

FISCAL NOTE

Requested by Legislative Council

Initiated Measure - Child custody and support

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

	2007-09 Biennium		2009-11 Biennium		2011-13 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues		(71,106,009)		(71,938,036)		(73,103,567)
Expenditures	71,106,009	(71,106,009)	71,938,036	(71,938,036)	73,103,567	(73,103,567)
Appropriations	71,106,009	(71,106,009)	71,938,036	(71,938,036)	73,103,567	(73,103,567)

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

2007-09 Biennium			2009-11 Biennium			2011-13 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
Unable to determine at this time	n/a	n/a	Unable to determine at this time	n/a	n/a	Unable to determine at this time	n/a	n/a

2. Narrative: Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis. Attach additional sheets as necessary.

Fiscal note instructions require the Department to prepare the fiscal note based on the language in the measure itself. The instructions do not allow the Department to take into account possible future legislation that may be required to ensure compliance with federal regulations. Based on the language of the measure, the State's compliance with federal regulations could be compromised. The fiscal note reflects the amount of federal funding that is at risk. Ultimately whether or not the state loses the federal funding is a federal determination.

Although undeterminable, there would be an impact on counties due to increased staffing needs at the Regional Child Support Enforcement Units (RCSEUs) and the county social services offices. The increased staffing needs would be due to additional staff time needed on future cases, home studies related to fitness hearings, and reprocessing existing cases as they are re-done to include parenting plans.

3. State fiscal effect detail: For information shown under 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 decreased other funds revenues reflect the loss of federal funding for the Child Support Enforcement program, the loss of federal TANF moneys, and the loss of SWAP revenues related to the amounts drawn down from the federal government for county child support enforcement expenditures.

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 increase in general fund expenditures and the corresponding decrease in other fund expenditures is due to the replacement of federal and other funds with general fund moneys.

C. Appropriations: Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

The increase in general fund appropriations and the corresponding decrease in other fund appropriations is due to the replacement of federal and other funds with general fund moneys.

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**Projected Potential Loss of Federal Moneys
For Being Out of Compliance With
Federal Child Support Enforcement Regulations**

Funding	2007-09 Biennium	2009-11 Biennium	2011-13 Biennium
Child Support Enforcement Funds			
Matched by state expenditures	9,664,475	10,103,726	10,719,044
Matched by county expenditures (SWAP Funds)	6,641,916	6,943,792	7,366,669
Child Support Incentives			
State	575,000	601,134	637,743
Counties	1,425,000	1,489,766	1,580,493
Total CSE Federal Funds	<u>18,306,391</u>	<u>19,138,418</u>	<u>20,303,949</u>
TANF	52,799,618	52,799,618	52,799,618
Total	<u><u>71,106,009</u></u>	<u><u>71,938,036</u></u>	<u><u>73,103,567</u></u>

