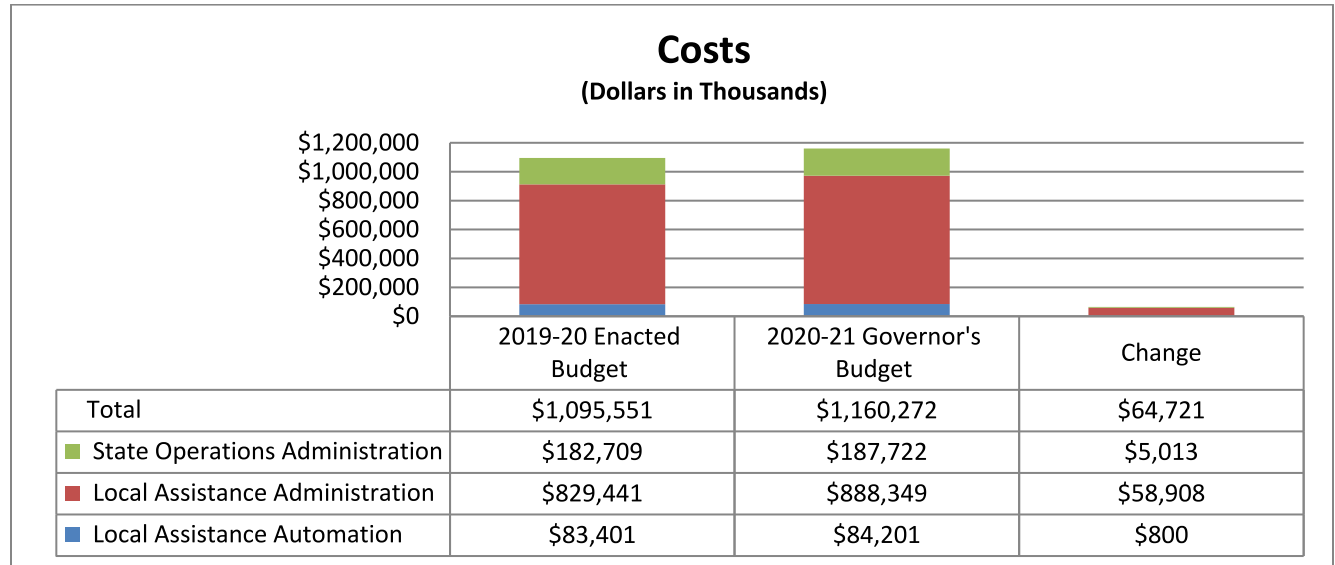


2020-21 Governor's Budget Highlights

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) 2020-21 budget is \$1.160 billion (\$362.4 million General Fund, \$797.8 million other funds), a \$64.7 million increase over the SFY 2019-20 enacted budget.

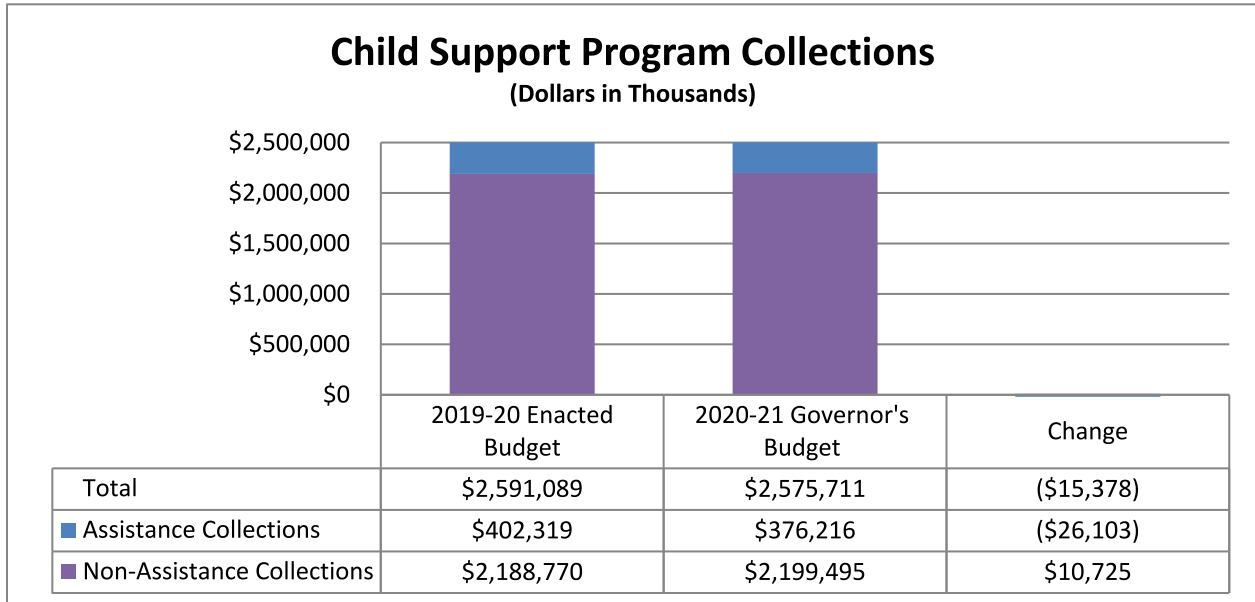
Budget Year 2020-21 Governor's Budget:



Summary of Cost Updates:

- \$56,039,000 increase for Local Child Support Agency (LCSA) operational costs. This is the second year of a three-year proposal approved by the Legislature beginning in SFY 2019-20. 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.
- \$1,893,000 increase for employee salary compensation.
- \$1,052,000 increase for the Federal Deficit Reduction Act Mandatory Fee.
- \$1,011,000 increase for employee compensation benefits.
- \$913,000 increase for state employee retirement benefits.
- \$839,000 increase for federal performance basic incentives.
- \$800,000 increase for Child Support Enforcement system changes related to the department's proposal to increase child support disregard thresholds from \$50 per month, to \$100 for a case with one child, or \$200 for a case with two or more children.
- \$609,000 increase for employee Other-Post Employment Benefits
- \$546,000 increase for Department of Justice Rate increase.
- \$134,000 decrease (100% federal funds) for Section 1115 Federal Grants.
- \$112,000 increase for the expansion of the Parentage Establishment Program pursuant to AB 2684, Chapter 876 Statutes of 2018.

- \$41,000 increase for Statewide Cost Allocation Plan.



The SFY 2020-21 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 2017 to June 2019. Based on the analysis, DCSS anticipates a decrease of \$26 million (-6.5%) in assistance collections and an increase of \$10 million (0.5%) in non-assistance collections, for an estimated net decrease of \$15 million over the previous enacted budget.

