



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1634

PRINTERS NO. 2258

PRIME SPONSOR: Boback

COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
General Fund	\$0	See Fiscal Impact

SUMMARY: House Bill 1634, Printer's Number 2258 amends Chapter 43 (Support Matters Generally) of Title 23 (Domestic Relations) to increase the federally mandated fee for child support collection services. This legislation is effective immediately.

ANALYSIS: This legislation increases the annual fee for child support collection services from \$25 to \$35 as mandated by the federal Bipartisan Budget Act of 2018 and increases the threshold amount of child support collections before the fee is imposed from \$500 to \$550 annually. Title 23 requires the Commonwealth to pay the fee for cases in which the child support collections are in excess of the federal threshold but less than \$2,000 annually and these payments are eligible for 66% federal matching funds.

FISCAL IMPACT: According to the Department of Human Services, the \$10 increase in the annual fee for an estimated 28,850 cases with annual collections in excess of the federal threshold but less than \$2,000 will cost an additional \$96,000 in state funds (\$192,500 in federal funds). This cost will be offset by savings of \$11,000 in state funds (\$21,500 in federal funds) from the increase in the federal threshold to \$550 annually impacting an estimated 1,300 cases for a net state cost of \$85,000 (\$171,000 federal funds).

PREPARED BY: Ann Bertolino
House Appropriations Committee (R)

DATE: June 26, 2019

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.