

Revised to reflect amendments adopted through 5-23-07

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(7,206)		41,687	
CASH FUNDS		204,525		409,050
FEDERAL FUNDS	(83,955)		(83,955)	
OTHER FUNDS				
TOTAL FUNDS	(91,161)	204,525	(42,268)	409,050

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill makes changes to the Parenting Act. This bill requires parents to develop a parenting plan. The parents may develop the plan with the assistance of a mediator. The Court Administrator's Office is directed to provide forms for parenting plans. If parents are unable to pay for a mediator, their costs would be paid from the Parenting Act Fund which is established in the bill. Revenue will be generated from an increase in docket fees. Docket fees for dissolutions would increase from \$25 to \$75 and docket fees for modifications would increase from \$15 to \$65. The additional funding of \$50 from dissolutions and modifications would be deposited into the Parenting Act Fund and used to fund the Parenting Act. The fees increases are effective January 1, 2008. New provisions regarding the parenting plan and use of mediation is effective July 1, 2010.

The revenue from the docket fee increases will be approximately \$409,050 annually, based on 8,181 dissolution and modification filings in 2006. In FY 08, the revenue would be \$204,525 for half of the fiscal year. The Supreme Court indicates the changes in the bill would require an additional part-time staff person and increased operating costs totaling \$48,764 in FY 08 and 09. The cost thereafter would be approximately \$36,871. Funding from the increased fees will be used to pay for mediation costs when the parties are unable to pay. It is anticipated that the state would pay for half of these costs with the balance covered by the non-profit mediation centers. One-half of these costs are projected to be \$463,650 annually.

The bill also includes a provision that would make fathers responsible for the reasonable medical expenses associated with the birth of their children and the mothers of the children during pregnancy, confinement and recovery. The burden is on the father if he challenges any such expenses as not medically reasonable. The Department of Health and Human Services Finance and Support indicates this would increase collections used to offset the cost of Medicaid by \$139,925 (\$55,970 GF and \$83,955 FF) in FY 08 and 09.

As amended, this bill defines incarceration for one year or longer, with certain exceptions, as an involuntary reduction of income for purposes of child support orders, beginning July 1, 2008.

A county attorney or an authorized attorney upon referral from the Department of Health and Human Services may file to modify a child support order. Voluntary reduction of income is not eligible for modification. This bill changes incarceration of six months or longer from a voluntary reduction of net monthly income to an involuntary reduction of net monthly income and would allow for the child support order to be modified. There are 2,212 child support judgments in which the payer is incarcerated. One additional child support operations staff is needed to evaluate these cases for referral. The cost would be \$48,893 in FY 09.