Senate Bill 337
CalWORKs Reform: Child Support
Senator Nancy Skinner (D-Berkeley)

BILL SUMMARY

Senate Bill 337 seeks to lift families out of poverty by increasing the amount of child support paid to families with very low-income.

ISSUE

Last year, over 1.2 million California children living in or near poverty did not receive their full child support payments.

This due to a 1975 federal law that diverts child support payments to reimburse the government for the cost of providing other social services, like CalWORKs and WICC, to the child’s family.

Current law forces parents to pay back the government for public assistance, which deprives children of the valuable resource of child support and creates debts that are unrealistic for parents to repay. Because of this law, 73% of outstanding child support debt is actually owed to the state of California and not to families and children. When a family receives public benefits, only the first $50 of a parent’s child support payment goes to their child – the balance of their payment is redirected to the government.

Parents who do not pay face significant repercussions including a 10% compound interest, risk of losing their driver’s license, and even incarceration for nonpayment. These penalties can create a cycle of joblessness, poverty, and incarceration.

In addition to harming families by limiting the amount of child support going directly to support children, the current law requires the state to waste resources attempting to collect what is often uncollectable debt.

Parents across California owe the government approximately $12.75 billion to pay back the cost of public assistance, more than a quarter of which is debt accrued interest. The state should have discretion to expunge this debt if it is uncollectable, therefore saving state resources and benefiting the family in poverty.

SOLUTION

SB 337 does the following:

- Ensures 100% of a child support payment made for a child go directly to the custodial parent of a child.

- Makes first $200 in child support payments received per month exempt when considering eligibility for CalWORKs.

- Allows administering agencies to classify publically owed child support uncollectable in order to not spend resources collecting debt that is uncollectable.

SUPPORT

Sponsors
Anti-Recidivism Coalition
Insight Center for Community Economic Good+ Foundation – Fatherhood Initiative PolicyLink Tipping Point Community Western Center on Law and Poverty

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