



May 23, 2024

Senate President Pro Tempore Mike McGuire
Assembly Speaker Robert Rivas
Honorable Scott Wiener, Chair, Senate Budget & Fiscal Review Committee
Honorable Jesse Gabriel, Chair, Assembly Budget Committee
Honorable Caroline Menjivar, Chair, Senate Budget Committee Sub 3
Honorable Corey Jackson, Chair, Assembly Budget Committee Sub 2
Honorable Aisha Wahab, Chair, Senate Budget Committee Sub 5
Honorable James Ramos, Chair, Assembly Budget Committee Sub 6
State Capitol
Sacramento, CA 95814

VIA Email

RE: Full Pass-Through of Child Support Payments for Families on CalWORKs

Dear Budget Leaders,

The Truth and Justice in Child Support Coalition, which includes over 50 organizations statewide, urges the Legislature and Administration to pass necessary budget or trailer bill language to prioritize future implementation of full pass-through of child support payments for families currently on CalWORKs. This policy is universally supported, but was not expressly mentioned in the Governor’s May Revision. Without language that communicates a clear legislative intent to implement this policy once funding is available, DCSS and DSS will not be able to continue the research and technological preparations they have begun for future implementation of this critical policy change.

California is on the cusp of transformational change to the child support program. **This month, California stopped intercepting child support payments intended for families who formerly received CalWORKs benefits.** As a result, an estimated \$160 million per year will go to families and children, instead of being kept by the government to reimburse itself for providing public benefits to custodial parents. With this policy change, California becomes a national leader, joining a small handful of states that have taken similar actions to end the practice of seizing child support payments from low-income children and families.

Yet California continues to intercept approximately \$150 million each year from low-income families that currently receive CalWORKs, rather than allowing those funds to pass-through to the children they were intended to support. And this policy has resulted in over \$6 billion

dollars of government-owed child support that causes incalculable financial and social harm. The interception of child support payments stems from racist and sexist stereotypes about black families and those who must turn to public assistance. California cannot close the racial wealth gap and end child poverty until it reforms the child support program.

In contrast, the benefits of 100% pass-through are staggering. When Colorado adopted its 100% pass-through policy, more parents made payments and the monthly child support payments were larger.¹ A pilot program in San Francisco found that passing through 100% of child support payments resulted in: (1) parents making more consistent and timely monthly child support payments; (2) parents reporting improved relationship with their children, their co-parents, and the child support system; and (3) parents reporting improved credits scores, housing status, and overall financial stability.²

In addition, families currently receiving CalWORKs also risk extensive and permanent cuts to the core safety net programs and services they have been promised. The proposed ongoing, permanent cuts to CalWORKs programs will cause irreversible harm, destabilizing families and children throughout California. **The Coalition therefore rejects the proposed cuts and delays to core safety net programs that effectively reduce poverty and support families throughout California. We urge the Legislature to adopt a budget that ensures Californian's basic needs are met.**

We ask the Legislature and Administration to act now to end all state interception of child support payments by including language in the 2024-25 budget to prioritize future implementation of full pass-through of child support payments for families currently on CalWORKs.

Sincerely,

Truth & Justice in Child Support Coalition

CC: Mareva Brown, Office of the Senate President pro Tempore
Eric Dang, Office of the Senate President pro Tempore
Kelsy Castillo, Office of Speaker of the Assembly
Elizabeth Schmitt, Senate Budget and Fiscal Review Subcommittee No. 3
Nora Brackbill, Senate Budget and Fiscal Review Subcommittee No. 5
Nicole Vazquez, Assembly Budget Subcommittee No. 2
Jennifer Kim, Assembly Budget Subcommittee No. 6
Kris Cook, Department of Finance
Lourdes Morales, Department of Finance
David Kilgore, Director, Department of Child Support Services
Kristen Donadee, Department of Child Support Services
Scott Allen, Department of Child Support Services

¹ Thomas Zolot, et al., “Dollar for Dollar: Why the Child Support Pass-Through Makes Sense,” *Policy & Practice* (December 2020), pp. 5, 38.

² Urban Institute, “Relief from Government-Owed Child Support Debt and Its Effects on Parents and Children,” (Aug. 2019), pp 15-30.