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The California Department of Child Support Services (DCSS) issued new guidance to administratively eliminate uncollectible child support debt due to a family's time in foster care and stop enforcing these child support orders owed to the state. This will bring relief to low-income parents impacted by the foster care program by lifting the burden of debt and allowing them to focus on reuniting with their children.

(Sacramento, CA - November 27, 2023)

We are grateful to DCSS for taking administrative action to reduce uncollectible child support debt that is owed to the state and stop enforcing existing child support cases that were referred from the foster care program. California will no longer collect child support from approximately 62,000 parents for recoupment of their children's time in foster care and eliminate approximately \$500 million of uncollectible foster care debt.

Last year, the Legislature passed and Governor Newsom signed <u>AB 1686</u> which greatly limits the referral of foster care cases for child support recoupment after January 1, 2023. However, existing and past child support cases from foster care were not included in the legislation. DCSS is now taking administrative action to provide relief to these families with child support orders prior to 2023 and to eliminate uncollectible debt.

Requiring parents to pay the state for their children's time in foster care is harmful to families. Research shows child support delays a family's reunification by extending a child's time in foster care by an additional six months, on average. The level of effort by the state to collect this child support isn't cost-effective either. For every dollar spent by child support agencies on these cases, only 41 cents is collected. These state resources could be used instead to provide services and support to parents as they focus on reunification.

DCSS issued two policy letters to explain these changes: <u>CSSP Letter 23-02</u> (Foster Care Arrears) and CSSI Letter 23-11 (Foster Care Referrals Received Prior to January 1, 2023).

CSSP Letter 23-02 directs local child support agencies to examine all cases with foster care debt and determine if the arrears are uncollectible. DCSS defines arrears as uncollectible if the current annual income of the parent is under \$100,000 or 400 percent of the federal poverty level, whichever is greater. If the arrears are determined uncollectible, the local agencies are instructed to "remove all state-owed foster care arrears, fees, and costs from the participant's accounts".

CSSI Letter 23-11 provides guidance on handling the current support (monthly support) for foster care cases that were referred to child support before January 1, 2023. Local child support agencies are instructed to immediately stop charging child support on the foster care account as of December 31, 2022, if the parent's income is below \$100,000 or 400 percent of the federal poverty level.

The Truth and Justice in Child Support Coalition appreciates the action by DCSS to address this historical economic injustice to families impacted by the foster care

¹ Making Parents Pay: The Unintended Consequences of Charging Parents for Foster Care. M Cancian, S Cook, M Seki, L Wimer. October 2016.

https://www.researchgate.net/publication/309200041_Making_parents_pay_The_unintended_consequences of charging parents for foster care

² Child Support and Foster Care. Orange County Dept. of Child Support Services. July 2020. https://www.css.ocgov.com/sites/css/files/import/data/files/116568.pdf

program and provide immediate relief to thousands of low-income families. We look forward to our continued partnership with DCSS as this policy change is implemented.



<u>Truth and Justice in Child Support</u> is a statewide coalition of 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 us at <u>info@truthandjusticeinchildsupport.org</u> for additional information.