

Department of Social Services 2008 Fiscal Impact Statement

1. Bill Number: SB 633

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

2. Patron: Ticer

3. Committee: Rehabilitation and Social Services

4. Title: Prisoners; Notification of Child Support Due

5. Summary: Senate Bill 633 amends the Code of Virginia by requiring the Department of Corrections (DOC) to cooperate with the Virginia Department of Social Services (VDSS), Division of Child Support Enforcement (DCSE), in identifying prisoners who are court-ordered to pay child support. It further requires DOC to notify each prisoner at intake of the terms of the child support order. This would include the amount of current support due each month and the amount of arrearages owed. Corrections must also notify each prisoner of his right to request a modification of the child support order.

6. Fiscal Impact Estimates: Preliminary

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2008	-	-	-
2009	\$54,888	0.3	General
	\$106,548	0.7	Federal
2010	\$25,478	0.3	General
	\$49,458	0.7	Federal
2011	\$25,478	0.3	General
	\$49,458	0.7	Federal
2012	\$25,478	0.3	General
	\$49,458	0.7	Federal
2013	\$25,478	0.3	General
	\$49,458	0.7	Federal
2014	\$25,478	0.3	General
	\$49,458	0.7	Federal

7. Budget Amendment Necessary: Yes. Item 340.

8. Fiscal Implications: This bill requires the Department of Corrections (DOC) to cooperate with the Division of Child Support Enforcement (DCSE) in identifying prisoners who are court ordered to pay child support. This will necessitate an enhancement in the systems capabilities of both departments to facilitate a data match or automated exchange of information. The projected cost for programming of the child support system is approximately \$80,000 (800 hours x \$100/hr). The proposal further requires DOC to notify each prisoner of the terms of any court order for child support he or she may have and his

right to request a modification. It is anticipated that this will increase the number of requests for modification of child support orders by the incarcerated NCP population.

The Department of Corrections has counselors at its reception and classification centers that work with inmates when they enter the state's prison system. Among other activities, these counselors provide the inmates with information regarding the procedures and processes that could affect them while they are incarcerated. This bill would add another piece of information that the counselors would need to provide—notice of any child support payments for which they are liable and their right to seek modification of the court order, along with information on how to seek the modification. Corrections should be able to provide this information in its intake process without any additional resources. Similarly, counselors are assigned to inmates in whatever correctional facility they are housed. These counselors provide the inmates with updates on various items that affect them and provide them with information they will need when they are released. The periodic information regarding the amount of child support arrearages owed could be provided by these counselors along with other information needed by the inmates.

This bill will create additional work for the courts and DCSE staff to process an increased number of modification requests. There are 6,321 obligated cases for incarcerated NCPs. Seventy-percent of these have a court ordered support order. As a result of this bill, 4425 cases (6321 x 70 percent) would be subject to modification requests. The Department projects that a request for a review will be made in 50 percent of these cases, over a three-year period. Thereafter, at least one-third or 737 (4425 x 50 percent x 1/3rd) of these cases will be reviewed each year. Normal time to review and process a request is two hours. The department will need one additional DCSE specialist (737 cases x 2 hours divided by 1500 hours). Using a mid-range salary of \$47,850 in pay band 4 for Program Administration Specialists I, total salaries and benefits would be \$67,366 per year. Funds to cover the routine operating costs of postage, office, travel, supplies, telephone, and PC seat costs are estimated at \$7,570. One-time costs totaling \$6,500 are included in the first year for office furniture and equipment. Personnel, equipment, and support costs for the additional staff total \$81,436 in the first year and \$74,936 each year thereafter.

It is anticipated that there would be a reduction in child support revenue due to the modification of support orders. Given the relatively small volume of cases and the low collection rate for this population, the projected loss in child support collection will be minimal. There may also be a slight increase in revenue if DCSE receives more timely information on the release of ex-offenders. It is assumed that any decrease in collections due to the support order modifications will be offset by the increase in child support collections due to early notification to DCSE of the NCP's release and subsequent enforcement of the order.

The total cost for this bill is projected to be \$161,436 (\$54,888 general fund and \$106,548 federal fund) in FY 2009 and \$74,936 (\$25,478 general fund and \$49,458 federal fund) each year thereafter.

Cost Summary

	FY 2007	FY 2008
Salaries and Benefits	\$ 67,366	\$ 67,366
Operating Costs	\$ 7,570	\$ 7,570
One-time Equipment	\$ 6,500	\$ -
Software Development/Maintenance	\$ 80,000	\$ -
Total Cost	\$ 161,436	\$ 74,936

Federal	\$ 106,548	\$ 49,458
General Fund	\$ 55,888	\$ 25,478

9. Specific Agency or Political Subdivisions Affected:

Department of Social Services

Department of Corrections

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 1/25/2008

Document: G:\2008 Fiscal Year\08 Session\FIS\SB633.Doc

cc: Secretary of Health and Human Resources