































TIPPING POINT











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

Response to California Senate 2022-2023 Budget Blueprint

(Sacramento, CA - April 28, 2022)

Our coalition commends the California Senate for including the end of intercepted child support payments for families currently and formerly receiving public benefit assistance in their 2022-23 Budget Blueprint. If enacted, the Budget Blueprint would ensure that 100 percent of child support payments go to who needs them most: low-income children and parents. Today's Budget Blueprint supports directing 100 percent of child support payments to families who are currently, or were previously, receiving assistance from CalWorks and Medi-Cal. This policy change will put \$430 million back in the pockets of low-income children and parents each year, and would right a historic wrong. We thank the Senate for their bold action to strengthen the economic security of children and families impacted by the child support system.

Currently, when a single parent signs up for certain public benefits in California, such as CalWorks or Medi-Cal, they are required to file a child support order against their co-parent, whether they would like to or not. This is because California only allows \$100 for one child and \$200 for two or more children to pass through if their co-parent pays child support; the rest is intercepted by the State to pay for social support programs, like Medi-Cal and CalWorks, that should be free to anyone who needs them.

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. Over 75% of families who receive CalWorks benefits have incomes of less than \$10,000 a year; these families should not be taxed twice to pay for the cost of the social safety net, especially if they are impacted by the child support system. And this policy perpetuates harmful stereotypes about Black and brown fathers who want to support their children and co-parents, but cannot because the State prevents their child support payments from getting to their families.

It's time we stop balancing the State's budget on the backs of low-income families and children who are trying to get by in difficult circumstances. Low-income children and parents deserve their right to receive 100 percent of all child support payments: put simply, families need this money more than the State does.

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 pilot program to allow 100 percent 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 because parents knew that all of their payments were going to their children and co-parents, not the government.

Providing 100% of child support payments to all low-income children and families will be transformative for families in our state. We thank and applaud the California Senate for recognizing the systemic racism in our current policy and saying no more. We 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 <u>rachefreitas@gmail.com</u>, for additional information.