



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: HB0352.02 (001): Revise child support guideline laws and establish a committee

Primary Sponsor: Curtis Schomer Status: As Amended in House Committee

☐ Included in the Executive Budget ☒ Needs to be included in HB 2 ☐ Significant Local Gov Impact

☐ Significant Long-Term Impacts ☒ Technical Concerns ☐ Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
<b>Expenditures</b>				
General Fund (01)	\$46,792	\$45,968	\$46,097	\$45,840
Federal Special Revenue (03)	\$90,832	\$89,233	\$89,482	\$88,984
<b>Revenues</b>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$90,832	\$89,233	\$89,482	\$88,984
<b>Net Impact</b>	<u>(\$46,792)</u>	<u>(\$45,968)</u>	<u>(\$46,097)</u>	<u>(\$45,840)</u>
<b>General Fund Balance</b>				

### Description of fiscal impact

HB 352 requires that a child support guidelines project manager and one other child support staff person obtain expertise in tax preparation and analysis. The new provisions in HB 352 will require the department to hire additional FTE, train new and existing FTE, and procure additional contracted services. Amendments to HB 352 reduce agency costs related to contracting with a vendor of child support calculating software.

### FISCAL ANALYSIS

#### Assumptions

#### Department of Public Health and Human Services

1. This bill calls for a committee to meet quarterly. A committee is already in place that meets virtually. The department assumes these meetings will continue to be held virtually and quarterly.
2. The provisions in Section 1 (4) of HB 352 would require the department to send two employees to acquire expertise in tax preparation and analysis. The department assumes this can be acquired through a commercial tax preparation course. The cost to attend a tax preparation course estimated to be \$1,220 per person (registration = \$150, 18 hour-long sessions X \$59.43 (OT) = \$1,070).
3. Section 1 (4) states the department has a child support guidelines project manager. The current position assigned similar duties is a coordinator position. Due to the increased requirements of Section 1 (7)(c), (7)(d), and (8), the department estimates the cost to add a project manager to be \$108,002 in FY 2026 and \$108,368 in FY 2027. One-time office set up costs in FY 2026 would be \$2,800. The cost of a lease for 1 additional office is estimated to be \$5,142. This is based on 300 square feet per employee x \$17.14/square foot. Funding for the 1.00 FTE Project Manager would be 34.00% General Fund and 66.00% Federal.
4. Per Section 1 (7)(d) of HB 352, the department is required to contract and consult with a CPA. The department assumes this CPA will be consulting quarterly with the committee. Consulting CPAs charge

between \$100 and \$500 per hour. This analysis assumes that a CPA would consult with CSSD quarterly for 8 hours at an average of \$300/hour, for a total of \$2,400/quarter. The consultation time may vary depending on the committee's needs.

### Secretary of State's Office

- This bill requires the Office of the Secretary of State to notify each federally recognized tribal government in Montana. While there may be a minimal fiscal impact, the Office of the Secretary of State will absorb the costs associated with implementing this bill within its existing operating budget.

### Legislative Branch

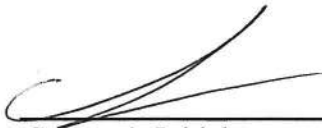
- SB 352 creates the Guidelines Review Oversight Committee (committee) within the Department of Public Health and Human Services (DPHHS).
- 4-5-209(5)(b), MCA, states the committee shall include one member of the Children, Families, Health and Human Services Interim Committee (CFHHS) provided for in 5-5-225, MCA. The assumption is that this member will be a legislator.
- 4-5-209(6), MCA, requires the committee meet quarterly without an end date. It is assumed there will be seven one-day meetings in Helena for the 2027 biennium, and eight one-day meetings in the 2029 biennium.
- For the purposes of this fiscal note, it is assumed that DPHHS will be responsible for reimbursing the legislative member per 5-2-302, MCA, and there will be no fiscal impact to the legislative branch.
- SB 352 4-5-209(8), MCA, states the committee shall report to CFHHS on all matters described in SB 352.2. This reporting is part of normal committee business, and CFHHS will incur no additional fiscal impact.

**Fiscal Analysis Table**

	<b>FY 2026 Difference</b>	<b>FY 2027 Difference</b>	<b>FY 2028 Difference</b>	<b>FY 2029 Difference</b>
<b><u>Fiscal Impact</u></b>				
FTE	1.00	1.00	1.00	1.00
<b>TOTAL Fiscal Impact</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b><u>Expenditures</u></b>				
Personal Services	\$108,002	\$108,368	\$108,735	\$108,002
Operating Expenses	\$29,622	\$26,833	\$26,844	\$26,822
<b>TOTAL Expenditures</b>	<b>\$137,624</b>	<b>\$135,201</b>	<b>\$135,579</b>	<b>\$134,824</b>
<b><u>Funding of Expenditures</u></b>				
General Fund (01)	\$46,792	\$45,968	\$46,097	\$45,840
Federal Special Revenue (03)	\$90,832	\$89,233	\$89,482	\$88,984
<b>TOTAL Funding of Expenditures</b>	<b>\$137,624</b>	<b>\$135,201</b>	<b>\$135,579</b>	<b>\$134,824</b>
<b><u>Revenues</u></b>				
Federal Special Revenue (03)	\$90,832	\$89,233	\$89,482	\$88,984
<b>TOTAL Revenues</b>	<b>\$90,832</b>	<b>\$89,233</b>	<b>\$89,482</b>	<b>\$88,984</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
General Fund (01)	(\$46,792)	(\$45,968)	(\$46,097)	(\$45,840)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

### Technical Concerns

- Section 1(7)(d) requires that a CPA verify the state system. The department is paying for CPA verification of the state's software through this bill.
- This bill directs the agency to consult with a certified public accountant experienced in the income tax implications of child support calculations. The department can't guarantee the ability of CPA with this knowledge and experience.

  
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Sponsor's Initials

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Budget Director's Initials

2/19/2025  
Date