

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 1419 (Delegate Montague, et al.)
Judiciary

Maryland Uniform Interstate Family Support Act

This bill repeals the Maryland Uniform Reciprocal Enforcement of Support Act and enacts the Maryland Uniform Interstate Family Support Act in its place. The bill updates and streamlines the provisions in the law relating to interstate enforcement of support orders.

Fiscal Summary

State Effect: Potential special fund revenue increase as discussed below. Expenditures would not be affected.

Local Effect: None.

Fiscal Analysis

State Revenues: There were 229,000 active child support orders in fiscal 1995. Approximately 30% of those support orders involve payments by nonresidents. AFDC related cases accounted for 18% of child support collections and non-AFDC related cases accounted for the remaining 82%. AFDC related child support payments are distributed as follows:

State Government	42%
Federal Government	37%
Local Incentives	5%
AFDC Family Bonus	<u>16%</u>
Total	100%

The State share of AFDC child support collections are used to offset public assistance expenditures. All non-AFDC related child support collections go to the private sector.

This bill updates and streamlines out-of-state collections. The Department of Fiscal Services advises that the potential for any increase in special fund revenues stemming from those changes would depend upon: (1) the extent to which the efficiency of interstate collections of delinquent payments is actually improved; and (2) the number of states which adopt these practices, and when. The Child Support Enforcement Administration advises that only 26 states have currently adopted this uniform code. Accordingly, the potential for increased general fund revenues under this bill would have to be measured against the efficiency of the current uniform practices, and cannot be reliably gauged at this time.

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

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Analysis by: Hiram L. Burch, Jr.

Reviewed by: John Rixey

(410) 841-3710

(301) 858-3710

Direct Inquiries to:

John Rixey, Coordinating Analyst