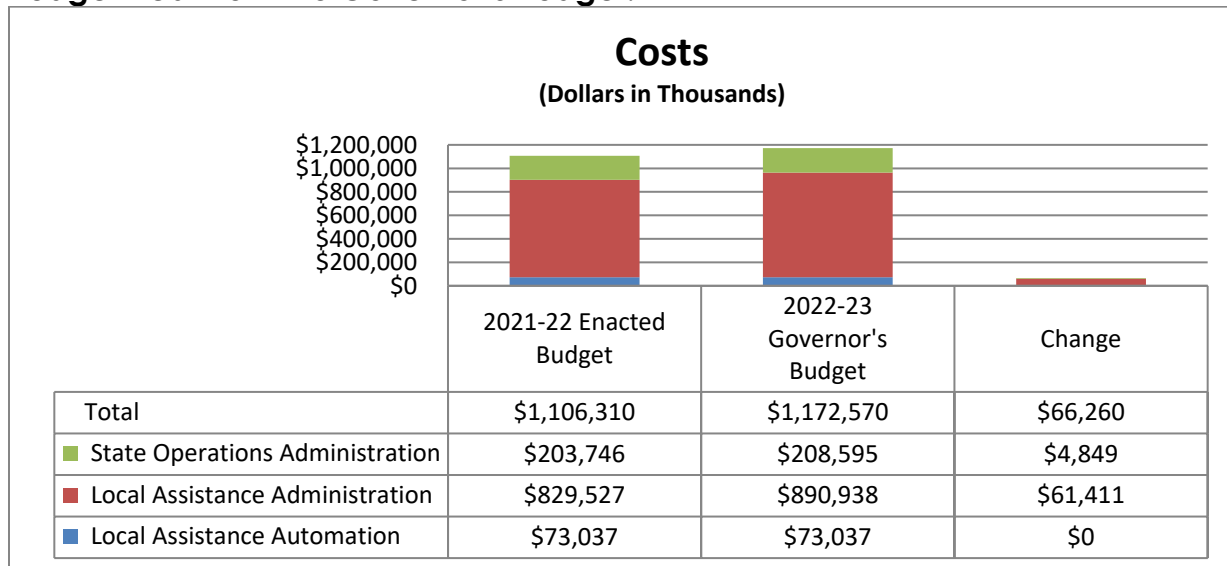


2022-23 Governor's Budget Highlights

The mission of the California Child Support Program is to promote parental responsibility to enhance the well-being of children by providing child support services to establish parentage and collect child support. The proposed State Fiscal Year (SFY) 2022-23 budget is \$1.2 billion (\$365 million General Fund (GF)), \$808 million other funds), a \$66.3 million increase over the SFY 2021-22 Enacted Budget.

Budget Year 2022-23 Governor's Budget:

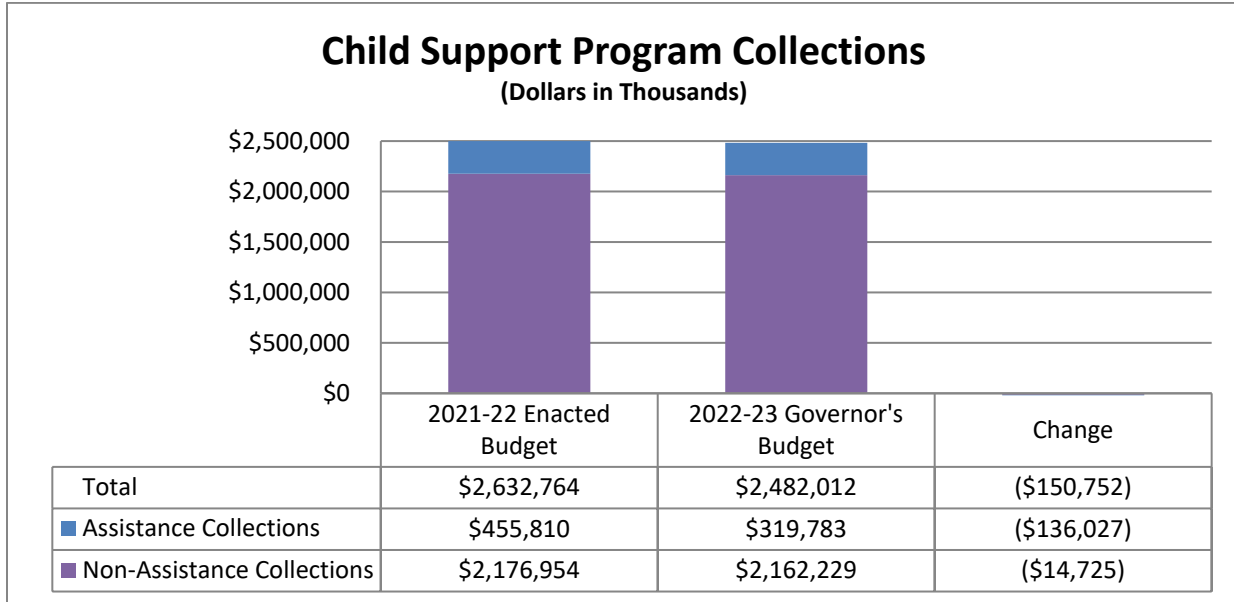


Summary of State Operations Cost Updates:

- \$2.7 million (\$919,000 GF) increase for Employee Compensation adjustment.
- \$1.4 million (\$478,000 GF) increase for employer benefit adjustments.
- \$1.3 million (100% Federal Funds (FF)) for Statewide Cost Allocation Plan.
- \$596,000 (\$209,000 GF) a \$199,000 reduction for removal of limited term funding associated with the implementation of the Parentage Establishment Program an enacted in Chapter 876, Statutes of 2018 (Assembly Bill 2684).

Summary of Local Assistance Administration Adjustments:

- \$59.1 million (\$20.1 million GF) increase for underfunded local child support agencies (LCSA).
- \$2.0 million (100% FF) increase in federal performance basic incentives.
- \$147,000 decrease (100% GF) decrease for the Deficit Reduction Act Mandatory Fees.
- \$97,000 decrease (100% FF) for the Section 1115 Procedural Justice Informed Alternative to Contempt grant.
- \$95,000 decrease (100% FF) for the Section 1115 Intergovernmental Case Processing Innovation grant.
- \$648,000 increase (100% FF) for the Section 1115 Charting a Course for Economic Mobility and Responsible Parenting grant.



- The SFY 2022-23 Child Support Assistance and Non-Assistance Collections estimate for the budget year is based on the latest data and trends. Based on the analysis, DCSS anticipates a decrease of \$136 million (\$576 million GF, -29.8%) in assistance collections and a decrease of \$14.7 million (-0.7%) in non-assistance collections. Starting January 1, 2023, DCSS estimates a reduction of \$93.5 million in child support recoupment revenues for SFY 2022-23 due to the Pass Through of Assigned Arrears Collections to Formerly Assisted Families proposal implementation.

