

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2733 - HB 2848

February 15, 2010

SUMMARY OF BILL: Removes the Child Support Program from state entities that are exempted from paying increases in court costs after January 1, 2006.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$1,226,900

Increase Local Revenue - \$3,608,400

Increase Federal Expenditures - \$2,381,500

Assumptions:

- According to the Department of Human Services (DHS), the Department filed approximately 46,500 petitions for child support, 37,100 petitions for contempt, and 7,900 petitions for paternity.
- Based on county clerk billings for the past year, approximately 96 percent of clerks are billing DHS for court costs based on a flat fee rate and four percent are itemizing their fees.
- The current flat fee charged for support and contempt cases is \$35 and will increase by \$40 to \$75. If the fees of 80,256 cases $[(46,500 + 37,100) \times 96\%]$ are increased by \$40, the result will be an increase in expenditures of \$3,210,240 $(80,256 \times \$40)$.
- The current itemized fee charged for support and contempt cases is \$15 and will increase by \$60 to \$75. If the fees of 3,344 cases $[(46,500 + 37,100) \times 4\%]$ are increased by \$60, the result will be an increase in expenditures of \$200,640 $(3,344 \times \$60)$.
- The current flat and itemized fee for paternity cases is \$75 and will increase by \$25 to \$100. Increasing the fees of 7,900 cases by \$25 will result in an increase in expenditures of \$197,500 $(7,900 \times \$25)$. The total increase in expenditures is estimated to be \$3,608,380 $(\$3,210,240 + \$200,640 + \$197,500)$

- The Child Support Program receives an approximate 66 percent federal match. Of the \$3,608,380 in increased expenditures, \$1,226,849 will be state funds at a rate of 34 percent and \$2,381,531 will be federal funds.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and "W".

James W. White, Executive Director

/kml