

Department of Planning and Budget 2003 Fiscal Impact Statement

1. Bill Number SB1313

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Quayle

3. Committee Courts of Justice

4. Title Child support

5. Summary/Purpose: Senate Bill 1313 enacts a new Child Support Guideline Schedule, as recommended by the Secretary of Health and Human Resources' Triennial Child Support Guideline Review Panel (Panel) in its report to the Secretary and the General Assembly of Virginia. The Child Support Guideline Schedule is used by the court and the Department of Social Services' Division of Child Support Enforcement (Division) to determine child support obligations for children of separated parents. In addition, the bill includes several other provisions related to calculation of child support awards:

- 1) A detailed list of the key economic assumptions and factors upon which the Schedule is based.
- 2) A self-support reserve embedded in the Schedule, which will protect the ability of low-income noncustodial parents to support themselves, by ensuring that child support obligations will not reduce their income to below 150 percent of the poverty line.
- 3) Clarification that gross income excludes secondary employment income that the payor parent earned in a good faith effort to pay off child support arrears for the children at issue.
- 4) Amplification of what is covered among uninsured medical and dental expenses in excess of \$250 per child per year, and how such expenses are to be split by the parties according to their income shares.

6. Minimal fiscal impact. (see item 8)

7. Budget amendment necessary: No

8. Fiscal implications: The new schedule of Child Support Guidelines, the first update since 1988, will bring support awards into better alignment with today's cost of raising children. Due to changes in the guidelines, the Division of Child Support Enforcement's automated system, APECS, will need to be updated. There is an approximate one-time cost of \$40,000 that can be absorbed within the existing Division appropriation.

9. Specific agency or political subdivisions affected:

State Courts

Department of Social Services – Division of Child Support Enforcement

10. Technical amendment necessary: No

11. Other comments: This bill is a companion to HB2261.

Date: 01/21/03/kwm

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cc:Secretary of Health and Human Resources