

**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES**

P.O. Box 419064, Rancho Cordova, CA 95741-9064



December 17, 2007

CSS LETTER: 07-14

ALL IV-D DIRECTORS  
ALL COUNTY ADMINISTRATIVE OFFICERS  
ALL BOARDS OF SUPERVISORS

SUBJECT: STATEWIDE LICENSE RELEASE GUIDELINES

Child Support Services (CSS) Letter 06-23 confirmed that as Local Child Support Agencies (LCSAs) convert to California Child Support Automation System (CCSAS) Version Two (V2), a non custodial parent (NCP) who wishes to have a license suspension released must negotiate a license release from all counties that submitted the NCP for suspension. It is the intention of the Department of Child Support Services (DCSS) that after all counties have converted to CCSAS V2, in multi-case, multi-county situations, one county will have the responsibility for releasing the license suspension for all counties that placed a hold. A policy letter addressing this issue will be released near the completion of V2 transition (Fall 2008), and will set forth how Child Support Enforcement will handle license releases.

The following Statewide License Release Guidelines are intended to facilitate a more uniform approach in evaluating requests for license releases throughout the state prior to completion of V2 transition statewide and guide LCSAs toward a uniform license release policy. The guidelines affect the administrative process only. This letter is not intended to provide guidance for handling NCP requests for license releases filed with the court. Local business practices for court hearings and management of stipulated orders will not be impacted by the following guidelines. These guidelines apply to non-transitioned as well as transitioned counties, and are effective immediately upon issuance of this letter.

**Statewide Framework for License Release**

There are differing views among LCSAs regarding the use of license suspension as an enforcement tool. One view is that license suspension action is a punitive tool for failure to pay support timely. Another view is that the action is a positive enforcement tool used to reestablish contact with NCPs who have an arrears balance. These guidelines represent an effort to reconcile these differing views and to establish uniform methodologies for license releases.

**Reason for this Transmittal**

- State Law or Regulation Change
- Federal Law or Regulation Change
- Court Order or Settlement Change
- Clarification requested by One or More Counties
- Initiated by DCSS

DCSS, with input from the State License Match System workgroup, whose members included representatives from the LCSAs, has established the following guiding principle for the release of licenses:

*The guiding principle is to establish new terms of compliance that are income based, reasonable, and appropriate to each individual case. The ultimate goal is for consistent payment of current support and full payment of arrears over time.*

### **Statewide License Release Guidelines**

The following scenarios are provided as guidelines to assist LCSAs in evaluating requests for a license release. It is important that LCSAs understand that these are guidelines for release, not prescriptive release standards. It is expected that, within the context of this statewide framework for license releases, LCSA staff exercise prudent and reasonable judgment in adapting these guidelines to specific circumstances. The scenarios are also included in decision tree format as an attachment to this letter.

#### **Scenario #1**

NCP is employed and would like his/her license released.

- If no Order/Notice to Withhold (ONTW) is currently in place, issue one to the newly identified employer.
- Request a good faith payment on the arrears.
- Upon receipt of the first payment via the ONTW, release the hold on the license.
- Monitor for compliance.

#### **Scenario #2**

NCP is employed and would like his/her license released, but does not want to wait until we receive the first payment from the employer.

- If no ONTW is currently in place, issue one to the newly identified employer.
- Request a good faith payment on the arrears.
- Request a minimum payment of one month of current support or arrears payment.
- When the NCP makes a payment (not via the ONTW), release the hold on the license.
- Monitor for compliance.

#### **Scenario #3**

NCP is self-employed and would like his/her license released.

- LCSA should reach an informal agreement to pay.
- Upon receipt of the first payment, release the hold on the license.
- Monitor for compliance.

#### **Scenario #4**

NCP is unemployed and has no prospect of employment and is not receiving Unemployment Insurance Benefits (UIB), Disability Insurance, General Relief, or Temporary Assistance to Needy Families.

- LCSA will conditionally release the hold on the license with a work search stipulation, AND
- Monitor for compliance.

OR

- Do not release unless facts support modification to zero support.

#### **Scenario #5**

NCP is unemployed and is receiving UIB.

- LCSA should verify that an Employment Development Department intercept is in place.
- Upon receipt of payment from the intercept, release the hold on the license.
- Monitor for compliance.

#### **Scenario #6**

NCP is unemployed, actively seeking employment and is not receiving UIB.

- LCSA should reach an informal agreement to pay.
- Upon receipt of the first payment, release the hold on the license.
- Monitor for compliance.

#### **Scenario #7**

NCP has been offered employment, but the employer will not hire the NCP until his/her license is released. The NCP **can** make a payment prior to receiving a paycheck from this employer.

- LCSA should call the employer and verify the job offer, and request that the employer fax verification (on the employer's letterhead) to the LCSA.
- If no ONTW is currently in place, issue one to the employer.
- Request a minimum payment of one month of current support or arrears payment.
- When the NCP makes a payment (not via the ONTW), release the hold on the license.
- Monitor for compliance.

### **Scenario #8**

NCP has been offered employment, but the employer will not hire the NCP until his/her license is released. The NCP **cannot** make a payment prior to receiving a paycheck from this employer.

- LCSA should call the employer and verify the job offer, and request that the employer fax verification (on the employer's letterhead) to the LCSA.
- If no ONTW is currently in place, issue one to the employer.
- Release the license.
- Monitor for compliance.

### **In determining the amount that an NCP may pay, consider:**

- The NCP's total balance owed – include NCP's cases in all counties, if applicable.
- The NCP's income.
- The NCP's financial circumstances and obligations.
- Does the NCP pay current child support for any other children?
- What is the NCP's history of paying?
- How much is the current child support?
- How much interest is being charged per month?
- Is the court ordered payment reasonable? Is an adjustment appropriate?

### **Practical Pointers:**

- If an administrative agreement for license release sets a payment amount less than a court ordered amount on arrears, the court order should be modified to prevent the NCP, who is compliant, from being submitted for license suspension.
- Although scenarios 1-8 reference administrative agreements, the LCSAs should continue to utilize local business practices in obtaining a Stipulation and Order or filing a Notice of Motion to establish/modify an arrears payment as appropriate. In addition, the LCSAs should continue to follow local business practices for obtaining required signatures on stipulations.

**Arrears-only Cases**

It is expected that LCSA staff will establish new terms of compliance within the context of the statewide framework for license release outlined in this letter and CSS Letter 04-28. The new terms should be income based, reasonable, and appropriate to each individual case. The ultimate goal is for consistent payment of current support and full payment of arrears over time. The LCSAs are also expected to exercise prudent and reasonable judgment in adapting the guidelines to arrears-only cases.

If you have any questions or concerns regarding this matter, please contact Michelle Tedrow at (916) 464-5883.

Sincerely,

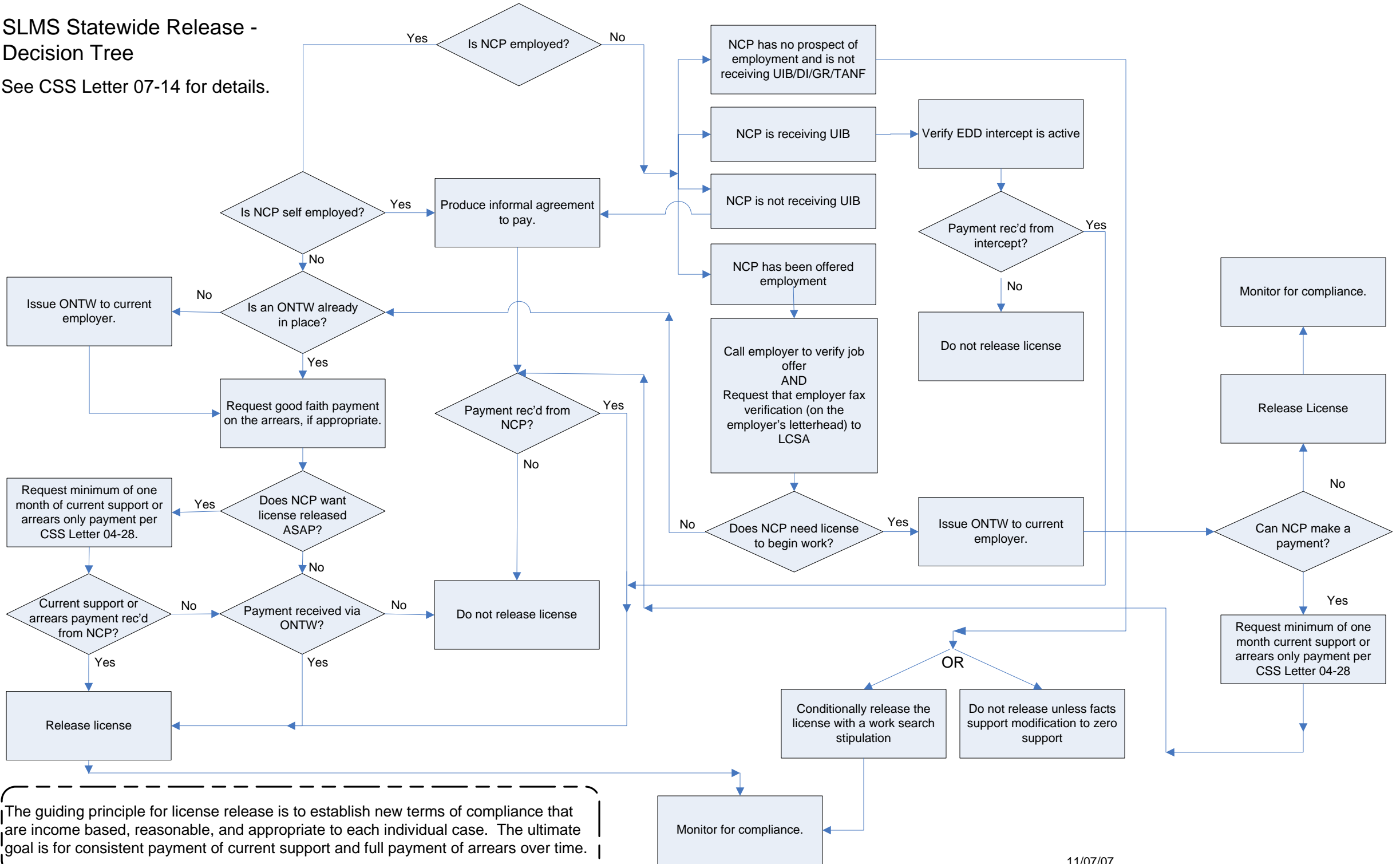
/s/ by Wilfrid Otterbeck

WILFRID OTTERBECK  
Acting Deputy Director

Attachment

# SLMS Statewide Release - Decision Tree

See CSS Letter 07-14 for details.



The guiding principle for license release is to establish new terms of compliance that are income based, reasonable, and appropriate to each individual case. The ultimate goal is for consistent payment of current support and full payment of arrears over time.