

CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES

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

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

July 25, 2002

LCSA LETTER: 02-25

ALL IV-D DIRECTORS

SUBJECT: COMPROMISE OF ARREARAGES

The purpose of this letter is to advise you of the Department of Child Support Services (DCSS) intent to initiate action to implement AB 1449, Chapter 463, Statutes of 2001. This bill, effective January 1, 2002, requires DCSS, in consultation with the Department of Social Services, to establish and promulgate, by October 1, 2002, regulations by which the local child support agency (LCSA) may compromise arrearages and interest owed for reimbursement of certain public assistance payments paid for a child placed in foster care, with a relative caretaker, or a guardian. The regulations will allow LCSAs to compromise arrearages in cases where separation or desertion of a parent results in aid being granted to the child and subsequently, the child is returned to the parent.

LCSAs should not implement the provisions of the bill to compromise arrearages until the DCSS regulations become effective. DCSS has concurrently been working on a regulation package and a policy letter to permit early implementation, however, there are a number of complex program and procedural issues that have to be addressed and resolved in the development of this regulation package. Consequently, early implementation should only be exercised upon the receipt of either the regulation package or the policy letter from DCSS. DCSS will continue to solicit input from all interested parties as this regulation package continues to move forward in the emergency regulation process.

If you have any questions or concerns regarding this matter, please contact Tonya Crawford-Comage, Financial Management Policy Unit, at (916) 464-5224.

Sincerely,

PATRIC B. ASHBY
 Deputy Director
 Child Support Services Division

cc: Outreach Coordinators

DCSS-PR-2002-POL-0005



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