

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2009-10		FY 2010-11	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(541,328)	160,680	(541,328)	160,680
CASH FUNDS				
FEDERAL FUNDS	(576,599)	221,254	(576,599)	221,254
OTHER FUNDS				
TOTAL FUNDS	(1,117,934)	381,934	(1,117,934)	381,934

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill makes several changes to child and medical support requirements. This bill also expands the definition of employer for purposes of the New Hire Reporting Act to include independent contractors.

The medical support changes would likely result in more children covered by private insurance and not receiving Medicaid assistance. It is anticipated that approximately 25 children with modified medical support would not need Medicaid assistance due to the provisions in the bill. The estimated costs savings would be \$82,800 (\$33,120 GF and \$49,680 FF).

The requirement that independent contractors must report employment to the New Hire Registry is anticipated to increase collections by \$6,607,406. Of this amount, \$150,106 would be retained by the state for repayment of public assistance and \$206,694 would be refunded to the federal government for its share of public assistance payments. The balance of \$6,250,606 would go to the families owed child support. It is estimated that this would reduce public assistance costs by \$1,035,127 (\$508,208 GF and \$526,919 FF).

Section 11 allows for the continuous submittal of certified debt by the Department of Health and Human Services to the Department of Revenue. Currently, this is allowed only once year. Collections are anticipated to increase by \$2,006,294. Of this amount, \$10,574 would be retained by the state and \$14,560 paid to the federal government for the reimbursement of public assistance benefits provided for the families. The balance would go to the families for whom the support is paid.

The changes in Section 43-512.07, regarding assignment of support, would put the state in compliance with the federal Deficit Reduction Act of 2005. States must be in compliance by October 1, 2009, or be subjected to penalties.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Joe Wilcox	DATE 1/28/09	PHONE 471-2526
COMMENTS			
DEPARTMENT OF HEALTH AND HUMAN SERVICES: No basis to dispute agency analysis. SUPREME COURT: No basis to dispute agency analysis.			