

SENATE BILL NO. 119

INTRODUCED BY ECK, REGAN, WALLIN, J. BROWN,
CHRISTIAENS, JACOBSON

IN THE SENATE

January 16, 1985	Introduced and referred to Committee on Judiciary.
January 18, 1985	Fiscal Note requested.
January 24, 1985	Fiscal Note returned.
January 28, 1985	Committee recommend bill do pass as amended. Report adopted.
January 29, 1985	Bill printed and placed on members' desks.
January 30, 1985	Second reading, do pass.
January 31, 1985	Considered correctly engrossed.
February 1, 1985	Third reading, passed. Ayes, 47; Noes, 0.
	Transmitted to House.

IN THE HOUSE

February 27, 1985	Introduced and referred to Committee on Judiciary.
March 21, 1985	Committee recommend bill be concurrent in as amended. Report adopted.
March 23, 1985	Second reading, concurred in.
March 26, 1985	Third reading, concurred in.
	Returned to Senate with amendments.

IN THE SENATE

March 26, 1985 Received from House.

April 2, 1985 Second reading, amendments not concurred in. Ayes, 49; Noes, 1.

April 17, 1985 On motion, Conference Committee requested and appointed.

April 19, 1985 Conference Committee dissolved.

On motion, Free Conference Committee requested and appointed.

April 20, 1985 Free Conference Committee reported.

April 22, 1985 Second reading, Free Conference Committee report adopted.

Third reading, Free Conference Committee report adopted.

Free Conference Committee report adopted by House.

April 23, 1985 Sent to enrolling.

Reported correctly enrolled.

1 *Senate* BILL NO. *119*
 2 INTRODUCED BY *Eck* *Willard*
 3 *J. Brown* *Christiana* *Jacobson*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT ANY FEE
 5 FOR CHILD SUPPORT ENFORCEMENT SERVICES BE PAID BY THE PERSON
 6 FROM WHOM THE SUPPORT IS COLLECTED RATHER THAN BY THE
 7 APPLICANT FOR THE SERVICES; AMENDING SECTION 40-5-203, MCA."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 40-5-203, MCA, is amended to read:

11 "40-5-203. Support enforcement services. (1) The
12 department may accept applications for support enforcement
13 services on behalf of persons who are not recipients of
14 public assistance and may take appropriate action to
15 establish or enforce support obligations against persons
16 owing a duty to pay support.

17 (2) The department may establish by rule reasonable
18 standards necessary to limit applications for support
19 enforcement services. These standards shall take into
20 account the earnings, income, and other resources already
21 available to support the person for whom a support
22 obligation exists.

23 (3) The department may not charge the applicant a fee
24 as compensation for services rendered in establishment of or
25 enforcement of support obligations. ~~This fee shall be agreed~~

1 ~~on-in-writing-with-the-parent, custodian, or guardian of the~~
 2 ~~person for whom a support obligation is owed or that person~~
 3 ~~if no parent, custodian, or guardian exists. An initiation~~
 4 ~~fee as a portion of the collection fee may be charged the~~
 5 ~~applicant by the department. However, the department may~~
 6 ~~charge a fee to the person from whom the support is being~~
 7 ~~collected. This fee must be in addition to and may not be~~
 8 ~~deducted from the support payment. The department shall by~~
 9 ~~rule establish reasonable fees to be paid by the person from~~
 10 ~~whom the support is being collected for support enforcement~~
 11 ~~services, and the schedule of fees shall be made available~~
 12 ~~to all applicants for support enforcement services. The~~
 13 ~~department may, upon a showing of necessity, waive or defer~~
 14 ~~any such fee."~~

15 NEW SECTION. Section 2. Extension of authority. Any
 16 existing authority of the department of revenue to make
 17 rules on the subject of the provisions of this act is
 18 extended to the provisions of this act.

-End-



INTRODUCED BILL
SB 119

STATE OF MONTANA
FISCAL NOTE

REQUEST NO. FNN131-85

Form BD-15

In compliance with a written request received January 18 19 85, there is hereby submitted a Fiscal Note for S.B. 119 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION:

An act providing that any fee for child support enforcement services be paid by the person from whom the support is collected rather than by the applicant for the services; amending section 40-5-203, MCA.

ASSUMPTIONS:

1. Approximately \$16,000 collected annually in Child Support Enforcement application/collection fees under current law (SBAS, FYE1984).
2. Shifting the burden for the collection fee from the applicant to the obligor parent makes it a part of the latter's aggregate debt to the state. Since such debts are subject to negotiation, it is assumed that most, if not all, of any collection fee would ultimately be lost to the state. The impact noted is based on this assumption.

REVENUE IMPACT:

	<u>Under Current Law</u>	<u>FY86 Under Proposed Law</u>	<u>Estimated Decrease</u>	<u>Under Current Law</u>	<u>FY87 Under Proposed Law</u>	<u>Estimated Decrease</u>
Child Support Services -						
Application Fee	16,000	0	(16,000)	16,000	0	(16,000)
TOTAL REVENUE	16,000	0	(16,000)	16,000	0	(16,000)
FUND INFORMATION:						
General Fund	16,000	0	(16,000)	16,000	0	(16,000)

David L. Hunter

BUDGET DIRECTOR
Office of Budget and Program Planning

Date: Jan 23, 1985
SB119

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Under current legislation Child Support Services application/collection fees, paid by the applicant, contribute about \$16,000 annually to the general fund. The proposed legislation provides that the fee be paid by the person from whom the support is collected and must be in addition to and may not be deducted from the support payment. Because practically no child support obligors meet their full required payments, the fee could not be collected.

Also, all applications for the federal income tax return offset program must be accompanied by a fee of up to \$25.00. Because many of the obligors subject to the offset will not be getting refunds they will not be required to pay the fee, which will consequently be paid by the state.

APPROVED BY COMMITTEE
ON JUDICIARY

SENATE BILL NO. 119

INTRODUCED BY ECK, REGAN, WALLIN,

J. BROWN, CHRISTIAENS, JACOBSON

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT ANY FEE FOR CHILD SUPPORT ENFORCEMENT SERVICES BE PAID BY THE PERSON FROM WHOM THE SUPPORT IS COLLECTED RATHER THAN BY THE APPLICANT FOR THE SERVICES; AMENDING SECTION 40-5-203, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 40-5-203, MCA, is amended to read:

"40-5-203. Support enforcement services. (1) The department may accept applications for support enforcement services on behalf of persons who are not recipients of public assistance and may take appropriate action to establish or enforce support obligations against persons owing a duty to pay support.

(2) The department may establish by rule reasonable standards necessary to limit applications for support enforcement services. These standards shall take into account the earnings, income, and other resources already available to support the person for whom a support obligation exists.

(3) The department may not charge the applicant a fee as compensation for services rendered in establishment of or

~~enforcement of support obligations. This fee shall be agreed on in writing with the parent, custodian, or guardian of the person for whom a support obligation is owed or that person if no parent, custodian, or guardian exists. An initiation fee as a portion of the collection fee may be charged the applicant by the department. However, the department may charge a fee to the person from whom the support is being collected. This fee must be in addition to and may not be deducted from the support payment. The department shall by rule establish reasonable fees COMMENSURATE WITH THE COST OF ENFORCEMENT SUPPORT SERVICES to be paid by the person from whom the support is being collected for support enforcement services. WHEN PAYMENTS ARE SCHEDULED TO BE PAID ON AN INSTALLMENT BASIS, A PORTION OF THE COLLECTION FEE OWED TO THE DEPARTMENT SHALL BE ADDED TO EACH PAYMENT. and the schedule of fees shall be made available to all applicants for support enforcement services. The department may, upon a showing of necessity, waive or defer any such fee."~~

NEW SECTION. Section 2. Extension of authority. Any existing authority of the department of revenue to make rules on the subject of the provisions of this act is extended to the provisions of this act.

-End-



1 SENATE BILL NO. 119

2 INTRODUCED BY ECK, REGAN, WALLIN,

3 J. BROWN, CHRISTIAENS, JACOBSON

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT ANY FEE
6 FOR CHILD SUPPORT ENFORCEMENT SERVICES BE PAID BY THE PERSON
7 FROM WHOM THE SUPPORT IS COLLECTED RATHER THAN BY THE
8 APPLICANT FOR THE SERVICES; AMENDING SECTION 40-5-203, MCA."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Section 40-5-203, MCA, is amended to read:

12 "40-5-203. Support enforcement services. (1) The
13 department may accept applications for support enforcement
14 services on behalf of persons who are not recipients of
15 public assistance and may take appropriate action to
16 establish or enforce support obligations against persons
17 owing a duty to pay support.

18 (2) The department may establish by rule reasonable
19 standards necessary to limit applications for support
20 enforcement services. These standards shall take into
21 account the earnings, income, and other resources already
22 available to support the person for whom a support
23 obligation exists.

24 (3) The department may not charge the applicant a fee
25 as compensation for services rendered in establishment of or

1 enforcement of support obligations. ~~This fee shall be agreed~~
2 ~~on in writing with the parent, custodian, or guardian of the~~
3 ~~person for whom a support obligation is owed or that person~~
4 ~~if no parent, custodian, or guardian exists. An initiation~~
5 ~~fee as a portion of the collection fee may be charged the~~
6 ~~applicant by the department. However, the department may~~
7 ~~charge a fee to the person from whom the support is being~~
8 ~~collected. This fee must be in addition to and may not be~~
9 ~~deducted from the support payment. The department shall by~~
10 ~~rule establish reasonable fees COMMENSURATE WITH THE COST OF~~
11 ~~ENFORCEMENT SUPPORT SERVICES to be paid by the person from~~
12 ~~whom the support is being collected for support enforcement~~
13 ~~services. WHEN PAYMENTS ARE SCHEDULED TO BE PAID ON AN~~
14 ~~INSTALLMENT BASIS, A PORTION OF THE COLLECTION FEE OWED TO~~
15 ~~THE DEPARTMENT SHALL BE ADDED TO EACH PAYMENT, and the~~
16 ~~schedule of fees shall be made available to all applicants~~
17 ~~for support enforcement services. The department may, upon a~~
18 ~~showing of necessity, waive or defer any such fee."~~

19 NEW SECTION. Section 2. Extension of authority. Any
20 existing authority of the department of revenue to make
21 rules on the subject of the provisions of this act is
22 extended to the provisions of this act.

-End-

STANDING COMMITTEE REPORT

HOUSE

March 21 19 85

MR. Speaker

We, your committee on Judiciary

having had under consideration Senate Bill No. 119

Third reading copy (Blue color)

FEE FOR CHILD SUPPORT ENFORCEMENT SERVICES TO BE PAID BY
NON-SUPPORTER

Respectfully report as follows: That Senate Bill No. 119

be amended as follows:

1. Page 2, line 8.

Following: "to"

Strike: "and" through "from" on line 9.

2. Page 2, line 15.

Following: "PAYMENT."

Insert: "If the person from whom the support is being collected makes a payment in an amount that is less than the support payment plus the collection fee for that payment, the department may deduct the collection fee from the payment made."

AND AS AMENDED,
BE CONCURRED IN

RRXRSX

QA SK 3/21

Tom Hannah
REP. TOM HANNAH, Chairman.

SENATE BILL NO. 119

INTRODUCED BY ECK, REGAN, WALLIN,
J. BROWN, CHRISTIAENS, JACOBSON

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT ANY FEE FOR CHILD SUPPORT ENFORCEMENT SERVICES BE PAID BY THE PERSON FROM WHOM THE SUPPORT IS COLLECTED RATHER THAN BY THE APPLICANT FOR THE SERVICES; AMENDING SECTION 40-5-203, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 40-5-203, MCA, is amended to read:

"40-5-203. Support enforcement services. (1) The department may accept applications for support enforcement services on behalf of persons who are not recipients of public assistance and may take appropriate action to establish or enforce support obligations against persons owing a duty to pay support.

(2) The department may establish by rule reasonable standards necessary to limit applications for support enforcement services. These standards shall take into account the earnings, income, and other resources already available to support the person for whom a support obligation exists.

(3) The department may not charge the applicant a fee as compensation for services rendered in establishment of or

enforcement of support obligations. ~~This fee shall be agreed on in writing with the parent, custodian, or guardian of the person for whom a support obligation is owed or that person if no parent, custodian, or guardian exists. An initiation fee as a portion of the collection fee may be charged the applicant by the department. However, the department may charge a fee to the person from whom the support is being collected. This fee must be in addition to and may not be deducted from the support payment.~~ The department shall by rule establish reasonable fees COMMENSURATE WITH THE COST OF ENFORCEMENT SUPPORT SERVICES to be paid by the person from whom the support is being collected for support enforcement services. WHEN PAYMENTS ARE SCHEDULED TO BE PAID ON AN INSTALLMENT BASIS, A PORTION OF THE COLLECTION FEE OWED TO THE DEPARTMENT SHALL BE ADDED TO EACH PAYMENT. ~~and the schedule of fees shall be made available to all applicants for support enforcement services.~~ IF THE PERSON FROM WHOM THE SUPPORT IS BEING COLLECTED MAKES A PAYMENT IN AN AMOUNT THAT IS LESS THAN THE SUPPORT PAYMENT PLUS THE COLLECTION FEE FOR THAT PAYMENT, THE DEPARTMENT MAY DEDUCT THE COLLECTION FEE FROM THE PAYMENT MADE. The department may, upon a showing of necessity, waive or defer any such fee."

NEW SECTION. Section 2. Extension of authority. Any existing authority of the department of revenue to make rules on the subject of the provisions of this act is

SB 0119/03

1 extended to the provisions of this act.

-End-

CONFERENCE COMMITTEE REPORT

Report No. 1

APR 19 19 85

MR. SPEAKER

We, your _____ FREE _____ Conference Committee on

SENATE BILL NO.119, reference copy,

met and considered _____, on April 19, SENATE BILL NO.119 in its entirety

We recommend as follows:

That SENATE BILL NO.119, reference copy, be amended as follows:

Page 2, lines 20 and 21.

Following: "DEDUCT" on line 20


Strike: remainder of line 20 through "MADE" on line 21

Insert: "a percentage of the total sum collected which represents the department's standard proportion"

FCCSB119

And that this Conference Committee report be adopted.

FOR THE SENATE



TOWE, CHM



ECK




BROWN


ADOPT


REJECT

FOR THE HOUSE


BRADLEY


J. BROWN


GRADY


O'HARA

SENATE BILL NO. 119

INTRODUCED BY ECK, REGAN, WALLIN,
J. BROWN, CHRISTIAENS, JACOBSON

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT ANY FEE FOR CHILD SUPPORT ENFORCEMENT SERVICES BE PAID BY THE PERSON FROM WHOM THE SUPPORT IS COLLECTED RATHER THAN BY THE APPLICANT FOR THE SERVICES; AMENDING SECTION 40-5-203, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 40-5-203, MCA, is amended to read:

"40-5-203. Support enforcement services. (1) The department may accept applications for support enforcement services on behalf of persons who are not recipients of public assistance and may take appropriate action to establish or enforce support obligations against persons owing a duty to pay support.

(2) The department may establish by rule reasonable standards necessary to limit applications for support enforcement services. These standards shall take into account the earnings, income, and other resources already available to support the person for whom a support obligation exists.

(3) The department may not charge the applicant a fee as compensation for services rendered in establishment of or

~~enforcement of support obligations. This fee shall be agreed on in writing with the parent, custodian, or guardian of the person for whom a support obligation is owed or that person if no parent, custodian, or guardian exists. An initiation fee as a portion of the collection fee may be charged the applicant by the department. However, the department may charge a fee to the person from whom the support is being collected. This fee must be in addition to and may not be deducted from the support payment. The department shall by rule establish reasonable fees COMMENSURATE WITH THE COST OF ENFORCEMENT SUPPORT SERVICES to be paid by the person from whom the support is being collected for support enforcement services. WHEN PAYMENTS ARE SCHEDULED TO BE PAID ON AN INSTALLMENT BASIS, A PORTION OF THE COLLECTION FEE OWED TO THE DEPARTMENT SHALL BE ADDED TO EACH PAYMENT. and the schedule of fees shall be made available to all applicants for support enforcement services. IF THE PERSON FROM WHOM THE SUPPORT IS BEING COLLECTED MAKES A PAYMENT IN AN AMOUNT THAT IS LESS THAN THE SUPPORT PAYMENT PLUS THE COLLECTION FEE FOR THAT PAYMENT, THE DEPARTMENT MAY DEDUCT THE COLLECTION FEE FROM THE PAYMENT MADE A PERCENTAGE OF THE TOTAL SUM COLLECTED WHICH REPRESENTS THE DEPARTMENT'S STANDARD PROPORTION. The department may, upon a showing of necessity, waive or defer any such fee."~~

NEW SECTION. Section 2. Extension of authority. Any



SB 0119/04

1 existing authority of the department of revenue to make
2 rules on the subject of the provisions of this act is
3 extended to the provisions of this act.

-End-