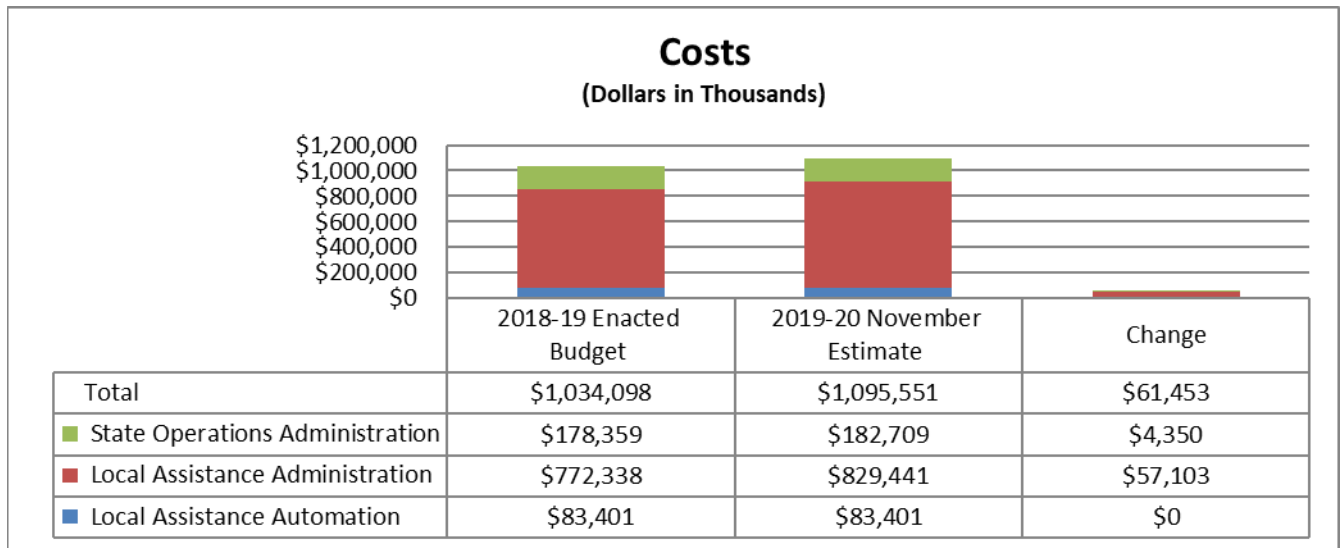




Department of Child Support Services 2019-20 Governor’s Budget Highlights

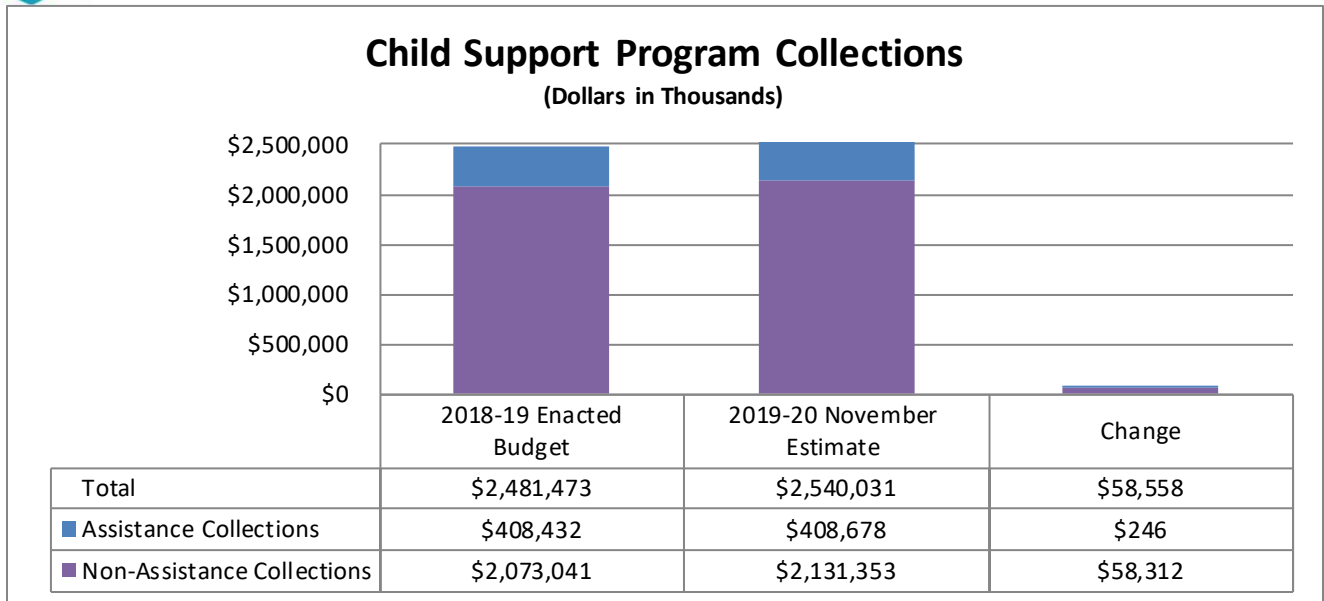
The mission of the California Child Support Program is to promote parental responsibility to enhance the well-being of children by providing child support services to establish parentage and collect child support. The proposed State Fiscal Year (SFY) 2019-20 budget is \$1.095 billion (\$339 million General Fund, \$756 million other funds), a \$61 million increase over the SFY 2018-19 enacted budget.

Budget Year 2019-20 November Estimate:



Summary of Cost Updates:

- \$56,039,000 increase for Local Child Support Agency (LCSA) operational costs. The operational costs are based on a Level of Effort study conducted by the Child Support Director’s Association (CSDA) and a funding formula methodology developed by a combined Department of Child Support Services and CSDA workgroup. The Level of Effort study yielded standardized staffing ratios required to effectively deliver child support services locally. The staffing ratios applied to the funding formula methodology provides the operational costs to achieve the necessary ratios. Included in the new funding methodology is a performance incentive for LCSA that have increased child support collections.
- \$4,041,000 increase for state employee compensation adjustments.
- \$709,000 increase for costs related to the implementation of a new parentage program pursuant to Assembly Bill 2684.
- \$678,000 increase (100% federal funds) for Section 1115 Federal Grants.
- \$401,000 increase for federal performance basic incentives.
- \$287,000 decrease for a reduction in the Statewide Cost Allocation Plan (SWCAP)
- \$119,000 decrease due to the removal of the one-time costs for implementation of the Internal Revenue Service, Tax Information Security Guidelines Publication 1075.
- \$9,000 decrease (100% General Fund) for the Deficit Reduction Act Mandatory Fee assessment.



The SFY 2019-20 Child Support Assistance and Non-Assistance Collections estimate for the budget year is based on a linear regression model of actual collections data from July 2016 to June 2018. Based on the analysis, DCSS anticipates an increase of \$246,000 (0.1%) in assistance collections and an increase of \$58 million (2.8%) in non-assistance collections, for an estimated net increase of nearly \$59 million over the previous year.

