



OFFICE OF THE GOVERNOR

OCT 13 2019

To the Members of the California State Assembly:

I am returning Assembly Bill 1092 without my signature.

This bill would prohibit the collection of interest on past due child support arrears owed to the state and counties.

I appreciate the author's concern that charging interest on past due child support arrears can lead to uncollectable debt and make it harder for families to escape poverty. Reducing child poverty across our state is a key priority for me. To this end, in 2019 we have increased CalWORKs grants by almost 25 percent, increased the amount of earnings families on CalWORKs can retain every month from \$225 to \$600, and increased the level of savings and the value of the car families can have and qualify for CalWORKs. We also increased and expanded California's Earned Income Tax Credit to \$1 billion annually, including an increase of \$1,000 in the credit for families with children under the age of 6.

While I cannot support this bill as it would lead to an estimated revenue loss of millions of dollars outside the budget process, it is critical that child support agencies use their tools under current law to modify child support orders that help align the support with the person's ability to pay as doing so helps support low-income families. I am directing the Department of Child Support Services to review the compromise of arrears program and consider any needed changes to address uncollectable debts and increase collections.

Sincerely,



Gavin Newsom