

FISCAL NOTE

Requested by Legislative Council
01/26/2007

Amendment to: SB 2129

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$654,188		\$872,250
Expenditures			\$127,550	\$247,598		
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill relates to child support enforcement. Section 5 allows for the enforcement of medical support obligations against custodial parents. Section 9 allows DHS to comply with federal regulations requiring fees on IV-D and non IV-D cases.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 5 of the bill will enhance child support collections. The amount of the increased collections is undeterminable.

Section 9 of the bill will generate revenues from the fees collected. The fees for the IV-D cases that have never been on assistance are based on federal regulations requiring \$25 per year after collecting \$500 on the case. The fees for nonIV-D cases assume a \$10 per month fee in months where collections are made. Expenses to implement the fees are a result of programming costs for modifications to the Child Support system.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The fees would start on January 1, 2008. Therefore, the 2007-09 biennium reflects 18 months of fee revenues. For the 2007-09 biennium the fees will generate total revenues of \$1,054,395 of which, \$654,188 will be departmental revenues and \$400,207 would be reimbursed to the federal government. For the 2009-11 biennium the fees will generate total revenues of \$1,405,860 of which, \$872,250 will be departmental revenues and \$533,610 would be reimbursed to the federal government.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The department will incur programming costs of \$375,148 to implement the fee collections. The expense would require \$127,550 from the general fund and \$247,598 from federal funds.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a*

continuing appropriation.

The executive budget recommendation includes appropriation authority for child support system changes required by the federal government. This is one of those changes.

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