

Department of Planning and Budget 2020 Fiscal Impact Statement

1. **Bill Number:** SB429

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

2. **Patron:** Surovell

3. **Committee:** Judiciary

4. **Title:** Withholding of income for child support; independent contractors.

5. **Summary:** Clarifies that income earned by an independent contractor may be withheld by court order for payment of child support obligations.

6. **Budget Amendment Necessary:** No.

7. **Fiscal Impact Estimates:** See Item 8.

8. **Fiscal Implications:** This bill clarifies the process for withholding and collecting child support payments from people classified as independent contractors. The Department of Social Services does not have access to any reporting tools that would indicate how many independent contractors have child support orders, and therefore, is unable to calculate any potential increase in collections from this income source. If a percentage of child support payments that are not currently being paid by someone who is defined as an independent contractor can be intercepted by the agency, child support collections will increase. More information is needed in order to estimate the increase in child support collections and the potential increase in agency revenue from retained collections, include the following details:

- The total number of independent contractors.
- The number of independent contractors with child support withholding orders.
- The average income of those independent contractors with child support withholding orders.
- The number of independent contractors with a Temporary Assistance for Needy Families case.

9. **Specific Agency or Political Subdivisions Affected:** Department of Social Services, Courts

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** None.