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**CHILD SUPPORT PROGRAM  
CASE CLOSURE**

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**CHAPTER 12-300 CASE CLOSURE**

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**12-300 CASE CLOSURE 12-300**

**12-301 GENERAL 12-301**

.1 The district attorney shall establish and use a system for closing Title IV-D cases in accordance with this chapter.

.11 The district attorney shall be permitted to continue to work a case that otherwise qualifies for closure under Section 12-302, if the district attorney believes there is potential for success.

.2 Definitions of terms used in these regulations, which are common to the Child Support Enforcement Program, are found in MPP Sections 12-701, 12-101.3, and 12-601.

.3 Definitions of terms specific to these regulations are:

a. (Reserved)

b. (Reserved)

c. (1) Case closure -- means that Title IV-D services will no longer be provided. However, closure does not affect the support order, if the order is still current, or arrearages have accrued under the order. Although the district attorney closes a case, a support order that is current remains in effect and arrearages continue to accrue for the life of the order.

d. (Reserved)

e. (Reserved)

f. (Reserved)

g. (Reserved)

h. (Reserved)

i. (Reserved)

j. (Reserved)

k. (Reserved)

l. (Reserved)

m. (Reserved)

n. (Reserved)

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<b>12-301</b>	<b>GENERAL</b> (Continued)	<b>12-301</b>
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- o. (Reserved)
- p. (Reserved)
- q. (Reserved)
- r. (Reserved)
- s. (Reserved)
- t. (1) Transitional Child Care (TCC) -- means the TCC program administered by the Title IV-A agency in accordance with MPP Section 47-100 et seq.
- u. (Reserved)
- v. (Reserved)
- w. (Reserved)
- x. (Reserved)
- y. (Reserved)
- z. (Reserved)

NOTE: Authority cited: Sections 10554, 11475 and 11479.5, Welfare and Institutions Code. Reference: Section 11479.5, Welfare and Institutions Code; 45 CFR Section 303.11(a); Federal Register, Vol. 54, No. 149, August 4, 1989, page 32303, comments a.1 and a.3.

<b>12-302</b>	<b>CASE CLOSURE CRITERIA</b>	<b>12-302</b>
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- .1 Title IV-D cases qualify for closure only if they meet at least one of the following criteria:
  - (a) There is no longer a current support order and arrearages are under \$500; or, arrearages are unenforceable under state law. Situations to which these criteria apply include, but are not limited to, the following:
    - (1) Reconciliation of the family or the death of a child constitutes grounds for terminating the current support order.

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**12-302 CASE CLOSURE CRITERIA (Continued)****12-302**

- (2) Medical support orders and arrearages which accrue under such orders. Medical support arrearages would be part of the arrearages accruing under the support order if a specific dollar amount for medical support is designated in the order by a court or administrative authority.
- (b) The absent parent or putative father is deceased and both of the following apply:
  - (1) No further action can be taken, including a levy against the estate.
  - (2) The local child support agency has documented the attempts to identify assets which could be levied and the attempts were unsuccessful.
- (c) Paternity cannot be established because of one of the following:
  - (1) A genetic test or court or administrative process has excluded the putative father and no other putative father can be identified.
  - (2) The local child support agency determines that the child's best interest will not be served by establishing paternity because incest or rape was involved, or legal proceedings for adoption are pending.
- (d) The absent parent's location is unknown and the local child support agency has made quarterly attempts for three years, using multiple sources, to locate the absent parent, all of which have been unsuccessful.
- (e) The absent parent cannot pay support for the duration of the child's minority for any of the three reasons stated below and the local child support agency determines that no income or assets are available to the absent parent which could be levied or attached for support:
  - (1) The absent parent is institutionalized in a psychiatric facility.
  - (2) The absent parent is incarcerated with no chance of parole.
  - (3) The absent parent has a medically verified total and permanent disability with no evidence of support potential.
- (f) The absent parent lives in a foreign country and all of the following apply:
  - (1) The absent parent is a citizen of a foreign country.

<b>12-302</b>	<b>CASE CLOSURE CRITERIA (Continued)</b>	<b>12-302</b>
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- (2) The absent parent does not work for the United States government or a company which has its headquarters or offices in the United States.
- (3) The absent parent has no reachable domestic income or assets.
- (4) The state is unable to establish reciprocity with the country.
- (g) The local child support agency has provided location-only services as requested by the custodial parent, legal guardian, attorney, or agent of a child who is not receiving CalWORKs, whether or not such services were successful.
- (h) The non-AFDC custodial parent requests closure of a case and any arrearages assigned to the state are under \$500.
- (i) There has been a finding of good cause and the state or local welfare (Title IV-A) or foster care (Title IV-E) agency has determined that support enforcement may not proceed without risk or harm to the child or caretaker relative. (See MPP Section 43-107.4 for good cause criteria.)
- (j) The local child support agency is unable to contact the non-CalWORKs custodial parent over a 30-calendar-day period despite attempts to contact the parent both by phone and letter, including at least one certified, return receipt, letter.
- (k) The non-CalWORKs custodial parent is uncooperative and both of the following apply:
  - (1) The local child support agency documents the circumstances of noncooperation in the case file.
  - (2) An action by the custodial parent is essential for the next step in providing Title IV-D services.
- (l) The case involves only the establishment of an order for the reimbursement of aid and all of the following apply:
  - (1) Aid has terminated.
  - (2) The absent parent is located.

<b>12-302</b>	<b>CASE CLOSURE CRITERIA (Continued)</b>	<b>12-302</b>
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- (3) The absent parent refuses to stipulate to a reimbursement order.
- (4) Court ordered reimbursement cannot reasonably be expected to exceed \$1,000.
- (m) The custodial parent has moved to another county or state and both of the following apply:
  - (1) The custodial parent applied for services in the other county or state.
  - (2) The local child support agency documents in the case file that contact was made with the other county or state to confirm that the custodial parent has applied for services in the other county or state, or, in the case of an intercounty transfer, to confirm that the case has been transferred.
- .2 The local child support agency shall notify the custodial parent of the Title IV-D agency's intent to close the case.
  - .21 Notice of case closure to the custodial parent need not be provided for cases closed under Sections 12-302.1(g), .1(h), or .1(i).
  - .22 When cases are being closed under Sections 12-302.1(h), (j), or (k) and the non-CalWORKs custodial parent is receiving TCC, the local child support agency shall notify the Title IV-A agency about the cases being closed.
- .3 Notice of case closure shall be sent in writing 60 calendar days prior to closing the case.
  - (a) The notice of intent to close the case must provide, at a minimum, the following information:
    - (1) The reason why the case is being closed.
    - (2) The circumstances under which the case could be reopened, such as new information regarding the absent parent's location.

<b>12-302</b>	<b>CASE CLOSURE CRITERIA (Continued)</b>	<b>12-302</b>
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- (3) A telephone number and address where questions concerning the case closure notice can be directed.
- (b) The case shall be kept open if the custodial parent responds to the closure notice with information that could lead to the establishment of paternity or a support order or enforcement of an order.
- (c) The case shall remain open if contact is re-established with the custodial parent in the instance of Section 12-302.1(j).
- .4 The case shall be considered for reopening at a later date if the custodial parent requests that the case be reopened and can provide information that could lead to the establishment of paternity or a support order or enforcement of an order.
- .5 Child support services shall continue after aid is terminated until the recipient notifies the local child support agency that he/she no longer desires the services.

NOTE: Authority cited: Sections 10554, 11475 and 11479.5, Welfare and Institutions Code. Reference: 45 CFR Sections 302.33(a)(4), 302.35(c)(3), 303.3(b)(5), 303.11(b)(1) through (b)(12), and (c); Sections 11350 and 11479.5, Welfare and Institutions Code; Federal Register, Vol. 54, No. 149, dated August 4, 1989, page 32304, comments b.3, b.4 and c.2 and page 32306, comment k; Federal Register, Vol. 54, No. 98, dated May 23, 1989, page 22328, first column, second paragraph; Sections 4700(c) and 7006(a)(1), Civil Code; and Office of Child Support Enforcement letter dated November 3, 1989.

<b>12-303</b>	<b>RECORD RETENTION</b>	<b>12-303</b>
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- .1 Closed Title IV-D case records shall be retained for a minimum of three years from the date the State Department of Social Services submits the last expenditure report for the last quarter of the federal fiscal year to the Department of Health and Human Services.
  - .11 Records and supporting documentation shall be retained longer when:
    - .111 They are the subject of an open federal and state audit.
    - .112 They are the subject of a pending civil litigation or when a court orders that such records be retained for an extended period.

NOTE: Authority cited: Sections 10554, 11475 and 11479.5, Welfare and Institutions Code. Reference: 45 CFR Section 303.11(d); 45 CFR Part 74, Subpart D, Sections 74.20, .21(a) and (b) and .22(a); and Section 11479.5, Welfare and Institutions Code.

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**CHILD SUPPORT PROGRAM  
CHILD SUPPORT COLLECTIONS AND DISTRIBUTION**

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**CHAPTER 12-400 CHILD SUPPORT COLLECTIONS AND DISTRIBUTION REGULATIONS**

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**12-405**                      **DEFINITIONS** (Continued)                      **12-405**

- (3) "Futures" -- means collections received from the noncustodial parent that are in excess of the current support obligations and no arrearages exist.
  
- (g) Reserved
  
- (h) Reserved
  
- (i) Reserved
  
- (j) Reserved
  
- (k) Reserved
  
- (l) Reserved
  
- (m) "Mixed Status Cases" -- means a Title IV-D case where one or more of the children in the case have a different aid or non-aid status, either currently or in the past.
  
- (n) (1) "Never Assigned Arrearages" -- means arrearages that have never been assigned to the state in never assistance cases. Never assigned arrears are also the arrearages in former assistance cases that accrued after the family's most recent period of aid ends.
  
- (2) "Never Assistance Case" -- means a Title IV-D case that is not currently and has never in the past received aid under AFDC, CalWORKs (which includes the legal immigrant program), or foster care.
  
- (o) (Reserved)
  
- (p) (1) "Payment Source" -- means the origin (e.g., person, other county or state child support enforcement agency) or the enforcement method used to obtain the support payment received (e.g., wage assignment, writs, till taps, tax intercept, etc.).
  
- (2) "Permanently Assigned Arrearages" -- means unpaid support that is assigned to the state as of September 30, 1998 and the unpaid support that accrues on or after October 1, 1998 while the family is receiving aid.
  
- (q) Reserved
  
- (r) (1) "Recoupment" -- means the amount of support that was collected that has been applied to reimburse in whole or in part the unreimbursed assistance pool which is used to reimburse the federal, state and county governments for aid paid to the family.
  
- (2) "Regular Payments" -- means all collections received, regardless of payment sources, except IRS tax intercept.

<b>12-405</b>	<b>DEFINITIONS (Continued)</b>	<b>12-405</b>
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- (s) (1) "Single Status" -- means a Title IV-D case where all of the children in the case are the same status, either currently receiving assistance, formerly received assistance, or never received assistance.
- (2) "State Optional Payments" - means any payment made to the current assistance CalWORKs family from the nonfederal share of collections, as determined by the Department (i.e., disregard).
- (t) "Temporarily Assigned Arrearages" -- means the unpaid support that accrues after October 1, 1998 and before the period the family receives aid (pre-assistance arrears), and any unassigned arrears that accrued before October 1, 1998 when the family goes on aid after October 1, 1998. These arrearages are not permanently assigned. The temporary assignment ends when the family stops receiving aid.
- (u) (1) "Unassigned During Assistance Arrearages" -- means unpaid support in former assistance cases that accrued while the family was receiving aid (permanently assigned arrearages), but which exceeded the total unreimbursed assistance pool.
- (2) "Unassigned Pre-Assistance Arrearages" -- means unpaid support in former aid cases that accrued before the family was receiving aid (temporarily assigned arrearages) and which exceeded the total unreimbursed assistance pool.
- (3) "Unreimbursed Assistance Pool (UAP)" -- means the total cumulative amount of aid paid to the family assistance unit for AFDC, CalWORKs (which includes the legal immigrant program), or foster care programs which has not been repaid by the recoupment of collections for assigned current support or arrearages (permanently, temporarily assigned, or conditionally assigned through an IRS tax intercept collection). The UAP must also be reduced by any state optional payments, including the disregard payment as defined in Section 12-101.3(d)(8), as determined by the Department. No interest accrues on the UAP.
- (v) "Voluntary Payments" -- means support payments received from the noncustodial parent in Title IV-D cases where there is no court ordered obligation. These payments must be treated as the obligation for the current month in the month they are received.
- (w) (1) "Welfare Distribution Process" -- means a monthly process where assigned support payments collected on behalf of current or former assistance cases are distributed to reimburse the aid payments made to the family or to the foster care child, or to authorize payments to families, as defined in Section 12-101.3.
- (2) "Working Day" -- means the day that the local child support agency's office is open for business.





**12-410**            **ASSIGNMENT OF SUPPORT RIGHTS (Continued)**                      **12-410**

- (2) To determine the amount of the permanently assigned arrearages that must be unassigned, the local child support agency must first compare the amount of the permanently assigned arrearages against the unreimbursed assistance pool.
  
- .132 After the comparison contained in Section 12-410.131, the local child support agency must then determine if any conditionally assigned arrearages must be unassigned.
  - (a) Unassigned Pre-Assistance Arrearages
    - (1) When the family or child is no longer receiving CalWORKs or foster care, after the calculation in Section 12-410.131, the amount of conditionally assigned arrearages in excess of the remaining unreimbursed assistance pool shall be "unassigned pre-assistance arrearages."
      - (A) To compute the unassigned pre-assistance arrearages, the local child support agency must next compare the amount of the conditionally assigned arrearages against the remaining unreimbursed assistance pool after the calculation in Section 12-410.131.

NOTE: Authority Cited: Sections 10553, 10554, 11457, 11475, and 11479.5, Welfare and Institutions Code. Reference: Sections 11477 and 14008, Welfare and Institutions Code; Section 695.221, Code of Civil Procedure; 42 CFR 433.145 and .146; Personal Responsibility and Work Opportunity Act of 1996 (P.L. 104-193), Section 408(a)(3)(A) [42 U.S.C. 608(a)(3)(A)] and Sections 457(a)(1), (2), (6), and (b) [42 U.S.C. 657(a)(1), (2), (6), and (b)]; Balanced Budget Act of 1997 (P.L. 105-33), Sections 5532(a) and (b) and (conforming amendments in PRWORA Section 408(a)(3)(A)) [42 U.S.C. 608(a)(3)(A)]; and Office of Child Support Enforcement Action Transmittal 97-17, Sections I(h), III(h), (j), (l), and (m), IV(a) through (b)(2), and VI(c)(3)(E), and Questions 14 through 17.



**12-415**                      **ALLOCATION OF PAYMENTS IN MULTIPLE CASES** (Continued)                      **12-415**

(n)	Lottery Intercept	To all NCP's cases
(o)	Military Allotment	To the specific case with order
(p)	Noncustodial Parent Payment	To all NCP's cases
(q)	Non-Title IV-D FTB	To the specific case
(r)	Personal Property Liens	To the specific case with lien filed
(s)	Real Property Lien	To all NCP's cases which have a lien filed
(t)	Till Tap	To the specific case with order
(u)	Voluntary Payment (no court order in case)	To NCP's cases with a court order first, and remaining amount to the case without an order
(v)	Wage Assignment	To all NCP's cases with active wage assignments served on the same employer
(w)	Workers' Compensation Lump Sum Liens	To all NCP's cases with liens filed
(x)	Workers' Compensation - Withholding	To all NCP's cases with withholding claims
(y)	Writ of Execution	To the specific case with order
(z)	Unemployment Compensation	To all NCP's cases

**.12**      **Allocation Formula**

The allocation methodology for determining each case's share of the collection is as follows:

**.121**      **Prorate the collection first to satisfy all current support obligations.**

- (a)      If the collection is not sufficient to satisfy all of the current support obligations for one noncustodial parent, prorate current support collections first to child and family support based on each case's proportionate share of the total current child or family support obligation owed, and then to current medical support owed and then to current spousal support owed.



**12-415**      **ALLOCATION OF PAYMENTS IN MULTIPLE CASES** (Continued)                      **12-415**

.4      Allocation of FTB Tax Intercept Collections

Franchise Tax Board tax intercept collections shall be allocated to a noncustodial parent's multiple cases that have been certified to FTB for the tax intercept program based on the proration formula specified in Section 12-415.12.

.41      Franchise Tax Board tax intercept collections cannot be applied to cases that are not certified to FTB.

.5      Allocation of Wage Assignment Collections

Wage assignment collections from employers shall be allocated to a noncustodial parent's multiple cases that have an active wage assignment for the same employer using the proration formula specified in Section 12-415.12.

NOTE: Authority Cited: Sections 10553, 10554, 11457, 11475, and 11479.5, Welfare and Institutions Code. Reference: Sections 11350, 11350.1, 11475.1, and 11478.6, Welfare and Institutions Code; Sections 697.320, 697.330, 697.510, 699.010 et seq., 703.030, 704.130, 704.160, 706.030, 708.010, 708.303, and 708.740, Code of Civil Procedures; Sections 12419.5 and .8, Government Code; Sections 4012, 4560, 4570, 4610, and 4900 et seq., Family Code; Sections 19271 through 19274, Revenue and Taxation Code; 42 U.S.C. 657(a)(2)(B)(iv); 45 CFR 202.6; 45 CFR 303.71, .80, and .100(a)(5); Office of Child Support Enforcement Action Transmittal 97-13, Question 6; and Office of Child Support Enforcement Action Transmittal 97-17, Case Scenario 7.

**12-420**      **DISTRIBUTION HIERARCHY**                      **12-420**

(a)      Distribution Priorities of Single Status Current Assistance Cases - Regular Collections

(1)      Regular collections received on behalf of single status current assistance cases shall be distributed by the local child support agency in the following distribution priority order:

- (A)      Current child support or family support
- (B)      Current medical support
- (C)      Current spousal support
- (D)      Permanently assigned child or family support interest
- (E)      Permanently assigned medical support interest
- (F)      Permanently assigned spousal support interest
- (G)      Permanently assigned child or family support arrears principal
- (H)      Permanently assigned medical support arrears principal



**12-420**            **DISTRIBUTION HIERARCHY** (Continued)                      **12-420**

- (M) Conditionally assigned child or family support arrears principal
- (N) Conditionally assigned medical support arrears principal
- (O) Conditionally assigned spousal support arrears principal
- (P) Unassigned pre-assistance child or family support interest
- (Q) Unassigned pre-assistance medical support interest
- (R) Unassigned pre-assistance spousal support interest
- (S) Unassigned pre-assistance child or family support arrears principal
- (T) Unassigned pre-assistance medical support arrears principal
- (U) Unassigned pre-assistance spousal support arrears principal
- (V) Permanently assigned child or family support interest
- (W) Permanently assigned medical support interest
- (X) Permanently assigned spousal support interest
- (Y) Permanently assigned child or family support arrears principal
- (Z) Permanently assigned medical support arrears principal
- (AA) Permanently assigned spousal support arrears principal
- (BB) Unassigned during assistance child or family support interest
- (CC) Unassigned during assistance medical interest
- (DD) Unassigned during assistance spousal support interest
- (EE) Unassigned during assistance child or family support arrears principal
- (FF) Unassigned during assistance medical support arrears principal
- (GG) Unassigned during assistance spousal support arrears principal
- (HH) Fees and costs interest
- (II) Fees and costs principal
- (JJ) Futures

(d) Distribution Priorities of Single Status Former Assistance Cases - IRS Tax Intercept Collections

- (1) Internal Revenue Service tax intercept collections made on behalf of single status former assistance cases shall be distributed by the local child support agency in the following distribution priority order:
  - (A) Permanently assigned child or family support interest
  - (B) Permanently assigned medical support interest

**12-420 DISTRIBUTION HIERARCHY** (Continued)**12-420**

- (C) Permanently assigned spousal support interest
- (D) Permanently assigned child or family support arrears principal
- (E) Permanently assigned medical support arrears principal
- (F) Permanently assigned spousal support arrears principal
- (G) Conditionally assigned child or family support interest
- (H) Conditionally assigned medical support interest
- (I) Conditionally assigned spousal support interest
- (J) Conditionally assigned child or family support arrears principal
- (K) Conditionally assigned medical support arrears principal
- (L) Conditionally assigned spousal support arrears principal
- (M) Unassigned pre-assistance child or family support interest
- (N) Unassigned pre-assistance medical support interest
- (O) Unassigned pre-assistance spousal support interest
- (P) Unassigned pre-assistance child or family support arrears principal
- (Q) Unassigned pre-assistance medical support arrears principal
- (R) Unassigned pre-assistance spousal support arrears principal
- (S) Unassigned during assistance child or family support interest
- (T) Unassigned during assistance medical support interest
- (U) Unassigned during assistance spousal support interest
- (V) Unassigned during assistance child or family support arrears principal
- (W) Unassigned during assistance medical support arrears principal
- (X) Unassigned during assistance spousal support arrears principal
- (Y) Never assigned child or family support interest
- (Z) Never assigned medical support interest
- (AA) Never assigned spousal support interest
- (BB) Never assigned child or family support arrears principal
- (CC) Never assigned medical support arrears principal
- (DD) Never assigned spousal support arrears principal

**12-420**      **DISTRIBUTION HIERARCHY** (Continued)                      **12-420**

- (e) Distribution Priorities of Single Status Never Assistance Cases - Regular Collections
- (1) Regular collections received on behalf of never assistance cases shall be distributed by the local child support agency in the following priority order:
- (A) Current child and family support
  - (B) Current medical support
  - (C) Current spousal support
  - (D) Never assigned child or family support interest
  - (E) Never assigned medical support interest
  - (F) Never assigned spousal support interest
  - (G) Never assigned child or family support arrears principal
  - (H) Never assigned medical support arrears principal
  - (I) Never assigned spousal support arrears principal
  - (J) Fees and costs interest
  - (K) Fees and costs principal
  - (L) Futures
- (f) Distribution Priorities of Never Assistance Cases - IRS Tax Intercept Collections
- (1) Internal Revenue Service tax intercept collections received on behalf of never assistance cases shall be distributed by the local child support agency in the following priority order:
- (A) Never assigned child or family support interest
  - (B) Never assigned medical support interest
  - (C) Never assigned spousal support interest
  - (D) Never assigned child or family support arrears principal
  - (E) Never assigned medical support arrears principal
  - (F) Never assigned spousal support arrears principal
- (g) Distribution Priorities of Mixed Status Cases - Regular Collections
- (1) Regular collections received on behalf of mixed status cases shall be distributed by the local child support agency in the following priority order:

**12-420 DISTRIBUTION HIERARCHY** (Continued)**12-420**

- (A) Child and Family Support
- (B) Medical Support
- (C) Spousal Support
- (D) Never assigned child or family support interest
- (E) Never assigned medical support interest
- (F) Never assigned spousal support interest
- (G) Never assigned child or family support arrears principal
- (H) Never assigned medical support arrears principal
- (I) Never assigned spousal support arrears principal
- (J) Conditionally assigned child or family support interest
- (K) Conditionally assigned medical support interest
- (L) Conditionally assigned spousal support interest
- (M) Conditionally assigned child or family support arrears principal
- (N) Conditionally assigned medical support arrears principal
- (O) Conditionally assigned spousal support arrears principal
- (P) Unassigned pre-assistance arrearages child or family support interest
- (Q) Unassigned pre-assistance medical support interest
- (R) Unassigned pre-assistance spousal support interest
- (S) Unassigned pre-assistance child or family support arrears principal
- (T) Unassigned pre-assistance medical support arrears principal
- (U) Unassigned pre-assistance spousal support arrearages principal
- (V) Permanently assigned child or family support interest
- (W) Permanently assigned medical support interest
- (X) Permanently assigned spousal support interest
- (Y) Permanently assigned child or family support arrears principal
- (Z) Permanently assigned medical support arrears principal
- (AA) Permanently assigned spousal support arrears principal
- (BB) Temporarily assigned child or family support interest
- (CC) Temporarily assigned medical support interest
- (DD) Temporarily assigned spousal support interest

<b>12-420</b>	<b>DISTRIBUTION HIERARCHY (Continued)</b>	<b>12-420</b>
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- (EE) Temporarily assigned child or family support arrears principal
- (FF) Temporarily assigned medical support arrears principal
- (GG) Temporarily assigned spousal support arrears principal
- (HH) Unassigned during assistance child or family support interest
- (II) Unassigned during assistance medical support interest
- (JJ) Unassigned during assistance spousal support interest
- (KK) Unassigned during assistance child or family support arrears principal
- (LL) Unassigned during assistance medical support arrears principal
- (MM) Unassigned during assistance spousal support arrears principal
- (NN) Fees and costs interest
- (OO) Fees and costs principal
- (PP) Futures

(h) Distribution Priorities of Mixed Status Cases - IRS Tax Intercept Collections

- (1) Internal Revenue Service tax intercept collections made on behalf of mixed status cases shall be distributed by the local child support agency in the following priority order:
  - (A) Permanently assigned child or family support interest
  - (B) Permanently assigned medical support interest
  - (C) Permanently assigned spousal support interest
  - (D) Permanently assigned child or family support arrears principal
  - (E) Permanently assigned medical support arrears principal
  - (F) Permanently assigned spousal support arrears principal
  - (G) Temporarily assigned child or family support interest
  - (H) Temporarily assigned medical support interest
  - (I) Temporarily assigned spousal support interest
  - (J) Temporarily assigned child or family support arrears principal
  - (K) Temporarily assigned medical support arrears principal
  - (L) Temporarily assigned spousal support arrears principal
  - (M) Conditionally assigned child or family support interest



**12-420**            **DISTRIBUTION HIERARCHY** (Continued)                      **12-420**

- (3)    Current spousal support
- (4)    Never assigned child or family support interest
- (5)    Never assigned medical support interest
- (6)    Never assigned spousal support interest
- (7)    Never assigned child or family support arrears principal
- (8)    Never assigned medical support arrears principal
- (9)    Never assigned spousal support arrears principal
- (10)    Conditionally assigned medical support interest
- (11)    Conditionally assigned medical support principal
- (12)    Permanently assigned medical support interest
- (13)    Permanently assigned medical support principal
- (14)    Fees and costs interest
- (15)    Fees and costs principal
- (16)    Futures

(k)    Never Assistance Case - Medically Needy Only - IRS Tax Intercept Collections

- (1)    Permanently assigned medical support interest
- (2)    Permanently assigned medical support principal
- (3)    Conditionally assigned medical support interest
- (4)    Conditionally assigned medical support principal
- (5)    Never assigned child or family support interest
- (6)    Never assigned medical support interest
- (7)    Never assigned spousal support interest
- (8)    Never assigned child or family support arrears principal
- (9)    Never assigned medical support arrears principal
- (10)    Never assigned spousal support arrears principal

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**12-425**      **WELFARE DISTRIBUTION PROCESS (Continued)**                      **12-425**

(e)      **Pass-On**

(1)      **Federal Foster Care**

- (A)      In a federal foster care case, the amount of current support collected that is in excess of the amount required to be distributed under Section 12-425(d) and which represents payment on the required support obligation for the month of collection up to the difference between the aid payment in the month of collection and the court ordered amount for the same month shall be paid to the county welfare department to be placed in trust for the child or used in the best interest of the child, as determined by the county welfare department.
- (B)      If the court order amount is less than such aid payment or there is no court order, no amount shall be paid to the county welfare department on behalf of the federal foster care child.
- (C)      Pass-on is not a state optional payment and does not reduce the unreimbursed assistance pool.
- (D)      This payment must be paid within the disbursement time frames specified in Section 12-108.

(2)      **All Other Aid Programs**

- (A)      No pass-on payments shall be authorized for a CalWORKs case.
- (B)      No pass-on payments shall be authorized for a nonfederal foster care case.

(f)      **Current Excess**

- (1)      In CalWORKs cases, the amount of current support that is in excess of the amount required to be distributed under Sections 12-425(c) and (d) and which is in excess of the total unreimbursed assistance pool amount, shall be paid to the family as an excess payment.
- (2)      In nonfederal foster care cases, the amount of current support that is in excess of the amount required to be distributed under Section 12-425(d) and which is in excess of the total unreimbursed assistance pool amount, shall be paid to the county welfare department to be placed in trust for the child or used in the best interest of the child, as determined by the county welfare department.

(g)      **Unreimbursed Assistance Pool Adjustment**

- (1)      Any state optional payments, as determined by the Department, paid to the CalWORKs family shall reduce the remaining unreimbursed assistance pool balance after the distribution of the current support payment.

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**12-425**      **WELFARE DISTRIBUTION PROCESS (Continued)**                      **12-425**

- (A) The adjustment to the unreimbursed assistance pool cannot reduce the unreimbursed assistance pool balance less than zero.
  
- (h) Arrears Recoupment
  - (1) Any amount of child, family, or spousal support collected that represents payment on arrearages shall be retained by the county as reimbursement of the adjusted unreimbursed assistance pool amount specified in Section 12-425(g).
    - (A) Of the amount retained, the county shall reimburse the state and federal governments according to the repayment sharing rates provided annually by the Department.
  
- (i) Excess
  - (1) Any amounts collected which remain after the amounts distributed under Section 12-425(h) shall be paid to the family in a current assistance CalWORKs case or sent to the county welfare department to be placed in trust for the foster care child or used for the benefit of the foster care child, as determined by the county welfare department based on the child's best interests.
    - (A) Excess payments must be made within the time frames specified in Section 12-108.
  
- (j) Maximum Reimbursement
  - (1) The maximum amount the county may retain as reimbursement of aid is the amount of the total support obligation owed for the period(s) in which the family was on CalWORKs that has been permanently assigned, plus any payments on the required support obligation for months prior to the period in which the family was on CalWORKs that is temporarily or conditionally assigned.
    - (A) Reimbursement with conditionally assigned arrearages shall be made only with IRS tax intercept collections.
    - (B) In no instance shall reimbursement exceed the unreimbursed assistance pool.
    - (C) The county shall reimburse the state and federal governments according to the repayment sharing rates provided annually by the Department.
  
- (k) Futures
  - (1) Any amounts collected as support which represent payment on the required support obligation for future months shall be held from distribution/disbursement and treated as if it were collected in such future months.

**12-425**            **WELFARE DISTRIBUTION PROCESS (Continued)**                      **12-425**

- (A) No such amount shall be applied to future months unless amounts have been collected which fully satisfy the support obligation assigned pursuant to Section 12-410 for the current month and all past months.
  - (B) If a future obligation does not exist or is expected not to exist, this excess is an invalid payment and shall be returned to the noncustodial parent.
- (l) Futures Returned to Payor
- (1) Any amounts remaining in the account of the payor at the time aid is terminated shall be returned to the payor when the custodial parent cannot be located and the requirements in Section 12-430(k)(1)(A) have been satisfied.
- (m) Identification of Payments
- (1) Any amounts paid to the family pursuant to Sections 12-425(c) and (i) shall be identified as a child support payment and not as an aid payment. Amounts paid under Section 12-425(c) must be identified and paid pursuant to instructions in Section 25-370.
    - (A) All support payments made to a CalWORKs assistance unit under this section shall be made to the resident parent, caretaker relative, or legal guardian having legal custody of or responsibility for the child for whom the support was received.
    - (B) No payments shall be made to the family in foster care cases. Any payments made on behalf of a foster care child, pursuant to Section 12-425(i), shall be made to the county welfare department to be held in trust for the foster care child or used for the benefit of the foster care child, as determined by the county welfare department based on the child's best interest.
- (n) Unpaid Support Obligations
- (1) After discontinuance of CalWORKs or foster care, the local child support agency will continue to attempt to collect on any unpaid support obligation that occurred under an assignment pursuant to Section 12-410.
    - (A) Any child, family and spousal support collections applied to the permanently assigned arrearages and IRS tax intercept collections applied to the conditionally assigned arrearages shall be used to reimburse any amounts of past aid which have not been reimbursed under Section 12-425(h).
      - 1. These collections shall be reimbursement to the county, state, and federal governments according to the repayment sharing rates provided annually by the Department.
- (o) Information to the County Welfare Department

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**CHILD SUPPORT PROGRAM****Regulations****CHILD SUPPORT COLLECTIONS AND DISTRIBUTION****12-430 (Cont.)**

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**12-425 WELFARE DISTRIBUTION PROCESS (Continued)****12-425**

- (1) The local child support agency is responsible for ensuring that all distribution amounts are proper and the time frames are met for disbursing payments to families and on behalf of foster care cases.
- (2) The county welfare department is responsible for disbursing the disregard payments to the family within the required time frames.
- (3) The local child support agency shall notify the county welfare department each month of the current support collection amount and the date the payment was received within 10 working days from the end of the collection month.
- (4) When the county welfare department is the designated agency for distributing collections made on behalf of current and former aid cases, the local child support agency shall provide the county welfare department with sufficient information to properly distribute the support payment received with sufficient time for the county to process payments to CalWORKs families, and payments on behalf of foster care cases within the time frame requirements in Section 12-108.
- (5) When the county welfare department disburses disregard payments, the local child support agency shall provide the amount of disregard authorized in sufficient time for the county welfare department to make appropriate disregard payments in accordance with the time frame requirements specified in Section 12-108.

NOTE: Authority Cited: Sections 17310 and 17312, Family Code. Reference: Section 17504, Family Code; Personal Responsibility and Work Opportunity Act of 1996 (P.L. 104-193), Sections 457(a)(1) and (2) [42 U.S.C. 657(a)(1) and (2)]; Balanced Budget Act of 1996 Sections 5532(c) and 5547; Office of Child Support Enforcement Action Transmittal 97-13, Question and Answer 70; Office of Child Support Enforcement Action Transmittal 97-17, Sections I(f), II(a), III(b)(2), IV(a) and (b), V, VI, VI(b) and (c), and VIII, Questions 2 through 7, 10, 14, 15, 20, 22, 23, 24, and 30; 45 CFR 302.33(a)(2) and .52; and 45 CFR 304.21 and .22.

**12-430 CHILD/FAMILY/MEDICAL/SPOUSAL SUPPORT  
DISBURSEMENT REQUIREMENTS****12-430****(a) Disbursement Time Frames**

- (1) Disbursements of support payments made to the family must be made within the disbursement time frame requirements specified in Section 12-108.









