

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4142-01  
Bill No.: HB 1138  
Subject: Children and Minors; Family Law; Education, Higher  
Type: Original  
Date: January 27, 2014

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Bill Summary: This proposal requires a child enrolled in a vocational or higher education institution to receive passing grades in order to remain eligible for child support.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
University Funds	(Unknown)	\$0	\$0
<b>Total Estimated Net Effect on Other State Funds</b>	<b>(Unknown)</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Social Services' Family Support Division (FSD)** assume no fiscal impact from this proposal. This bill will require very minor policy and form revisions, because policy and forms cite the statutory requirements for child support to continue past age 18. FSD can accomplish the policy/form revisions with existing resources.

Officials at the **Department of Social Services Division of Legal Services** assume no significant fiscal impact to their division and/or the Administrative Hearing Section (AHS). This proposal should not result in an increase in the number of hearings held by the AHS on behalf of FSD's child support program and in fact may result in a minor decrease in the number of such hearings. Furthermore, since the determination regarding "extenuating circumstances" can only be addressed by a court and not an administrative tribunal, the existing resources available to the AHS will continue to be sufficient to handle the FSD child support cases.

Officials at the **Office of the State Courts Administrator** and the **Department of Higher Education** each assume no fiscal impact to their respective agencies from this proposal.

Officials at **Northwest Missouri State University** assume unknown costs from this proposal. The costs associated with the change could be substantial if the burden of proof falls to the university or college. If it is the responsibility of the parent/child to demonstrate successful completion of course work, then the impact should be minimal. However, if universities/colleges must create a reporting mechanism, then the costs to set up and report this data could be high.

Officials at the **University of Central Missouri** assume an unknown cost from this proposal because the fiscal impact cannot be estimated.

Officials at the **Missouri Southern State University, University of Missouri, Missouri Western State University** and the **Linn State Technical College** each assume no fiscal impact to their respective organizations from this proposal.

**Oversight** assumes this proposal may require colleges and universities to implement a tracking program for these students. Oversight will show a one-time cost of creation of the tracking system.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
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**UNIVERSITY FUNDS**

<u>Costs - Universities - one time creation of tracking system for students</u>	<u>(Unknown)</u>	<u>\$0</u>	<u>\$0</u>
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<b>ESTIMATED NET EFFECT ON UNIVERSITY FUNDS</b>	<b><u>(Unknown)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill specifies that in order to remain eligible for child support, a child enrolled in at least 12 hours of credit at a secondary school of instruction must complete at least 12 hours of credit with passing grades each semester. Currently, the law only requires the child to complete 12 hours of credit. If the child does not complete 12 hours of credit with passing grades and the court does not find that extenuating circumstances caused the failure to complete the required credit hours with passing grades, the payment of child support must be terminated. Payment of child support must terminate if the child fails to produce documentation of the child's grades to the noncustodial parent within 30 days. A child who is employed at least 15 hours per week during the semester must complete at least nine hours of credit with passing grades during the semester in order to remain eligible for child support.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Southern State University  
Northwest Missouri State University  
University of Central Missouri  
University of Missouri  
Missouri Western State University  
Office of the State Courts Administrator  
Department of Higher Education  
Linn State Technical College  
Department of Social Services



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January 27, 2014

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