

STORAGE NAME: h2207.gg
DATE: April 12, 1999

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
GENERAL GOVERNMENT APPROPRIATIONS
ANALYSIS**

BILL #: HB 2207 (PCB GG 99-102)
RELATING TO: Child Support Enforcement
SPONSOR(S): Committee on General Government Appropriations
COMPANION BILL(S):

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:
(1) GENERAL GOVERNMENT APPROPRIATIONS YEAS 13 NAYS 0
(2)
(3)
(4)
(5)

I. SUMMARY:

This bill provides for child support payments collected by the Department of Revenue which reimburse public assistance payments made to custodial parents to be deposited in the General Revenue Fund.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Section 409.2561, F.S., provides that all child support collections from non-custodial parents for public assistance clients are to be used to reimburse the public assistance program for assistance payments made to the custodial parent. The Department of Revenue (DOR) currently transfers such reimbursements to the Direct Assistance Trust Fund in the Department of Children and Families (DCF). Appropriations from these revenues in the Direct Assistance Trust Fund are another funding source for the public assistance program (Temporary Aid to Needy Families - TANF) and have been counted, along with program expenditures from the General Revenue Fund, as Maintenance of Effort (MOE) in the TANF program.

In early 1998, the child support caseload began shifting dramatically from public assistance to former public assistance, thus reducing the state's reimbursement potential because the child support payments in the former public assistance cases are made directly to the custodial parent rather than retained by the state. Since the public assistance reimbursements were included in the MOE calculation, the ability to meet MOE requirements was negatively impacted. Based on the February 26, 1999 Child Support Enforcement (CSE) estimating conference, the estimated revenues transferred to the Direct Assistance Trust Fund in DCF is expected to be \$27.7 million.

B. EFFECT OF PROPOSED CHANGES:

This bill allows for the direct transfer from DOR to the General Revenue Fund of child support collections that reimburse the public assistance program. In DCF a fund shift of \$28 million from the Direct Assistance Trust Fund to the General Revenue Fund was included in the 1999-00 General Appropriations Act to alleviate the department's reliance on the trust fund to maintain MOE.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

N/A

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

N/A

(3) any entitlement to a government service or benefit?

N/A

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

N/A

b. Does the bill require or authorize an increase in any fees?

N/A

c. Does the bill reduce total taxes, both rates and revenues?

N/A

d. Does the bill reduce total fees, both rates and revenues?

N/A

e. Does the bill authorize any fee or tax increase by any local government?

N/A

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

409.2561, Florida Statutes

E. SECTION-BY-SECTION ANALYSIS:

Section 1. Amends s 409.2561, F. S. providing for the transfer of child support collections which reimburse the public assistance program to the General Revenue Fund.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

Appropriations:

Department of Children and Families
Direct Assistance TF
General Revenue

FY 1999 - 00
(27.7) million
27.7 million

Revenues:

Direct Assistance Trust Fund
General Revenue

(27.7) million
27.7 million

3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

N/A

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

N/A

2. Direct Private Sector Benefits:

N/A

3. Effects on Competition, Private Enterprise and Employment Markets:

N/A

D. FISCAL COMMENTS:

N/A

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

N/A

B. REDUCTION OF REVENUE RAISING AUTHORITY:

N/A

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

N/A

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V. COMMENTS:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON GENERAL GOVERNMENT APPROPRIATIONS:

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