



**Welcome to the 28th Annual
AB 1058 Child Support
Training Conference**

DCSS Presents: Legislation, Policy and Implementation Updates

Kristen Donadee, Chief Deputy Director, DCSS

Selis Koker, Chief Counsel, DCSS

John Ziegler, Assistant Chief Counsel, DCSS

August 29, 2024



Overview

- Senate Bill (SB) 1055 – Driver’s License Suspensions
- SB 343 – Child Support Guidelines and IV-D Order Establishment
- AB 1148 – Incarcerated Obligor
- Pass-Through of Assigned Child Support Arrears to Formerly Assisted Families
- Uncollectable Debt, Family Code Section 17400(a)(2)



Driver License Suspensions

SB 1055

Chapter 830, Statutes of 2022



License Suspension

- Federal Authority: **42 U.S.C. § 666(a)(16)**
 - States must have in effect "[p]rocedures under which the State has (and uses in appropriate cases) authority to withhold or suspend, or to restrict the use of driver's licenses . . . of individuals owing overdue support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings."



License Suspension: FC 17520

- **FC 17520(a)(4):** “Compliance with a judgment or order for support’ means that . . . the obligor is no more than 30 calendar days in arrears in making payments in full for current support, in making periodic payments in full, whether court ordered or by agreement with the local child support agency, on a support arrearage, or in making periodic payments in full, whether court ordered or by agreement with the local child support agency, on a judgment for reimbursement for public assistance” or a judicial finding that equitable estoppel precludes enforcement.



License Suspension: FC 17520

- **FC 17520(b):** LCSAs must maintain a list of persons who are not in compliance with a support order and certify and submit them to DCSS on a monthly basis
- **FC 17520(c):** DCSS must consolidate certified lists from LCSAs and provide a consolidated list to each board



New and Renewing Licenses

- **FC 17520(e)(1) - (e)(2)**
 - Board has authority to withhold issuance or renewal
 - Board issues notice of intent to withhold
 - Board issues a temporary license for 150 days
 - Only non-commercial temporary driver's licenses can be extended for an additional 150 days upon request of the LCSA or court order



Existing Licenses

- **FC 17520(e)(3)**
 - DCSS provides supplemental list of obligors who have been on the certified list for more than four months
 - Licenses subject to suspension
 - Board must serve notice of automatic suspension after 150 days
 - Inapplicable to licenses subject to annual renewal or fee



SB 1055: FC 17520.5

- On the list(s) sent to the DMV, DCSS shall not include the name of an obligor if the obligor's annual household income is at or below 70% of the median income for the county in which DCSS or the LCSA believes the obligor resides, based on data published by the Department of Housing and Community Development
- Operative January 1, 2025
- Shall only apply to noncommercial driver's licenses after January 1, 2027



SB 1055: Samples Using 2023 DHCD Income Data

An obligor who is a member of a two-person household with an annual gross income at or below the following thresholds would not be submitted on the certified lists to the DMV if FC 17520.5 were operative

County	Income	County	Income
Alameda	\$87,185	Mendocino	\$50,610
Calaveras	\$53,865	Mono	\$59,290
Fresno	\$49,210	San Bernardino	\$54,600
Lassen	\$49,210	San Francisco	\$104,510
Los Angeles	\$54,985	Shasta	\$50,295



SB 1055 – Driver’s License Suspensions

- Successful Implementation Must:
 - ✓ Consider equity implications of the change
 - ✓ Prioritize engagement with partners such as advocates
 - ✓ Ensure child support workers have adequate training
 - ✓ Address preexisting suspensions and revocations
 - ✓ Adequately message the change to the public



Child Support Guidelines and IV-D Order Establishment

SB 343

Chapter 213, Statutes of 2023



FEM Final Rule Compliance

Overview – Areas of Compliance

Child Support Guidelines: **September 1, 2024**

Requirement to consider subsistence level needs of low-income support obligors

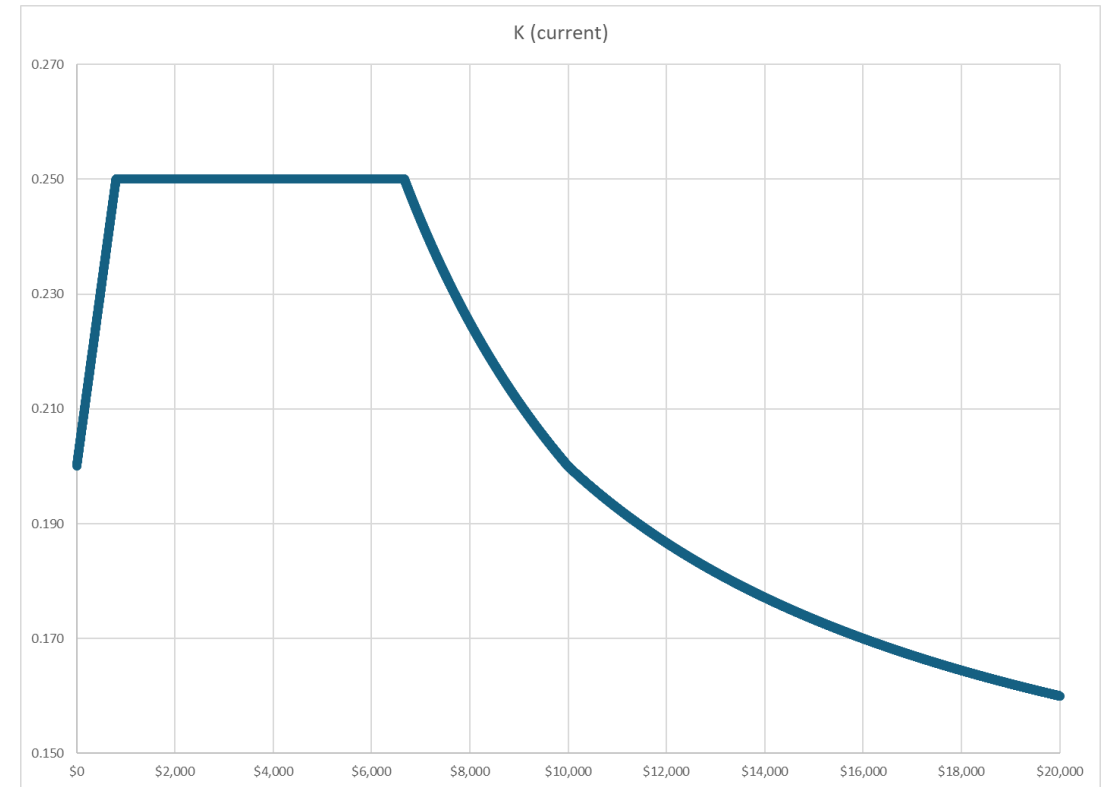
IV-D Order Establishment—Earning Capacity: **January 1, 2026**

Requirement to consider all known specific circumstances of the support obligor when establishing support orders based on earning capacity



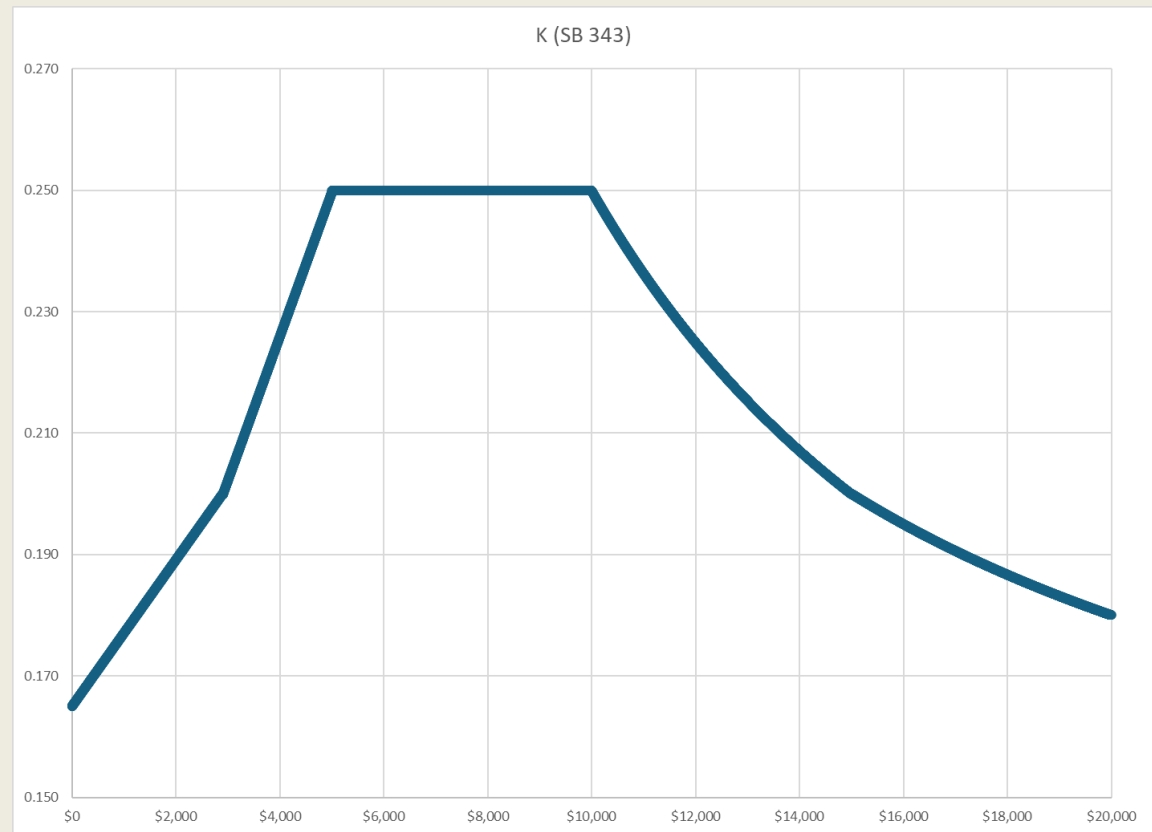
Pre-SB 343: Current K-Factor

Total Net Disposable Income Per Month	K-Factor
\$0 – 800	$0.20 + \text{TN}/16,000$
\$801 – 6,666	0.25
\$6,667 – 10,000	$0.10 + 1,000/\text{TN}$
Over \$10,000	$0.12 + 800/\text{TN}$



SB 343: K-Factor as of September 1, 2024

Total Net Disposable Income Per Month	K-Factor
\$0 – 2,900	$0.165 + TN/82,857$
\$2,901 – 5,000	$0.131 + TN/42,149$
\$5,001 – 10,000	0.25
\$10,001 – 15,000	$0.10 + 1,499/TN$
Over \$15,000	$0.12 + 1,200/TN$



SB 343: Child Support Guidelines - LIA

Amendments to FC 4055(b)(7):

In all cases in which the net disposable income per month of the obligor is less than ~~one thousand five hundred dollars (\$1,500), adjusted annually for cost-of-living increases~~ the amount of monthly gross income earned from full-time minimum wage, established by Section 1182.12 of the Labor Code, at 40 hours per week, 52 weeks per year, there is a rebuttable presumption that the obligor is entitled to a low-income adjustment. ~~The Judicial Council shall annually determine the amount of the net disposable income adjustment based on the change in the annual California Consumer Price Index for All Urban Consumers, published by the California Department of Industrial Relations, Division of Labor Statistics and Research.~~ The presumption may be rebutted by evidence showing that the application of the ~~low-income adjustment~~ lowest amount of child support permitted pursuant to this paragraph would be unjust and inappropriate in the particular case. In determining whether the presumption is rebutted, the court shall consider the principles provided in Section 4053, and the impact of the contemplated adjustment on the respective net incomes of the obligor and the obligee. The low-income adjustment shall reduce the child support amount otherwise determined under this section by an amount that is no greater than the amount calculated by multiplying the child support amount otherwise determined under this section by a fraction, the numerator of which is ~~1,500, adjusted annually for cost-~~ the amount of living increases monthly gross income earned from full-time minimum wage, established by Section 1182.12 of the Labor Code, at 40 hours per week, 52 weeks per year, minus the obligor's net disposable income per month, and the denominator of which is ~~1,500, adjusted annually for cost-of-living increases~~ the amount of monthly gross income earned from full-time minimum wage, established by Section 1182.12 of the Labor Code, at 40 hours per week, 52 weeks per year.



SB 343: Child Support Guidelines - LIA

Amendments to FC 4055(b)(7), in sum:

- Ties LIA to amount of gross income earned from full-time minimum wage as established by Labor Code 1182.12
 - Adjusted by the Legislature at predictable intervals
 - Increases efficiency for LIA updates
- Presumption of LIA entitlement may be rebutted by evidence showing that the lowest amount of child support would be unjust and inappropriate



SB 343: Child Support Guidelines: Examples

NCP (Gross)	NCP (Net)/TN	K (pre-9/1)	CS (pre-9/1)	K (9/1)	CS (9/1)	% Diff.
\$17,000	\$11,236	0.1912	\$2,148	0.2334	\$2,623	+22.11
\$11,194	\$7,691	0.2300	\$1,769	0.2500	\$1,923	+8.71
\$6,872	\$5,132	0.2500	\$1,283	0.2500	\$1,283	0
\$4,933	\$3,932	0.2500	\$983	0.2243	\$882	-10.27
\$3,930	\$3,203	0.2500	\$801	0.2070	\$663	-17.23
<u>\$2,773</u>	<u>\$2,337</u>	<u>0.2500</u>	<u>\$584</u>	<u>0.1932</u>	<u>\$380</u>	<u>-34.93</u>
\$1,500	\$1,354	0.2500	\$215	0.1813	\$120	-44.19

Assumptions: 1 child; CP income is \$0; and NCP has 0% time share



SB 343: Child Support Guidelines - Deviation

Amendments to FC 4057:

- When obligor receives an LIA, allows deviation from guideline to cap support at 50 percent of net disposable income.

(b)(5) A support obligor qualifies for the low-income adjustment pursuant to paragraph (7) of subdivision (b) of Section 4055 and the amount of child support established by the formula exceeds 50 percent of the support obligor's net disposable income as defined in Section 4059 after application of the low-income adjustment. The amount of any adjustment pursuant to this paragraph shall not be greater than the amount exceeding 50 percent of the support obligor's net disposable income.



SB 343: Child Support Guidelines – Multiple Orders

Amendments to FC 4057:

- Permits court to take steps to determine how to allocate across multiple support orders.

(c) If the court is made aware that a parent is subject to multiple court orders to pay child support arising from a different case or cases, the court may take steps to determine how to allocate the parent's income and support obligation appropriately across the cases. A court that continues a hearing based on a party's representation that it will file an appropriate request to modify support in a related case may issue a temporary support order.



SB 343: Child Support Guidelines – Annual Gross Income

Amendments to FC 4058:

- (a)(1): adds severance pay, veterans benefits not based on need, and military allowances for housing and food to income sources
- (b)(1)(A): requires consideration of a parent's earning capacity when annual gross income is unknown.



SB 343: Child Support Guidelines – Apportionment of Expenses

Amendments to FC 4061:

- Default apportionment is in proportion to the parents' net incomes unless a party requests or the court finds otherwise.

(a) If there needs to be an apportionment of expenses pursuant to Section 4062, the expenses shall be divided ~~one-half in proportion~~ to ~~each parent, the parents' net incomes as adjusted pursuant to subdivisions (c) and (d),~~ unless ~~either parent a party~~ requests or the court finds on its own motion that expenses should be divided in a different apportionment ~~pursuant to subdivision (b) and presents documentation which demonstrates that a different apportionment would be more appropriate manner.~~



SB 343: Child Support Guidelines – Additional Changes

- **FC 4062:** requires the court to order actually incurred childcare costs related to employment or education/training for employment skills unless those costs are specifically included in the guideline calculation.
- **FC 4063:** costs actually incurred for childcare that is for employment or education/training are presumed reasonable. Provides factors to weigh when considering a motion to enforce add-ons.



SB 343: IV-D Order Establishment – Earning Capacity (operative 1/1/2026)

FC 17400(d)(2)

Three ways to plead based on income:

- Actual income
- Earning capacity in lieu of actual income when actual income is known
- Earning capacity when actual income is not known



SB 343: IV-D Order Establishment – Earning Capacity

FC 17400(d)(2) Procedural Requirements for Complaint:

- Must inform obligor of the basis for proposed support amount, including earning capacity factors if applicable. (B)
- Must be accompanied by a proposed judgment. (C)
- If the proposed judgment is based on earning capacity, the LCSA must file a motion for judgment under FC 17404(b). (D)



SB 343: IV-D Order Establishment – Earning Capacity

FC 17430(b): Motion for Judgment Hearing

- Both parents permitted to appear and offer evidence. (2)
- Obligor need not have filed an answer. (2)
- If obligor does not appear and does not file an answer, the court shall proceed by default:
 - Must consider earning capacity factors and make findings.
 - Required to order a lower support amount than that pled if findings support a lower guideline amount. (3).



SB 343: IV-D Order Establishment – Earning Capacity

FC 17430(b): Motion for Judgment Hearing

- If obligor either files an answer or appears at the motion for judgment hearing, the court has discretion to enter any order—less than, equal to, or greater than amount pled—in accordance with the evidence. (3)



SB 343: IV-D Order Establishment – Earning Capacity

FC 17430(e)(1): Mandatory Follow-up for LCSAs

- Exclusively as to default earning capacity orders under FC 17400(d)(2)(A)(iii)
- Within one year after of entry of judgment and then annually there after until modified, LCSA must:
 - Review the case for sufficient additional evidence of income to either (1) establish an actual income order, or (2) establish a different earning capacity order. (A)



SB 343: IV-D Order Establishment – Earning Capacity

FC 17430(e)(1): Mandatory Follow-up for LCSAs

- If review finds sufficient additional evidence, LCSA must file a motion to modify prospectively within 60 days.
 - Additional evidence constitutes a change in circumstances.
 - LCSA may file a motion to modify prior to the expiration of any annual review period. (B)
- **NOTE:** FC 17430(e)(2) offers a similar process for either parent upon discovery of sufficient additional evidence.



SB 343: IV-D Order Establishment – Earning Capacity

FC 17432: Set Asides

- Applicable to all earning capacity orders (and still to presumed income orders) entered by default.
- Clarifies that the LCSA can file a set-aside motion.
- Extends time to file the motion from one year to two years after the first collection received via earnings assignment order or income withholding order.
- LCSA must “immediately” notify both parties of the first collection, including the source, and the commencement of the two-year time window.



SB 343: IV-D Order Establishment – Earning Capacity

FC 17432: Set Asides

- Subsequent legal action to modify support prospectively that does not address set-aside does not preclude the filing of a set-aside motion at a later date.
- The court may set aside and reinstate child support for all or partial relevant periods of time depending on available information. Partial set aside does not preclude a subsequent review within the timeframe.



CSE System Changes Resulting from the K factor and LIA Changes



CSE Release Date: July 21, 2024

Functionality Update: The CSE and public guideline calculators feature a new radio button.

- Users can switch between the new (SB 343) guidelines and the old (current) guidelines.
- Default selection: Old guidelines from July 21, 2024 to September 1, 2024.
- New guidelines become the default selection starting September 1, 2024.



CSE System Changes Resulting from the K factor and LIA Changes

Monthly Child Support Add-On Information

NCP

Other Parent

Allocation for Child Support Add-Ons: 50/50 Prorate per Family Code 4061(b) After Support

Other Settings

Apply Low-Income Adjustment: N/A Yes No

Calculate Temporary Spousal Support: No Alameda Humboldt Kings Marin Santa Clara

Calculate based on new child support guidelines effective September 1, 2024: Yes No

New field

“Calculate based on new child support guidelines effective September 1, 2024”

CSE System Changes Resulting from the K factor and LIA Changes

Monthly Child Support Add-On Information

NCP

Other Parent

Allocation for Child Support Add-Ons: 50/50 Prorate per Family Code 4061(b) After Support

Other Settings

Apply Low-Income Adjustment: N/A Yes No

Calculate Temporary Spousal Support: No Alameda Humboldt Kings Marin Santa Clara

Calculate based on new child support guidelines effective September 1, 2024: Yes No

Default setting
starting on
9/1/24:
Yes

Default setting
between
7/21 - 9/1/24:
No

CSE System Changes Resulting from the K factor and LIA Changes

Monthly Child Support Add-On Information

NCP

Other Parent

Allocation for Child Support Add-Ons: 50/50 Prorate per Family Code 4061(b) After Support

Other Settings

Apply Low-Income Adjustment: N/A Yes No

Calculate Temporary Spousal Support: No Alameda Humboldt Kings Marin Santa Clara

Calculate based on new child support guidelines effective September 1, 2024: Yes No

Tax years 2023 and earlier will not provide an option to select the new guidelines.

Radio button for **Yes** is disabled.

CSE System Changes Resulting from the K factor and LIA Changes

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY

DEPARTMENT OF CHILD SUPPORT SERVICES

Guideline Calculation Results Summary

Court Case Number: [REDACTED]
 Petitioner Name: [REDACTED]
 Respondent Name: [REDACTED]
 Other Parent Name: [REDACTED]

Monthly Support Totals	PPS	Other Parent
Monthly Child Support Amount	993.00	0.00
Basic Child Support Amount	993.00	0.00
Child Support Add-Ons Amount	0.00	0.00
Child Care	0.00	0.00
Visits/Travel Expenses	0.00	0.00
School Expenses	0.00	0.00
Uninsured Health Expenses	0.00	0.00
Total Arrears Support Amount	0.00	0.00
Temporary Spousal Support Amount (N/A)	0.00	0.00

Monthly Tax/Income Information (Tax Year: 2024) Calculation based on new guidelines effective September 1, 2024: No	PPS	Other Parent
Monthly Net Disposable Income	3970.00	0.00
Monthly Taxable & Non-Taxable Gross Income	5000.00	0.00
Monthly Taxable Gross Income	5000.00	0.00
Monthly Non-Taxable Gross Income	0.00	0.00
Federal Adjusted Gross Income	5000.00	0.00
Federal Taxable Income	3846.00	0.00
Net Income After Support	2977.00	993.00
Federal Tax Filing Status	SINGLE	HEAD OF HOUSEHOLD

New Deviation Reason FC 4057(b)(5)

Criteria for the new deviation reason:

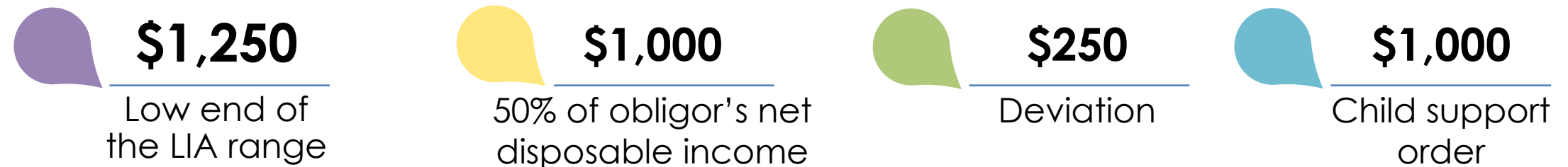
- The support obligor qualifies for the LIA based on their net disposable income (earning less than \$2,773 per month).
- After applying the LIA, the guideline support amount exceeds 50% of the support obligor's net disposable income before support.

New Deviation Reason FC 4057(b)(5)

If the FC 4057(b)(5) criteria are met, the court has discretion to deviate:

The deviation amount **cannot exceed** the guideline support exceeding 50% of the support obligor's net disposable income.

For Example:



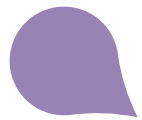
Child support add-ons are not part of this comparison.

CSE System Changes Due to the New Deviation Reason



CSE Release Date: August 18, 2024

New Feature: When the criteria under Family Code Section 4057(b)(5) are met, CSE and public guideline calculators display an informational message.



"The lowest amount in the low-income adjustment range exceeds 50% of the support obligor's net disposable income (\$X). (See FC 4057(b)(5))."

- This informational message will appear on both the user interface and printed results.
- It serves as a notice and **does not** prevent users from proceeding with their guideline calculation.

CSE System Changes Due to the New Deviation Reason



CSE Release Date: August 18, 2024

Notice:

- The lowest amount in the low-income adjustment range exceeds 50% of the support obligor's net disposable income (\$1374.00) (See FC 4057(b)(5))

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY

DEPARTMENT OF CHILD SUPPORT SERVICES

Guideline Calculation Results Summary

Notice: The lowest amount in the low-income adjustment range exceeds 50% of the support obligor's net disposable income (\$500) (See FC 4057(b)(5)).

Court Case Number: [COURT_CASE_NUMBER]

Petitioner Name: [PETITIONER_NAME]

Respondent Name: [RESPONDENT_NAME]

Other Parent Name: [OTHER_PARENT_NAME]

Monthly Support Totals	PPS	Other Parent
Monthly Child Support Amount	[MONTHLY_CHILD_	[MONTHLY_CHILD_S
Basic Child Support Amount	[BASIC_CHILD_SUP	[BASIC_CHILD_SUP

Additional Child Support: CSE System Changes

Family Code Section 4061

Functionality Update: Guideline Calculator defaults to the “Prorate per Family Code 4061(b)” option under the “Allocation for Child Support Add-Ons:” section when the new guidelines are applied.

The screenshot displays the 'Monthly Child Support Add-On Information' section of a software interface. It includes a 'NCP' section and an 'Other Parent' section. The 'Allocation for Child Support Add-Ons:' section contains three radio button options: '50/50', 'Prorate per Family Code 4061(b)', and 'After Support'. The 'Prorate per Family Code 4061(b)' option is selected and circled in red. Below this, the 'Other Settings' section includes options for 'Apply Low-Income Adjustment' (selected as 'N/A'), 'Calculate Temporary Spousal Support:' (selected as 'No'), and 'Calculate based on new child support guidelines effective September 1, 2024:' (selected as 'Yes'). The 'Yes' option in the last section is also circled in red.

Additional Child Support: CSE System Changes

Family Code Section 4061

Functionality Update: Between July 21, 2024 and August 31, 2024, the default selection will remain as **50/50**.

Monthly Child Support Add-On Information

NCP

Other Parent

Allocation for Child Support Add-Ons: 50/50 Prorate per Family Code 4061(b) After Support

Other Settings

Apply Low-Income Adjustment: N/A Yes No

Calculate Temporary Spousal Support: No Alameda Humboldt Kings Marin Santa Clara

Calculate based on new child support guidelines effective September 1, 2024: Yes No

Cancel Calculate Guideline Support

Additional Child Support: CSE System Changes

Family Code Section 4061

How it works: When the user switches between the old and new guidelines, the “Allocation for Child Support Add-Ons” will always correlate with the user selection – Old: 50/50, New: Prorate.

The screenshot displays a software interface for child support calculations. It features two main sections: 'Monthly Child Support Add-On Information' and 'Other Settings'. In the 'Add-On Information' section, there are expandable menus for 'NCP' and 'Other Parent'. Below these, the 'Allocation for Child Support Add-Ons' is set to 'Prorate per Family Code 4061(b)'. The 'Other Settings' section includes options for 'Apply Low-Income Adjustment' (set to N/A), 'Calculate Temporary Spousal Support' (set to No), and 'Calculate based on new child support guidelines effective September 1, 2024:' (set to Yes). At the bottom right, there are 'Cancel' and 'Calculate Guideline Support' buttons.

Monthly Child Support Add-On Information

NCP

Other Parent

Allocation for Child Support Add-Ons: 50/50 Prorate per Family Code 4061(b) After Support

Other Settings

Apply Low-Income Adjustment: N/A Yes No

Calculate Temporary Spousal Support: No Alameda Humboldt Kings Marin Santa Clara

Calculate based on new child support guidelines effective September 1, 2024: Yes No

Cancel Calculate Guideline Support

Additional Child Support: CSE System Changes

Family Code Section 4061

Warning: Users must remember to **move** the “Allocation for Child Support Add-Ons” selection **back** to “50/50” if they select the new guidelines but would like to keep the 50/50 allocation of child support add-ons per local practice.

The screenshot displays a software interface for child support calculations. It features several sections:

- Monthly Child Support Add-On Information:** Contains expandable sections for 'NCP' and 'Other Parent'.
- Allocation for Child Support Add-Ons:** This section is highlighted and contains three radio button options: 50/50, Prorate per Family Code 4061(b), and After Support. A mouse cursor is pointing at the 50/50 option.
- Other Settings:** Contains three rows of settings with radio button options:
 - Apply Low-Income Adjustment: N/A, Yes, No
 - Calculate Temporary Spousal Support: No, Alameda, Humboldt, Kings, Marin, Santa Clara
 - Calculate based on new child support guidelines effective September 1, 2024: Yes, No

At the bottom right, there are two buttons: 'Cancel' and 'Calculate Guideline Support'.

Additional Child Support: CSE System Changes

It is important to note that unless a **child support add-on amount** has been entered in the guideline calculation, the printed results do not show how the child support add-ons are to be divided.

Calculation Results Summary

Monthly Support Totals	Parent 1	Parent 2
Monthly Child Support Amount	1037.00	0.00
Basic Child Support Amount	1037.00	0.00
Child Support Add-Ons Amount	0.00	0.00
Child Care	0.00	0.00
Visits/Travel Expenses	0.00	0.00
School Expenses	0.00	0.00
Uninsured Health Expenses	0.00	0.00

Additional Child Support: CSE System Changes

The division of child support add-ons is addressed in the S&C:

THE LOCAL CHILD SUPPORT AGENCY REQUESTS THAT:

6. The court determine that the persons listed in item 2 are the parents of the children listed in item 1 for whom the "Establish Parentage" boxes have been checked.
7. Based on the California support guideline, the court order the obligor to pay:
- a. \$ 118.00 current monthly child support based on the obligor's known income of \$ 1000.00 per month, and, if applicable, the obligee's known income of \$ 2000.00 per month.
 - b. \$ current monthly child support based on the obligor's presumed income, as provided by law.
 - c. \$ 1231.00 additional monthly child support for the following reasons (*specify*):
Uninsured Health Expenses, Child Care
 - d. The court issue appropriate orders for sharing the costs of child care and/or uninsured health care (*specify*):
Obligor be required to pay fifty percent (50%) of the reasonable uninsured health care costs for the children as provided by Family Code section 4062.
 - e. Other (*specify*):

Additional Child Support: CSE System Changes

Also addressed in the Proposed Judgment:

6. b. (1) Mandatory additional child support.

(a) The parent ordered to pay support must pay additional monthly support for reasonable child-care costs, as follows:

One-half or % or (*specify amount*): \$ per month of the costs.

Payments must be made to the other parent State Disbursement Unit child-care provider.

(b) The parent ordered to pay support must pay reasonable uninsured health-care costs for the children, as follows:

One-half or % or (*specify amount*): \$ per month of the costs.

Payments must be made to the other parent State Disbursement Unit health-care provider.

Additional Child Support: Future CSE System Changes

- A second demand (#1982) is pending as part of FEM Phase I implementation for the Guideline Calculator printed results to reflect the **percentage of child support add-ons owed** when the “Prorate per Family Code 4061(b)” option is selected even when a specific expense amount has not been included in the guideline calculation.
- Until implementation, the following method can be used to determine the percentage:

Additional Child Support: How to Determine the Percentage

Under Family Code Section 4061(b)

In any calculation, enter \$100 for the childcare add-on and select Prorate per Family Code 4061(b).

Monthly Child Support Add-On Information

Parent 1

Parent 2

Dependent	Child Care(\$)	Visits/Travel Expenses(\$)	School Expenses(\$)	Uninsured Health Expenses(\$)
FIRST-BORN	<input type="text" value="100"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Child Care for Other Children:	<input type="text"/>			

Allocation for Child Support Add-Ons: 50/50 Prorate per Family Code 4061(b) After Support

Additional Child Support: How to Determine the Percentage

Under Family Code Section 4061(b)

Next, remove the childcare tax credit from the parent for whom you entered \$100 childcare expense by reducing the number of children for childcare credit to 0.

<input type="checkbox"/> Other Tax Settings		
Other Federal Tax Settings:		
Number of Children for Child Care Credit	<input type="text" value="0"/>	<input type="text" value="0"/>
Number of Children for Earned Income Credit	<input type="text" value="0"/>	<input type="text" value="1"/>
Number of Children for Child Tax Credit	<input type="text" value="0"/>	<input type="text" value="1"/>
Number of Dependents for Family Tax Credit	<input type="text" value="0"/>	<input type="text" value="0"/>
Self-Employment Taxes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Additional Child Support: How to Determine the Percentage

Under Family Code Section 4061(b)

Finally, review the results to determine the percentage owed.

Child Support Results							
Monthly Support Totals							
Type				Parent 1(\$)		Parent 2(\$)	
Total Monthly Child Support Amount Owed:				1100.00		0.00	
Basic Child Support Amount:				1037.00		0.00	
Child Support Add-Ons Amount:				63.00		0.00	
Total Arrears Support Amount:				0.00		0.00	
Temporary Spousal Support Amount (N/A):				0.00		0.00	
Amount of Child Support Per Child							
Child	Time with Parent 1(%)	Parent 1 Add-Ons(\$)	Parent 1 Support(\$)	Parent 1 Total(\$)	Parent 2 Add-Ons(\$)	Parent 2 Support(\$)	Parent 2 Total(\$)
FIRST-BORN	20.0	63.00	1037.00	1100.00	0.00	0.00	0.00
Average % Time with Parent 1	20.0	63.00	1037.00	1100.00	0.00	0.00	0.00

SB 343 – IV-D Order Establishment, Phase II Implementation

- Due January 1, 2026
 - Earning capacity research and algorithm
 - Persona page
 - Forms implementation with new functionality
- New pleading requirements:
 - Attempts to locate actual income
 - Factors relied upon in determination of earning capacity



SB 343 – Child Support Guidelines and IV-D Order Establishment

- What do we need? DATA!
 - Statewide CalSAWS access
 - CLEAR by Thomsen Reuters
 - EDD new hire and quarterly wage
 - FTB 1099 data
 - DOJ full criminal history and custody updates
- What else should we look for?
 - Ideas include reporting gig work
 - Let me know where you think we should look!



Incarcerated Obligor

Stats.2023, c. 565 (A.B.1148), § 1,
Effective Jan. 1, 2024



AB 1148 – Incarcerated Obligor

- Family Code Sec. 4007.5(b)(1) The child support obligation shall be suspended effective on the first day of the first full month of incarceration or involuntary institutionalization.
- (2) For persons owing support who are released from incarceration or involuntary institutionalization on or after January 1, 2024, the child support obligation shall resume on the first day of the 10th month after release from incarceration or involuntary institutionalization of the person owing support.



AB 1148 – Incarcerated Obligor

- (3) If the person owing support obtains employment prior to the date set for reinstatement, the person to whom the support is owed or the local child support agency may seek a court order reinstating child support obligations at the amount determined by the court pursuant to Article 2 (commencing with Section 4050).
- (4) This section does not preclude a person owing support or the local child support agency from seeking a modification of the child support order pursuant to Section 3651, based on a change in circumstances or any other appropriate reason.



AB 1148 – Incarcerated Obligor

- Which obligations are suspended?
 - (e)(2) “Suspend” means that the payment due on the current child support order, an arrears payment on a preexisting arrears balance, or interest on arrears created during a qualifying period of incarceration pursuant to this section is, by operation of law, set to zero dollars (\$0) for the period in which the person owing support is incarcerated or involuntarily institutionalized.



AB 1148 – Incarcerated Obligor

- Implementation Plan
 - Informational Letter to LCSA staff
 - Internal training directed to LCSA staff
 - Engagement with partner organizations from DCSS
 - Engagement with JCC partners through Stakeholder meeting
- Working to improve available data
 - CLEAR by Thomsen Reuters
 - Strategic Offender Management System (SOMS) match
 - Working with DOJ to explore data match
 - CLETS lookup not available to DCSS/LCSAs



Formerly Assisted Pass-Through

AB 207

Chapter 573, Statutes of 2022



Formerly Assisted Passthrough (FAPT)

- Federal Authority: **42 U.S.C. § 657(a)(2)(B)(ii) & (a)(6)(A)**
 - Option to pay to the family the State share of collections on assigned arrears
 - Not required to pay the Federal share to the extent the state pays the amount to the family



FC 17504.2: Eligibility

- **FC 17504.2(a)(1)**
 - Any amount of support collected in a month in payment of an assigned support obligation shall be passed through to the former recipient of aid
 - Exception: recipients of foster care payments (reason: see **42 U.S.C. § 657(e)**)
- **FC 17504.2(d)**
 - Does NOT discontinue assignment under section **11477** of the Welf. & Inst. Code



FC 17504.2: Participant Notification

- **FC 17504.2(a)(3)**
 - DCSS and LCSAs shall provide written or electronic materials to case participants who are former recipients of aid
 - Materials shall notify of potential impacts of passthrough collections on eligibility for public benefit programs



FC 17504.2: Implementation

- **FC 17504.2(d)**
 - Notwithstanding the APA, the Department of Social Services and DCSS may implement, interpret, or make **FC 17504.2** specific using letters until regulations are adopted
- **FC 17504.2(e)**
 - Operative July 1, 2023 or on the date DCSS notifies the Legislature that CSE can handle functionality and written materials are prepared, whichever is later
 - Commenced with payments received on or after May 1, 2024



FC 17504.2: Undeliverable Payments

- **FC 17504.2(b)**
 - FAPT payments that cannot be delivered for a period of six months shall be sent to recoup aid
 - Former recipient can make a claim for the payment within 12 months of it being sent to recoupment
 - DCSS must report to the Legislature on claims made twenty-seven months after **FC 17504.2's** operative date



Pass-Through of Assigned Child Support Arrears to Formerly Assisted Families

■ Implementation Success

- Officially went live for collections on and after May 1, 2024
- \$40M collected and distributed to cases (through mid-August)
- Almost 70,000 unique cases
- Pre-implementation outreach to PRS's whose cases had received payments to assigned arrears recently
 - ✓ Goal of enrolling participants in direct deposit or EPC
- Post-implementation review of disbursements
 - ✓ Goal of identifying checks not cashed to ensure participants receive child support they are owed



Uncollectable Debt

Stats.2021, c. 85 (A.B.135), § 4,
Effective July 16, 2021, Operative Jan. 1, 2023



Uncollectable Debt

- Family Code Sec. 17400(a)(2):
 - Provided that no reduction in aid or payment to a custodial parent would result,
 - The local child support agency *shall* cease enforcement of child support arrearages assigned to the state the local child support agency has determined to be uncollectible.



Uncollectable Debt

- Family Code Sec. 17400(a)(2):
 - In determining the meaning of uncollectible for purposes of arrearages assigned to the state, the department and the local child support agency shall consider, but not be limited to, the following factors:
 - (i) Income and assets available to pay the arrearage or other fees and costs.
 - (ii) Source of income.
 - (iii) Age of the arrearage or other fees and costs.
 - (iv) The number of support orders.
 - (v) Employment history.
 - (vi) Payment history.
 - (vii) Incarceration history.
 - (viii) Whether the order was based on imputed income.
 - (ix) Other readily ascertainable debts.



Uncollectable Debt

- Family Code Sec. 17400(a)(2):
 - The department and a local child support agency *shall* deem an arrearage assigned to the state as uncollectible if the noncustodial parent's sole income is from any of the following:
 - (i) Supplemental Security Income/State Supplementary Program for the Aged, Blind, and Disabled (SSI/SSP) benefits.
 - (ii) A combination of SSI/SSP benefits and Social Security Disability Insurance (SSDI) benefits.
 - (iii) Cash Assistance Program for Aged, Blind, and Disabled Legal Immigrants (CAPI) benefits.
 - (iv) Veterans Administration Disability Compensation Benefits in an amount equal to or less than the amount the noncustodial parent would receive in SSI/SSP benefits.



Questions?

Kristen.Donadee@dcss.ca.gov

Selis.Koker@dcss.ca.gov

John.Ziegler@dcss.ca.gov

