

**HB**

**344**

<TARGET><BILL>HB 344</BILL><SUBJECT>HB  
344</SUBJECT><COMM>HJUD27</COMM></TARGET>

# FISCAL NOTE

STATE OF ALASKA cost # codes  
2012 LEGISLATIVE SESSION

Bill Version HB344-ACS-TRC-3-8-12  
Fiscal Note Number \_\_\_\_\_  
Publish Date \_\_\_\_\_

Identifier (file name) HB344-ACS-TRC-3-8-2012 Dept. Affected Alaska Court System  
Title Child Support Awards Appropriation Trial Courts  
Allocation \_\_\_\_\_  
Sponsor Representative Munoz  
Requester \_\_\_\_\_ OMB Component Number 768

**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				
			FY14	FY15	FY16	FY17	FY18
<b>OPERATING EXPENDITURES</b>	<b>FY13</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>
Personal Services			1,009.8	1,009.8			
Travel			63.0	63.0			
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>1,072.8</b>	<b>1,072.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>FUND SOURCE</b>		(Thousands of Dollars)					
1002	Federal Receipts						
1003	GF Match						
1004	GF		1,072.8	1,072.8			
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)						
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>1,072.8</b>	<b>1,072.8</b>	<b>0.0</b>	<b>0.0</b>

<b>POSITIONS</b>							
Full-time							
Part-time							
Temporary			10.0	10			

<b>CHANGE IN REVENUES</b>							

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)**

Initial version.

Prepared by Nancy Meade, General Counsel  
Division Alaska Court System  
Approved by Nancy Meade for Christine Johnson, Administrative Director  
Alaska Court System

Phone 907-463-4736  
Date/Time 3/08/2012 11:00 A.M.  
Date 3/8/2012

## FISCAL NOTE

STATE OF ALASKA  
2012 LEGISLATIVE SESSION

BILL NO. HB344-ACS-TRC-3-8-12

### Analysis

HB 344 will repeal Civil Rule 90.3, the court rule that contains the current child support guidelines, and replace it with a new chapter in the statutes setting out the method for calculating child support awards. The formula for calculating the amount to be awarded will change from the current "percentage of income" approach, in which a set percentage of the non-custodial parent's income is presumed to be the appropriate support amount, to an "income shares" approach, in which a set dollar amount that depends on the parents' incomes is the presumptive support obligation. The bill also makes other changes to the current method for establishing the appropriate support amounts.

Under AS 25.14.170(b), the adoption of child support award guidelines or a significant amendment to guidelines is a material change in circumstances such that a party to an existing order would have grounds to seek modification of that order. The Child Support Services Division (CSSD) has estimated that it is enforcing about 20,000 child support orders, and an additional unknown number of court orders are in existence in which the parties opted not to use the CSSD for enforcement. It is estimated that 10,000 modification requests could be made after the bill takes effect; about half of the requests (5,000) are likely to be handled by the CSSD directly without court involvement, and about half (5,000) could come to the court for consideration and resolution.

The Court System estimates that, on average, each of the predicted 5,000 requests for modification of child support orders would require three hours of a judge's time to consider and resolve. The motions are expected to be filed by parties over a two-year period following the effective date of the bill. To handle these motions, the court will hire 3.8 temporary (pro tem) judges (NPP FTE), as well as 3.8 (NPP FTE) court clerks to assist those judges with paperwork and case management during FY 13 and FY 14. The court allocated these positions to the different court locations based on the prior two fiscal years' statistics that show where similar motions have been filed statewide. The personal service costs for these pro tem judges who will be assigned to the courts with the highest predicted number of these motions amounts to \$760,000 for each of the two years, as shown on page three.

In addition, the pro tem judges and clerks will be required to travel to other courts locations to handle the motions in the courts in which the parties file them; it is estimated that travel costs would amount to \$63,000 for each of the two years.

Finally, the court's Family Law Self-Help Center, which is the court's free statewide service to help people represent themselves in family law cases, anticipates that the number of requests for assistance would rise significantly, requiring two additional full-time temporary facilitators for each year over the two-year period following the effective date of the bill.

FISCAL NOTE

STATE OF ALASKA  
2012 LEGISLATIVE SESSION

BILL NO. HB344-ACS-TRC-3-8-12

Analysis Continued

<b>Alaska Court System</b>	
<b>Fiscal Note Calculations for HB 344</b>	
<b>Personal Services:</b>	<b>Cost</b>
Pro Tems Superior Court Judge - Anchorage (2.2 NPP FTE)	424,700
Pro Tems Superior Court Judge - Fairbanks (.6 NPP FTE)	120,000
Pro Tems Superior Court Judge - Palmer (.4 NPP FTE)	84,200
Pro Tems Superior Court Judge - Kenai (.2 NPP FTE)	46,900
Pro Tems Superior Court Judge - Remaining Court Locations (.4 NPP FTE)	84,200
Clerical Staffing In-Court Clerks for ProTem Judges (3.8 NPP FTE)	160,100
Facilitator for Family Law Self Help Center (2.0 NPP FTE)	89,700
Subtotal Personal Services Cost	1,009,800
<b>Travel:</b>	
Travel to Various Court Locations:	
Estimate 25 trips X \$400 Airfare for Judge and Clerk	20,000
Estimate 25 trips X \$60 Per Diem X 5 Days for Judge and Clerk	15,000
Estimate 25 trips X \$125 Lodging X 4 Days for Judge and Clerk	25,000
Estimate 25 trips - Ground Transportation, Parking @ \$60/Trip for Judge and Clerk	3,000
Subtotal Travel Cost	63,000
Total Estimated Cost	1,072,800

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version HB 344  
 Fiscal Note Number \_\_\_\_\_  
 ( ) Publish Date \_\_\_\_\_

Identifier (file name) HB344-LAW-CIV-03-09-12 Dept. Affected Law  
 Title An Act relating to child support awards; and repealing Appropriation Civil  
Rule 90.3, Alaska Rules of Civil Procedure. Allocation Collections and Support  
 Sponsor Representative Munoz  
 Requester (H) Judiciary OMB Component Number 2210

**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				
			FY14	FY15	FY16	FY17	FY18
<b>OPERATING EXPENDITURES</b>	<b>FY13</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>
Personal Services			2,660.9				
Travel			13.4				
Services			429.0				
Commodities			61.7				
Capital Outlay			12.1				
Grants, Benefits							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>3,177.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE		(Thousands of Dollars)					
1002	Federal Receipts						
1003	GF Match						
1004	GF						
1007	I/A Rcpts (Other)		3,177.1				
1037	GF/MH (UGF)						
1178	temp code (UGF)						
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>3,177.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS							
Full-time							
Part-time			1				
Temporary			19				

CHANGE IN REVENUES							
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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)

Not applicable, initial version.

Prepared by Eileen Donahue, Division Operations Manager  
 Division Administrative Services  
 Approved by Michael C. Geraghty, Attorney General  
Department of Law

Phone 465-5427  
 Date/Time 3/9/12 12:30 PM  
 Date 3/9/2012

FISCAL NOTE

STATE OF ALASKA  
2012 LEGISLATIVE SESSION

BILL NO. HB 344

**Analysis**

HB 344 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 adoption, enactment or significant modification to the guidelines a material change of circumstance for the purpose of a modification of the order. This would allow custodial and non-custodial parents to request a modification of their existing order(s). Federal law, 45 CFR 303.8(e), requires the Child Support Services Division (CSSD) to complete modification requests within 180 days from receipt of the request. CSSD could lose significant federal funds if it cannot meet this requirement. CSSD estimates it is enforcing approximately 20,000 child support orders that would be eligible for modification. CSSD conservatively anticipates 10,000 modification requests will be submitted in the first six months, with about ½ of the requests on court orders. The Attorney General's Office, Collections & Support Unit, represents CSSD in court when the agency requests modification of a court-issued child support order. The Collections & Support Section currently processes about 700 modification requests a year with 3.5 attorneys. The anticipated increase in modification requests from 700 to 5,000 in one year will require non-permanent positions of 12.5 attorneys, 2 paralegals, and 5 support positions to meet the anticipated initial demand.