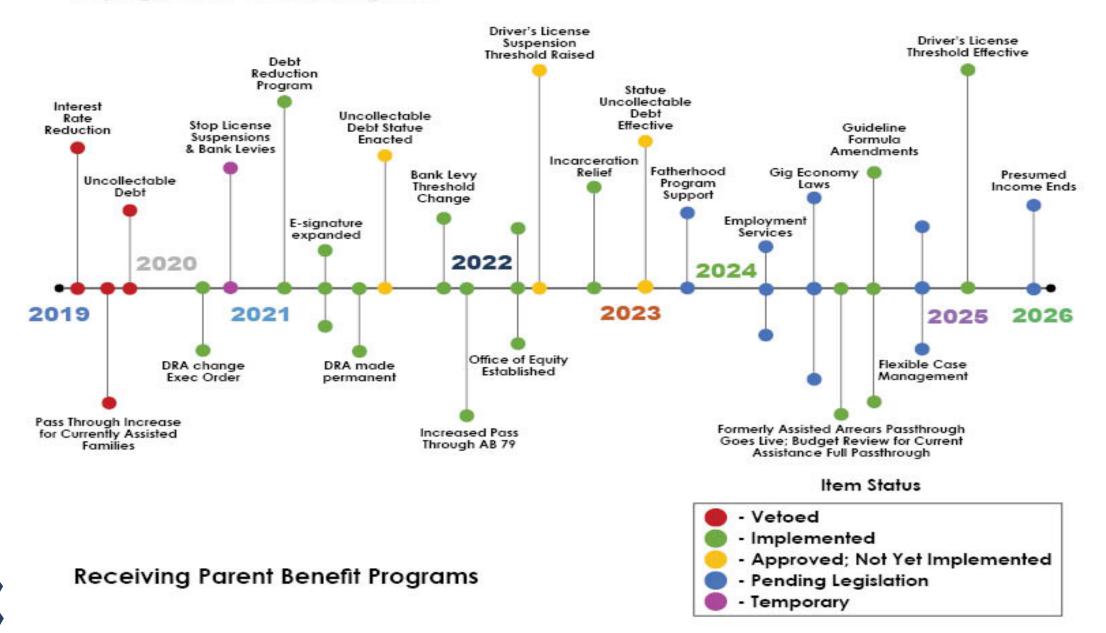
Office of Equity

Diversity and Inclusion

- Equity Statement and Commitments
- Chief Equity Officer,
 - Equity Strategic Manager
 - Inclusion and Belonging Manager



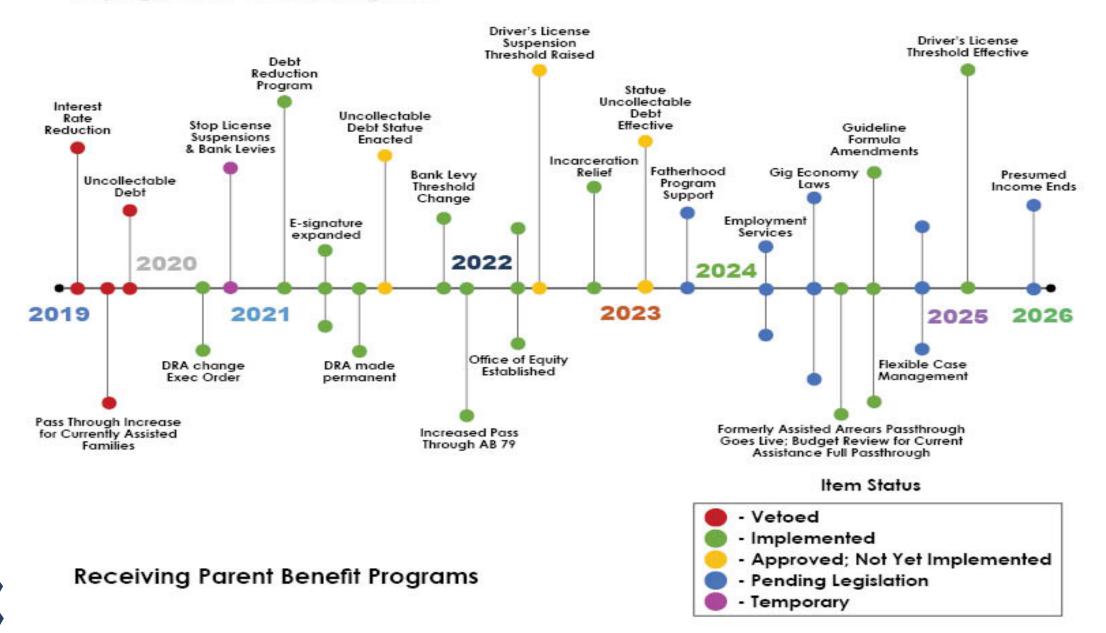




Foster Care

- Implemented in January 2023
- Department of Social Services will no longer refer foster care cases to DCSS for collection of child support, unless income of paying parent exceeds \$100,000 and such referral would not pose a barrier to family reunification

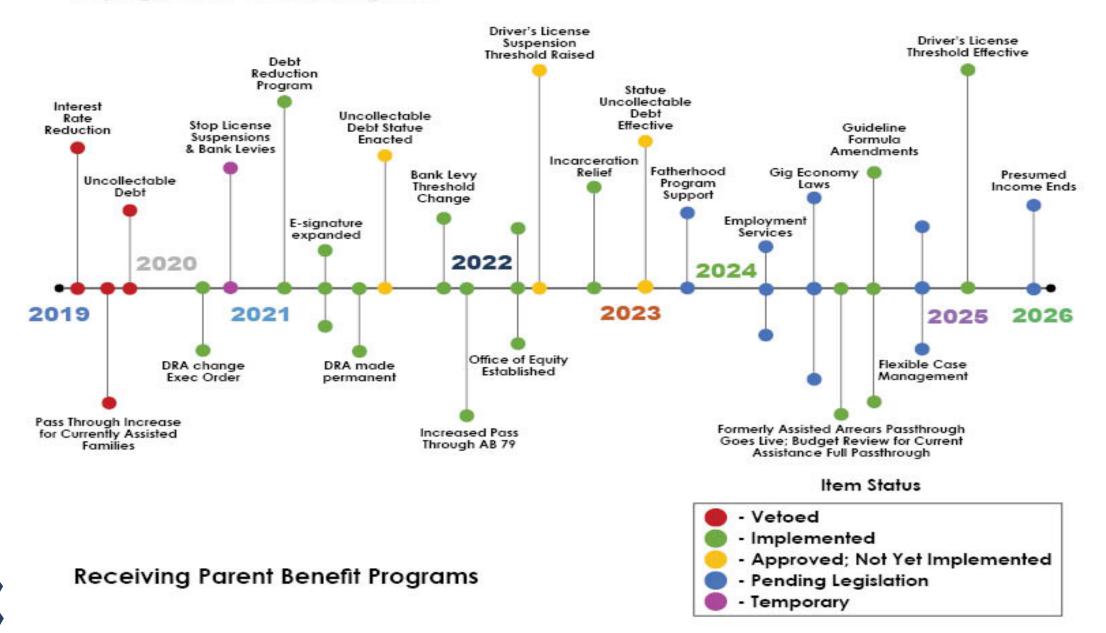




Uncollectable Debt

- Coming 2023
- Phase 1 Stop collecting government-owed child support debt from parents whose only source of income is from Social Security disability (SSI or concurrent SSI/SSDI), the Cash Assistance Program for Immigrants, or VA Disability Compensation
- Phase 2 Develop algorithm to evaluate factors that result in consistently uncollectable debt, and cease collection of assigned arrears for cases that meet the criteria





Formerly Assisted Arrears Pass Through

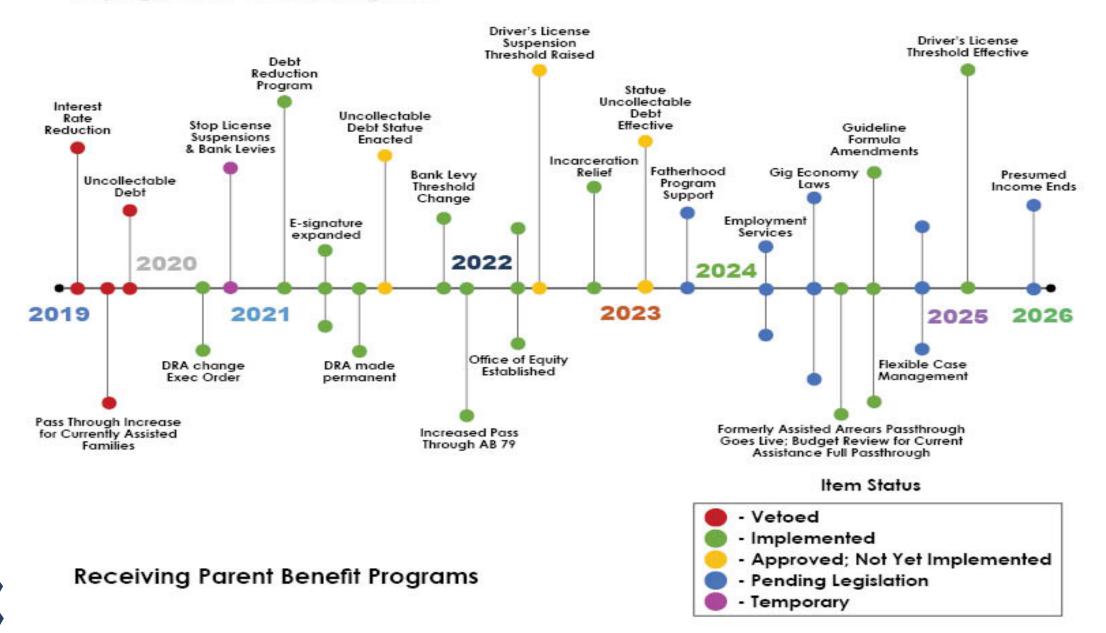
- Coming Summer of 2024
- Payments received toward government-owed debt for previously-assisted families will be distributed (passed through) to the parent instead of reimbursing the state
- Estimated payments to families instead of recoupment is \$187 million dollars in per fiscal year



Current Pass Through

- Authorization coming 2025 if "trigger language" conditions are met
- Payments received toward government-owed debt will be distributed (passed through) to parents who currently receive cash assistance instead of reimbursing the state
- Another \$150 million is estimated to go directly to needy families if implemented

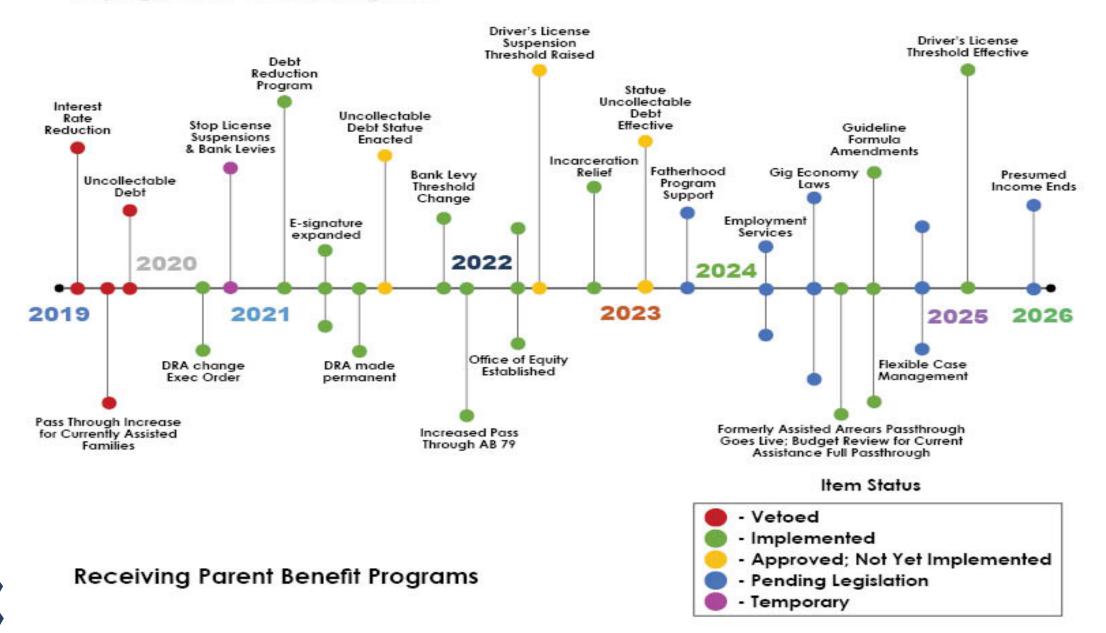




Guideline Formula Updates

- Proposed in pending legislation: SB 343/AB 1755
- Collaborative effort with DCSS, JCC, and Legislature to reach consensus regarding statutory change
 - Proposes guideline formula changes as of September 1, 2024

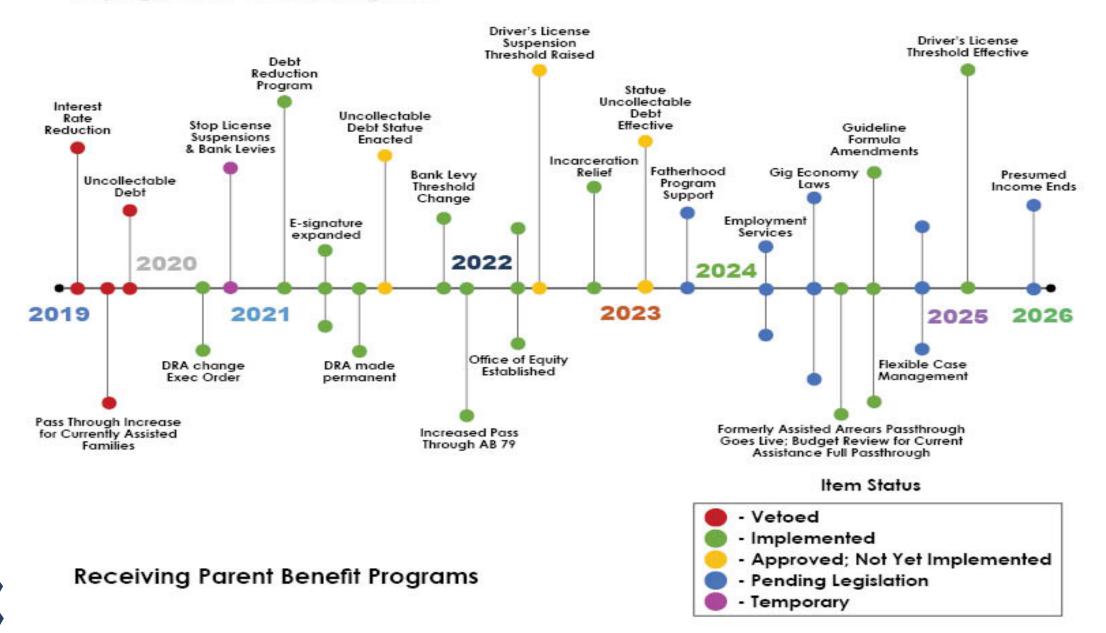




Driver's License Suspensions Threshold

- Coming 2025
- Driver's license suspensions will be subject to income threshold for parents paying support tied to median income in county
- Removes barriers to employment for low-income parents who might otherwise pay





Future Efforts

- FEM Final Rule proposed changes to Ability to Pay and removal of Presumed Income
- Ability to Set and Amend Parenting Time Orders
- Employment Services
- Fatherhood Council
- Multi-agency Online Services Hub
- In-Kind Orders Exploration
- Flexible Case Management



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