



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #349

### **FoodShare Eligibility -- Child Support and Paternity Compliance (Health Services -- FoodShare and Children and Families -- Child Support)**

[LFB 2017-19 Budget Summary: Page 130, #1 and Page 228, #5]

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#### **CURRENT LAW**

The federal supplemental nutrition assistance program (SNAP) assists individuals and families in households with low income to purchase food. Wisconsin's SNAP is called FoodShare. In January, 2017, 710,731 individuals, including 305,614 children, were in households that received FoodShare benefits. Approximately 13.3% of FoodShare recipients (94,527) were children ages five through nine and half of all FoodShare recipients were 24 years of age or younger.

The program is administered jointly by the U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS), and the state Department of Health Services (DHS). Under the program, the state issues electronic benefit transfer (EBT) cards to households enrolled in the program, which the households use to purchase eligible food items. DHS contracts with counties to perform program eligibility and case management functions for FoodShare, Medicaid, and several other public assistance programs, except that in Milwaukee County, state staff conduct these "income maintenance" (IM) activities. FNS establishes general eligibility requirements for SNAP, although states have some options regarding program eligibility and administration.

Previously, Wisconsin required FoodShare applicants and recipients to establish and comply with child support and paternity orders to be eligible for FoodShare. However, 2007 Wisconsin Act 20 (the 2007-09 biennial budget act) repealed these requirements.

## GOVERNOR

### Funding

*Department of Health Services (DHS).* Provide \$759,800 (\$379,900 GPR and \$379,900 FED) and 0.50 position (0.25 GPR position and 0.25 FED position) in 2017-18 and \$185,800 (\$92,900 GPR and \$92,900 FED) and 0.90 position (0.45 GPR position and 0.45 FED position) in 2018-19 for DHS to implement provisions that would make eligibility for FoodShare benefits contingent on cooperation with establishing child support orders, avoiding delinquent support, and cooperation in establishing paternity.

The bill would fund the following DHS costs: (a) contracted services to modify DHS information systems (\$352,100 GPR and \$352,100 FED) in 2017-18 and \$52,000 (\$26,000 GPR and \$26,000 FED) in 2018-19; (b) DHS staff costs (\$27,800 GPR and \$27,800 FED in 2017-18 and \$37,800 GPR and \$37,800 FED) in 2018-19; and (c) increased funding for IM consortia and tribes to fund workload associated with these new requirements (\$29,100 GPR and \$29,100 FED annually).

*Department of Children and Families (DCF).* Provide \$412,500 (\$140,300 GPR and \$272,200 FED) in 2017-18 to support the administrative costs of verifying child support compliance, including modifications to the kids information data system (KIDS) to allow automatic referrals to the CARES information system used by DHS, as necessary to implement the Governor's proposal.

### Statutory Changes

*Child Support -- Cooperation in Establishing Support Orders.* Provide that an individual is ineligible to participate in the FoodShare program in any month in which all of the following occurs: (a) the individual is a custodial parent of, or lives with and exercises parental control over, a child who is under the age of 18 and who has an absent parent; (b) the individual refuses to cooperate fully, in good faith, with efforts directed at establishing or enforcing any support order or obtaining any other payments or property to which the individual or the child may have rights; and (c) the individual does not have a good cause for refusing to cooperate, as determined by DHS in accordance with federal law. Similarly, provide that a noncustodial parent of a child under the age of 18 who refuses to cooperate in providing or obtaining support for the child is ineligible for FoodShare.

*Child Support -- Delinquent Support.* Provide that an individual is ineligible to participate in the FoodShare program in any month in which the individual is obligated by court order to provide support payments and is delinquent in making those court-ordered payments, unless any of the following occurs: (a) the delinquency balance equals less than three months of the court-ordered support amount; (b) a court or a county child support agency is allowing the individual to delay the child support payments; (c) the individual is complying with a payment plan approved by a county child support agency to provide support for the child of the individual; or (d) the individual is participating in an employment and training program, as determined by DHS.

*Paternity Establishment.* Provide that an individual is ineligible to participate in the FoodShare program in any month in which all of the following occurs: (a) the individual is a custodial parent of or lives with and exercises parental control over a child who is under the age of 18 and who has an absent parent; (b) the individual refuses to cooperate fully, in good faith, with applicable efforts directed at establishing the paternity of the child; and (c) the individual does not have good cause for refusing to cooperate, as determined by DHS in accordance with federal law. Similarly, provide that an individual is ineligible for FoodShare if the individual refuses to cooperate fully, in good faith, with efforts directed at establishing the paternity of the child if the individual is either: (a) alleged to be the father of a child under the age of 18; or (b) a noncustodial parent of a child under the age of 18 for whom paternity has not been established.

*Effective Date.* These provisions would take effect on the bill's general effective date.

## **DISCUSSION POINTS**

### **Background**

1. In Wisconsin, the husband of a married woman is assumed to be the legal father of any child conceived or born during the marriage. This is known as the marital presumption. The marital presumption can be overcome if it is found to be in the best interest of the child. In such a case, the court appoints a guardian ad litem (GAL) to represent the best interest of the child and investigate whether the marital presumption should be overcome. The GAL may request that the court order genetic testing to aid in his or her investigation.

2. A child born outside of marriage in Wisconsin will not have a legal father unless a voluntary paternity acknowledgment form is completed and filed with the DHS Office of Vital Records; paternity is established through a court hearing; or the child's parents marry after his or her birth and complete a legitimation form.

3. If the parents of a minor child were never married, paternity must be established before a child support order can be issued. If the parents of a minor child are married or paternity has already been established, the county child support agency can file a legal action to compel the non-custodial parent to financially support the child. The child support agency's attorney will handle legal issues connected with obtaining and enforcing a child support order but represents the interests of the state, not the interests of either parent. Parents may choose to hire a private attorney.

4. Child support orders can be modified: (a) by both parents if they agree to the change and file the appropriate form with the Clerk of Court's office; or (b) by one parent if the parent requests the child support agency review the order or files an action to amend the order with a court. However, the child support agency may deny the request to review the order if there has been no substantial change in circumstances, or if a review has recently been completed.

5. Local child support agencies monitor cases to ensure compliance with court orders. Federal guidelines require a local child support agency to take action in cases when a payer is more than one month behind in making payments. A child support agency may take increasing

enforcement action in an attempt to collect delinquent support, usually starting with letters to the noncompliant parent, culminating with a request that the district attorney file criminal charges for nonsupport, which may result in a fine or incarceration.

6. A current child support order ends on the last day of the month in which the child turns 18, unless that child is still enrolled in high school or a GED program in which case the child support order remains in effect until graduation or the child's 19<sup>th</sup> birthday, whichever is earlier. If past-due support is owed when the current support order ends, the child support will continue to be enforced and collected. Income withholding may continue at the same level of collection until past-due child support is paid in full. Cases with past-due support may be enforced up to 20 years after the child reaches the age of 18.

7. Currently, a number of state programs require cooperation with paternity establishment efforts and child support orders. These programs include: Wisconsin Works (temporary cash assistance and case management for low-income parents and pregnant women), Wisconsin Shares (a child care subsidy for low-income working parents), caretaker supplement (a cash benefit available to parents who are eligible for supplemental security income payments), BadgerCare Plus (medical assistance for individuals in families with low income), and kinship care (payment for relatives who care for a child or children who are in need of an out-of-home placement).

### **Cost Reestimates**

8. DHS does not maintain information on the number of custodial and non-custodial parents who receive FoodShare benefits, but do not currently have a paternity or child support order, when either could be obtained. Similarly, DHS also does not maintain information on the number of FoodShare recipients who are delinquent in making child support payments. Therefore, the number of people that would be affected by these provisions is unknown.

9. The 2007-09 biennial budget act repealed the requirement that FoodShare applicants and recipients comply with child support orders and paternity establishment efforts in order to be eligible for FoodShare. At that time, DHS estimated that 1,100 individuals would regain program eligibility. Based on the increase in the total number of FoodShare recipients since 2007, the affected number of people (based on the number of 2016 FoodShare recipients) may be closer to 2,150 individuals.

10. Table 1 shows reestimates of the costs of implementing the provisions in the bill. This reestimate: (a) eliminates an inadvertent double funding of the workload costs associated with Milwaukee County cases processed by Milwaukee Enrollment Services (MILES); (b) slightly reduces estimates of IM costs by applying an estimate of the percentage of individuals affected by the provisions to the total number of individuals in households that receive FoodShare benefits, rather than the number of FoodShare "assistant groups;" and (c) slightly increases estimates of CARES programming services, based on rates included in a recently completed contract between DHS and Deloitte, the firm that provides these services for CARES.

**TABLE 1**

**Funding Reestimate of Implementing Provisions**

	FY18			FY19			Biennium		
	GPR	FED	AF	GPR	FED	AF	GPR	FED	AF
<b>Health Services</b>									
CARES System	\$359,500	\$359,500	\$719,000	\$0	\$0	\$0	\$359,500	\$359,500	\$719,000
IM Training	6,400	6,400	12,800	300	300	600	6,700	6,700	13,400
DHS Positions	21,400	21,400	42,800	23,500	23,500	47,000	44,900	44,900	89,800
Printing & Mailing	0	0	0	26,000	26,000	52,000	26,000	26,000	52,000
Consortia/Tribal Workload	0	0	0	17,900	17,900	35,800	17,900	17,900	35,800
MilES Workload	0	0	0	8,600	8,600	17,200	8,600	8,600	17,200
Subtotal	\$387,300	\$387,300	\$774,600	\$76,300	\$76,300	\$152,600	\$463,600	\$463,600	\$927,200
Amount in Bill	\$379,900	\$379,000	\$758,000	\$92,900	\$92,900	\$185,800	\$472,800	\$472,800	\$949,600
Change to Bill	\$7,400	\$7,400	\$14,800	-\$16,600	-\$16,600	-\$33,200	-\$9,200	-\$9,200	-\$18,400
<b>Children and Families</b>									
KIDS System	\$140,300	\$272,200	\$412,500	\$0	\$0	\$0	\$140,300	\$272,200	\$412,500
Total	\$527,600	\$659,500	\$1,187,100	\$76,300	\$76,300	\$152,600	\$603,900	\$728,400	\$1,339,700

11. While specifics regarding implementation of these provisions are yet to be determined, the Governor's recommendation would require updates to CARES, which is used by IM workers to make eligibility determinations and maintain information on households enrolled in public assistance programs. Specifically, the system would need to be reprogrammed to allow communication between local child support agencies and IM workers at IM consortia, MilES, and tribal IM agencies to enable IM workers to determine whether an individual is compliant with the proposed requirements. DHS estimates that this proposal would require 6,000 computer programming hours, provided over 28 weeks, in order to be operational for the new requirements to take effect on July 1, 2018.

12. DCF estimates that the costs associated with updates to KIDS would require 5,000 computer programming hours, with the majority of the time spent testing the interface changes between CARES and KIDS. DCF indicates that changes to KIDS would be done by the DCF Bureau of Information Technology since contracting with an outside vendor would carry a significantly higher hourly cost.

13. If enacted, these provisions are expected to increase IM workload but enabling greater automatic communication between the two computer systems would reduce the size of the workload increase and corresponding costs. According to DHS, the increased automation would enable the process to be less labor intensive for the IM agencies than when similar requirements were in place prior to the enactment of the 2007-09 biennial budget act.

14. DHS also notes that communication between systems would help IM workers administer the "good cause" determinations for individuals who do not meet the proposed requirements. Specifically, if an individual has a "good cause" exemption from compliance with

another state program, that information would be transferred to CARES to reduce workload and avoid applicants needing to repeat information that may be sensitive, for example in cases involving incest or domestic violence.

15. The final major expense associated with the implementation of the Governor's recommendation is for printing and mailing. This cost is associated with notices and warnings sent to FoodShare recipients who would be affected by this proposal.

16. As shown in Table 1, most state and county DHS costs of implementing and administering these requirements would be funded on a 50% state (county)/50% federal cost-sharing basis. However, FoodShare benefits are supported entirely with federal funds. Consequently, adopting these provisions would not result in any state savings from withholding benefits from individuals who are determined to be non-compliant with the child support and paternity establishment requirements.

17. Implementing the provisions would increase state costs and potentially reduce federally funded FoodShare benefits for noncompliant recipients. However, the Committee may want to approve all three of the provisions in the bill, as they would broadly align the eligibility criteria for FoodShare with those for other state programs, such as BadgerCare and Wisconsin Works, which currently require participants to cooperate with child support enforcement and paternity establishment as conditions of program eligibility. Adopting these provisions would allow DHS to strengthen the incentive for parents to provide financial support for their children, since some individuals receiving FoodShare benefits may not be enrolled in other programs that have similar requirements.

18. Additionally, the proposal is intended to provide greater food security for children in households that could potentially receive child support payments but do not due to a custodial parent's failure to initiate a paternity determination. Children may also benefit if the provisions create a greater incentive for noncustodial parents to comply with paternity determinations and child support orders, since their failure to do so may result in a loss of their FoodShare benefits.

19. Further, while parents may have informal arrangements for support and visitation, it may be to the advantage of both the custodial and non-custodial parent to have a legally enforceable support agreement or paternity order in place in case the relationship between the parents deteriorates, in which case an informal agreement would not be binding on either parent.

20. Finally, legally establishing paternity may provide more benefits to the minor child than can be obtained through an informal acknowledgement. Specifically, legally establishing paternity gives the child inheritance rights and access to future benefits through the father (social security, veterans' benefits, for example). Paternity must also be legally established prior to the court issuing a child support order. Access to these benefits may reduce the likelihood that the child would need to rely on state programs currently, or in the future [Alternative 1].

### **Fees for Child Support Enforcement Services**

21. DCF charges various fees for child support enforcement services. For example, federal

law requires DCF to charge a \$25 annual user fee on each child support case receiving \$500 or more in support if the custodial parent never received public assistance. This fee is paid by the custodial parent. Other fees include a \$65 annual fee charged to support obligors for the costs of the automated centralized receipt and disbursement system (CR&D fee) paid by the support obligor, a \$60 fee for genetic testing, a \$30 fee for certain court filing fees incurred by child support agencies, and a fee of 10%, up to a maximum of \$25, charged to the custodial parent for each federal or state tax intercept of \$10 or more.

22. It is unclear whether most of these fees could be charged to FoodShare applicants. The Food Stamp Act and related federal regulations permit states to require cooperation with child support enforcement as a condition of eligibility for the program. However, federal law prohibits states from requiring the payment of fees or other costs for child support enforcement services in such cases.

23. Federal law does make clear that the \$25 annual user fee cannot be charged to FoodShare applicants. Instead, the federal Office of Child Support Enforcement indicates in federal regulations that the fee must either be collected from the non-FoodShare eligible parent or be paid by the state.

24. State law requires that the \$25 annual fee be charged to the custodial parent where applicable under federal law. Since this is not permissible, current law would not allow DCF to collect the fee for FoodShare applicants. Instead, federal law would likely require DCF to make payment on behalf of the parent. This payment would not be waivable. Since the \$25 annual user fee is considered program income, the state share is 34% (\$8.50) and the remaining 66% must be sent to the federal government (\$16.50).

25. DCF indicates that when considering the relevant federal fee provisions the fiscal impact of the bill is uncertain. For example, DCF could not confirm whether the prohibition against charging fees and other costs applies solely to those who have applied for FoodShare or more broadly to anyone who is potentially eligible to do so. If the prohibition applies broadly to potential applicants, the loss of revenue would be significant, potentially exceeding several million dollars annually.

26. For this reason, DCF has suggested that the Governor's recommendation could be modified to make the provision effective contingent on a change in federal law or other type of relief from the federal fee provisions, such as a waiver or clarification from the federal Office of Child Support Enforcement. Under this alternative GPR funding would be transferred from DHS and DCF to the Committee's program supplements appropriation. DHS or DCF would be required to request the release of the funds under a 14-day passive review process for the purpose of implementing these provisions [Alternative 2].

27. On the other hand, it should be noted that notwithstanding the federal prohibition on imposing fees and other costs, the state previously collected the CR&D fee from noncustodial parents when Wisconsin required FoodShare applicants and recipients to comply with child support enforcement before the effective date of 2007 Act 20. This suggests that the child support compliance requirement in the FoodShare program could be implemented without modification in

federal law.

### **Partial Implementation**

28. Alternatively, the Committee could modify the Governor's recommendation by including some, but not all of requirements in the bill.

29. For example, the Committee could approve the provisions in the bill that pertain to establishing paternity and the original support order, but delete the provision related to delinquent child support if it determines that these provisions are unnecessary, since child support agencies are already monitoring open child support cases for compliance and can sanction noncustodial parents if they fail to make a required payment within one month after the payment is due. Therefore, spending additional state and federal funds to administer the FoodShare sanction for individuals who fail to make a payment three months after the payment is due could be considered redundant.

30. Further, the child support delinquency requirement may result in denying FoodShare benefits for individuals who cannot comply with child support orders based on changes in circumstances outside of the individual's control, such as job loss or temporary disability. Specifically, if an individual is more than three months delinquent in child support payments, that person would be denied FoodShare benefits unless the individual is able to get the child support order modified by the child support agency or a court. However, in larger counties where court dates for modifications may not be available within the allotted three-month time period, a person who could be denied FoodShare benefits terminated while they wait for the court to amend the child support order.

31. Deleting changes in the bill as they relate to child support delinquency would reduce the number of programming hours for changes to KIDS and CARES. Programming hours for KIDS would be reduced from 5,000 to approximately 2,000. Necessary funding for these changes could subsequently be reduced from \$412,500 all funds to \$164,000. Programming hours for CARES would be reduced from 6,000 to 5,000 hours. Funding for these changes could subsequently be reduced from \$719,000 all funds to \$599,200 [Alternative 3a].

32. Alternatively, the Committee could approve the provision related to establishing paternity, but not the provisions related to obtaining a child support order or avoiding delinquent child support payments. The Committee may find that spending state and federal funds to administer these requirements is duplicative, since state law already encourages non-custodial parents to cooperate with child support agencies. These provisions include the child support agency's ability to: certify for the denial, non-renewal, restriction, or suspension of a parent's professional, occupational, recreational, or driver's license; initiate the placement of a lien on the parent's real property (home, land), and on titled property (vehicles), which will affect the individual's ability to get a loan or grant, and to sell the affected property; report cases to the Internal Revenue Service (IRS) or the Wisconsin Department of Revenue for tax interception and wage garnishment; and report cases to the federal government who may deny the parent's loan and grant applications, as well as the parent's application for a passport.

33. Moreover, child support agencies are "performance funded" by the federal

government. This means that if the state child support agencies open new child support cases on which they do not collect payments, the state's performance decreases, as does the federal funding provided to the child support agency. Currently, some custodial households may choose not to open a child support case if they believe the non-custodial parent is unwilling or unable to pay child support. However, some custodial households would be required to seek new child support orders in order to remain eligible for FoodShare, even if they believe that is unlikely that the noncustodial parent would be able to receive any child support. These cases could negatively affect the state's performance rate and thereby federal funding. On the other hand, the proposed requirements on noncustodial parents to meet their child support obligations may increase the state's performance if they provide a greater incentive for noncustodial parents to make payments under current child support orders.

34. Deleting changes in the bill as they relate to child support compliance and delinquency, would eliminate the need for CARES and KIDS to interface and therefore funding provided in the bill for the KIDS system could be eliminated. This would also result in fewer CARES programming hours, thereby reducing the necessary funding for CARES by \$119,800 all funds [Alternative 3b].

35. Alternatively, the Committee could delete all of the Governor's recommendations relating to this item from the bill for several reasons.

36. First, any reduction in FoodShare benefits a custodial or noncustodial parent receives affects the total income, including in-kind income, of the family. While children in these families would remain eligible for FoodShare benefits, a sanctioned parent would not and so the household's food benefit would be reduced. All members of the family, not just the sanctioned adults, would be affected by this reduction in benefits.

37. Second, families without legally binding support agreements may have informal non-financial or financial support agreements that better meet the needs of the individual families and that would be disrupted by these provisions. A 2016 U.S. Census Bureau report noted that nationally, in 2013, approximately 10% of all support agreements were non-legal in nature and approximately 62% of custodial parents reported receiving at least one type of non-cash support for their children. Examples of non-financial support may include transportation to school or other activities; watching the child while the custodial parent works; health care coverage for the child; food; clothing; and emotional support and involvement in the child's life. The non-custodial parent may be unwilling or unable to provide these forms of non-financial support if he or she is required to work additional hours in order to provide financial support through a formal child support order.

### **2017 Assembly Bill 57 and 2017 Senate Bill 19**

38. 2017 Assembly Bill 57, which has been referred to the Assembly Committee on Public Benefits Reform, would reinstate the requirements that FoodShare applicants and recipients establish and comply with child support orders, and paternity establishment efforts in order to be eligible for FoodShare. This bill is similar to the provisions in the Governor's budget bill, except that: (a) AB 57 does not include an exemption from the delinquency requirements for people participating in an employment and training program, such as the FoodShare employment and training program (FSET); and (b) AB 57 contains no funding increases to support costs DHS and

DCF would incur to implement the provisions.

39. On April 11, the Assembly Committee held a public hearing on the bill. At the hearing, the bill's proponents argued that the bill would reduce poverty by promoting personal responsibility, and that noncustodial parents must be held accountable for supporting custodial parents and their children. The authors noted that, in 2016, 74% of child support owed to custodial parents in Wisconsin was collected, and that collections were made from 69% of cases that had arrearages (payments that were past due). The national averages were 65% and 64%, respectively.

40. Several organizations testified against the bill, including End Domestic Abuse Wisconsin, which indicated that the requirements may have the unintended consequence of making it more difficult for victims of domestic violence and their children to live independently of their abusers and complicate victims' attempts to remain safely separated from perpetrators by requiring them to return to court with their abusers to re-litigate child custody cases. The Public Interest Law and Family Law Sections of the Wisconsin Bar submitted written testimony against the bill, citing research indicating that compliance with child support orders decreases as arrearages and debt burdens increase, and that denying FoodShare benefits to noncustodial parents will increase their arrearages and lower compliance with support orders. The Director of Milwaukee County Child Support Services testified against the bill, indicating that the provisions would potentially increase stress and food instability for families and reduce performance-based federal funding for child support agencies.

41. A companion bill to AB 57, 2017 Senate Bill 19, was introduced on February 2, 2017, and referred to the Committee on Public Benefits, Licensing, and State-Federal Relations. That Committee has not yet scheduled the bill for a hearing or executive session.

42. The Committee may determine that it is unnecessary to spend additional state and federal money to implement provisions that are duplicative of other efforts to compel cooperation with paternity determinations and child support for low-income individuals and families. Approximately 77% of FoodShare assistance groups in 2016 were also receiving services through W-2, Wisconsin Shares, or BadgerCare, which already have eligibility requirements regarding child support and paternity. Further, some would argue that, since similar legislation has been introduced (2017 Assembly Bill 57 and 2017 Senate Bill 19), the Legislature's standing committees should have the opportunity to debate the significant policy issues raised by these provisions. Removing this provision from the bill would also allow for time and opportunity to further examine the child support enforcement fee issues raised in Discussion Points 21 through 27. For these reasons, the provisions could be deleted from the budget bill [Alternative 4].

## **ALTERNATIVES**

1. Approve the Governor's recommendations, with the reestimates described in Discussion Point 10 and summarized in Table 1. Increase funding in the bill by \$14,800 (\$7,400 GPR and \$7,400 FED) in 2017-18 and decrease funding by \$33,200 (-\$16,600 GPR and -\$16,600 FED) in 2018-19.

ALT 1	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
<b><u>DHS</u></b>				
GPR	\$463,600	0.45	- \$9,200	0.00
FED	<u>463,600</u>	<u>0.45</u>	<u>- 9,200</u>	<u>0.00</u>
Total	\$927,200	0.90	- \$18,400	0.00
<b><u>DCF</u></b>				
GPR	\$140,300	0.00	\$0	0.00
FED	<u>272,200</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
Total	\$412,500	0.00	\$0	0.00

2. Modify the Governor's recommendation by placing the reestimated GPR funding amounts described in Alternative 1 (\$527,600 in 2017-18 and \$76,300 in 2018-19) into the Joint Finance's program supplements appropriation. Specify that these funds could be released upon request of DCF or DHS under a 14-day passive review process for the purpose of implementing the proposed FoodShare eligibility provisions.

Modify the bill to specify that the statutory changes in the bill would not take effect unless DCF determines that the new provisions related to FoodShare eligibility, as it pertains to child support and paternity order establishment and compliance, can be implemented in manner that is substantially state budget-neutral in regard to child support fees. Require DHS and DCF to request any applicable waivers or other federal authorization necessary to allow for budget-neutral implementation with respect to these fees. Require DCF to notify DHS, the Governor, and the Committee upon making such a determination, and specify that the new provisions would take effect on the first day of the sixth month beginning after the date of DCF's notification.

ALT 2	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
<b><u>DHS</u></b>				
GPR	\$0	0.45	- \$472,800	0.00
<b><u>DCF</u></b>				
GPR	\$0	0.00	-\$140,300	0.00
<b><u>Program Supplements</u></b>				
GPR	\$613,100	0.00	\$613,100	0.00

3. Modify the Governor's recommendation by adopting one of the following options:

a. Approve the Governor's recommendation as it applies to establishment of paternity and child support orders, but delete provisions relating to child support delinquency.

Reduce funding in the bill for DHS by -\$105,000 (-\$52,500 GPR and -\$52,500 FED) in 2017-18 and by \$33,200 (-\$16,600 GPR and -\$16,600 FED) in 2018-19 to reflect funding reestimates and fewer programming hours for CARES.

Decrease funding in the bill for DCF by \$248,500 (-\$84,500 GPR and -\$164,000 FED) in 2017-18 to reflect fewer programming hours for KIDS as a result of fewer changes.

ALT 3a	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
<b>DHS</b>				
GPR	\$403,700	0.45	-\$69,100	0.0
FED	<u>403,700</u>	<u>0.45</u>	<u>- 69,100</u>	<u>0.0</u>
Total	\$807,400	0.90	-\$138,200	0.0
<b>DCF</b>				
GPR	\$55,800	0.00	-\$84,500	0.00
FED	<u>108,200</u>	<u>0.00</u>	<u>164,000</u>	<u>0.00</u>
Total	\$164,000	0.00	-\$248,500	0.00

b. Approve the Governor's recommendation as it applies to paternity establishment, but delete all provisions relating to cooperation in establishing child support orders and child support delinquency.

Decrease funding in the bill for DHS by -\$105,000 (-\$52,500 GPR and -\$52,500 FED) in 2017-18 and by \$33,200 (-\$16,600 GPR and -\$16,600 FED) in 2018-19 to reflect funding reestimates and fewer programming hours for CARES.

Delete funding in the bill that would be provided for DCF to support the administrative costs of verifying child support compliance, including modifications to KIDS (-\$140,300 GPR and \$272,200 FED in 2017-18).

ALT 3b	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
<b>DHS</b>				
GPR	\$403,700	0.45	-\$69,100	0.0
FED	<u>403,700</u>	<u>0.45</u>	<u>- 69,100</u>	<u>0.0</u>
Total	\$807,400	0.90	-\$138,200	0.0
<b>DCF</b>				
GPR	\$0	0.00	-\$140,300	0.00
FED	<u>0</u>	<u>0.00</u>	<u>- 272,200</u>	<u>0.00</u>
Total	\$0	0.00	-\$412,500	0.00

4. Delete provision.

ALT 4	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
<b>DHS</b>				
GPR	\$0	0.00	-\$472,700	- 0.45
FED	<u>0</u>	<u>0.00</u>	<u>- 472,700</u>	<u>- 0.45</u>
Total	\$0	0.00	-\$945,400	- 0.90
<b>DCF</b>				
GPR	\$0	0.00	-\$140,300	0.00
FED	<u>0</u>	<u>0.00</u>	<u>- 272,200</u>	<u>0.00</u>
Total	\$0	0.00	-\$412,500	0.00

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