HB 489

Department of Fiscal Services

Maryland General Assembly

FISCAL NOTE

House Bill 489 (Delegate Hecht, et al.) Judiciary

Divorce Actions - Additional Filing Fee for Domestic Violence Programs

This bill increases the filing fee for docketing an action for a limited or absolute divorce by \$75. The clerks of the circuit courts are required to pay the proceeds to the counties each month. In addition to other funding, proceeds from this additional fee must be used to fund domestic violence programs.

The bill also requires the counties to prepare annual reports on the disposition of the fees collected during the previous fiscal year.

Fiscal Summary

State Effect: Assuming a 5% processing fee is retained by the State, revenues could increase by an estimated \$55,890 in FY 1997. Out-year revenues reflect annualization and an increase in new divorce filings. No effect on expenditures.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	\$55,890	\$76,755	\$79,058	\$81,430	\$83,873
GF Expenditures	0	0	0	0	0
Net Effect	\$55,890	\$76,755	\$79,058	\$81,430	\$83,873

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: Local government revenues and expenditures could increase by an estimated \$1,061,910 in FY 1997, which reflects the bill's October 1, 1996 effective date.

Fiscal Analysis

State Revenues: In fiscal 1995, 22,080 new petitions for divorce were filed. Approximately 10% of all filing fees in new divorce actions are waived. Therefore, it is estimated that

19,872 filings would be subject to the additional \$75 filing fee. Total revenues from the additional fee would increase by \$1,117,800 in fiscal 1997. Although the processing fees differ throughout the State, if a 5% fee is assumed, the general fund would receive \$55,890 from the additional \$75 filing fee in fiscal 1997. This number reflects the bill's October 1, 1996 effective date. On an annualized basis, this amount would be \$74,520. Future year revenues reflect full years and a 3% annual increase in divorce filings.

Local Effect: Local revenues could increase significantly due to the distribution requirement in the bill. Total revenues from the additional fee would increase by \$1,117,800 in fiscal 1997. Assuming that 5% of the total revenues are retained by the State as a processing fee, approximately \$1,061,910 would be distributed to the counties to fund the domestic violence programs in fiscal 1997. This number reflects the bill's October 1, 1996 effective date. On an annualized basis, revenues would increase by approximately \$1,458,356 in fiscal 1998, assuming a 3% increase in divorce filings.

Information Source(s): Judiciary (Administrative Office of the Courts), Department of Fiscal Services

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	Lori Caldwell-Valentine		Direct Inquiries to:
Reviewed by:			John Rixey, Coordinating Analyst
-			(410) 841-3710
			(301) 858-3710