

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4057-04
Bill No.: SCS for HB 1364
Subject: Children and Minors; Courts; Domestic Relations
Type: Original
Date: April 19, 2004

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|------------------------------|------------------------------|------------------------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| General Revenue | (Less than \$100,000) | (Less than \$100,000) | (Less than \$100,000) |
| Total Estimated Net Effect on General Revenue Fund | (Less than \$100,000) | (Less than \$100,000) | (Less than \$100,000) |

| ESTIMATED NET EFFECT ON STATE FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Official from the **State Courts Administrator (CTS)** state this proposal would make the filing of parenting plans for children over the age of 18 optional in proceedings relating to child custody visitation, or support. CTS states the proposal would also require a bond to be posted, in the amount of any child support arrearage, before a motion to modify a child custody decree can be filed. CTS states the court will hold the bond in escrow, and transmit it to the Division of Child Support Enforcement when the motion to modify is concluded.

CTS states there will be judicial time required to determine what the appropriate bond should be (this might require a hearing), and clerical time required to process the bonds. There were 9,478 motions to modify filed in FY 03; CTS does not know how many involved child support arrearages. CTS states there is a slight possibility that the bond requirement might deter a few people from filing a motion, but this is purely speculative.

There may be a workload increase in some courts, but at this time CTS cannot quantify a specific fiscal impact.

Oversight assumes the CTS could absorb the costs of the proposed legislation with existing resources. Oversight assumes any significant increase in the workload of the courts would be reflected in future budget requests.

ASSUMPTION (continued)

Official from the **Department of Social Services (DOS)** assume there is no fiscal impact to DOS. This bill clarifies that parenting plans are not required for children over age 18 even when there is a custody, visitation or support order in place. Parenting plans apply to dissolution and child custody cases and would not generally affect children in DOS care and custody.

Officials from the **Department of Social Services – Division of Family Support/Child Support Enforcement (FSD)** assume disputes of arrearage amounts could cause more phone calls and correspondence to child support staff, possibly increasing the workload of technicians. There could be an increase in the number of payments coming into the Department of Revenue – Family Support Payment Center, many of them from individuals who do not have a case with the child support agency. New policies for circuit clerk and child support staff would have to be developed to address the changes set forth in this proposal. The circuit clerks may also see an increase in their workload. FSD assumes the fiscal impact of this proposal is unknown at this time. FSD is unable to estimate the number of custody modifications that will be effected by the proposal, so FSD is unable to estimate the increase in work that may result from this legislation. Likewise, there could be an impact on the amount of reimbursement made to the county clerks, but that amount is unknown. DFS assumes the fiscal impact of this proposal is unknown, but less than \$100,000.

Official from the **Department of Revenue (DOR)** assume this proposal would not fiscally impact the DOR.

| <u>FISCAL IMPACT - State Government</u> | FY 2005 (10 Mo.) | FY 2006 | FY 2007 |
|---|---|---|---|
| GENERAL REVENUE FUND | | | |
| <u>Costs</u> – Department of Social Services | | | |
| Increased workload | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) |
| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) | (Less than <u>\$100,000</u>) |

FISCAL IMPACT - Local Government

FY 2005
(10 Mo.)

FY 2006

FY 2007

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

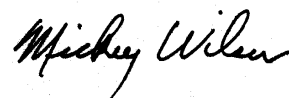
Currently, a joint parenting plan must be submitted by both parties to a dissolution or modification action that involves child custody or visitation. This proposal makes the filing of the plan optional when the child is over the age of 18.

The proposed legislation would provide that if a person files a petition for modification of child custody and owes past due child support, then he or she must post a bond in the amount of the past due child support owed or the reasonable legal fees of the custodial parent, whichever is greater, prior to filing the petition. The bond would be held in escrow by the court until the modification proceedings have been concluded. Then the bond would be transmitted to the Division of Child Support Enforcement for disbursement to the custodial parent.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services
Department of Revenue
State Courts Administrator



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