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Laura Kelly, Governor

February 9, 2024

The Honorable Kellie Warren, Chairperson Senate Committee on Judiciary 300 SW 10th Avenue, Room 346-S Topeka, Kansas 66612

Dear Senator Warren:

SUBJECT: Fiscal Note for SB 425 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 425 is respectfully submitted to your committee.

SB 425 would amend KSA 20-165 to add "the direct medical and pregnancy-related expenses of the mother if the child is an unborn child" to the list of factors to be considered by the court when adopting rules establishing guidelines for child support. The bill would prohibit the inclusion of any costs related to an elective abortion, would define "elective abortion" and "unborn child," and update definitions in related statutes. The amount of support for the unborn child would be calculated from the date of conception and the maximum amount would not exceed the direct medical and pregnancy-related expenses of the mother of the unborn child. The bill would state that the term "child" incudes any unborn child.

According to the Department for Children and Families (DCF), enactment of SB 425 would result in additional State General Fund expenditures totaling \$487,561 beginning in FY 2025 and continuing in future years. The agency notes that there is currently no provision for support for an unborn child because a parental relationship is not legally established until there is a live birth and parentage may be established through one of several means. Pregnancy and birth-related expenses are currently sought as judgments after a child is born via KSA 23-2215. The provisions of SB 425 could increase expenditures for both local courts and DCF because there could be an increased duration for the cases. Additionally, added testing, back-dated orders, and larger arrearage potential may occur. The agency notes the bill would create additional administrative burdens on parties if it was later determined an obligor is not a legal parent and would create additional administrative burdens on DCF to modify orders created prior to a child being born, as well as potentially modifying an order if a child is later found to be the child of another party.

DCF states that the Kansas Department of Health and Environment reported 12,732 children born out of wedlock in 2023, with an average of 13,000 children born out of wedlock over the previous five years. The agency used the assumption in its estimates that two-thirds, or 8,667, of those mothers would apply for support. Currently, parentage is not determined until after birth, but passage of SB 425 would require Child Support Services to begin work on some cases before birth, resulting in case management and testing that is currently not provided. If 10.0 percent of the 8,667 out of wedlock births resulted in child support services starting during pregnancy, there would be approximately 867 additional cases for a portion of a year. DCF contracts for child support services and the average annual cost per case to administer is \$283. This calculation is based on expenditures totaling \$35.6 million as reported to the federal Office of Child Support Enforcement (OCSE), and divided by 125,890, which was the number of open cases at the end of 2023. New case management costs are estimated to cost \$245,361. In addition, DCF would likely need to contract for in utero genetic testing services for some of the cases, which cost on average \$1,400 per instance. If 20.0 percent of the 867 new cases needed this testing service, it would cost \$242,200. The agency also notes that current federal regulations do not provide or allow for parentage establishment prior to the birth of a child. For that reason, federal funds would not be able to be used to supplement this portion of the process and a State General Fund appropriation would be needed. This portion of the program is currently shared and funded at 66.0 percent by the OCSE.

The Office of Judicial Administration states enactment of the bill would not result in any significant fiscal effect on expenditures and would not have an effect on revenues to the Judicial Branch or the State General Fund. Any fiscal effect associated with SB 425 is not reflected in *The FY 2025 Governor's Budget Report*.

Sincerely,

Adam C. Proffitt
Director of the Budget

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cc: Trisha Morrow, Judiciary Kim Holter, Department for Children & Families