



Judicial Council of California

ADMINISTRATIVE OFFICE OF THE COURTS

OFFICE OF GOVERNMENTAL AFFAIRS

770 L Street, Suite 1240 • Sacramento, California 95814-3368

Telephone 916-323-3121 • Fax 916-323-4347 • TDD 415-865-4272

TANI G. CANTIL-SAKAUYE

Chief Justice of California

Chair of the Judicial Council

JODY PATEL

Interim Administrative Director of the Courts

CURT SODERLUND

Interim Chief Deputy Director

CURTIS L. CHILD

Director, Office of Governmental Affairs

May 31, 2012

Hon. Mike Davis
Member of the Assembly
State Capitol, Room 2160
Sacramento, California 95814

Subject: AB 2393 (Davis), as amended March 29, 2012 - Support

Dear Assembly Member Davis:

The Judicial Council is pleased to support AB 2393, which increases the net disposable income adjustment for low-income child support obligors from \$1,000 to \$1,500, and directs the Judicial Council to calculate an annual adjustment to that amount each March 1 based upon the change in the California Consumer Price Index (California CPI).

Obligor who are eligible for the low-income adjustment are presumptively entitled to a proportional reduction in the amount of child support that they owe under the child support guideline formula to prevent them from being ordered to pay an amount that leaves the obligor unable to meet his or her basic needs. The threshold for this adjustment has not been revised since it was adopted in 1993. AB 2393 would update the adjustment for inflation and provide an ongoing mechanism to keep it up to date.

The council supports AB 2393 because it will implement a longstanding Judicial Council recommendation to update the low-income adjustment in a manner that will lead to more appropriate and enforceable child support orders. In support of the recommendation that the low-income adjustment be updated in the 2010 *Review of Statewide Uniform Child Support Guideline*, the council stated the following:

The current guideline provides for a low-income adjustment when the obligor's net income is below \$1,000 per month. The \$1,000 threshold has never been updated and, unlike most low-income adjustments in other state guidelines, it does not relate to the federal poverty guidelines for one person or full-time minimum wage earnings. Moreover, it is inadequate, and research findings suggest that it inadvertently could reduce the obligor's incentive to work in the legitimate economy, pay support, and maintain contact with the child, potentially resulting in other adverse consequences to child outcomes.

The income threshold is too low to apply to common situations when payment of the existing guideline amount leaves the obligor with income below poverty level. For example, a minimum wage earner would not be eligible for the current low-income adjustment. Payment of his or her support award, however (i.e., \$300 per month based on the guideline amount for one child), would leave the obligor with below-poverty income. That is, his or her income after payment of child support and taxes would be \$900 per month, less than the current federal poverty level for one person.

The current \$1,000 amount dates to 1993. If updated for inflation, it would be \$1,576 today, so an increase to \$1,500 is an appropriate way to bring the level up to current dollars. In addition, the requirement that the adjustment be revised each year based on the California CPI will prevent it from becoming out of date in the future. Making the adjustment more accurately reflect the cost of living in California will ensure that low-income child support obligors have orders that will not leave them unable to sustain their basic needs and will therefore be more likely to continue working and complying with the court's orders.

For these reasons, the Judicial Council supports AB 2393.

Sincerely,



Tracy Kenny
Attorney

TK/yc

cc: Mr. Gareth Elliott, Legislative Affairs Secretary, Office of the Governor



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June 5, 2012

Hon. Noreen Evans, Chair
Senate Judiciary Committee
State Capitol, Room 4032
Sacramento, California 95814

Subject: AB 2393 (Davis), as amended March 29, 2012 - Support
Hearing: Senate Judiciary Committee – June 12, 2012

Dear Senator Evans:

The Judicial Council is pleased to support AB 2393, which increases the net disposable income adjustment for low-income child support obligors from \$1,000 to \$1,500, and directs the Judicial Council to calculate an annual adjustment to that amount each March 1 based upon the change in the California Consumer Price Index (California CPI).

Obligor who are eligible for the low-income adjustment are presumptively entitled to a proportional reduction in the amount of child support that they owe under the child support guideline formula to prevent them from being ordered to pay an amount that leaves the obligor unable to meet his or her basic needs. The threshold for this adjustment has not been revised since it was adopted in 1993. AB 2393 would update the adjustment for inflation and provide an ongoing mechanism to keep it up to date.

The council supports AB 2393 because it will implement a longstanding Judicial Council recommendation to update the low-income adjustment in a manner that will lead to more appropriate and enforceable child support orders. In support of the recommendation that the low-income adjustment be updated in the 2010 *Review of Statewide Uniform Child Support Guideline*, the council stated the following:

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The income threshold is too low to apply to common situations when payment of the existing guideline amount leaves the obligor with income below poverty level. For example, a minimum wage earner would not be eligible for the current low-income adjustment. Payment of his or her support award, however (i.e., \$300 per month based on the guideline amount for one child), would leave the obligor with below-poverty income. That is, his or her income after payment of child support and taxes would be \$900 per month, less than the current federal poverty level for one person.

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For these reasons, the Judicial Council supports AB 2393.

Sincerely,

A handwritten signature in black ink, appearing to read "Tracy Kenny", written in a cursive style.

Tracy Kenny
Attorney

cc: Members, Senate Judiciary Committee

Hon. Mike Davis, Member of the Assembly

Ms. Nichole Rapier, Counsel, Senate Judiciary Committee

Ms. June Clark, Deputy Legislative Affairs Secretary, Office of the Governor

Mr. Mike Petersen, Consultant, Senate Republican Office of Policy



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Director, Office of Governmental Affairs

September 13, 2012

Hon. Edmund G. Brown, Jr.
Governor of California
State Capitol, First Floor
Sacramento, California 95814

Subject: AB 2393 (Davis) – Request for Signature

Dear Governor Brown:

The Judicial Council is pleased to support AB 2393, which increases the net disposable income adjustment for low-income child support obligors from \$1,000 to \$1,500, and directs the Judicial Council to calculate an annual adjustment to that amount each March 1 based upon the change in the California Consumer Price Index (California CPI).

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The council supports AB 2393 because it will implement a longstanding Judicial Council recommendation to update the low-income adjustment in a manner that will lead to more appropriate and enforceable child support orders. In support of the recommendation that the low-income adjustment be updated in the 2010 *Review of Statewide Uniform Child Support Guideline*, the council stated the following:

The current guideline provides for a low-income adjustment when the obligor's net income is below \$1,000 per month. The \$1,000 threshold has never been updated and, unlike most low-income adjustments in other state guidelines, it does not relate to the federal poverty guidelines for one person or full-time minimum wage earnings. Moreover, it is inadequate, and research findings suggest that it inadvertently could reduce the obligor's incentive to work in the legitimate economy, pay support, and maintain contact with the child, potentially resulting in other adverse consequences to child outcomes.

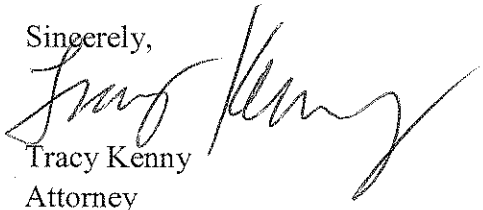
The income threshold is too low to apply to common situations when payment of the existing guideline amount leaves the obligor with income below poverty level. For example, a minimum wage earner would not be eligible for the current low-income adjustment. Payment of his or her support award, however (i.e., \$300 per month based on the guideline amount for one child), would leave the obligor with below-poverty income. That is, his or her income after payment of child support and taxes would be \$900 per month, less than the current federal poverty level for one person.

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The Judicial Council is mindful of the sunset date on this provision in the legislation and will be carefully evaluating the impact of this change in our next review of the child support guideline.

For these reasons, the Judicial Council requests your signature on AB 2393.

Sincerely,



Tracy Kenny
Attorney

TK/yc

cc: Hon. Mike Davis, Member of the Assembly

Ms. June Clark, Deputy Legislative Affairs Secretary, Office of the Governor