

PREPARED BY: Liz Hruska
 DATE PREPARED: March 14, 2013
 PHONE: 471-0053

LB 247

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	See Below	See Below	See Below

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill changes the requirement that judges order child support for state wards and makes it optional.

Child support collections for state wards offset state and federal maintenance costs. In calendar year 2012, the state collected \$127,237 for children who are Title IV-E eligible. These collections offset state and federal costs for certain expenses at the Medicaid match rate. For state wards not IV-E eligible, the state collected \$2,279,588. The impact of this bill cannot be determined. It is difficult to predict how many judges would discontinue ordering child support and the amount of loss of those funds. The Department of Health and Human Services fiscal note assumes a 10% reduction in collections, but this amount could be substantially more.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES		
LB: 247	AM:	AGENCY/POLT. SUB: Supreme Court
REVIEWED BY: Elton Larson	DATE: 3/12/2013	PHONE: 471-4173
COMMENTS: The estimate by the Supreme Court of minimal fiscal impact to the agency appears reasonable.		

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 247 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Supreme Court

Prepared by: ⁽³⁾ Eric Asboe Date Prepared: ⁽⁴⁾ 2/15/13 Phone: ⁽⁵⁾ 1-4138

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

No fiscal impact. Any impact on judicial workload is estimated to be minimal.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14 EXPENDITURES</u>	<u>2014-15 EXPENDITURES</u>
	<u>13-14</u>	<u>14-15</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens

Date Prepared:(4) 3-12-13

Phone: (5) 471-8072

	FY 2013-2014		FY 2014-2015	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$233,049)		(\$233,049)
CASH FUNDS				
FEDERAL FUNDS		(\$7,634)		(\$7,634)
OTHER FUNDS				
TOTAL FUNDS	\$0	(\$240,683)*	\$0	(\$240,683)*

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB247 would revise Section 43-290 to provide that the court would no longer be required to make a determination for (child) support to be paid by the parent for a juvenile by changing statute wording from "...shall make a determination..." to "...may make a determination...".

The bill also removes the language referring to Section 43-274 which provides that "Pursuant to the petition filed by the county attorney in accordance with section 43-274...".

Section 43-274 itself provides that:

(1) The county attorney, having knowledge of a juvenile in his or her county who appears to be a juvenile described in subdivision (1), (2), (3), or (4) of section 43-247, may file with the clerk of the court having jurisdiction in the matter a petition in writing specifying which subdivision of section 43-247 is alleged, setting forth the facts verified by affidavit, and requesting the court to determine whether support will be ordered pursuant to section 43-290.

The change in wording from "shall" to "may", could potentially affect future Child Support collections. If the courts are no longer required to make a child support order determination, the Department could see a reduction in revenue used to offset state ward expenditures.

*For calendar year 2012 the Department collected \$127,237 for IV-E eligible state wards and \$2,279,588 for non-IV-E state wards as offsets to SP30 (IV-E) and SP48 (CW) expenditures. Using current collection figures and assuming that under the new language that 10% of these collections would not have been ordered if the "may" rather than "shall" language had been in effect, \$12,724 in IV-E collections (\$5,090 GF, \$7,634 FF) and \$227,959 (GF) in regular state ward collections would have not have been collected.

The fiscal impact to the Department of Health and Human services is a potential loss of child support collections to offset IV-E and non-IV-E state ward expenditures due to a reduction in the number of child support orders.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2013-2014	2014-2015
		13-14	14-15	EXPENDITURES	EXPENDITURES

Benefits.....		
Operating.....		
Travel.....		
Capital Outlay.....		
Aid.....		
Capital Improvements.....		
TOTAL.....		\$0
		\$0