

FISCAL NOTE

There would be an indeterminable revenue increase in General Funds and Federal Funds due to birth costs recoveries.

Source of revenue increase:

Recoveries for birth costs paid for by medical assistance (Medicaid) from fathers.

Assumptions:

Unknown level of recoveries allowable by this bill, also unknown collection rate on these assessments.

	FY 2019	FY 2020	FY 2021
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue (decrease)			
FEDERAL FUNDS	(\$240,000)	(\$240,000)	(\$240,000)

Source of revenue decrease:

Child Support Incentives CFDA 93.563 - Federal Funds

Assumptions:

The Department of Family Services (DFS) receives approximately \$1.2 million in Child Support Incentive money annually. DFS receives incentives related to five performance measures. One of the performance measures is Arrears Payment performance. If the cases for birthing costs were opened, and placed on the Child Support Program's (CSP) caseload, and the non-custodial parent does not pay the amount of the judgment, the CSP would see a decrease in the Arrears Payment performance measure. An assumption is being made that this decrease in performance could reduce the incentive funds received by \$240,000 a year and that the non-custodial parent does not pay the judgement amount owed.

NOTICE-AGENCY ESTIMATE OF ADMINISTRATIVE IMPACT REQUESTED

This bill has administrative impact that appears to increase duties or responsibilities of one or more state agencies and may impact agency spending or staffing requirements. As introduced, the bill does not modify any state agency budget or current personnel authorizations.

The following state agencies will be asked to provide their estimate of the administrative fiscal impact prior to the first committee meeting held to consider the bill:

Department of Health
Department of Family Services

The fiscal impact to the judicial system is indeterminable due to an unknown number of cases.

Prepared by: Matthew Sackett, LSO Phone: 777-7881
(Information provided by Jesse Springer, Department of Health, 777-8048; Kristie Arneson, Department of Family Services, 777-6031; Kristi Racines, Supreme Court, 777-7502)