

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version CSSB 134(JUD)
 Fiscal Note Number 5
 (S) Publish Date 4/7/12

Identifier (file name) SB134-DOR-CSSD-03-06-12 Dept. Affected Revenue
 Title An Act Relating to Child Support Awards Appropriation Child Support Services
 Allocation Child Support Services
 Sponsor Senator Kookesh
 Requester (S) JUD OMB Component Number 111

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
OPERATING EXPENDITURES								
Personal Services	502.8		1,508.5	353.5	353.5	353.5	353.5	353.5
Travel								
Services	85.0		4,507.6	10.8	10.8	10.8	10.8	10.8
Commodities	166.0							
Capital Outlay								
Grants, Benefits								
Miscellaneous								
TOTAL OPERATING	753.8	0.0	6,016.1	364.3	364.3	364.3	364.3	364.3

FUND SOURCE (Thousands of Dollars)

1002	Federal Receipts	497.5		3,970.6	240.4	240.4	240.4	240.4
1003	GF Match	256.3		2,045.5	123.9	123.9	123.9	123.9
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
	TOTAL	753.8	0.0	6,016.1	364.3	364.3	364.3	364.3

POSITIONS

Full-time	5		5	5	5	5	5
Part-time							
Temporary	24		24				

CHANGE IN REVENUES

--	--	--	--	--	--	--	--

Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Updated to show funding in FY13 budget for CSSD to hire and train staff prior to the bill's effective date.

Prepared by John Mallonee
 Division Child Support Services
 Approved by Alicia Egan, Legislative Liaison
Department of Revenue

Phone 269-6801
 Date/Time 3/6/12 2:30pm
 Date 3/6/2012

FISCAL NOTE #5

**STATE OF ALASKA
2012 LEGISLATIVE SESSION**

BILL NO. CSSB 134(JUD)

Analysis

SB 134 will establish Alaska child support guidelines in statute and repeal the court Civil Rule 90.3 child support guidelines. The bill changes child support calculation formulas from the current percentage approach that only takes into account the non-custodial parent's income to an income shares model that considers the income of both parents. Additionally, the bill increases the minimum support amount required of the non-custodial parent and decreases the percentage of time required for a finding of shared custody.

AS 25.24.170(b) and AS 25.27.190(e) consider the adaption, enactment or significant modification to the guidelines a material change of circumstance for the purpose of a modification of the order. This would allow the custodial or non-custodial parents to request a modification of their existing order(s). 45 CFR 303.8(e) requires a modification to be completed 180 days from receipt of the request. Failure to meet this requirement could result in the loss of federal funds. There are approximately 20,000 child support orders that would be eligible for modification. The division conservatively anticipates 10,000 modification requests will be submitted in the first six months. The modification section currently completes an estimated 3,000 modifications/year with a staff of 14. The anticipated increase in modification requests and the increased time required to perform the calculations will require 24 non-permanent staff. The five permanent staff will be needed because of the additional work required to determine the awards under the income shares approach.

Every four years as required by 45 CFR 302.56(e) the state must review the guidelines and revise if appropriate. Currently this is done by the Supreme Court. If the guidelines are placed in statute then another process would be required to satisfy this requirement.

The funding requested for FY 2013 will allow the Division to hire and train the required staff prior to effective date. This ensures that the Division can begin processing modification as soon as the changes become effective.