

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSSB338(FIN)
 (S) Publish Date: 4/2/02

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title Ineligibility for PFD / BRU Child Support Enforcement
Crime Victims Compensation Component Child Support Enforcement
 Sponsor Senate Finance Committee
 Requester Senate Finance Committee Component No. 111

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	98.4	98.4	98.4	98.4	98.4	98.4
Travel						
Contractual	30.0					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	128.4	98.4	98.4	98.4	98.4	98.4

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	128.4	98.4	98.4	98.4	98.4	98.4
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	128.4	98.4	98.4	98.4	98.4	98.4

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time	2	2	2	2	2	2
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See Page 2 for explanation.

Prepared by: Barbara Miklos, Director Phone 269-6800
 Division Child Support Enforcement Division Date/Time 3/26/02 7:52 PM
 Approved by: Larry Persily, Deputy Commissioner Date 3/26/2002
 Agency Department of Revenue

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BILL NO. CSSB338(FIN) #1

ANALYSIS CONTINUATION

Bill Analysis

Under Section 6, no custodial parents would be eligible for a grant under this program in successive years, and custodial parents who received any amount at all during the previous fiscal year would also be ineligible for any money under this program. We believe this would eliminate so many families as to be ineffective in addressing our primary concern that thousands of children would be denied a significant source of child support under this legislation.

With average arrears for incarcerated obligors exceeding \$23,000, it is apparent that the children in this caseload suffer a longstanding lack of support. It is unlikely that many of these children have received any significant support in the past year, although even the smallest amount would make them ineligible for this program.

The Permanent Fund dividend is not an alternative means of collecting child support. Rather, it is a critical enforcement tool, especially in egregious cases. Taking that tool away would serve to deprive some of Alaska's neediest children.

Under Section 5, because the aid given to the custodial parent would not meet the federal definition of child support, it would not be possible, under federal law, to reimburse the state for money paid out per AS 25.27.400 using the federal tax refund offset program. (45 CFR 303.72)

Cost of Implementing the Legislation

The primary cost to CSED for implementing the new program created by CSSB338(FIN) would be for additional staff required to carry out the assignment. The division's preliminary estimate is for one caseworker and one accounting technician. There also will be some programming expense the first year, which is shown as a contractual expense. Since this program does not meet the requirements for federal matching funds, it must be supported entirely through state general funds.

Federal and computer system requirements will make it necessary for us to set up a new and separate file for each case we approve under this program, and the funds received for the custodial parent and child(ren) would be directed to that file. Without a separate file, the funds would be credited against the non-custodial parent's debt, which is not the statutory direction of this new program.