



Colusa, Sutter and Yolo Regional Child Support Agency Leadership Advisory Committee

To: RCSA Leadership Advisory Committee
From: Natalie Dillon, Regional Director
Subject: General Update (Agenda Item #6)
Date: August 31, 2022

Regional Child Support Agency Financial Update

As shared during the previous Leadership Advisory Committee (LAC), in January DCSS issued CSSI Letter 22-02 Administrative and Electronic Data Processing Initial Allocations for State Fiscal Year (SFY) 2022-23. In June, DCSS issued CSSI Letter 22-07 validating the allocation amounts communicated in the initial planning letter. In SFY 2022-23 the agency's allocation was increased by \$215,947 bringing our Regional initial planning allocation to \$9,427,170 for SFY 2022-23.

We did not utilize any of our SFY 2021-22 issued Federal Performance Incentive Fund (FPIF) balance and have not yet been notified of SFY 2022-23 funds available to us.

As the result of moving the costs associated to the Colusa operation to Yolo County, there is no longer a need for a Colusa County Child Support budget. Colusa County will direct bill the Regional Child Support Agency (RCSA) for any remaining costs, such as COWCAP. DCSS has shifted the entire Colusa child support allocation to Yolo County in support of the RCSA.

There remain six (6) Sutter County employees and few Sutter specific costs, therefore a smaller Sutter County budget was developed. The majority of Sutter County Child Support expenses have also shifted to Yolo County. As a result, DCSS has shifted most of the Sutter child support allocation to Yolo County in support of the RCSA, but a residual amount continues to be issued to Sutter to cover the costs of the remaining employees and the associated costs.

Conflict of Interest Code

In 2020, the Yolo County Counsel reached out to the California Fair Political Practices Commission (FPPC) for review of a conflict-of-interest code for the RCSA. Last month, we received edits from the FPPC to incorporate their standard language. County Counsel is drafting a resolution for adoption by the Yolo County Board of Supervisors. The language with FPPC edits is:



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The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code of the Colusa Sutter Yolo Regional Child Support Agency (Agency).

Individuals holding designated positions shall file their statements of economic interests with the Agency which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) All statements will be retained by the Agency.

The designated positions for the RCSA are:

POSITION TITLE	DISCLOSURE CATEGORY
CHILD SUPPORT SERVICES	
Director of Child Support Services	1
Assistant Director	1
Business Services Manager	1
Business Services Supervisor	1
Child Support Attorney V	2

Holiday Schedule

A request has been prepared to go before the Yolo Board of Supervisors on September 27th, requesting approval to close the Child Support offices to the public on December 23, 2022. Staff who want to work on this day, will be allowed to telework.



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Child Support Policy Changes

Full Pass-Through for **Formerly** Assisted Families

The SFY 2022-23 California budget includes pass-through of child support payments for **formerly** assisted families, beginning January 1, 2023. Statewide, it is estimated that \$187 million in annual collections that would have been returned to the government as recouped collections will instead be passed on to these families. The Legislature deferred approving Trailer Bill Language until after the summer recess.

The Legislature is interested in ensuring that passing through this child support does not have unintended impacts on an individual's or family's eligibility for other needs-based assistance programs. As such, the California Department of Social Services (CDSS) and the California Department of Child Support Services (DCSS) are also further analyzing the potential impacts.

It is expected that counties will be made whole by the State General Fund for their 2 ½% share of welfare payments, collected.

Full Pass-Through for **Currently** Assisted Families

The budget also includes full pass-through for currently assisted families beginning in January 2025. However, this provision is subject to a trigger mechanism based on the health of the economy and the California State General Fund. The Legislature is being cautious due to the anticipated ongoing costs of this program change and will wait until Spring 2024 to evaluate the economic climate and whether we are in a recession to ensure the budget can sustain the costs for full pass through of current assistance. The decision to proceed with the pass-through for currently assisted is expected to be made in spring 2024 (presumably during the May Revision process). If implemented, this will require significant system changes to CalSAWs.

Uncollectible Debt

AB 135 requires local child support agencies as of January 1, 2023 to cease enforcement of child support arrearages and otherwise past due amounts owed to the state that DCSS or the LCSA has determined to be uncollectible. The bill requires DCSS to adopt regulations to implement these changes by July 1, 2024 and authorizes DCSS to implement and administer these changes via letter until regulations are adopted. There are four mandatory categories in which the LCSA shall deem the debt uncollectible, when the Parent Paying Support (PPS) sole income is:

- SSI/SSP
- A combination of SSI/SSP and SSDI
- CAPI for Aged Blind and Disabled Legal Immigrants



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- VA Disability in an amount equal to or less than what the PPS would receive in SSI/SSP

There are several discretionary factors for determining whether debt is uncollectible which include, but are not limited to:

- Income and assets available to pay the arrearage or other fees and costs.
- Source of income.
- Age of the arrearage or other fees and costs.
- The number of support orders.
- Employment history.
- Payment history.
- Incarceration history.
- Whether the order was based on imputed income.
- Other readily ascertainable debts.

The desired effect of this statute is to unburden low-income obligors from uncollectible debt that is owed to the government. By determining child support arrears uncollectible and closing cases, this new policy will further decrease local child support caseloads. Caseload size has a direct correlation to allocation. This law could also decrease recoupment that would have otherwise repaid local, state and federal welfare expenditures once the debt is determined uncollectible.

Federal Final Rule

As part of the budget bill, California will be implementing new federal requirements that came from the Flexibility, Efficiency, and Modernization in Child Support (FEM) Final Rule which are required to be effective by September 2024. As noted above, the Legislature deferred approving applicable Trailer Bill Language until after the summer recess, so there remain many questions. The changes will impact how child support establishes orders, by eliminating the presumption of income and requiring local child support agencies to consider known specific circumstances of the parent who will be obligated to pay support. Circumstances include assets, employment and earnings history, job skills, education level, local job market, barriers etc. Local Child Support Agencies have historically considered the obligors income and other factors, but for those individuals who do not cooperate with us and there is no system available data on earnings, the LCSA has been allowed to presume income. The changes also broaden our analysis to include individual information such as barriers to self-sufficiency and payment of child support. The Regional Agency's practice of being very intentional of engaging with both parents and obtaining stipulations when possible will help us make this transition a little easier. Nonetheless, because of these changes there will be additional requirements and resources necessary to complete this work.



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California will also essentially be making permanent the provisions of Family Code 4007.5 whereby child support is suspended during periods of incarceration, regardless of when the order was established.

Innovation

Payment kiosk installation

The Yuba City office has had a TouchPay payment kiosk, we were able to add one to our Woodland office earlier this summer. We are working with DCSS and TouchPay to also have one installed in Colusa. Using an interactive menu in English and Spanish, customers can make quick, easy payments with cash, credit and debit card, and e-checks. Not only is the kiosk easy for customers, but it also reduces the time, cost and risk of staff having to make daily cash deposits. The kiosks are managed and emptied by TouchPay, still facilitating customers receiving their child support within the required two-day time frame.

Hoteling App

In collaboration with DCSS, we developed a hoteling app using the Microsoft Power App tool for staff to reserve office space in our Colusa and Yuba City offices. The tool, which is located inside Microsoft Teams, was rolled out in July, and is used to reserve workspaces in the two offices and conference rooms in Woodland. Most staff continue to work a hybrid of telework and in-office work, and members of the Leadership team in addition to the attorneys rotate across the three offices.

Wldl Court Virtual Booth

In June, we went live with a Virtual Booth located at the Family Law Facilitators (FLF) office located at the Yolo Superior Courthouse. FLF personnel refer individuals who may have child support needs or questions on existing or closed cases to their new virtual booth. When the individual at the courthouse uses the booth, they are connected face to face with a Child Support Professional from any of our three offices that can respond to their questions, using Microsoft Teams, real time. This way the customer doesn't have to travel from the courthouse to the child support office and can still receive the full array of services.

Miscellaneous

CSAC Challenge Award

We have submitted an application for the 2022 CSAC Challenge Awards for the innovative work to create the Colusa Sutter Yolo Regional Child Support Agency. We felt this was a great opportunity to spotlight the collaboration and our counties' best practices in local government.



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Presentation at NCSEA

Recognizing the significant change that the Colusa Sutter Yolo Regional Child Support Agency has undergone over the last three years, I was asked to speak at the National Child Support Enforcement Association (NCSEA) 2022 Leadership Symposium plenary session on change leadership earlier this month. The content of the presentation not only addressed the specific nuances of our change, but also specific strategies on how to lead change and how to guide others through the difficulties and concerns to acceptance and implementation. Specific strategies, lessons learned, and basic principles of leadership were shared that helped to plan, manage, and implement change.

Presentation scheduled for WICSEC

The Colusa Sutter Yolo Regional Child Support Agency has been recognized for its innovative work in social media and has been asked to speak at the Western Interstate Child Support Enforcement Council (WICSEC) Annual Conference. James Anderson will be presenting information on our experience and strategies regarding social media marketing.