

CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES

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



April 13, 2021

CSSP LETTER: 21-03

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

<u>Reason for this Transmittal</u>
<input type="checkbox"/> State Law, Regulation and/or Change
<input type="checkbox"/> Federal Law, Regulation Change
<input type="checkbox"/> Court Order or Settlement Change
<input type="checkbox"/> Clarification requested by One or More Counties
<input checked="" type="checkbox"/> Initiated by DCSS

SUBJECT: DATE OF RECEIPT OBLIGATIONS AND RECEIVABLES

REFERENCE:

- Title 45 Code of Federal Regulations, section 302.32
- Title 45 Code of Federal Regulations, section 303.6
- Title 45 Code of Federal Regulations, section 303.11
- Title 22 California Code of Regulations, section 118203

This letter supersedes Policy Interpretation (PI) Letter 08-42 dated June 30, 2008.

PURPOSE: To communicate updated Department of Child Support Services' policy regarding Date of Receipt (DOR) obligations/receivables.

POLICY: Local child support agencies (LCSAs) shall no longer attempt collection on DOR balances. LCSAs should allow the Child Support Enforcement (CSE) system to function as designed. Once all of the Parent Ordered to Pay Support's cases have been paid in full, CSE will apply the final payment received to satisfy the DOR balance. If an outstanding DOR balance exists and the case otherwise meets case closure criteria as outlined in Title 22 of the California Code of Regulations, section 118203, LCSAs should allow CSE to function as designed and close the case.

BACKGROUND: On the last day of the month prior to an LCSA's transition to the State Disbursement Unit (SDU), DCSS implemented a DOR mitigation payment, a one time loan payment to prevent interest from accruing on arrears that may have been satisfied in a previous month under the policy prior to the SDU transition. The intent of this process was to mitigate potential negative impacts (e.g. interest, missed payments, etc.) that may have resulted from changing the legal date of collection from the "date of withholding" to the "date of receipt" by the SDU. When the one time loan payment was processed, a DOR obligation was created in CSE. If funds were disbursed to the person ordered to receive support, a DOR receivable was then created.

CSSP Letter: 21-03
April 13, 2021
Page 2

Since the DOR obligation is not considered a child support obligation, it does not accrue interest and is exempt from all child support enforcement actions. This includes actions taken by LCSAs to attempt collection of DOR balances prior to closing cases, as previously encouraged in PI Letter 08-42 (superseded by this letter).

CONTACT: If you have any questions or concerns regarding this matter, please contact the Policy, Program and Statewide Training Branch at (916) 464-5883 or policy.branch@dcss.ca.gov.

Sincerely,

o/s

BRIAN HOCKING
Deputy Director
Child Support Services Division