

HB

244

FISCAL NOTE

**STATE OF ALASKA
1995 LEGISLATIVE SESSION**

Revision Date: _____
 Title: Administrative Establishment of Paternity
 Sponsor: Rules
 Requestor: Governor

Department Affected: Revenue
 BRU: Child Support Enforcement Division
 Component: Child Support Enforcement Division

COMPONENT SERIAL NO. 111

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	189.1	351.7	385.8	380.4	395.6	411.5
TRAVEL						
CONTRACTUAL	86.2	180.2	188.3	196.9	206.0	215.4
SUPPLIES	3.2	8.4	8.4	6.4	6.4	6.4
EQUIPMENT	83.1	0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	341.8	530.3	566.5	583.7	608.0	633.3

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
-----------------------------	------------	------------	------------	------------	------------	------------

CHANGE IN REVENUES ()	425.0	850.0	850.0	850.0	850.0	850.0
-------------------------------	--------------	--------------	--------------	--------------	--------------	--------------

FUND SOURCE: (Thousands of Dollars)

1002 Federal Receipts	225.4	355.3	389.9	385.3	401.3	418.0
1003 GF Match	46.1	72.7	75.7	78.7	82.1	85.4
1004 GF						
1005 GF/Program Receipts						
1008 GF/MHTIA						
OTHER	70.0	110.3	114.9	119.7	124.8	129.9
TOTAL	341.8	538.3	560.5	583.7	608.0	633.3

Estimate of any current year (FY 95) cost: \$ 0.0

POSITIONS:

FULL-TIME	8	8	8	8	8	8
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

The administrative establishment of paternity, in cases where the putative father has acknowledged paternity or a genetic test indicates a 95% or better probability that the putative father is the father, will decrease the time required to establish paternity. This decreased time will help CSED meet the new Federal time frame for establishment which require that an order must be established in 75% of the cases within 8 months of location of the obligor including establishing paternity if required. The previous requirement was that paternity had to be established within one year of serving the paternity complaint on the putative father. Once paternity was established CSED had an additional 3 months to establish an order. By establishing paternity more quickly, obligors will not accumulate large arrearage prior to being adjudicated the father. Obligor will be more likely to pay and will begin paying earlier. This will increase AFDC collections approximately \$1,700,000 per year of which the state will retain \$850,000. FY 96 revenues will be \$425,000 for half a year.

Prepared by: Glenda Straube
 Division: Child Support Enforcement Division

Phone: 269-8801
 Date: _____

Approved by Commissioner: Wilson L. Condon
 Agency: Department of Revenue

Date: 3/10/95

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

No. of Pos	Position Title	Payroll	Salary	Benefits	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
					Total Costs	Total Costs	Total Costs	Total Costs	Total Costs	Total Costs
1	CSEO1	13	28,736	12,577	168,782	171,771	175,770	181,411	185,427	181,457

Personnel benefits are estimated using Study "A"
 ** Program is effective 1/1/96, thus the cost represents 1/2 of total state fiscal year cost
 ** Estimate is based on 4% increase over prior fiscal year

# of Positions	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
	Est Supply & Cost Per Pos	Est Supply & Cost Per Pos	Est Supply & Cost Per Pos	Est Supply & Cost Per Pos	Est Supply & Cost Per Pos	Est Supply & Cost Per Pos
1	400	800	400	800	800	800
TOTAL SUPPLY COSTS		3,200	6,400	3,200	6,400	6,400

Supply costs were estimated at \$400 per year per employee. This number is based on FY 95 operating budget total divided by 171 employees
 ** Program is effective 1/1/96, thus the cost represents 1/2 of subsequent state fiscal year cost

# of Positions	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
	Workstation Est \$ Cost Per Pos	Workstation Est \$ Cost Per Pos	Workstation Est \$ Cost Per Pos	Workstation Est \$ Cost Per Pos	Workstation Est \$ Cost Per Pos	Workstation Est \$ Cost Per Pos
1	10,000					
TOTAL EQUIPMENT COSTS		10,000				

Workstation costs are based on estimates used in FY 95 operating budget and include \$2,500 for technical workstation/monitor, \$600 for chairs and \$425 for file cabinets. 3,425
 Computer costs are based on estimates used in FY 95 operating budget and include all installation costs. (see attachment) 5,700
 Phone costs are based on estimates used in FY 95 operating budget and include all installation costs. (see attachment) 1,181
 10,306

# of Positions	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
	Contractual Est \$ Cost Per Pos	Contractual Est \$ Cost Per Pos	Contractual Est \$ Cost Per Pos	Contractual Est \$ Cost Per Pos	Contractual Est \$ Cost Per Pos	Contractual Est \$ Cost Per Pos
1	9,197	21,471	21,813	22,578	23,797	24,804
TOTAL CONTRACTUAL COSTS		78,018	165,634	172,828	180,377	188,698

Estimated fringe benefits were calculated by taking FY 95 budgeted contractual (AC 73000 - \$1,057,494) and dividing by average number of employees (118.5).
 FY 97 thru 01 were projected at 5% increase each year. 19,504
 ** Program is effective 1/1/96, thus the cost represents 1/2 of subsequent state fiscal year cost

# of Positions	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
	Contractual Est \$ Cost Per Pos	Contractual Est \$ Cost Per Pos	Contractual Est \$ Cost Per Pos	Contractual Est \$ Cost Per Pos	Contractual Est \$ Cost Per Pos	Contractual Est \$ Cost Per Pos
1	1,028	2,040	2,040	2,040	2,040	2,040
TOTAL SPACE RENTAL COSTS		8,180	16,320	16,320	16,320	16,320

Rent & exp projections are based on current space rates of \$1.26 sq. ft. for 12 months at 125 square feet per employee. No increases are anticipated in fiscal years projected above. 7,041
 ** Program is effective 1/1/96, thus the cost represents 1/2 of subsequent state fiscal year cost

**ADMINISTRATIVE PATERNITY ESTABLISHMENT
COST PROJECTIONS**

	FY 96 Projected Cost \$	FY 97 Projected Cost \$	FY 98 Projected Cost \$	FY 99 Projected Cost \$	FY 00 Projected Cost \$	FY 01 Projected Cost \$
Personnel Services	169,099	151,711	165,790	190,411	195,627	111,453
Supplies	1,200	6,400	6,400	8,400	8,400	6,100
Equipment	89,088					
Contractual	78,016	163,834	172,025	180,627	189,858	199,141
Space	8,160	18,320	18,320	16,320	16,320	18,320
Total	341,556	538,265	560,525	583,758	608,005	633,313
Projected Funding Sources						
Federal Match (86%)	225,427	155,255	169,947	185,280	191,294	117,497
Federal Incentives (20.5%)	70,019	110,344	114,908	119,870	124,841	129,829
State General Fund (13.6%)	46,110	72,666	75,671	78,607	82,081	85,987
Total	341,556	538,265	560,525	583,758	608,005	633,313

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An Act relating to the administrative establishment of paternity BRU: Assistance Payments
 Component: AFDC
 Sponsor: Rules
 Requestor: Governor COMPONENT SERIAL NO. 220

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
----------------------	-----	-----	-----	-----	-----	-----

CHANGES IN REVENUES	0	0	0	0	0	0
---------------------	---	---	---	---	---	---

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	(425.0)	(850.0)	(850.0)	(850.0)	(850.0)	(850.0)
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	425.0	850.0	850.0	850.0	850.0	850.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other 1007 I/A Receipts	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of any current year (FY95) cost: \$ NONE

ANALYSIS: (Attach a separate page if necessary)

This bill establishes authority for the Child Support Enforcement Division of the Department of Revenue to establish paternity by an administrative process. CSED expects child support collections on behalf of AFDC children to increase as a result of this legislation.

AFDC applicants assign to the State the right to collect child support on behalf of AFDC children. When CSED collects child support on behalf of an AFDC child, the first \$50 per month is paid to the AFDC family. Fifty percent of the amount collected is transferred as GF Program Receipts to the AFDC component of the Assistance Payments BRU. The remainder is paid to the federal government to offset federal AFDC costs.

Prepared by: Jim Nordlund, Director *Jim Nordlund* Phone: 465-2680
 Division: Division of Public Assistance Date: 3/6/95
 Approved by Com: Karen Perdue, Commissioner *Karen Perdue* Date: 3/6/95
 Agency: Department of Health & Social Services

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

ANALYSIS (cont.):

The GF Program Receipts transferred to the AFDC component are used in place of GF Match funds.

Assumptions:

We assume that the GF Program Receipt funds transferred from CSED to the AFDC program offset AFDC GF Match funds dollar-for-dollar.

Calculations:

CSED projects the following amounts of increased GF Program Receipts to be transferred to the AFDC Component as a result of this legislation:

FY 96: 425.0

FY 97- FY 01: 850.0 per year

FISCAL NOTE

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Department of Law
 Title: "...administrative establishment of paternity and BRU: Legal Services
establishing paternity by affidavit...child support enforcement..." Component: Operations
 Sponsor: Rules by Request of the Governor
 Requester: Governor's Office/OMB COMPONENT SERIAL NO. 0093

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill would allow the Child Support Enforcement Division to administratively determine the paternity of children. The bill also amends AS 18.50.160, relating to the identification of parents on birth certificates by voluntary acknowledgement.

The bill establishes a procedure by which CSED may determine paternity administratively, without resort to the courts. Under the proposed statute changes, CSED may initiate an administrative proceeding to determine paternity upon application of the child's mother or guardian or upon application of the State of Alaska or of another state. The proceeding is initiated through service of a Notice of Paternity and Financial Responsibility, together with an administrative order requiring the parties to submit to genetic testing. Unless paternity is admitted or the alleged father fails to respond to the notice, CSED's determination of paternity will be based upon the results of the genetic testing and other evidence. In conjunction with the paternity proceeding, CSED also may establish the amount of the support obligation, which CSED is already permitted to

Prepared by: Richard I. Peques, Director Phone: 465-3672
 Division: Administrative Services Division Date: 3/6/95
 Approved by Commissioner: Bruce M. Botelho, Attorney General Date: 3/6/95
 Agency: Department of Law

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information, call the Governor's Legislative Office

COMMITTEE COPY
 (REV. 10/94) F:\info\xls\DCR

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO.

ANALYSIS CONTINUATION:

do under existing law.

Through an appeal process, the bill safeguards the alleged father's rights with respect to the determination of paternity. Once CSED has issued its findings of paternity, the alleged father may request a formal hearing, after which the alleged father also will be entitled to judicial review if a timely appeal is filed with the superior court.

CSED does not require the Department of Law's assistance in CSED's administrative proceedings, except in extreme circumstances. Consequently, the bill will not have a fiscal impact for the Department of Law.

STATE OF ALASKA
1995 LEGISLATIVE SESSION

No. 3
Bill Version: HB 244
(H) Publish Date: 3/8/95

Revision Date: _____
Title: Determination of Paternity

Dept. Affected: Health and Social Services
BRU: State Health Services
Component: Bureau of Vital Statistics
COMPONENT SERIAL NO. 961
See also (SN#): _____

Sponsor: _____
Requestor: Governor's Office

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGES IN REVENUES ()						
-------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (please specify)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY95) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

This bill has no impact on the Division of Public Health

Prepared by: Peter M. Nakamura, MD, MPH
Division: Public Health

Phone: (907) 465-3090
Date: 03/06/95

Approved by Commissioner: Karen Perdue, Commissioner
Agency: Department of Health & Social Services

Date: 3.6.95

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
COMMITTEE COPY For further distribution information, call the Governor's Legislative Office

HOUSE COMMITTEE REPORT

(7)
 Date Referred: March 8, 1995 FURTHER REFERRALS: Judiciary
Finance

Date of Committee Action: 4/27/95

The HEALTH, EDUCATION AND SOCIAL SERVICES Committee considered: HB 244

HOUSE BILL NO. 244 PATERNITY; CHILD SUPPORT ENFORCEMENT

"An Act relating to administrative establishment of paternity and establishing paternity by affidavit; relating to child support enforcement; and providing for an effective date."

recommends it be replaced the same title
 with the following committee substitute _____ a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) APPROVES PREVIOUS: (Dept/Date)
 fiscal note(s) _____ fiscal note(s) Revenue, H+SS

zero fiscal note(s) _____ zero fiscal note(s) H+SS, Law

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>[Signature]</i>	✓			
<i>[Signature]</i>			✓	
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓			
<i>[Signature]</i>	✓		✓	
<i>[Signature]</i>	✓			

CHAIR'S SIGNATURE *[Signature]*

TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

HB 244
PO Box 110001
Juneau, Alaska 99811 0001
(907) 465-3500
Fax (907) 465 3532

March 6, 1995

The Honorable Gail Phillips
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-8881

Dear Speaker Phillips:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the administrative determination of paternity by the Department of Revenue, child support enforcement division (CSED) and addressing the establishment of paternity based on voluntary acknowledgement of paternity by appropriate parties.

The bill would amend relevant portions of the laws currently found in AS 25.27 to allow CSED to administratively determine the paternity of children. The bill also amends AS 18.50.160, relating to the identification of parents on birth certificates by voluntary acknowledgement. The bill does not affect any existing court rules.

Under recent federal regulations adopted in December 1994, time frames for the establishment of paternity and support orders have been significantly shortened. In order to determine how best to meet these deadlines, CSED has reviewed the relevant Alaska statutes and its administrative procedures to identify areas that could be handled more efficiently than under the current state statutes and regulations. One such area is the determination of paternity. Under current state law, such determinations may only be made by a court.

This bill establishes a procedure by which CSED may determine paternity administratively, without resort to the courts. Under the proposed statute changes, CSED may initiate an administrative proceeding to determine paternity upon application of the child's mother or guardian or upon application of the State of Alaska or of another state. The proceeding is initiated through service of a Notice of Paternity and Financial Responsibility, together with an administrative order requiring the parties to submit to

GOVERNOR'S TRANSMITTAL LETTER

The Honorable Gail Phillips
March 6, 1995
Page 2

genetic testing. Unless paternity is admitted or the alleged father fails to respond to the notice, CSED's determination of paternity will be based upon the results of the genetic testing and other evidence. In conjunction with the paternity proceeding, CSED also may establish the amount of the support obligation, which CSED is already permitted to do under existing law.

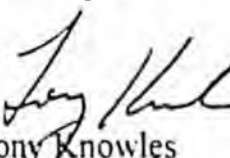
Through an appeal process, the bill safeguards the alleged father's rights with respect to the determination of paternity. Once CSED has issued its finding of paternity, the alleged father may request a formal hearing, after which the alleged father also will be entitled to judicial review if a timely appeal is filed with the superior court.

The bill amends the state law relating to the identification of parents on a child's birth certificate. The bill would allow the Bureau of Vital Statistics to enter a father's name on a child's birth certificate based on voluntary acknowledgements of paternity by the appropriate parties. If the child was born in wedlock (and, thus, the mother's husband is the legally presumed father), affidavits must be provided by the mother, her husband, and the alleged father, attesting that the husband is not the child's father and that the alleged father is the father of the child. If the child was born out of wedlock, affidavits are needed only from the mother and the alleged father, attesting that the alleged father is the child's father.

The bill also recognizes the growing use of administrative procedures in addition to or in place of judicial proceedings in the establishment of paternity and the establishment and enforcement of support orders. The changes proposed in the bill are intended to increase the efficiency of the child support enforcement process by allowing CSED and, in certain cases the parties themselves, to determine the paternity of children.

I urge prompt consideration and passage of this bill.

Sincerely,



Tony Knowles
Governor



Alaska State Legislature
 House of Representatives
 COMMITTEE ON HEALTH, EDUCATION
 AND SOCIAL SERVICES

PLEASE PROVIDE
 ALL REQUESTED
 INFORMATION.

SUBJECT OF MEETING:
 HB 241: PATERNITY;
 Child Support
 Enforcement

DATE: APRIL 27

PLACE: Capitol Room 106

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
Glenda Strambe	Gov. - CSED	550 W. 7th, #312 Anch.	99501		269-6801	<input checked="" type="radio"/>	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	

HB 244 - SB 116

This bill provides for the administrative establishment of paternity, and for paternity to be established based upon the affidavits of the child's mother, her husband, and another man who is the child's father. The benefits and important features of the bill include the following:

- Paternity cases are currently handled only by Alaska's courts. Providing for establishment of paternity by CSED will speed up the establishment and enforcement of child support orders.
- The statute allows for paternity establishment through the courts or the agency. More complicated cases will generally be referred to court.
- Administrative establishment of paternity will allow CSED to meet federal deadlines for support order establishment, assuring continued federal funding.
- Paternity may be established administratively based on the putative father's acknowledgement of paternity or based on genetic test results according to the standard set forth in AS 25.20.050.
- The administrative paternity procedures are designed to give full due process, including service of the notice of paternity and financial responsibility by formal service rules; opportunity to object to genetic test results; and availability of full administrative hearing procedures followed by opportunity for court review.
- In the case of a child born in wedlock who is not the natural child of the husband, paternity may be established by affidavit of the mother, the husband and the other man who is the father of the child. This will avoid the expense and delay of filing a paternity action where all relevant parties agree.