

FISCAL NOTE

Requested by Legislative Council
01/24/2005

Amendment to: HB 1172

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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$14,594		\$6,515
Expenditures			\$1,360	\$45,382		\$23,294
Appropriations			\$1,360	\$45,382		\$23,294

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

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

The bill: 1) would allow for contempt hearings to be used more selectively, 2) authorizes the Department to redefine the meaning of "reasonable cost" for health insurance, 3) establishes guidance for the distribution of child support collections when the recipient has died, 4) provides access to confidential information to ensure pension benefits are not exempt from child support collections, and 5) would allow for the Department to continue to be able to be a service provider to the tribes and regional offices.

The bill also provides for collections remaining undistributed after 3 years to remain with Child Support rather than being transferred to unclaimed property. The funds would then be available, subject to legislative appropriation, for public information campaigns.

The bill also allows the Department to establish an amnesty program and compromise assigned and unassigned interest as a part of the amnesty program.

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

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 2005-07 other funds revenues consists of federal funds of \$2,640 for the system changes required to provide for the changes related to the contempt hearings and the distribution upon the death of the recipient, \$30,788 of transfers to the new fund from undistributed child support collections (this is offset by a reduction in other income to Unclaimed Property Division of \$30,788), and additional federal funds of \$11,954 related to the undistributed child support collections transferred to the new fund.

The 2007-09 other funds revenues consists of \$16,779 of transfers to the new fund from undistributed child support collections (this is offset by a reduction in other income to Unclaimed Property Division of \$16,779) and additional federal funds of \$6,515 related to the undistributed child support collections transferred to the new fund.

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 2005-07 general fund expenditures consist of \$1,360 needed to provide the match for the federal funds of \$2,640 for the system changes required to provide for the changes related to the contempt hearings and the distribution upon the death of the recipient. The 2005-07 other funds expenditures consist of the previously mentioned federal funds of \$2,640 and \$42,742 of federal and other funds (\$30,788 of transfers from undistributed child support collections and \$11,954 of the matching federal funds this will generate) for public information campaigns.

The 2007-09 other funds expenditures consist of \$23,294 (\$16,779 of transfers from undistributed child support collections and \$6,515 of the matching federal funds this will generate) for public information campaigns.

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 2005-07 general fund appropriation will need to be increased by \$1,360 to provide the match for the federal funds of \$2,640 for the system changes required to provide for the changes related to the contempt hearings and the distribution upon the death of the recipient. The 2005-07 other funds appropriation will need to be increased to provide the appropriation authority to spend the above mentioned federal funds of \$2,640 and the \$42,742 of federal and other funds (\$30,788 of transfers from undistributed child support collections and \$11,954 of the matching federal funds this will generate) for public information campaigns.

The 2007-09 other funds appropriation will need to be increased to provide the appropriation authority to spend the \$23,294 (\$16,779 of transfers from undistributed child support collections and \$6,515 of the matching federal funds this will generate) for public information campaigns.

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