



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: **HB0288: Recognize obligation of fatherhood and provide for child support during pregnancy**

Primary Sponsor: Courtenay Sprunger Status: As Introduced

☐ 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>
Expenditures				
State Special Revenue (02)	\$3,474	\$3,474	\$3,525	\$3,579
Federal Special Revenue (03)	\$6,745	\$6,745	\$6,848	\$6,949
Revenues				
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$0	\$0	\$0	\$0
Net Impact	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Description of fiscal impact

HB 288 establishes that a father's obligation to support a child begins at conception and provides framework for financial support during pregnancy. HB 288 outlines a process for determining paternity, establishing a support order, and includes provisions for genetic testing and administrative hearings. DPHHS will incur costs associated with paying for the portion of prenatal paternity tests that are not anticipated to be covered by alleged fathers.

FISCAL ANALYSIS

Assumptions

Department of Public Health and Human Services (DPHHS/department)

1. The Child Support Services Division (CSSD) utilizes a private contractor for genetic testing and pays for the contractor's fee for the testing. If the alleged father is confirmed to be the biological father, he will be assessed the cost of the testing. The department attempts to recover the fees from the biological father after the test is completed. If the alleged father is determined not to be the biological father, CSSD will cover the cost with general fund.
2. In FY 2024, the department facilitated 446 genetic tests at a cost of \$42 per person for a total of \$18,732. Of the total costs, the department recovered approximately \$3,900 (21%).
3. Section 7(1) of HB 288 requires the child, mother, or alleged father to submit to a paternity test unless the mother objects to testing while pregnant. The department estimates that prenatal paternity tests cost \$630, based on current vendor rates. This service is considered an invasive prenatal test. This service is currently not available under our existing contract. This fee does not include additional medical costs that the mother may incur. The difference in cost between the current test and this test is (\$630-\$42 = \$588).

4. Prenatal paternity tests are currently not performed by the department. The department is not aware of any other state providing prenatal paternity tests. A study done by the American Medical Association estimated the 5-10% of women elect to have invasive prenatal genetic testing for health concerns.
5. For this analysis, 5% of the 446 tests facilitated by the department in FY 2024 will be prenatal paternity tests in FY 2026 and FY 2027.
6. Compared to the current cost for a traditional paternity test, the cost of each prenatal paternity test creates a new net cost of \$465 to the department.
7. Costs for department facilitated prenatal tests will increase total expenditures (state special and federal special) by \$10,219 in FY 2026, \$10,219 in FY 2027, \$10,373 in FY 2028, and \$10,528 in FY 2029 (see table below):

Scenario	Cost Per Test	Recovery Rate (21%)	DPHHS Cost (79%)	Prenatal Tests	Annual Cost
Present Law	\$42	\$9	\$33	446	N/A
HB 288	\$630	\$132	\$498	22	N/A
Change	\$588	\$123	\$465	22	\$10,219

Judiciary

8. In a proceedings for dissolution of marriage, legal separation, maintenance, or child support, the courts shall order either or both parents owing a duty of support to a child to pay for an amount reasonable or necessary for the child support.
9. HB 288 would add that child support may be commenced before the birth of the child. The court could enter an order or judgement awarding support from the month of the child's conception.
10. Allowing a child support proceeding before the birth of the child would not have a fiscal impact to the judicial branch.

Fiscal Analysis Table

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Operating Expenses	\$10,219	\$10,219	\$10,373	\$10,528
TOTAL Expenditures	\$10,219	\$10,219	\$10,373	\$10,528
<u>Funding of Expenditures</u>				
State Special Revenue (02)	\$3,474	\$3,474	\$3,525	\$3,579
Federal Special Revenue (03)	\$6,745	\$6,745	\$6,848	\$6,949
TOTAL Funding of Expenditures	\$10,219	\$10,219	\$10,373	\$10,528
<u>Revenues</u>				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
State Special Revenue (02)	(\$3,474)	(\$3,474)	(\$3,525)	(\$3,579)
Federal Special Revenue (03)	(\$6,745)	(\$6,745)	(\$6,848)	(\$6,949)

Technical Concerns

Department of Public Health and Human Services

1. Current policy allows paternity testing after birth of baby.
2. Starting an order before birth may put the father in arrears before the child is born. This could lead to license suspension, passport denial, credit bureau referrals or other enforcement actions.



Sponsor's Initials

1/28/25
Date



Budget Director's Initials

1/28/2025
Date