

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0235-01
Bill No.: SB 154
Subject: Children and Minors; Family Law; Family Services Division
Type: Original
Date: February 11, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	(Unknown, greater than \$137,302)	(Unknown, greater than \$139,503)	(Unknown, greater than \$140,517)
Total Estimated Net Effect on General Revenue Fund	(Unknown, greater than \$137,302)	(Unknown, greater than \$139,503)	(Unknown, greater than \$140,517)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

*Income and costs of unknown, greater than approximately \$175,000 would net to \$0.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** and the **Department of Revenue** assume this proposal would not fiscally impact their agencies.

Officials from the **Office of Attorney General (AGO)** assume that any costs arising from this proposal can be absorbed with existing resources.

Additional staff and expenses are not being request by the AGO with this single proposal, but tif multiple proposals pass during the legislative session which require policy form reviews, the AGO states it will need to request additional staff to handle the increase in workload.

Officials from the **Department of Health and Senior Services (DOH)** assume this proposal would not fiscally impact the operations of the DOH. If an impact were to result, the DOH would request funds to support the program through the appropriations process.

Officials from the **Department of Social Services-Family Support Division (FSD)** assume this proposal allows the name of a presumptive father to be added to a child's birth certificate if the mother has signed an "identification of presumptive father" form, in which she states whom

ASSUMPTION (continued)

the believes to be the father of the child. FSD states current federal law states that a father may appear on the birth record of a child born to unmarried parents if both parents sign a voluntary acknowledgment of paternity, or if a court or administrative agency has issued an order that adjudicates paternity of the child. FSD states passage of this legislation as currently worded regarding the presumptive father form violates federal law and would likely result in the federal government finding Missouri out of compliance with its IV-D State Plan, and thus Missouri could be penalized by the loss of federal funding. The amount of federal fund matching in state fiscal year 2004 was approximately \$38.5 million. FSD states a federally approved IV-D State Plan is also a requirement to receive the TANF block grant, so a disapproved IV-D plan could also jeopardize federal TANF funding.

FSD states placing a man's name on the birth certificate via the proposed identification of presumptive father form would eliminate the legal correlation between a man's name on the birth record and his legal status as the child's father. This could result in additional work for FSD staff to determine the legal status of the named father before proceeding with paternity and support order establishment activities.

FSD is required to develop the new presumptive father form. FSD would use existing IV-D policy development specialists (PDS) as part of their regular work to develop the form.

The new form is to be provided free of charge to institutions (birthing hospitals), county clerks and state and local registrars. According to IV-D PDS staff, there are approximately 80 birthing hospitals in Missouri. There are 115 county clerks, including the City of St. Louis, and there is normally a registrar located in each county health department. FSD would be providing forms, instruction and related assistance to approximately 310 $[80+(115 \times 2)]$ facilities around the state, which includes hospitals, county clerks and registrars.

FSD would be responsible for providing forms and training to these additional entities as well. FSD currently maintains a program in which birthing hospitals are trained to administer the Bureau of Vital Record's (BVR) paternity affidavit, the VS465, to new parents. This program is trained by a PDS, who visits the birthing hospitals and maintains a rapport with these facilities. For purposes of this fiscal note, it is assumed that this program would be expanded to incorporate county clerks, registrars and any other group named above responsible for presenting to parents the new presumptive father form. The number of groups to be trained, whether multiple groups can be trained in one session, amount of training materials needed and travel expenses needed to train all groups is unknown, however, it is assumed that FSD will need the services of at least two (2) additional employees for this training, as the increase in work would be too much for one employee to perform successfully. FSD assumes the additional employees would be classified as

ASSUMPTION (continued)

Training Technician II's. Due to the potential number of facilities to be initially trained and to maintain training of staff, it is assumed the training would be needed on an on-going basis.

FSD states this proposal requires genetic testing even in situations where the parents are sure of paternity and do not desire a genetic test. This could increase FSD's costs for genetic testing, which is an average of approximately \$150 for genetic testing for a mother, child and alleged father. This service is typically provided free of charge by FSD on IV-D cases; however, FSD does seek reimbursement of genetic testing costs in some cases under the authority of Section 454.485, RSMo.

Based upon these statements, FSD is estimating the cost of this legislation is unknown, but greater than \$100,000.

Oversight has, for fiscal note purposes only, changed the starting salary for the FSD positions to the first step for FY 06 and the second step for subsequent years to correspond to comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
GENERAL REVENUE			
<u>Costs - Department of Social Services - Family Support Division</u>			
Personal Services (2 FTE)	(\$19,149)	(\$23,988)	(\$24,588)
Fringe Benefits	(\$8,169)	(\$10,233)	(\$10,489)
Expense and Equipment	(\$9,984)	(\$5,282)	(\$5,440)
Genetic testing costs and federal sanctions	<u>(Unknown, greater than \$100,000)</u>	<u>(Unknown, greater than \$100,000)</u>	<u>(Unknown, greater than \$100,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Unknown, greater than \$137,302)</u>	<u>(Unknown, greater than \$139,503)</u>	<u>(Unknown, greater than \$140,517)</u>

FEDERAL

Income - Department of Social Services -
 Family Support Division

Program Reimbursement	Unknown, greater than \$169,408	Unknown, greater than \$176,682	Unknown, greater than \$178,650
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Costs - Department of Social Services -
 Family Support Division

Personal Services (2 FTE)	(\$37,171)	(\$46,565)	(\$47,729)
Fringe Benefits	(\$15,857)	(\$19,865)	(\$20,361)
Expense and Equipment	(\$16,380)	(\$10,252)	(\$10,560)
Genetic testing costs and federal sanctions	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)

<u>Total Costs - Department of Social Services - Family Support Division</u>	(Unknown, greater than \$169,408)	(Unknown, greater than \$176,682)	(Unknown, greater than \$178,650)
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**ESTIMATED NET EFFECT ON
 FEDERAL**

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal modifies the law relating to the establishment of paternity.

New language requires the Division of Family Support to provide a presumptive father identification form when a child is born to an unmarried woman or a woman who is married but

Description (continued)

whose husband is not the father. The form shall contain any information on the identity and location of the possible father. This form will not be deemed an affidavit and its' use will not subject the mother to any civil or criminal penalties if the information is provided in good faith.

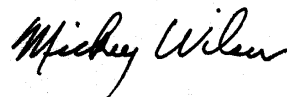
The Division shall furnish the form to county clerks, state and local registrar's offices, and the mother for her review. The Division shall maintain a file on each child listed on a presumptive father identification form and shall take the necessary steps to located the suspected father.

If the suspected father is located, the Division shall attempt to legally obtain a DNA sample to establish paternity for the child. If the DNA test confirms paternity, the Division is responsible for notifying the biological father of his rights and responsibilities regarding the child. Once paternity is established, the Attorney General may recover any administrative costs associated with the paternity test.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services -
Family Support Division
Department of Revenue
Department of Health and Senior Services
Attorney General
Department of Elementary and Secondary Education



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Director
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