

Department of Planning and Budget

2003 Fiscal Impact Statement

1. Bill Number SB1157

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Ticer, P.

3. Committee Rehabilitation and Social Services

4. Title Withholding Orders Issued by First - Class Mail

5. Summary/Purpose: Senate Bill 1157 allows income -withholding orders generated by the Department of Social Services' Division of Child Support Enforcement to be issued by first class mail.

6. Fiscal impact estimates are preliminary

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2003-04	(\$503,440)	-	NGF
2004-05	(\$503,440)	-	NGF

7. Budget amendment necessary: No

8. Fiscal implications: In FY 2002, 215,126 income -withholding orders were sent via certified mail at a cost of \$2.67 per order (or \$574,386 for the year). Based on these figures, the department estimates that approximately 217,000 orders will be mailed annually. If these orders are sent via certified mail at \$2.90 per order it would cost the department \$629,300 per year. However, this legislation would allow the department to send the 217,000 orders via first-class mail at \$.58 per order, resulting in an annual savings of \$503,440. The identified savings would accrue as special fund revenue in the Division of Child Support Enforcement.

	<u>FY2004</u>	<u>FY2005</u>
Batch Income Withholdings sent certified mail	217,000	217,000
Cost per Batch	<u>\$2.90</u>	<u>\$2.90</u>
Estimated Cost for Postage due to current law	<u>\$629,300</u>	<u>\$629,300</u>
Batch Income Withholdings sent first class mail	217,000	217,000
Cost per Batch	<u>\$0.58</u>	<u>\$0.58</u>
Estimated Cost for Postage with passage of SB1157	<u>\$125,860</u>	<u>\$125,860</u>
Cost Savings for Income Withholding Orders	\$503,440	\$503,440

9. Specific agency or political subdivisions affected:
Department of Social Services

10. Technical amendment necessary: No

11. Other comments: None

Date: 01/21/03/kwm

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cc:Secretary of Health and Human Resources