

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1249 w/CS Child Support Enforcement
SPONSOR(S): Bendross-Mindingall
TIED BILLS: **IDEN./SIM. BILLS:** CS/HB 418

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Judiciary	17 Y, 0 N w/CS	Birtman	Havlicak
2) State Administration			
3) Commerce & Local Affairs Appropriations (Sub)			
4) Appropriations			
5)			

SUMMARY ANALYSIS

This bill amends the child support enforcement program law in ch. 409, F.S., to supersede a 1985 and 1986 provision in the Laws of Florida which created and governed two demonstration child support enforcement programs in Manatee and Dade counties. The bill removes the designation of demonstration projects from these programs to establish in statute that these programs are now permanent but still locally administered rather than administered statewide by the Department of Revenue as part of the state's child support enforcement program in the other 65 counties. The department is required to enter into contracts to continue to fund these programs through cost-reimbursement contracts with these programs.

The bill requires the programs to abide by all state and federal reporting requirements and are subject to audits. The department may withhold funds or terminate the local provider's contract if the provider fails to comply with specified conditions.

The bill does not appear to have a fiscal impact.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a “no” above, please explain:

B. EFFECT OF PROPOSED CHANGES:

The Department of Revenue is designated as the state agency responsible for the administration of the child support enforcement program¹ (also known as the Title IV-D program).² Florida’s statewide child support program was created in 1975. The child support enforcement services for child support include locating parents, determining paternity of children, establishing court orders for payment of support, initiating enforcement action when parents fail to comply with their support obligations, collecting support, and distributing the funds to custodial parents.

In 1985, in response to concerns arising from “administrative fragmentation, inconsistencies in enforcement services, delays in providing services, and the cost-effectiveness of different agencies providing child support services,”³ the Legislature created three child support enforcement demonstration projects based on three different enforcement models.⁴ Each of these demonstration projects provided for a distinct enforcement model based on a consolidation of services under a single entity as follows:

- The state attorney for the eleventh judicial circuit administers the project in Dade County,
- The clerk of the circuit court administers the project in Manatee County, and
- The Department of Health and Rehabilitative Services administered the project in Palm Beach County.⁵

Each demonstration project was required to provide all of the services stipulated in Florida’s state Title IV-D plan, to meet all federal and state reporting requirements, and to be subject to review and audits by Title IV-D state and federal officials. Funds for the Dade County and Manatee County demonstration projects were to be provided on a cost reimbursement basis under contract with the state Title IV-D agency. In 1986, ch. 85-178, LOF, was amended to authorize the state IV-D agency to withhold funds or terminate contracts underlying the demonstration projects if they failed to comply with federal IV-D requirements.⁶

¹ See s. 409.2557(1), F.S.

² See 42 U.S.C. ss. 651 et seq., Title IV-D of the Social Security Act, which generally requires, among other things, that the State will designate a single organizational unit to administer the state’s child support plan.

³ See Child Support Enforcement Demonstration Projects Show Mixed Results, But Should Be Continued, OPPAGA Report 98-39, January 1999.

⁴ See s. 6, ch. 85-178, LOF.

⁵ Id. Note that in 1994, the Department of Revenue (in lieu of the Department of Health and Rehabilitative Services) became the designated Title IV-D agency and assumed responsibility for the statewide administration of the child support program. Therefore, the Department of Revenue now administers the Palm Beach County program in the same manner as it operates similar programs in the other 64 counties.

⁶ See s. 156, ch. 86-220, LOF.

As for the child support enforcement programs in Dade County and Manatee County, the state attorney for the eleventh judicial circuit and the clerk of the court continue to operate the child support enforcement services programs, respectively. In November 2000, The Office of Program Policy Analysis and Government Accountability (OPPAGA) followed up on a January 1998 progress report on these programs and noted that the only significant differences between the DOR's operation and that of the Dade County and Manatee County programs were as follows⁷:

- Provision of legal services: DOR provides legal support for the child support activities conducted through contracts with private attorneys and the Office of Attorney General. Dade County and Manatee County, on the other hand, use their own staff to provide this service.
- Organization of the child support function: DOR has organized its delivery of child support services using a process management system which utilizes teams with specialized knowledge to handle distinct tasks for each case such as opening a case, locating the non-custodial parent, and establishing paternity. Dade County is using this same process management model. However, Manatee County uses a caseworker model which assigns a caseworker to a child support case with that caseworker handling most of the tasks from establishment to enforcement of the child support order.

Both of the demonstration projects operate pursuant to a cost-reimbursement contract with the department. These contracts have performance targets which if not met, the department may order corrective action. OPPAGA reported that both projects continue to show mixed results. The Manatee County project generally performed better than the department, but the performance of the Dade County project continues to be lower than that of the department.⁸ OPPAGA has twice reviewed these programs and recommended in both reports that Florida law be amended to reflect that these two projects are no longer demonstration projects but offer local solutions to providing child support enforcement services.⁹ These projects have not been evaluated by any other entity.

This bill gives the remaining two child support enforcement demonstration projects in Dade County and Manatee County permanent status. The bill requires the same responsibilities as required by the original law creating the projects. That is, the department is required to enter into cost-reimbursement contracts to continue to fund these programs. The programs must continue to meet all state and federal reporting requirements, provide services in accordance with the state's Title IV-D plan, and provide services in accordance with federal and state policies. Additionally, the operations of these providers will still be subject to audit review by state and federal officials.

The bill retains the department's authority to withhold funds or terminate contracts if the programs fail to comply with the federal Title IV-D program requirements. Likewise, the department retains responsibility for ensuring that all services required by the state Title IV-D program are provided in accordance with state and federal laws. The department is similarly responsible for all such programs around the state.

C. SECTION DIRECTORY:

Section 1 amends s. 409.2557, F.S., to provide that specified child enforcement demonstration projects are no longer demonstration projects, but local solutions to providing such enforcement; requires compliance with specified policies; and provides duties and responsibilities of the Department of Revenue.

⁷ See Child Support Enforcement Demonstration Projects Continue to Show Mixed Results, OPPAGA Report 00-19, November 2000.

⁸ See Id. at p. 1.

⁹ See OPPAGA Report 98-39, p.8, January 1999; and Report 00-19, p. 5, November 2000.

Section 2 provides an effective date of upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because this bill does not require the counties or cities to spend funds or take an action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

On March 30, 2004, the Judiciary committee adopted a strike-all amendment that explicitly states the specific provisions of the Laws of Florida that are affected; specifies that certain projects still in operation on January 15, 2004, are no longer demonstration projects; and requires the department to contract with the projects effective July 1, 2004, to ensure that the current annual contracts are not nullified or otherwise altered by this law. This analysis is to the bill as amended.