

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1014 – SB 871

March 11, 2019

SUMMARY OF BILL: Extends, from 15 to 30 days from the date of the notice of an administrative action, the time period for a person to file a written request for an administrative hearing with the Department of Human Services (DHS) to review actions of the DHS involving child support enforcement.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$9,400/One-Time

Increase Federal Expenditures – \$18,200/One-Time

Assumptions:

- The DHS will need to make system modifications to the Tennessee Child Support Enforcement Services (TCSES) system to implement the requirements of the proposed legislation.
- Based on information provided by the DHS, an estimated 405 hours will be required by an independent contractor to complete such modifications.
- The total one-time increase in expenditures for updating the TCSES is estimated to be \$27,535.
- The \$27,535 required for system modifications will be split between 66 percent federal child support enforcement funds and 34 percent state appropriations, resulting in \$18,173 ($\$27,535 \times 66.0\%$) in federal child support enforcement funds and \$9,362 ($\$27,535 \times 34.0\%$) in state appropriations.
- Extending the amount of time that an appeal may be filed will likely cause the DHS to be non-compliant with statutory and regulatory requirements regarding timely processing of child support enforcement appeals.
- Pursuant to Tenn. Code Ann. § 36-5-501(d), for all child support enforcement appeals, the magistrate or court, or the department must conduct a hearing, make a determination and notify the obligor and the employer of the decision within 45 days of an income withholding order (IWO).
- Pursuant to Rule 1240-5-4-.01(2)(d), the DHS is required to provide a minimum 15-day written notice to the appellant in advance of the date of the hearing of a child support enforcement appeal.

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- The DHS will be unable to meet the statutory requirement to conduct a hearing, make a determination and notify an obligor and employer of the decision within 45 days of an IWO, if the obligor waits until the end of the 30-day period to file a request for a review.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/vlh