

**HF2740 - 1A - "Permanent Child Support Task Force"**

Chief Author: **Kim Norton**  
 Committee: **Health and Human Services Finance**  
 Date Completed: **03/24/2016**  
 Agency: **Human Services Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	-	85	43	41	
<b>Total</b>	-	-	<b>85</b>	<b>43</b>	<b>41</b>	
<b>Biennial Total</b>			<b>85</b>		<b>84</b>	

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**Executive Budget Officer's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Travis Bunch      Date: 3/24/2016 2:56:09 PM  
 Phone: 651 201-8038      Email [travis.bunch@state.mn.us](mailto:travis.bunch@state.mn.us)

### State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		Biennium			Biennium	
Dollars in Thousands		FY2015	FY2016	FY2017	FY2018	FY2019
General Fund		-	-	85	43	41
<b>Total</b>		-	-	<b>85</b>	<b>43</b>	<b>41</b>
<b>Biennial Total</b>				<b>85</b>		<b>84</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
General Fund		-	-	85	43	41
<b>Total</b>		-	-	<b>85</b>	<b>43</b>	<b>41</b>
<b>Biennial Total</b>				<b>85</b>		<b>84</b>
<b>2 - Revenues, Transfers In*</b>						
General Fund		-	-	-	-	-
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-

### Bill Description

This bill establishes the Permanent Child Support Task Force to advise the commissioner of human services on matters relevant to maintaining effective and efficient child support guidelines. It identifies the composition of the work group, outlines duties of the task force, and requires a report to the legislature beginning February 15, 2019 and biennially thereafter. The report must summarize activities of the task force, issues identified, methods to address issues and recommendations for legislative action if needed. The task force must consult with the Ethnic Communities leadership Council at least annually on issues identified by the task force.

### Assumptions

The multiple duties of the task force outlined in the bill are broad and complex and include a comprehensive review of child support guidelines, economic conditions and other matters that are relevant to maintaining effective and efficient child support guidelines. In addition, the task force must review and make recommendations on seven specific priority issues which are complex and will require significant research and discussion.

While the bill specifies that the task force shall meet at least three times per year, due to the scope and complexity of the duties included in the bill, this fiscal estimate assumes that in the first year the group would need to meet monthly to work on the items identified under the task force duties. The following year the group would meet six times, and would meet quarterly in the third year and ongoing.

As noted above, the issues to be covered under this bill are complicated, and some are controversial. An impartial facilitator will be key in managing differing viewpoints and ensuring that stakeholders have confidence in the process.

Reviewing the effects of changes to the parenting expense adjustment, collection and study of information and data relating to child support awards and comprehensive review of child support guidelines, including economic conditions will require an expert in the field. An economist would review and analyze the economic basis related to the child support guidelines and make recommendations for updates. This work is outside the scope of work of department staff, therefore this fiscal estimate includes contract cost for an economist.

The Department of Human Services will be responsible for managing the work of the task force, including drafting materials, organizing meetings, following up on requests for data and information, working with task force members and stakeholders on the various issues to be addressed, and preparation of reports due to the legislative committee members with jurisdiction over child support matters. Due to the multiple duties and items that the task force is required to do, one staff position will be required to accommodate this work.

This fiscal estimate assumes there would be twelve meetings in the first year, six meetings in the second year and 4 meetings in the third year and ongoing. The task force includes 15 members. Costs include:

Per diem of \$55 per meeting for 11 of the 15 work group members (excludes per diems for representatives who are state employees or employees of political subdivisions).

Mileage reimbursement of .54 per mile for four members from the metropolitan area and seven from greater Minnesota.

Meals estimated at \$16.50 per meeting

Costs for a facilitator to set and coordinate meetings and write the final report with recommendations from the work group, estimated at \$135 per hour for 8 hour meetings.

One-time costs for an economist to provide research consultation.

One full time position is needed to provide ongoing technical and administrative support to the task force. Policy and legal questions on the child support program and data requests that result from the meetings are within the normal scope of work and will be done with existing staff.

**Expenditure and/or Revenue Formula**

Cost Item	FY2017	FY2018	FY2019
Per diem reimbursement	7,260	3,630	2,420
Mileage-metro 50 miles	1,296	648	432
Mileage-non-metro 100 miles	4,536	2,268	1,512
Meals	2,178	1,089	726
Facilitator	12,960	6,480	4,320
Economist	95,000	0	0
1 Staff (salary/fringe/overhead)	128,069	112,461	112,461
<b>Total</b>	<b>251,299</b>	<b>126,576</b>	<b>121,871</b>
<b>State Share @ 34%</b>	<b>85,442</b>	<b>43,036</b>	<b>41,436</b>

Child support expenditures are eligible for federal financial participation of 66 percent (Title IVD of the Social Security Act, Section 455). The state share is 34 percent.

Fiscal Summary (\$000s)						
Description	Fund	BACT	FY2016	FY2017	FY2018	FY2019
Children & Families Operations (Child Support Systems)	GF	11	0	85	43	41
<b>Total Net Fiscal Impact</b>	<b>GF</b>	<b>11</b>	<b>0</b>	<b>85</b>	<b>43</b>	<b>41</b>

Fiscal Summary (\$000s)						
Full Time Equivalents	GF	11	0	1	1	1

**Long-Term Fiscal Considerations**

Costs are ongoing.

**Local Fiscal Impact**

**References/Sources**

Jennifer Sommerfeld, Child Support Division

Minnesota Department of Human Services

651-431-4550

**Agency Contact:** Jenny Ehrnst 651.431.3831

**Agency Fiscal Note Coordinator Signature:** Don Allen

**Phone:** 651 431-2932

**Date:** 3/24/2016 2:21:19 PM

**Email:** Don.Allen@state.mn.us