

Original Updated
 Corrected Supplemental

LRB or Bill No. -- Adm. Rule No.
SB-107 --0211/1

Amendment No. if Applicable

FISCAL ESTIMATE
DOA-2048 N(R10/94)

Subject

STANDARDS FOR DETERMINING LEGAL CUSTODY AND PHYSICAL PLACEMENT OF CHILDREN IN ACTIONS AFFECTING THE FAMILY JURISDICTIONAL REQUIREMENTS IN ACTIONS AFFECTING THE FAMILY PROHIBITIONS AGAINST MOVING A CHILD OUTSIDE OF A SCHOOL DISTRICT AFTER DIVORCE STANDARDS FOR MODIFYING CUSTODY AND PHYSICAL PLACEMENT ORDERS TEMPORARY ORDERS IN ACTIONS AFFECTING THE FAMILY VISITATION RIGHTS OF THIRD PARTIES PROHIBITING THE APPOINTMENT OF A GUARDIAN AD LITEM IN ALL BUT CERTAIN ACTIONS AFFECTING THE FAMILY AND MAKING RECORDS OF PATERNITY PROCEEDINGS OPEN RECORDS.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

- Increase Existing Appropriation Increase Existing Revenues
- Decrease Existing Appropriation Decrease Existing Revenues
- Create New Appropriation

Decrease Costs

Local: No local government costs

- 1. Increase Costs
 Permissive Mandatory
- 2. Decrease Costs
 Permissive Mandatory

- 3. Increase Revenues
 Permissive Mandatory
- 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Government Units Affected
- Towns Villages Cities
 - Counties Others
 - School Districts WTCS Districts

Fund Sources Affected:

GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations:

Assumptions Used in Arriving at Fiscal Estimate

This bill makes a number of changes regarding divorce and paternity actions. The net result of the provisions in this bill as they impact the DWD will be a significant decrease in the amount of child support ordered and collected. This in turn would reduce income to children and reduce the amount of collections retained by the state, in cases where support is assigned to the state. However, the fiscal effects of these impacts is indeterminable. Locally, the bill could result in an increase in the workload of child support agencies.

The anticipated impacts include:

- Eliminating the provision in current law that establishes sole legal custody to mothers in a paternity action unless the court orders otherwise is likely to decrease cooperation of unmarried mothers with efforts to establish paternity. This would delay paternity establishment procedures, thus reducing the state's ability to collect child support.
- Eliminating the provision related to voluntary paternity acknowledgment that retains sole legal custody to the mother, in the absence of a court order, will significantly decrease the use of the hospital-based voluntary acknowledgment process. This will increase the costs to local child support agencies to establish paternity through the courts. That will decrease opportunity for performance-based federal incentives earned by the state child support program.
- The provision that requires equal periods of physical placement will likely reduce the amount of child support ordered and thus collected by the state under the current shared time guidelines.
- Modifications to custody and physical placement orders allowed under the bill would likely result in a significant number of requests for revision to orders for physical placement, which then could lead to requests for modifications in support under the guidelines for shared time. This would result in significant costs to the child support system.

(Continued on next page...)

Long-Range Fiscal Implications

Agency/Prepared by:(Name & Phone No.)
DWD / Nikolay, Bob (266-9475)

Authorized Signature/Telephone No.

[Signature]

Date

4/15/99

Assumptions Used in Arriving at Fiscal Estimate (Continued)

-The provision that could create a rebuttable presumption if a party has been convicted of batter against the other party or a crime involving abuse to the child could lead to increase court time if the presumption is rebutted.

-The provisions that change the liability of adjudicated fathers for past support to the date the person is adjudicated the father or the date on which a voluntary acknowledgment was filed with the state registrar could be an incentive to delay adjudication or acknowledgment, which would further reduce the amount of support ordered and collected by the state to offset its public assistance costs, or the amounts passed through to custodial parents and children .

- The provision allowing the court to order the parties to make equal contributions to birth costs would have the effect of not being able to order birth costs in over half of the cases, because most unwed births are paid for by Medicaid, and under federal law the Medicaid recipient herself cannot be made to repay her own costs. Under this provision if the mother couldn't repay costs the father could not be ordered to pay any share of costs either.

- The provision that requires, versus permits, the court to order both parties to pay or contribute to the costs of attorney fees or other costs could be applicable only to parties who are not public assistance recipients. Federal regulations prohibit the state from assessing costs to aid recipients.

-The provision prohibiting the court from appointing a guardian ad litem except under narrow circumstances for actions affecting the family should reduce costs to the state of hiring guardians ad litem in public assistance cases. However, since there would be no neutral party representing the interests of the child in setting support, this provision could reduce the amount of support ordered and thus collected.

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect DOA-2047(R10/94)	<input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected <input type="checkbox"/> Supplemental	LRB or Bill No./Adm Rule No. SB-107 / 0211/1	Amendment No.
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Subject
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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal Impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$0	- \$0
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs	\$0	- \$0
Local Assistance	\$0	- \$0
Aids to Individuals or Organizations	\$0	- \$0
TOTAL State Costs by Category	\$0	- \$0
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$0	- \$0
FED	\$0	- \$0
PRO/PRS	\$0	- \$0
SEG/SEG-S	\$0	- \$0
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$0	- \$0
GPR Earned	\$0	- \$0
FED	\$0	- \$0
PRO/PRS	\$0	- \$0
SEG/SEG-S	\$0	- \$0
TOTAL State Revenues:	\$0	- \$0

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
Net Change in Costs:	\$0	\$0

	\$0	\$0
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Agency/Prepared by:(Name & Phone No.) DWD / Nikolay, Bob (266-9475)	Authorized Signature/Telephone No. 	Date 4/15/99
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