

AMENDED IN ASSEMBLY MAY 2, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 3032**

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**Introduced by Committee on Judiciary (Corbett (Chair), Dutra,  
Jackson, Longville, Shelley, Steinberg, and Wayne)**

March 12, 2002

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An act to amend Section ~~5241 of the Family~~ 394 of the Code of Civil Procedure, to amend Sections 4054, 4506, 17422, 17430, 17432, 17600, 17602, and 17704 of, and to repeal Section 17700 of, the Family Code, and to amend Section 11476.2 of the Welfare and Institutions Code, relating to child support.

LEGISLATIVE COUNSEL'S DIGEST

AB 3032, as amended, Committee on Judiciary. Child support: ~~assignment orders~~ enforcement.

*Existing law requires each county to maintain a local child support agency for the purpose of establishing, modifying, and enforcing child support obligations. Existing law requires a local child support agency to obtain and send a completed state medical insurance form to the Department of Child Support Services in any action brought or proceeding instituted by the agency for the payment of child or spousal support. The local agency must also communicate with the Department of Child Support Services to determine whether there have been any lapses in health insurance coverage for public assistance applicants and recipients.*

*Existing law also requires the Department of Child Support Services to collect information regarding child support enforcement and to report that information to the Legislature, as specified.*

*This bill would authorize an agency enforcing a support obligation to record a notice of support judgment. The bill would require a local child support agency to send the completed state medical insurance forms described above to, and, in order to determine whether there have been health insurance lapses, to communicate with, the State Department of Health Services, rather than the Department of Child Support Services. The bill would require a local child support agency to provide to a CalWORKs recipient or former recipient as to whom an assignment of his or her support rights is currently effective a notice of the amount of assigned support payments made on behalf of that recipient or former recipient or any other family member for whom public assistance is received. The bill would revise the reporting requirements imposed on the Department of Child Support Services, as specified. The bill would also make technical and clarifying changes. By imposing additional duties on local agencies, the bill would create a state-mandated local program.*

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.*

*This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.*

~~Existing law requires a local child support agency to take appropriate action to collect child support that has been withheld by an employer pursuant to an assignment order. The agency is authorized to obtain an order requiring payment of that sum by electronic transfer from the employer's bank account. The court may impose penalties upon an employer who willfully fails to comply with these provisions.~~

~~Existing law requires the agency to make reasonable efforts to notify any employer subject to an assignment order of these electronic fund transfer and specified penalty provisions.~~

~~This bill would make a technical, nonsubstantive change to that provision.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes. State-mandated local program: ~~no~~-yes.



*The people of the State of California do enact as follows:*

1     ~~SECTION 1.—Section 5241 of the Family Code is amended to~~  
2     *SECTION 1. Section 394 of the Code of Civil Procedure is*  
3     *amended to read:*

4     394. (a) An action or proceeding against a county, or city and  
5     county, a city, or local agency, may be tried in ~~such the~~ county, or  
6     city and county, or the county in which ~~such the~~ city or local agency  
7     is situated, unless the action or proceeding is brought by a county,  
8     or city and county, a city, or local agency, in which case it may be  
9     tried in any county, or city and county, not a party thereto and in  
10    which the city or local agency is not situated. Except for actions  
11    initiated by the ~~district attorney local child support agency~~  
12    pursuant to Section ~~11350, 11350.1, 11475.1, or 11476.1 of the~~  
13    ~~Welfare and Institutions 17400, 17402, 17404, or 17416 of the~~  
14    Family Code, any action or proceeding brought by a county, city  
15    and county, city, or local agency within a certain county, or city and  
16    county, against a resident of another county, city and county, or  
17    city, or a corporation doing business in the latter, shall be, on  
18    motion of either party, transferred for trial to a county, or city and  
19    county, other than the plaintiff, if the plaintiff is a county, or city  
20    and county, and other than that in which the plaintiff is situated, if  
21    the plaintiff is a city, or a local agency, and other than that in which  
22    the defendant resides, or is doing business, or is situated.  
23    Whenever an action or proceeding is brought against a county, city  
24    and county, city, or local agency, in any county, or city and county,  
25    other than the defendant, if the defendant is a county, or city and  
26    county, or, if the defendant is a city, or local agency, other than that  
27    in which the defendant is situated, the action or proceeding must  
28    be, on motion of ~~the said that~~ defendant, transferred for trial to a  
29    county, or city and county, other than that in which the plaintiff,  
30    or any of the plaintiffs, resides, or is doing business, or is situated,  
31    and other than the plaintiff county, or city and county, or county  
32    in which ~~such that~~ plaintiff city or local agency is situated, and  
33    other than the defendant county, or city and county, or county in  
34    which ~~such the~~ defendant city or local agency is situated; provided,  
35    however, that any action or proceeding against the city, county,  
36    city and county, or local agency for injury occurring within the  
37    city, county, or city and county, or within the county in which ~~such~~  
38    the local agency is situated, to person or property or person and



1 property caused by the negligence or alleged negligence of ~~such~~  
2 *the* city, county, city and county, local agency, or its agents or  
3 employees, shall be tried in ~~such that~~ county, or city and county,  
4 or if a city is a defendant, in ~~such the~~ city or in the county in which  
5 ~~such the~~ city is situated, or if a local agency is a defendant, in ~~such~~  
6 *the* county in which ~~such the~~ local agency is situated. In ~~any such~~  
7 *that* action or proceeding, the parties thereto may, by stipulation  
8 in writing, or made in open court, and entered in the minutes, agree  
9 upon any county, or city and county, for the place of trial thereof.  
10 When the action or proceeding is one in which a jury is not of right,  
11 or in case a jury be waived, then in lieu of transferring the cause  
12 the court in the original county may request the chairman of the  
13 Judicial Council to assign a disinterested judge from a neutral  
14 county to hear ~~said that~~ cause and all proceedings in connection  
15 therewith. When ~~such the~~ action or proceeding is transferred to  
16 another county for trial, a witness required to respond to a  
17 subpoena for a hearing within the original county shall be  
18 compelled to attend hearings in the county to which the cause is  
19 transferred. If the demand for transfer be made by one party and  
20 the opposing party does not consent thereto the additional costs of  
21 the nonconsenting party occasioned by the transfer of the cause,  
22 including living and traveling expenses of ~~said the~~ nonconsenting  
23 party and material witnesses, found by the court to be material, and  
24 called by such nonconsenting party, not to exceed five dollars (\$5)  
25 per day each in excess of witness fees and mileage otherwise  
26 allowed by law, shall be assessed by the court hearing the cause  
27 against the party requesting the transfer. To the extent of ~~such that~~  
28 excess, ~~such those~~ costs shall be awarded to the nonconsenting  
29 party regardless of the outcome of the trial. This section shall apply  
30 to actions or proceedings now pending or hereafter brought.

31 (b) Any court in a county hereinabove designated as a proper  
32 county, which has jurisdiction of the subject matter of the action  
33 or proceeding, is a proper court for the trial thereof.

34 (c) For the purposes of this section, “local agency” shall mean  
35 any governmental district, board, or agency, or any other local  
36 governmental body or corporation, but shall not include the State  
37 of California or any of its agencies, departments, commissions, or  
38 boards.

39 *SEC. 2. Section 4054 of the Family Code is amended to read:*



1 4054. (a) The Judicial Council shall periodically review the  
2 statewide uniform guideline to recommend to the Legislature  
3 appropriate revisions.

4 (b) The review shall include economic data on the cost of  
5 raising children and analysis of case data, gathered through  
6 sampling or other methods, on the actual application of the  
7 guideline after the guideline's operative date. The review shall also  
8 include *an* analysis of guidelines and studies from other states, and  
9 other research and studies available to or undertaken by the  
10 Judicial Council.

11 (c) Any recommendations for revisions to the guideline shall  
12 be made to ensure that the guideline results in appropriate child  
13 support orders, to limit deviations from the guideline, or otherwise  
14 to help ensure that the guideline is in compliance with federal law.

15 (d) The Judicial Council may also review and report on other  
16 matters, including, but not limited to, the following:

17 (1) The treatment of the income of a subsequent spouse or  
18 nonmarital partner.

19 (2) The treatment of children from prior or subsequent  
20 relationships.

21 (3) The application of the guideline in a case where a payor  
22 parent has extraordinarily low or extraordinarily high income, or  
23 where each parent has primary physical custody of one or more of  
24 the children of the marriage.

25 (4) The benefits and limitations of a uniform statewide spousal  
26 support guideline and the interrelationship of that guideline with  
27 the state child support guideline.

28 (5) Whether the use of gross or net income in the guideline is  
29 preferable.

30 (6) Whether the guideline affects child custody litigation or the  
31 efficiency of the judicial process.

32 (7) Whether the various assumptions used in computer  
33 software used by some courts to calculate child support comport  
34 with state law and should be made available to parties and counsel.

35 (e) The initial review by the Judicial Council shall be submitted  
36 to the Legislature and to the ~~State~~ Department of ~~Social~~ *Child*  
37 *Support* Services on or before December 31, 1993, and subsequent  
38 reviews shall occur at least every four years thereafter unless  
39 federal law requires a different interval.



1 (f) In developing its recommendations, the Judicial Council  
 2 shall consult with a broad cross-section of groups involved in child  
 3 support issues, including, but not limited to, the following:

- 4 (1) Custodial and noncustodial parents.
- 5 (2) Representatives of established women’s rights and fathers’  
 6 rights groups.
- 7 (3) Representatives of established organizations that advocate  
 8 for the economic well-being of children.
- 9 (4) Members of the judiciary, district attorney’s offices, the  
 10 Attorney General’s office, and the State Department of ~~Social~~  
 11 *Child Support Services*.
- 12 (5) Certified family law specialists.
- 13 (6) Academicians specializing in family law.
- 14 (7) Persons representing low-income parents.
- 15 (8) Persons representing recipients of assistance under the ~~Aid~~  
 16 ~~to Families with Dependent Children (AFDC)~~ *CalWORKs*  
 17 program seeking child support services.

18 (g) In developing its recommendations, the Judicial Council  
 19 shall seek public comment and shall be guided by the legislative  
 20 intent that children share in the standard of living of both of their  
 21 parents.

22 *SEC. 3. Section 4506 of the Family Code is amended to read:*

23 4506. (a) An abstract of a judgment ordering a party to pay  
 24 spousal, child, or family support to the other party shall be certified  
 25 by the clerk of the court where the judgment was entered and shall  
 26 contain all of the following:

- 27 (1) The title of the court where the judgment is entered and the  
 28 cause and number of the proceeding.
- 29 (2) The date of entry of the judgment and of any renewal of the  
 30 judgment.
- 31 (3) Where the judgment and any renewals are entered in the  
 32 records of the court.
- 33 (4) The name and last known address of the party ordered to  
 34 pay support.
- 35 (5) The name and address of the party to whom support  
 36 payments are ordered to be paid.
- 37 (6) The social security number, birth date, and driver’s license  
 38 number of the party to whom support payments are to be paid. If  
 39 any of those numbers are not known to the party to whom support



1 payments are to be paid, that fact shall be indicated on the abstract  
2 of the court judgment.

3 (7) Whether a stay of enforcement has been ordered by the  
4 court and, if so, the date the stay ends.

5 (8) The date of issuance of the abstract.

6 (9) Any other information deemed reasonable and appropriate  
7 by the Judicial Council.

8 (b) The Judicial Council may develop a form for an abstract of  
9 a judgment ordering a party to pay child, family, or spousal support  
10 to another party which contains the information required by  
11 subdivision (a).

12 (c) *Notwithstanding any other provision of law, when a support*  
13 *obligation is being enforced pursuant to Title IV-D of the Social*  
14 *Security Act, the agency enforcing the obligation may record a*  
15 *notice of support judgment. The notice of support judgment shall*  
16 *contain the same information as the form adopted by the Judicial*  
17 *Council pursuant to subdivision (b) and Section 4506.1. The*  
18 *notice of supported judgment shall have the same force and effect*  
19 *as an abstract of judgment certified by the clerk of the court where*  
20 *the judgment was entered. The local child support agency or other*  
21 *Title IV-D agency shall not be subject to any civil liability as a*  
22 *consequence of causing a notice of support judgment to be*  
23 *recorded.*

24 (d) As used in this section, “judgment” includes an order for  
25 child, family, or spousal support.

26 *SEC. 4. Section 17422 of the Family Code is amended to read:*

27 17422. (a) The state medical insurance form required in  
28 Article 1 (commencing with Section 3750) of Chapter 7 of Part 1  
29 of Division 9 shall include, but shall not be limited to, all of the  
30 following:

31 (1) The parent or parents’ names, addresses, and social security  
32 numbers.

33 (2) The name and address of each parent’s place of  
34 employment.

35 (3) The name or names, addresses, policy number or numbers,  
36 and coverage type of the medical insurance policy or policies of  
37 the parents, if any.

38 (4) The name, CalWORKs case number, social security  
39 number, and Title IV-E foster care case number or Medi-Cal case



1 numbers of the parents and children covered by the medical  
2 insurance policy or policies.

3 (b) (1) In any action brought or enforcement proceeding  
4 instituted by the local child support agency under this division for  
5 payment of child or spousal support, a completed state medical  
6 insurance form shall be obtained and sent by the local child support  
7 agency to the *State Department of ~~Child Support~~ Health Services*  
8 in the manner prescribed by the *State Department of ~~Child Support~~*  
9 *Health Services*.

10 (2) Where it has been determined under Section 3751 that  
11 health insurance coverage is not available at no or reasonable cost,  
12 the local child support agency shall seek a provision in the support  
13 order that provides for health insurance coverage should it become  
14 available at no or reasonable cost.

15 (3) Health insurance coverage shall be considered reasonable  
16 in cost if it is employment-related group health insurance or other  
17 group health insurance, regardless of the service delivery  
18 mechanism. As used in this section, “health insurance coverage”  
19 also includes providing for the delivery of health care services by  
20 a fee for service, health maintenance organization, preferred  
21 provider organization, or any other type of health care delivery  
22 system under which medical services could be provided to the  
23 dependent child or children of an absent parent.

24 (c) (1) The local child support agency shall request employers  
25 and other groups offering health insurance coverage that is being  
26 enforced under this division to notify the local child support  
27 agency if there has been a lapse in insurance coverage. The local  
28 child support agency shall be responsible for forwarding  
29 information pertaining to the health insurance policy secured for  
30 the dependent children for whom the local child support agency is  
31 enforcing the court-ordered medical support to the custodial  
32 parent.

33 (2) The local child support agency shall periodically  
34 communicate with the ~~department~~ *State Department of Health*  
35 *Services* to determine if there have been lapses in health insurance  
36 coverage for public assistance applicants and recipients. The  
37 ~~department~~ *State Department of Health Services* shall notify the  
38 local child support agency when there has been a lapse in  
39 court-ordered insurance coverage.



1 (3) The local child support agency shall take appropriate  
2 action, civil or criminal, to enforce the obligation to obtain health  
3 insurance when there has been a lapse in insurance coverage or  
4 failure by the responsible parent to obtain insurance as ordered by  
5 the court.

6 (4) The local child support agency shall inform all individuals  
7 upon their application for child support enforcement services that  
8 medical support enforcement services are available.

9 *SEC. 5. Section 17430 of the Family Code is amended to read:*

10 17430. (a) Notwithstanding any other provision of law, in  
11 any action filed by the local child support agency pursuant to  
12 Section 17400, 17402, or 17404, a judgment shall be entered  
13 without hearing, without the presentation of any other evidence or  
14 further notice to the defendant, upon the filing of proof of service  
15 by the local child support agency evidencing that more than 30  
16 days have passed since the simplified summons and complaint,  
17 proposed judgment, blank answer, blank income and expense  
18 declaration, and all notices required by this division were served  
19 on the defendant.

20 (b) If the defendant fails to file an answer with the court within  
21 30 days of having been served as specified in subdivision ~~(e)~~ (d)  
22 of Section 17400, or at any time before the default judgment is  
23 entered, the proposed judgment filed with the original summons  
24 and complaint shall be conformed by the court as the final  
25 judgment and a copy provided to the local child support agency,  
26 unless the local child support agency has filed a declaration and  
27 amended proposed judgment pursuant to subdivision (c).

28 (c) If the local child support agency receives additional  
29 financial information within 30 days of service of the complaint  
30 and proposed judgment on the defendant and the additional  
31 information would result in a support order that is different from  
32 the amount in the proposed judgment, the local child support  
33 agency shall file a declaration setting forth the additional  
34 information and an amended proposed judgment. The declaration  
35 and amended proposed judgment shall be served on the defendant  
36 in compliance with Section 1013 of the Code of Civil Procedure  
37 or otherwise as provided by law. The defendant's time to answer  
38 or otherwise appear shall be extended to 30 days from the date of  
39 service of the declaration and amended proposed judgment.



1 (d) Upon entry of the judgment, the clerk of the court shall  
2 provide a conformed copy of the judgment to the local child  
3 support agency. The local child support agency shall mail by  
4 first-class mail, postage prepaid, a notice of entry of judgment by  
5 default and a copy of the judgment to the defendant to the address  
6 where he or she was served with the summons and complaint and  
7 last known address if different from that address.

8 *SEC. 6. Section 17432 of the Family Code is amended to read:*

9 17432. (a) In any action filed by the local child support  
10 agency pursuant to Section 17400, 17402, or 17404, the court may,  
11 on any terms that may be just, relieve the defendant from that part  
12 of the judgment or order concerning the amount of child support  
13 to be paid. This relief may be granted after the six-month time limit  
14 of Section 473 of the Code of Civil Procedure has elapsed, based  
15 on the grounds, and within the time limits, specified in this section.

16 (b) This section shall apply only to judgments or orders for  
17 support that were based upon presumed income as specified in  
18 subdivision ~~(e)~~ (d) of Section 17400 and that were entered after the  
19 entry of the default of the defendant under Section 17430. This  
20 section shall apply only to the amount of support ordered and not  
21 that portion of the judgment or order concerning the determination  
22 of parentage.

23 (c) The court may set aside the child support order contained  
24 in a judgment described in subdivision (b) if the defendant's  
25 income was substantially different for the period of time during  
26 which the judgment was effective compared with the income  
27 defendant was presumed to have. A "substantial difference"  
28 means that amount of income that would result in an order for  
29 support that deviates from the order entered by default by 20  
30 percent or more. If the difference between the defendant's actual  
31 income and the presumed income would result in an order for  
32 support that deviates from the order entered by default by less than  
33 20 percent, the court may set aside the child support order only if  
34 the court states in writing or on the record that the defendant is  
35 experiencing an extreme financial hardship due to the  
36 circumstances enumerated in Section 4071 and that a set aside of  
37 the default judgment is necessary to accommodate those  
38 circumstances.

39 (d) Application for relief under this section shall be  
40 accompanied by a copy of the answer or other pleading proposed



1 to be filed together with an income and expense declaration or  
2 simplified financial statement and tax returns for any relevant  
3 years. The Judicial Council may combine the application for relief  
4 under this section and the proposed answer into a single form.

5 (e) The burden of proving that the actual income of the  
6 defendant deviated substantially from the presumed income shall  
7 be on the defendant.

8 (f) A motion for relief under this section shall be filed within  
9 90 days of the first collection of money by the local child support  
10 agency or the obligee. The 90-day time period shall run from the  
11 date that the local child support agency receives the first collection  
12 or from the date that the defendant is served with notice of the  
13 collection, whichever date occurs first. If service of the notice is  
14 by mail, the date of service shall be as specified in Section 1013  
15 of the Code of Civil Procedure.

16 (g) In all proceedings under this section, before granting relief,  
17 the court shall consider the amount of time that has passed since  
18 the entry of the order, the circumstances surrounding the  
19 defendant's default, the relative hardship on the child or children  
20 to whom the duty of support is owed, the caretaker parent, and the  
21 defendant, and other equitable factors that the court deems  
22 appropriate.

23 (h) If the court grants the relief requested, the court shall issue  
24 a new child support order using the appropriate child support  
25 guidelines currently in effect. The new order shall have the same  
26 commencement date as the order set aside.

27 *SEC. 7. Section 17600 of the Family Code is amended to read:*  
28 17600. (a) The Legislature finds and declares all of the  
29 following:

30 (1) The Legislative Analyst has found that county child support  
31 enforcement programs provide a net increase in revenues to the  
32 state.

33 (2) The state has a fiscal interest in ensuring that county child  
34 support enforcement programs perform efficiently.

35 (3) The state does not provide information to counties on child  
36 support enforcement programs, based on common denominators  
37 that would facilitate comparison of program performance.

38 (4) Providing this information would allow county officials to  
39 monitor program performance and to make appropriate  
40 modifications to improve program efficiency.



1 (5) This information is required for effective management of  
2 the child support program.

3 (b) (1) Except as provided in paragraph (2), commencing with  
4 the 1998–99 fiscal year, and for each fiscal year thereafter, each  
5 county that is participating in the state incentive program  
6 described in Section 17704 shall provide to the department, and  
7 the department shall compile from this county child support  
8 information, quarterly and annually, all of the following  
9 performance-based data, as established by the federal incentive  
10 funding system, provided that the department may revise the data  
11 required by this paragraph in order to conform to the final federal  
12 incentive system data definitions:

13 (A) One of the following data relating to paternity  
14 establishment, as required by the department, provided that the  
15 department shall require all counties to report on the same  
16 measurement:

17 (i) The total number of children in the caseload governed by  
18 ~~Subtitle Part D~~ (commencing with Section ~~450~~ 451) of Title IV  
19 of the federal Social Security Act (42 U.S.C. Sec. ~~650~~ 651 et seq.),  
20 as of the end of the federal fiscal year, who were born to unmarried  
21 parents for whom paternity was established or acknowledged, and  
22 the total number of children in that caseload, as of the end of the  
23 preceding federal fiscal year, who were born to unmarried parents.

24 (ii) The total number of minor children who were born in the  
25 state to unmarried parents for whom paternity was established or  
26 acknowledged during a federal fiscal year, and the total number of  
27 children in the state born to unmarried parents during the  
28 preceding federal fiscal year.

29 (B) The number of cases governed by ~~Subtitle Part D~~  
30 (commencing with Section ~~450~~ 451) of Title IV of the federal  
31 Social Security Act (42 U.S.C. Sec. ~~650~~ 651 et seq.) during the  
32 federal fiscal year and the total number of those cases with support  
33 orders.

34 (C) The total dollars collected during the federal fiscal year for  
35 current support in cases governed by ~~Subtitle Part D~~ (commencing  
36 with Section ~~450~~ 451) of Title IV of the federal Social Security  
37 Act (42 U.S.C. Sec. ~~650~~ 651 et seq.) and the total number of  
38 dollars owing for current support during that federal fiscal year in  
39 cases governed by those provisions.



1 (D) The total number of cases for the federal fiscal year  
2 governed by ~~Subtitle Part D~~ (commencing with Section ~~450~~ 451)  
3 of Title IV of the federal Social Security Act (42 U.S.C. Sec. ~~650~~  
4 651 et seq.) in which payment was being made toward child  
5 support arrearages and the total number of cases for that fiscal year  
6 governed by these federal provisions that had child support  
7 arrearages.

8 (E) The total number of dollars collected and expended during  
9 a federal fiscal year in cases governed by ~~Subtitle Part D~~  
10 (commencing with Section ~~450~~ 451) of Title IV of the federal  
11 Social Security Act (42 U.S.C. Sec. ~~650~~ 651 et seq.).

12 (F) The total amount of child support dollars collected during  
13 a federal fiscal year, and, if and when required by federal law, the  
14 amount of these collections broken down by collections  
15 distributed on behalf of current recipients of federal Temporary  
16 Assistance for Needy Families block grant funds or federal foster  
17 care funds, on behalf of former recipients of federal Temporary  
18 Assistance for Needy Families block grant funds or federal foster  
19 care funds, or on behalf of persons who have never been recipients  
20 of these federal funds.

21 (2) A county may apply for an exemption from any or all of the  
22 reporting requirements of paragraph (1) for the 1998–99 state  
23 fiscal year or any quarter of that fiscal year, as well as for the first  
24 quarter of the 1999–2000 fiscal year, by submitting an application  
25 for the exemption to the department at least three months prior to  
26 the commencement of the fiscal year or quarter for which the  
27 exemption is sought. A county shall provide a separate  
28 justification for each data element under paragraph (1) for which  
29 the county is seeking an exemption and the cost to the county of  
30 providing the data. The department may not grant an exemption  
31 for more than one year. The department may grant a single  
32 exemption only if both of the following conditions are met:

33 (A) The county cannot compile the data being sought through  
34 its existing automated system or systems.

35 (B) The county cannot compile the data being sought through  
36 manual means or through an enhanced automated system or  
37 systems without significantly harming the child support collection  
38 efforts of the county.

39 (c) Except as provided in paragraph (6), before implementation  
40 of the statewide automated system, in addition to the information



1 required by subdivision (b), the department shall collect, on a  
2 monthly basis, from each county that is participating in the state  
3 incentive program described in Section 17704, information on the  
4 local child support agency beginning with the 1998–99 fiscal year,  
5 and for each subsequent fiscal year, ~~and shall report~~ *submit data*  
6 *quarterly, upon the request of the Legislature, and shall report*  
7 annually on all of the following measurements:

8 (1) For each of the following support collection categories, the  
9 number of cases with support collected shall include only the  
10 number of cases actually receiving a collection, not the number of  
11 payments received. For purposes of determining the number of  
12 cases with an order of current support and the number of cases in  
13 which current support is being collected, cases with a medical  
14 support order that do not have an order for current support shall not  
15 be counted.

16 (A) The number of cases with an order for current support.

17 (B) The number of cases with collections of current support.

18 (C) The number of cases with an order for arrears.

19 (D) The number of cases with arrears collections.

20 (2) The number of alleged fathers or obligors who were served  
21 with a summons and complaint to establish paternity or a support  
22 order. In order to be counted under this paragraph, the alleged  
23 father or obligor shall be successfully served with process. An  
24 alleged father shall be counted under this paragraph only once if  
25 he is served with process simultaneously for both a paternity and  
26 a support order proceeding for the same child or children. For  
27 purposes of this paragraph, a support order shall include a medical  
28 support order.

29 (3) The number of children requiring paternity establishment  
30 and the number of children for whom paternity has been  
31 established during the period. Paternity may only be established  
32 once for each child. Any child for whom paternity is not at issue  
33 shall not be counted in the number of children for whom paternity  
34 has been established. For this purpose, paternity is not at issue if  
35 the parents were married and neither parent challenges paternity  
36 or a voluntary paternity declaration has been executed by the  
37 parents prior to the local child support agency obtaining the case  
38 and neither parent challenges paternity.

39 (4) The number of cases requiring that a support order be  
40 established and the number of cases that had a support order



1 established during the period. A support order shall be counted as  
2 established only when the appropriate court has issued an order for  
3 child support, including an order for temporary child support, or  
4 an order for medical support.

5 (5) The total cost of administering the local child support  
6 agency, including the federal, state, and county share of the costs,  
7 and the federal and state incentives received by each county. The  
8 total cost of administering the program shall be broken down by  
9 the following:

10 (A) The direct costs of the program, broken down further by  
11 total employee salaries and benefits, a list of the number of  
12 employees broken down into at least the following categories:  
13 attorneys, administrators, caseworkers, investigators, and clerical  
14 support; contractor costs; space charges; and payments to other  
15 county agencies. Employee salaries and numbers need only be  
16 reported in the annual report.

17 (B) The indirect costs, showing all overhead charges.

18 (6) A county may apply for an exemption from any or all of the  
19 reporting requirements of this subdivision for a fiscal year by  
20 submitting an application for the exemption to the department at  
21 least three months prior to the commencement of the fiscal year or  
22 quarter for which the exemption is sought. A county shall provide  
23 a separate justification for each data element under this  
24 subdivision for which the county is seeking an exemption and the  
25 cost to the county of providing the data. The department may not  
26 grant an exemption for more than one year. The department may  
27 grant a single exemption only if both of the following conditions  
28 are met:

29 (A) The county cannot compile the data being sought through  
30 its existing automated system or systems.

31 (B) The county cannot compile the data being sought through  
32 manual means or through an enhanced automated system or  
33 systems without significantly harming the child support collection  
34 efforts of the county.

35 (d) After implementation of the statewide automated system, in  
36 addition to the information required by subdivision (b), the  
37 Department of Child Support Services shall collect, on a monthly  
38 basis, from each county that is participating in the state incentive  
39 program described in Section 17704, information on the county  
40 child support enforcement program beginning with the 1998–99



1 fiscal year or a later fiscal year, as appropriate, and for each  
2 subsequent fiscal year, ~~and shall report~~ *submit data* quarterly,  
3 *upon request by the Legislature*, and *shall report* annually on all  
4 of the following measurements:

5 (1) For each of the following support collection categories, the  
6 number of cases with support collected shall include only the  
7 number of cases actually receiving a collection, not the number of  
8 payments received.

9 (A) (i) The number of cases with collections for current  
10 support.

11 (ii) The number of cases with arrears collections only.

12 (iii) The number of cases with both current support and arrears  
13 collections.

14 (B) For cases with current support only due.

15 (i) The number of cases in which the full amount of current  
16 support owed was collected.

17 (ii) The number of cases in which some amount of current  
18 support, but less than the full amount of support owed, was  
19 collected.

20 (iii) The number of cases in which no amount of support owed  
21 was collected.

22 (C) For cases in which arrears only were owed:

23 (i) The number of cases in which all arrears owed were  
24 collected.

25 (ii) The number of cases in which some amount of arrears, but  
26 less than the full amount of arrears owed, were collected.

27 (iii) The number of cases in which no amount of arrears owed  
28 were collected.

29 (D) For cases in which both current support and arrears are  
30 owed:

31 (i) The number of cases in which the full amount of current  
32 support and arrears owed were collected.

33 (ii) The number of cases in which some amount of current  
34 support and arrears, but less than the full amount of support owed,  
35 were collected.

36 (iii) The number of cases in which no amount of support owed  
37 was collected.

38 (E) The total number of cases in which an amount was due for  
39 current support only.



1 (F) The total number of cases in which an amount was due for  
2 both current support and arrears.

3 (G) The total number of cases in which an amount was due for  
4 arrears only.

5 (H) For cases with current support due, the number of cases  
6 without orders for medical support and the number of cases with  
7 an order for medical support.

8 (2) The number of alleged fathers or obligors who were served  
9 with a summons and complaint to establish paternity or a support  
10 order, and the number of alleged fathers or obligors for whom it  
11 is required that paternity or a support order be established. In order  
12 to be counted under this paragraph, the alleged father or obligor  
13 shall be successfully served with process. An alleged father shall  
14 be counted under this paragraph only once if he is served with  
15 process simultaneously for both a paternity and a support order  
16 proceeding for the same child or children. For purposes of this  
17 paragraph, a support order shall include a medical support order.

18 (3) The number of new asset seizures or successful initial  
19 collections on a wage assignment for purposes of child support  
20 collection. For purposes of this paragraph, a collection made on a  
21 wage assignment shall be counted only once for each wage  
22 assignment issued.

23 (4) The number of children requiring paternity establishment  
24 and the number of children for whom paternity has been  
25 established during the period. Paternity may only be established  
26 once for each child. Any child for whom paternity is not at issue  
27 shall not be counted in the number of children for whom paternity  
28 has been established. For this purpose, paternity is not at issue if  
29 the parents were married and neither parent challenges paternity  
30 or a voluntary paternity declaration has been executed by the  
31 parents prior to the local child support agency obtaining the case  
32 and neither parent challenges paternity.

33 (5) The number of cases requiring that a support order be  
34 established and the number of cases that had a support order  
35 established during the period. A support order shall be counted as  
36 established only when the appropriate court has issued an order for  
37 child support, including an order for temporary child support, or  
38 an order for medical support.

39 (6) The total cost of administering the local child support  
40 agency, including the federal, state, and county share of the costs



1 and the federal and state incentives received by each county. The  
2 total cost of administering the program shall be broken down by  
3 the following:

4 (A) The direct costs of the program, broken down further by  
5 total employee salaries and benefits, a list of the number of  
6 employees broken down into at least the following categories:  
7 attorneys, administrators, caseworkers, investigators, and clerical  
8 support; contractor costs; space charges; and payments to other  
9 county agencies. Employee salaries and numbers need only be  
10 reported in the annual report.

11 (B) The indirect costs, showing all overhead charges.

12 (7) The total child support collections due, broken down by  
13 current support, interest on arrears, and principal, and the total  
14 child support collections that have been collected, broken down by  
15 current support, interest on arrears, and principal.

16 (8) The actual case status for all cases in the county child  
17 support enforcement program. Each case shall be reported in one  
18 case status only. If a case falls within more than one status  
19 category, it shall be counted in the first status category of the list  
20 set forth below in which it qualifies. The following shall be the  
21 case status choices:

22 (A) No support order, location of obligor parent required.

23 (B) No support order, alleged obligor parent located and  
24 paternity required.

25 (C) No support order, location and paternity not at issue but  
26 support order must be established.

27 (D) Support order established with current support obligation  
28 and obligor is in compliance with support obligation.

29 (E) Support order established with current support obligation,  
30 obligor is in arrears and location of obligor is necessary.

31 (F) Support order established with current support obligation,  
32 obligor is in arrears, and location of obligor's assets is necessary.

33 (G) Support order established with current support obligation,  
34 obligor is in arrears and no location of obligor or obligor's assets  
35 is necessary.

36 (H) Support order established with current support obligation,  
37 obligor is in arrears, the obligor is located, but the local child  
38 support agency has established satisfactorily that the obligor has  
39 no income or assets and no ability to earn.



1 (I) Support order established with current support obligation  
2 and arrears, obligor is paying the current support and is paying  
3 some or all of the interest on the arrears, but is paying no principal.

4 (J) Support order established for arrears only and obligor is  
5 current in repayment obligation.

6 (K) Support order established for arrears only, obligor is not  
7 current in arrears repayment schedule and location of obligor is  
8 required.

9 (L) Support order established for arrears only, obligor is not  
10 current in arrears repayment schedule and location of obligor's  
11 assets is required.

12 (M) Support order established for arrears only, obligor is not  
13 current in arrears repayment schedule, and no location of obligor  
14 or obligor's assets is required.

15 (N) Support order established for arrears only, obligor is not  
16 current in arrears repayment, and the obligor is located, but the  
17 local child support agency has established satisfactorily that the  
18 obligor has no income or assets and no ability to earn.

19 (O) Support order established for arrears only and obligor is  
20 repaying some or all of the interest, but no principal.

21 (P) Other, if necessary, to be defined in the regulations  
22 promulgated under subdivision (e).

23 (e) Upon implementation of the statewide automated system,  
24 or at the time that the department determines that compliance with  
25 this subdivision is possible, whichever is earlier, each county that  
26 is participating in the state incentive program described in Section  
27 17704 shall collect and report, and the department shall compile  
28 for each participating county, information on the county child  
29 support program in each fiscal year, all of the following data, in a  
30 manner that facilitates comparison of counties and the entire state,  
31 except that the department may eliminate or modify the  
32 requirement to report any data mandated to be reported pursuant  
33 to this subdivision if the department determines that the local child  
34 support agencies are unable to accurately collect and report the  
35 information or that collecting and reporting of the data by the local  
36 child support agencies will be onerous:

37 (1) The number of alleged obligors or fathers who receive  
38 CalWORKs benefits, food stamp benefits, and Medi-Cal benefits.

39 (2) The number of obligors or alleged fathers who are in state  
40 prison or county jail.



- 1 (3) The number of obligors or alleged fathers who do not have  
2 a social security number.
- 3 (4) The number of obligors or alleged fathers whose address is  
4 unknown.
- 5 (5) The number of obligors or alleged fathers whose complete  
6 name, consisting of at least a first and last name, is not known by  
7 the local child support agency.
- 8 (6) The number of obligors or alleged fathers who filed a tax  
9 return with the Franchise Tax Board in the last year for which a  
10 data match is available.
- 11 (7) The number of obligors or alleged fathers who have no  
12 income reported to the Employment Development Department  
13 during the third quarter of the fiscal year.
- 14 (8) The number of obligors or alleged fathers who have income  
15 between one dollar (\$1) and five hundred dollars (\$500) reported  
16 to the Employment Development Department during the third  
17 quarter of the fiscal year.
- 18 (9) The number of obligors or alleged fathers who have income  
19 between five hundred one dollars (\$501) and one thousand five  
20 hundred dollars (\$1,500) reported to the Employment  
21 Development Department during the third quarter of the fiscal  
22 year.
- 23 (10) The number of obligors or alleged fathers who have  
24 income between one thousand five hundred one dollars (\$1,501)  
25 and two thousand five hundred dollars (\$2,500) reported to the  
26 Employment Development Department during the third quarter of  
27 the fiscal year.
- 28 (11) The number of obligors or alleged fathers who have  
29 income between two thousand five hundred one dollars (\$2,501)  
30 and three thousand five hundred dollars (\$3,500) reported to the  
31 Employment Development Department during the third quarter of  
32 the fiscal year.
- 33 (12) The number of obligors or alleged fathers who have  
34 income between three thousand five hundred one dollars (\$3,501)  
35 and four thousand five hundred dollars (\$4,500) reported to the  
36 Employment Development Department during the third quarter of  
37 the fiscal year.
- 38 (13) The number of obligors or alleged fathers who have  
39 income between four thousand five hundred one dollars (\$4,501)  
40 and five thousand five hundred dollars (\$5,500) reported to the



1 Employment Development Department during the third quarter of  
2 the fiscal year.

3 (14) The number of obligors or alleged fathers who have  
4 income between five thousand five hundred one dollars (\$5,501)  
5 and six thousand five hundred dollars (\$6,500) reported to the  
6 Employment Development Department during the third quarter of  
7 the fiscal year.

8 (15) The number of obligors or alleged fathers who have  
9 income between six thousand five hundred one dollars (\$6,501)  
10 and seven thousand five hundred dollars (\$7,500) reported to the  
11 Employment Development Department during the third quarter of  
12 the fiscal year.

13 (16) The number of obligors or alleged fathers who have  
14 income between seven thousand five hundred one dollars (\$7,501)  
15 and nine thousand dollars (\$9,000) reported to the Employment  
16 Development Department during the third quarter of the fiscal  
17 year.

18 (17) The number of obligors or alleged fathers who have  
19 income exceeding nine thousand dollars (\$9,000) reported to the  
20 Employment Development Department during the third quarter of  
21 the fiscal year.

22 (18) The number of obligors or alleged fathers who have two  
23 or more employers reporting earned income to the Employment  
24 Development Department during the third quarter of the fiscal  
25 year.

26 (19) The number of obligors or alleged fathers who receive  
27 unemployment benefits during the third quarter of the fiscal year.

28 (20) The number of obligors or alleged fathers who receive  
29 state disability benefits during the third quarter of the fiscal year.

30 (21) The number of obligors or alleged fathers who receive  
31 workers' compensation benefits during the third quarter of the  
32 fiscal year.

33 (22) The number of obligors or alleged fathers who receive  
34 Social Security Disability Insurance benefits during the third  
35 quarter of the fiscal year.

36 (23) The number of obligors or alleged fathers who receive  
37 Supplemental Security Income/State Supplementary Program for  
38 the Aged, Blind and Disabled benefits during the third quarter of  
39 the fiscal year.



1 (f) The department, in consultation with the Legislative  
2 Analyst's office, the Judicial Council, the California Family  
3 Support Council, and child support advocates, shall develop  
4 regulations to ensure that all local child support agencies report the  
5 data required by this section uniformly and consistently  
6 throughout California.

7 (g) The department shall provide the information for all  
8 participating counties for the 2000–01 fiscal year to each member  
9 of a county board of supervisors, county executive officer, local  
10 child support agency, and the appropriate policy committees and  
11 fiscal committees of the Legislature by December 31, 2001. The  
12 department shall provide the information for each subsequent  
13 ~~fiscal quarter and fiscal year no later than three months following~~  
14 ~~the end of the fiscal quarter and~~ no later than nine months  
15 following the end of the fiscal year. *The department shall make*  
16 *available upon request by the Legislature, quarterly data no*  
17 *earlier than three months following the end of the fiscal quarter for*  
18 *which the data is requested.* The department shall present the  
19 information in a manner that facilitates comparison of county  
20 performance.

21 (h) For purposes of this section, “case” means a noncustodial  
22 parent, whether mother, father, or putative father, who is, or  
23 eventually may be, obligated under law for support of a child or  
24 children. For purposes of this definition, a noncustodial parent  
25 shall be counted once for each family that has a dependent child  
26 he or she may be obligated to support.

27 (i) This section shall be operative only for as long as Section  
28 17704 requires participating counties to report data to the  
29 department.

30 *SEC. 8. Section 17602 of the Family Code is amended to read:*

31 17602. (a) Not later than January 1, 2001, the department  
32 shall adopt performance standards, in consultation with local child  
33 support agencies, that each local child support agency is required  
34 to comply with on a quarterly basis. The performance standards  
35 shall include, at a minimum, measurements for each of the  
36 following:

37 (1) Percent of cases with a court order for current support.

38 (2) Percent of cases with collections of current support.

39 (3) Average amount collected per case for all cases with  
40 collections.



- 1 (4) Percent of cases with an order for arrears.  
2 (5) Percent of cases with arrears collections.  
3 (6) Percent of alleged fathers or obligors who were served with  
4 a summons and complaint to establish paternity or a support order  
5 during the period.  
6 (7) Percent of children for whom paternity has been established  
7 during the period.  
8 (8) Percent of cases that had a support order established during  
9 the period.  
10 (9) Total child support dollars collected per \$1.00 of total  
11 expenditure.  
12 (10) Any other measurements that the director determines to be  
13 an appropriate determination of a local child support agency's  
14 performance.  
15 (b) In determining the performance measures in subdivision  
16 (a), the department shall consider the total amount of uncollected  
17 child support arrearages that are realistically collectible. The  
18 director shall analyze, in consultation with local child support  
19 agencies and child support advocates, the current amount of  
20 uncollected child support arrearages statewide and in each county  
21 to determine the amount of child support that may realistically be  
22 collected. The director shall consider, in conducting the analysis,  
23 factors that may influence collections, including demographic  
24 factors such as welfare caseload, levels of poverty and  
25 unemployment, rates of incarceration of obligors, and age of  
26 delinquencies. The director shall use this analysis to establish  
27 program priorities as provided in paragraph (7) of subdivision (b)  
28 of Section 17306.  
29 (c) The department shall use the performance-based data, and  
30 the criteria for that data, as set forth in Section 17600 to determine  
31 a local child support agency's performance measures for the  
32 quarter.  
33 (d) The director shall adopt a three phase process to be used  
34 statewide when a local child support agency is out of compliance  
35 with the performance standards adopted pursuant to subdivision  
36 (a), or the director determines that the local child support agency  
37 is failing in a substantial manner to comply with any provision of  
38 the state plan, the provisions of this code, the requirements of  
39 federal law, the regulations of the department, or the cooperative  
40 agreement. The director shall adopt policies as to the



1 implementation of each phase, including requirements for  
2 measurement of progress and improvement which shall be met as  
3 part of the performance improvement plan specified in paragraphs  
4 (1) and (2), in order to avoid implementation of the next phase of  
5 compliance. The director shall not implement any of these phases  
6 until July 1, 2001, or until six months after a local child support  
7 agency has completed its transition from the office of the district  
8 attorney to the new county department of child support services,  
9 whichever is later. The phases shall include the following:

10 (1) Phase I: Development of a performance improvement plan  
11 that is prepared jointly by the local child support agency and the  
12 department, subject to the department's final approval. The plan  
13 shall provide performance expectations and goals for achieving  
14 compliance with the state plan and other state and federal laws and  
15 regulations that must be reviewed and assessed within specific  
16 timeframes in order to avoid execution of Phase II.

17 (2) Phase II: Onsite investigation, evaluation and oversight of  
18 the local child support agency by the department. The director  
19 shall appoint program monitoring teams to make site visits,  
20 conduct educational and training sessions, and help the local child  
21 support agency identify and attack problem areas. The program  
22 monitoring teams shall evaluate all aspects of the functions and  
23 performance of the local child support agency, including  
24 compliance with state and federal laws and regulations. Based on  
25 these investigations and evaluations, the program monitoring team  
26 shall develop a final performance improvement plan and shall  
27 oversee implementation of all recommendations made in the plan.  
28 The local child support agency shall adhere to all  
29 recommendations made by the program monitoring team. The  
30 plan shall provide performance expectations and compliance goals  
31 that must be reviewed and assessed within specific timeframes in  
32 order to avoid execution of Phase III.

33 (3) Phase III: The director shall assume, either directly or  
34 through agreement with another entity, responsibility for the  
35 management of the child and spousal support enforcement  
36 program in the county until such time as the local child support  
37 agency provides reasonable assurances to the director of its  
38 intention and ability to comply. During the period of state  
39 management responsibility, the director or his or her authorized  
40 representative shall have all of the powers and responsibilities of



1 the local child support agency concerning the administration of the  
2 program. The local child support agency shall be responsible for  
3 providing any funds as may be necessary for the continued  
4 operation of the program. If the local child support agency fails or  
5 refuses to provide these funds, including a sufficient amount to  
6 reimburse any and all costs incurred by the department in  
7 managing the program, the Controller may deduct an amount  
8 certified by the director as necessary for the continued operation  
9 of the program by the department from any state or federal funds  
10 payable to the county for any purpose.

11 (e) The director shall report in writing to the Legislature  
12 semiannually, beginning July 1, 2001, on the status of the state  
13 child support enforcement program. The director shall submit  
14 quarterly ~~reports~~ *data, upon the request of the Legislature*, to the  
15 Legislature, Governor and public on progress of all local child  
16 support agencies in each performance measure, including  
17 identification of the local child support agencies that are out of  
18 compliance, the performance measures that they have failed to  
19 satisfy, and the performance improvement plan that is being taken  
20 for each.

21 *SEC. 9. Section 17700 of the Family Code is repealed.*

22 ~~17700. (a) It is the intent of the Legislature for the~~  
23 ~~department to allocate to counties funds as specified in this section~~  
24 ~~to assist counties to increase child support collections through the~~  
25 ~~child support enforcement program.~~

26 ~~(b) The funds may be used for the following purposes and in~~  
27 ~~any manner that will enhance child support collections.~~

28 ~~(1) To purchase equipment and fund staff to further a county's~~  
29 ~~effort to automate its offices as long as the automation is in~~  
30 ~~accordance with the Statewide Automated Child Support System~~  
31 ~~being implemented statewide.~~

32 ~~(2) To fund staff who will further the county's collection~~  
33 ~~efforts.~~

34 ~~(3) To match federal funds to increase court time given to child~~  
35 ~~support, including, but not limited to, funding additional family~~  
36 ~~law commissioner or referee positions which are authorized by~~  
37 ~~law, renting or leasing additional space, funding additional support~~  
38 ~~staff and litigant services, and obtaining additional equipment.~~  
39 ~~More than one county may jointly fund a family support~~  
40 ~~commissioner or referee position to serve the participating~~



1 counties. For the 1996–97 and 1997–98 fiscal years, funds shall be  
2 made available to the extent appropriated by the Budget Act to the  
3 Judicial Council to implement Section 4251 of, and Division 14  
4 (commencing with Section 10000). The Judicial Council shall  
5 allocate the funds to counties for the purpose of matching federal  
6 funds for the costs of commissioners, family law facilitators, and  
7 related costs. The Judicial Council may also use the funds to offset  
8 the nonfederal share of costs incurred for performing the duties  
9 specified in Section 4252. The funds may only be used to match  
10 federal funds to increase court time if the county does not decrease  
11 its current allocation of court time to child support cases or  
12 decrease the time more than in other areas under its plan for trial  
13 court funding. The funds allocated pursuant to this section and the  
14 federal matching funds for increased court time for child support  
15 cases shall be considered outside the requirements of trial court  
16 funding. Funds allocated to the Judicial Council shall not be  
17 subject to the requirements of subdivision (e).

18 (e) Counties may choose one of the following methods for  
19 obtaining these funds to increase child support collections:

20 (1) Matching funds method:

21 (A) It is the intent of the Legislature to appropriate the sum of  
22 ten million dollars (\$10,000,000), or any higher amount specified  
23 in the annual Budget Act, from the General Fund to the State  
24 Department of Social Services. Within 60 days of the enactment  
25 of the annual Budget Act, any county choosing to apply for funds  
26 under this method shall submit to the department a plan specifying  
27 the amount of county match funds the county will provide, the  
28 amount of General Fund moneys the county is requesting, and the  
29 intended uses of the funds consistent with subdivision (b).

30 (B) The department shall allocate the funds to counties based  
31 on the amount each county has reported it is to match. In order to  
32 receive these funds, a county shall match every dollar of the  
33 General Fund money provided to the county with fifty cents  
34 (\$0.50) of county funds, which shall be used for the child support  
35 program. In the event that the department receives applications  
36 that exceed the total funds available, the department shall allocate  
37 the available funds among the applications based on  
38 collections to cost ratios.

39 (C) Funds expended to comply with Section 17714 shall  
40 qualify for this match.



1 ~~(2) Loan method:~~

2 ~~(A) The Director of Finance is authorized to transfer up to ten~~  
3 ~~million dollars (\$10,000,000), or any higher amount as may be~~  
4 ~~specified in the annual Budget Act, from Item 5180-101-0001 to~~  
5 ~~Item 5180-141-0001 of the annual Budget Act for allocation by the~~  
6 ~~State Department of Social Services to county child support~~  
7 ~~enforcement programs. There shall be no requirement for counties~~  
8 ~~to match these funds, but the department shall take any steps~~  
9 ~~necessary to ensure that the maximum amount of federal funds are~~  
10 ~~available to match these funds.~~

11 ~~(B) The department shall allocate these funds to counties based~~  
12 ~~upon an approved application. In the event that the department~~  
13 ~~receives applications that exceed the total funds available, the~~  
14 ~~department shall allocate the available funds among the approved~~  
15 ~~applications based on collections-to-cost ratios. In order to be~~  
16 ~~approved, the application shall be signed by the chief~~  
17 ~~administrative officer of the local child support agency and shall,~~  
18 ~~at a minimum, specify:~~

19 ~~(i) The county's estimate of the state share of baseline~~  
20 ~~California Work Opportunity and Responsibility to Kids~~  
21 ~~(CalWORKs) collections in the county for the state fiscal year in~~  
22 ~~which the requested allocation will be spent. For purposes of this~~  
23 ~~section, "baseline CalWORKs collections" means the collections~~  
24 ~~that would be made by the county in the absence of this section.~~  
25 ~~The department shall review the county's baseline CalWORKs~~  
26 ~~and non-CalWORKs collections estimate and shall approve the~~  
27 ~~estimate if it is reasonably consistent with recent trends and~~  
28 ~~developments in the county.~~

29 ~~(ii) The specific program activities for which the county~~  
30 ~~proposes to use the funds. The county shall certify that these~~  
31 ~~activities are in addition to the activities, or the level of activity,~~  
32 ~~funded in the previous year.~~

33 ~~(iii) The amount requested.~~

34 ~~(iv) The county's estimate of the state share of increased~~  
35 ~~CalWORKs and non-CalWORKs collections, minus any incentive~~  
36 ~~paid to the county pursuant to Section 15200.8 of the Welfare and~~  
37 ~~Institutions Code, anticipated to result from the activities~~  
38 ~~identified in clause (ii). The department shall review this estimate~~  
39 ~~and advise the county as to its reasonableness. For purposes of this~~  
40 ~~section, "increased CalWORKs collections" means revenues~~



1 above the county's approved estimate of baseline CalWORKs  
2 collections.

3 (v) A statement by the local child support agency that he or she  
4 understands that the incentives that would otherwise be paid to the  
5 county in the second subsequent fiscal year will be reduced to  
6 recover any state costs that are not fully offset by increased  
7 revenues.

8 (C) The department shall approve applications with approved  
9 baseline CalWORKs collections and in which the  
10 collections-to-cost ratio derived by dividing the amounts  
11 estimated under clause (iv) of subparagraph (B) by the amount  
12 requested under clause (iii) of subparagraph (B) is equal to, or  
13 greater than, two times the statewide average comparable  
14 collections-to-cost ratio for the previous five years.

15 (D) At the end of the first quarter of the state fiscal year,  
16 following the second state fiscal year in which any county received  
17 an allocation pursuant to this section, the department shall estimate  
18 the total state share of CalWORKs collections by each county,  
19 minus each incentive paid to the county pursuant to Section  
20 15200.8 of the Welfare and Institutions Code.

21 (E) For each of the four quarters following the first quarter of  
22 the second state fiscal year following the year in which a county  
23 receives an allocation pursuant to this section, the department shall  
24 reduce the incentive payment by one-fourth of the amount which  
25 the allocation to the county pursuant to this section for the previous  
26 state fiscal year exceeds the difference, if greater than zero,  
27 resulting from subtracting the state share of baseline CalWORKs  
28 collections specified in the county's application from the  
29 department's estimate of the state share of total collections.

30 (d) The department shall review and evaluate the program  
31 specified in this section and shall report to the Legislature by June  
32 30, 2000. The report shall include recommendations for legislative  
33 changes needed to make the program more effective.

34 *SEC. 10. Section 17704 of the Family Code is amended to*  
35 *read:*

36 17704. (a) For the 1998-99 fiscal year the department shall  
37 pay to each county a child support incentive payment. Every  
38 county shall receive the federal child support incentive. A county  
39 shall receive the state child support incentive if it elects to do both  
40 of the following:



1 (1) Comply with the reporting requirements of Section 17600  
2 while federal financial participation is available for collecting and  
3 reporting data.

4 (2) Comply with federal and state child support laws and  
5 regulations, or has a corrective action plan certified by the  
6 department pursuant to Section 17702. The combined federal and  
7 state incentive payment shall be 13.6 percent of distributed  
8 collections. If the amount appropriated by the Legislature for the  
9 state incentives is less than the amount necessary to satisfy each  
10 county's actual incentives pursuant to this section, each county  
11 shall receive its proportional share of incentives.

12 (b) (1) Beginning July 1, 1999, the department shall pay to  
13 each county a child support incentive for child support collections.  
14 Every county shall receive the federal child support incentive. The  
15 combined federal and state incentive payments shall be 13.6  
16 percent of distributed collections. In addition to the federal child  
17 support incentive, each county may also receive a state child  
18 support incentive. Subject to subdivision (c), a county shall  
19 receive the state child support incentive if it elects to do both of the  
20 following:

21 (A) Comply with the reporting requirements of Section 17600  
22 while federal financial participation is available for collecting and  
23 reporting data.

24 (B) Be in compliance with federal and state child support laws  
25 and regulations, or have a performance improvement plan  
26 certified by the department pursuant to Section 17702.

27 (2) (A) For purposes of paragraph (1), the federal incentive  
28 component shall be each county's share of the child support  
29 incentive payments that the state receives from the federal  
30 government, based on the county's collections.

31 (B) (i) Effective July 1, 1999, and annually thereafter, state  
32 funds appropriated for child support incentives shall first be used  
33 to fund the administrative costs incurred by local child support  
34 agencies in administering the child support program, excluding  
35 automation costs as set forth in Section 10085 of the Welfare and  
36 Institutions Code, after subtracting all federal financial  
37 participation for administrative costs and all federal child support  
38 incentives received by the state and passed on to the local child  
39 support agencies. The department shall allocate sufficient  
40 resources to each local child support agency to fully fund the



1 remaining administrative costs of its budget as approved by the  
2 director pursuant to paragraph (9) of subdivision (b) of Section  
3 17306, subject to the appropriation of funding in the annual  
4 Budget Act. No later than January 1, 2000, the department shall  
5 identify allowable administrative costs that may be claimed for  
6 reimbursement from the state, which shall be limited to reasonable  
7 amounts in relation to the scope of services and the total funds  
8 available. If the total amount of administrative costs claimed in  
9 any year exceeds the amount appropriated in the Budget Act, the  
10 amount provided to local child support agencies shall be reduced  
11 by the percentage necessary to ensure that projected General Fund  
12 expenditures do not exceed the amount authorized in the Budget  
13 Act.

14 (ii) Effective July 1, 2001, and annually thereafter, after  
15 allowable administrative costs are funded under clause (i), the  
16 department shall use any remaining *unallocated* incentive funds  
17 appropriated from the prior fiscal year which are hereby  
18 reappropriated to implement an incentive program that rewards up  
19 to 10 local child support agencies in each year, based on their  
20 performance or increase in performance on one or more of the  
21 federal performance standards set forth in Section 458 of the  
22 federal Social Security Act (42 U.S.C. Sec. 658), or state  
23 performance standards set forth in subdivision (a) of Section  
24 17602, as determined by the department. The department shall  
25 determine the number of local agencies that receive state incentive  
26 funds under this program, subject to a maximum of 10 agencies  
27 and shall determine the amount received by each local agency  
28 based on the availability of funds and each local child support  
29 agency's proportional share based on the performance standard or  
30 standards used.

31 (iii) Any funds received pursuant to this subdivision shall be  
32 used only for child support enforcement activities.

33 (c) (1) Beginning October 1, 1999, any county whose  
34 performance on one or more of the federal performance standards  
35 set forth in Section 458 of the federal Social Security Act (42  
36 U.S.C. Sec. 658), or the state performance standards set forth in  
37 subdivision (a) of Section 17602, as determined by the  
38 department, is in the bottom quartile of all counties and whose rate  
39 of improvement over the prior year is less than the rate of  
40 improvement of the top quartile of counties in terms of their rates



1 of improvement shall receive its state incentive only upon  
2 accepting technical assistance from the department, as set forth in  
3 paragraph (2).

4 (2) The department, in consultation with experts from other  
5 counties, as appropriate, shall conduct a program review of the  
6 county's child support program, which shall include a review of  
7 the county's management practices, and provide technical  
8 assistance. If the county chooses to receive its state incentives  
9 under this section, the county shall comply with the  
10 recommendations of this review.

11 (d) Each county shall continue to receive its federal child  
12 support incentive funding whether or not it elects to participate in  
13 the state child support incentive funding program.

14 (e) The department shall provide incentive funds pursuant to  
15 this section only during any fiscal year in which funding is  
16 provided for that purpose in the Budget Act.

17 *SEC. 11. Section 11476.2 of the Welfare and Institutions Code*  
18 *is amended to read:*

19 11476.2. ~~Annually~~—*On a monthly basis, the—county*  
20 ~~department~~ *local child support agency shall provide to—AFDC*  
21 ~~recipients any CalWORKs recipient or former—recipients recipient~~  
22 *for whom an assignment pursuant to subdivision (a) of Section*  
23 *11477 is currently effective, a notice of the amount of assigned*  
24 *support payments made on behalf of the recipient or former*  
25 ~~recipients recipient~~ *or any other family member for whom—aid*  
26 *public assistance is received.*

27 *SEC. 12. Notwithstanding Section 17610 of the Government*  
28 *Code, if the Commission on State Mandates determines that this*  
29 *act contains costs mandated by the state, reimbursement to local*  
30 *agencies and school districts for those costs shall be made*  
31 *pursuant to Part 7 (commencing with Section 17500) of Division*  
32 *4 of Title 2 of the Government Code. If the statewide cost of the*  
33 *claim for reimbursement does not exceed one million dollars*  
34 *(\$1,000,000), reimbursement shall be made from the State*  
35 *Mandates Claims Fund.*

36 *read:*

37 ~~5241. (a) An employer who willfully fails to withhold and~~  
38 ~~forward support pursuant to a currently valid assignment order~~  
39 ~~entered and served upon the employer pursuant to this chapter is~~  
40 ~~liable to the obligee for the amount of support not withheld;~~



1 forwarded, or otherwise paid to the obligee, including any interest  
2 thereon.

3 (b) If an employer withholds support as required by the  
4 assignment order, the obligor shall not be held in contempt or  
5 subject to criminal prosecution for nonpayment of the support that  
6 was withheld by the employer but not received by the obligee. In  
7 addition, the employer is liable to the obligee for any interest  
8 incurred as a result of the employer's failure to timely forward the  
9 withheld support pursuant to an assignment earnings order.

10 (c) In addition to any other penalty or liability provided by law,  
11 willful failure by an employer to comply with an assignment order  
12 is punishable as a contempt pursuant to Section 1218 of the Code  
13 of Civil Procedure.

14 (d) If an employer withholds support, as required by the  
15 assignment order, but fails to forward the support to the obligee,  
16 the local child support agency shall take appropriate action to  
17 collect the withheld sums from the employer. The child support  
18 obligee or the local child support agency upon application may  
19 obtain an order requiring payment of support by electronic transfer  
20 from the employer's bank account if the employer has willfully  
21 failed to comply with the assignment order or if the employer has  
22 failed to comply with the assignment order on three separate  
23 occasions within a 12-month period. Where a court finds that an  
24 employer has willfully failed to comply with the assignment order  
25 or has otherwise failed to comply with the assignment order on  
26 three separate occasions within a 12-month period, the court may  
27 impose a civil penalty, in addition to any other penalty required by  
28 law, of up to 50 percent of the support amount that has not been  
29 received by the obligee.

30 (e) To facilitate employer awareness, the local child support  
31 agency shall make reasonable efforts to notify any employer  
32 subject to an assignment order pursuant to this chapter of the  
33 electronic fund transfer provision and enhanced penalties  
34 provided by this section.

35 (f) Notwithstanding any other provision of law, any penalty  
36 payable pursuant to this subdivision shall be payable directly to the  
37 obligee. The local child support agency shall not be required to  
38 establish or collect this penalty on behalf of the obligee. The  
39 penalty shall not be included when determining the income of the  
40 obligee for the purpose of determining the eligibility of the obligee



1 ~~for benefits payable pursuant to state supplemental income~~  
2 ~~programs. A court may issue the order requiring payment of~~  
3 ~~support by electronic transfer from the employer's bank account~~  
4 ~~and impose the penalty described in this subdivision, after notice~~  
5 ~~and hearing. This provision shall not be construed to expand or~~  
6 ~~limit the duties and obligations of the Labor Commissioner, as set~~  
7 ~~forth in Section 200 and following of the Labor Code.~~

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