

CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES

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



November 29, 2012

CSSIN LETTER: 12-07

ALL IV-D DIRECTORS
 ALL COUNTY ADMINISTRATIVE OFFICERS
 ALL BOARDS OF SUPERVISORS

| <u>Reason for this Transmittal</u> |
|--|
| <input type="checkbox"/> State Law or Regulation Change |
| <input type="checkbox"/> Federal Law or Regulation Change |
| <input type="checkbox"/> Court Order or Settlement Change |
| <input type="checkbox"/> Clarification requested by One or More Counties |
| <input checked="" type="checkbox"/> Initiated by DCSS |

SUBJECT: INSURANCE COVERAGE – STATE OWNED EQUIPMENT LOCATED IN LOCAL CHILD SUPPORT AGENCIES

The purpose of this communication is to inform the local child support agencies (LCSAs) that State-owned equipment housed within buildings owned or leased by the LCSA is “self-insured,” and, as such, all loss associated with this State-owned equipment is absorbed by the State.

Equipment for the child support program is partially paid for with federal funds, but title vests to the State (45 CFR, Section 74.34(a)). The State is required to insure it in the “same manner as it insures other property owned by the recipient [State]” (45 CFR, Section 74.31). The Government Code Section 11007(a), prohibits the insurance of state property against fire or risk of damage. It states in pertinent part:

“Except as expressly authorized by law or as specifically authorized by the Director of General Services, **property belonging to the state shall not be insured against risk of damage or destruction by fire**, and the policies of fire insurance upon any property belonging to the state shall not be renewed. This section is not applicable to the State Compensation Insurance Fund nor to property owned by it.” (emphasis added)

If you have any questions or concerns regarding this matter, please contact Maria De Angelis, Assistant Chief Counsel at (916) 464-5181.

Sincerely,

/s/

KATHLEEN HREPICH
 Interim Director