

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1915 HB	<b>Title:</b> Increasing the annual fee for child support enforcement services.	<b>Agency:</b> 300-Department of Social and Health Services
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

ACCOUNT	FY 2020	FY 2021	2019-21	2021-23	2023-25
General Fund-Federal 001-2	(106,000)	(296,000)	(402,000)	(704,000)	(704,000)
<b>Total \$</b>	(106,000)	(296,000)	(402,000)	(704,000)	(704,000)

### Estimated Operating Expenditures from:

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	1.0	0.3	0.7	0.0	0.0
<b>Account</b>					
General Fund-State 001-1	(80,000)	(171,000)	(251,000)	(364,000)	(364,000)
General Fund-Federal 001-2	(155,000)	(332,000)	(487,000)	(704,000)	(704,000)
<b>Total \$</b>	(235,000)	(503,000)	(738,000)	(1,068,000)	(1,068,000)

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

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## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Effective October 1, 2019, this bill increases the annual child support fee from \$25 to \$35 from those 1) the state has collected at least \$550 of support and 2) whose custodial counterparts have never received Temporary Assistance for Needy Families (TANF) assistance as required by federal law.

### II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Sixty-six percent of the cash receipt impact will be borne by Title IV-D funds.

### II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

#### 1. Increased fee collections

Based on projections of the child support caseload remitting more than \$550 per month, the Department of Social and Health Services (DSHS) estimates \$401,000 (\$136,000 GF-State) in increased fee collections in Fiscal Year (FY) 2020 and \$534,000 (\$182,000 GF-State) in FY 2021 and every year thereafter.

#### 2. Information Technology (IT) systems changes

DSHS estimates the cost of required IT systems changes to require 0.3 FTE of WMS Band 1 project manager and 0.1 FTE of IT Specialist 5 in FY 2020, as well as 0.1 FTE of WMS Band 1 project manager in FY 2021. These costs are \$60,000 (\$20,000 GF-State) in FY 2020 and \$14,000 (\$5,000 GF-State) in FY 2021.

#### 3. Informational mailing and responding to inquiries about the increased fee

DSHS will inform affected clients via mail. These costs include printing, mailing, and translations, which DSHS estimates to be \$61,000 (\$21,000 GF-State) in FY 2020.

In the first 12 months of implementation, DSHS estimates a total of 0.6 FTE of Support Enforcement Officer 2 in FY 2020 and 0.2 FTE in FY 2021 to respond to the additional inquiries about the increased fee. These costs are \$45,000 (\$15,000 GF-State) in FY 2020 and \$18,000 (\$6,000 GF-State) in FY 2021.

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2020	FY 2021	2019-21	2021-23	2023-25
001-1	General Fund	State	(80,000)	(171,000)	(251,000)	(364,000)	(364,000)
001-2	General Fund	Federal	(155,000)	(332,000)	(487,000)	(704,000)	(704,000)
Total \$			(235,000)	(503,000)	(738,000)	(1,068,000)	(1,068,000)

**III. B - Expenditures by Object Or Purpose**

	FY 2020	FY 2021	2019-21	2021-23	2023-25
FTE Staff Years	1.0	0.3	0.7		
A-Salaries and Wages	76,000	19,000	95,000		
B-Employee Benefits	22,000	10,000	32,000		
C-Professional Service Contracts					
E-Goods and Other Services	(334,000)	(532,000)	(866,000)	(1,068,000)	(1,068,000)
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	1,000		1,000		
9-					
<b>Total \$</b>	(235,000)	(503,000)	(738,000)	(1,068,000)	(1,068,000)

**III. C - Operating FTE Detail:** *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2020	FY 2021	2019-21	2021-23	2023-25
IT Specialist 5	90,000	0.1		0.1		
Support Enforcement Officer 2	56,256	0.6	0.2	0.4		
WMS Band 2	107,808	0.3	0.1	0.2		
<b>Total FTEs</b>		1.0	0.3	0.7		0.0

**III. D - Expenditures By Program (optional)**

Program	FY 2020	FY 2021	2019-21	2021-23	2023-25
Economic Services Administration (060)	(235,000)	(503,000)	(738,000)	(1,068,000)	(1,068,000)
<b>Total \$</b>	(235,000)	(503,000)	(738,000)	(1,068,000)	(1,068,000)

**Part IV: Capital Budget Impact**

NONE

N/A

**Part V: New Rule Making Required***Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.*

This bill will require new and amended rules.