
Wisconsin Legislative Council

AMENDMENT MEMO



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2019 Senate Bill 350

**Senate
Amendment 1**

2019 SENATE BILL 350

2019 Senate Bill 350 directly modifies an administrative rule from the Department of Children and Families (DCF) to remove a provision relating to the birth cost recovery program.

Under current law, if an unmarried mother was enrolled in medical assistance at the time of a child's birth, the state may recover up to one-half of the actual costs of the pregnancy and birth from the child's father, subject to an income-based formula. The administrative rules governing the process specify that recovery from a father is inappropriate in cases where the family is intact at the time that paternity or support is established and the father's income, if any, contributes to the support of the child.

The bill removes the intact family limitation. Under the administrative rules, this would allow recovery from a father for up to one-half of birth expenses, subject to the income-based formula.

SENATE AMENDMENT 1

Senate Amendment 1 makes two revisions to the bill.

First, the amendment adds a new limitation to specify that recovery from a father for any portion of birth expenses is prohibited if the father's income is equal to or below 150% of the federal poverty line.

Second, the amendment addresses a recent change in federal accounting for amounts recovered under the program. As of June 11, 2019, the federal Office of Child Support Enforcement has notified state child support agencies that the portion of the recovered amount that can be retained as an incentive payment for county child support enforcement services must be reported as program income, rather than as general purpose revenue (GPR). Under that accounting category, additional matching federal funds that have been provided in the past are not available.

The amendment increases the GPR appropriation to DCF by \$1.4 million for each of the next two fiscal years (2019-20 and 2020-21). Under that accounting category, the state would receive a federal match of approximately \$2.716 million for each year, replacing the lost match for the incentive payments. The increase is identified as providing temporary funding only and is to be directed to counties for administrative costs.

BILL HISTORY

Senators Kooyenga and Bewley offered Senate Amendment 1 on August 26, 2019. On September 25, 2019, the Senate Committee on Universities, Technical Colleges, Children and Families recommended adoption of the amendment on a vote of Ayes, 6; Noes, 1; and recommended passage of the bill, as amended, on a vote of Ayes, 5; Noes, 2.

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