



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: **HB0352.01: Revise child support guideline laws and establish a committee**

Primary Sponsor: Curtis Schomer 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 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<b>Expenditures</b>				
General Fund (01)	\$53,116	\$45,917	\$46,606	\$47,304
Federal Special Revenue (03)	\$103,108	\$89,134	\$90,471	\$91,828
<b>Revenues</b>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$103,108	\$89,134	\$90,471	\$91,828
<b>Net Impact</b>	<u>(\$53,116)</u>	<u>(\$45,917)</u>	<u>(\$46,606)</u>	<u>(\$47,304)</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.

### 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), (8), and (9), 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.

5. Section 1 (9) requires the department to contract with a vendor who has an existing child support calculator to verify the accuracy of the state's calculator. The department assumes that the existing vendor's calculator does not currently align with the department guidelines. The department estimates the system cost for this contract of a child support calculator to be \$25,000. Estimate of 200 hours x \$125 per hour = \$25,000.
6. The department estimates that ongoing costs to annually update the vendor child support calculator and provide verification of accuracy as required in Section 1 (7)(d) to be approximately 10 hours per year at a rate of \$125. Yearly at 10 hours x \$125 = \$1250.

#### Secretary of State's Office




7. 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.

**Fiscal Analysis Table**

	<b><u>FY 2026 Difference</u></b>	<b><u>FY 2027 Difference</u></b>	<b><u>FY 2028 Difference</u></b>	<b><u>FY 2029 Difference</u></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	\$109,994	\$111,643
Operating Expenses	\$48,222	\$26,683	\$27,083	\$27,489
<b>TOTAL Expenditures</b>	<b>\$156,224</b>	<b>\$135,051</b>	<b>\$137,077</b>	<b>\$139,132</b>
<b><u>Funding of Expenditures</u></b>				
General Fund (01)	\$53,116	\$45,917	\$46,606	\$47,304
Federal Special Revenue (03)	\$103,108	\$89,134	\$90,471	\$91,828
<b>TOTAL Funding of Expenditures</b>	<b>\$156,224</b>	<b>\$135,051</b>	<b>\$137,077</b>	<b>\$139,132</b>
<b><u>Revenues</u></b>				
Federal Special Revenue (03)	\$103,108	\$89,134	\$90,471	\$91,828
<b>TOTAL Revenues</b>	<b>\$103,108</b>	<b>\$89,134</b>	<b>\$90,471</b>	<b>\$91,828</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
General Fund (01)	(\$53,116)	(\$45,917)	(\$46,606)	(\$47,304)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

**Technical Concerns**

1. Section 1(9) directs the agency to contract with a private vendor of a child support software program. Section 1(7)(d) requires this vendor to be operating in the state. The term operating is undefined in this context. Assuming operating means that the vendor has a current child support program calculator rather than is a vendor for any program, current availability of these services in Montana is limited to one known private vendor. This section limits state procurement options. The department cannot guarantee the ability to negotiate an acceptable price and terms. This fiscal note estimates costs based on hourly expenses from existing contractors.
2. Section 1(7)(d) requires the department to verify the accuracy of the state's child support calculator by comparing the calculator to that of a private vendor. It also requires that a CPA verify the state system. the department is therefore required to start with the assumption that the private vendor's calculations are correct, and that the department is paying for CPA verification of both the private vendor's and the state's software through this bill.
3. 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  
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Budget Director's Initials  
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