

## **Truth and Justice in Child Support**

Response to Governor's January 2022-2023 Budget Proposal

(Sacramento, CA - January 10, 2022)

Our coalition commends Governor Newsom's proposal to improve California's child support system and ensure that child support dollars go where they should: to children. The Governor's 2022-23 budget proposes that 100 percent of child support payments that are paying off an old debt go directly to families who were formerly assisted by CalWORKs. This is a welcome change from our current practice where payments are unjustly intercepted by the government, locking low-income Black and brown families out of money meant for them. This proposal would put \$187 million back in the pockets of low-income children and parents. This is a critical step towards building a child support system that effectively supports children, instead of stripping resources from low-income Black and brown families.

While the Governor's 2022-23 Budget Proposal would provide some low-income families with much-needed support, we hope that the Governor and Legislature continue working to ensure that 100 percent of child support dollars go to all families experiencing government interception of funds, including families currently receiving assistance from CalWORKs and Medi-Cal. Currently, more than a hundred million dollars of child support payments do not go to low-income families, many of whom are Black and brown: these payments instead go to the government. When a single parent signs up for certain public benefits in California, such as CalWORKs or Medi-Cal, they are shamefully required to sign over their rights to their

child support payments. California allows \$100 for one child and \$200 for two or more children to pass through if a non-custodial parent pays child support; the rest is intercepted by the government to pay for critical social support programs that should be free to anyone who needs it.

This harmful policy strips valuable resources from low-income children, their families and their communities. It exacerbates and propels racial inequalities, as more than two-thirds of the families impacted by this policy are families of color. Moreover, this policy shines light on who we see as deserving of government aid and who we don't. The message is clear - by intercepting child support payments to fund programs recipients are using to meet their basic needs, we are saying Black and brown families are not worthy of aid. We know more can be done: 100 percent of parents' child support payments should go directly through to their children. Low-income parents should not be a source of revenue for our safety net nor should there be a price tag on our safety net for low-income families.

Low-income children, custodial parents, and non-custodial parents all benefit when 100 percent of child support payments go to families who need it most. In San Francisco, our coalition launched a <u>pilot program to allow 100% of 32 low-income fathers' child support payments to go directly to their children and co-parents. The Urban Institute analyzed this pilot program and found numerous benefits, including that parents made more consistent and timely monthly child support payments.</u>

Ensuring that 100% of child support payments go to all low-income children and families would be transformative for low income families in our state. It would show us that his pledge for racial equity in the state has teeth. We thank Governor Newsom again for his support of low-income families and look forward to continuing to work together to make our state's child-support system more just.

<u>Truth and Justice in Child Support</u> is a growing statewide coalition of 50+ organizations that seeks to change state policy on child support pass-through, payments and collections to better support low-income children and their families and reduce child poverty in California. For more information, watch our video <u>"Everything You Think You Know About California Child Support is Probably Wrong"</u>. Please contact Rachel Freitas at rachefreitas@gmail.com, for additional information.