

Department of Finance and Administration**Legislative Impact Statement****Bill: HB1699****Bill Subtitle: TO STREAMLINE MODIFICATION OF CHILD SUPPORT WHEN A PAYOR PARENT IS RELEASED FROM INCARCERATION; AND TO FACILITATE A RECENTLY INCARCERATED PARENT'S PROMPT PAYMENT TOWARD THE SUPPORT OF HIS OR HER MINOR CHILD.**

Basic Change :**Sponsors: Rep. L. Fite and Sen. K. Hammer**

SB1699 would provide that a parent's release from incarceration is a basis for modification of a child support obligation. In addition, the Office of Child Support Enforcement (OCSE) and the Divisions of Correction and Community Correction (DOC/DCC) would be required to establish data exchange and communication processes regarding individuals with existing child support obligations and who are nearing release from incarceration or are under supervision.

Revenue Impact :

None.

Taxpayer Impact :

Minimal taxpayer impact. In most circumstances, current law would permit modification of a child support obligation when a change of circumstances such as a change in income of the payor parent following release from incarceration occurs.

Resources Required :

Programming changes to the Arkansas Child Support Information System will be required. Requirements gathering, development, and testing to add functionality to the system and to enhance the existing data interface with DOC/DCC data systems is estimated to cost \$200,000. This estimate does not include costs incurred by DOC/DCC.

Time Required :

An implementation date of January 1, 2024 is requested to coordinate and complete data system changes and for rules promulgation.

Procedural Changes :

OCSE procedures and training updates would be required.

Other Comments :

OCSE currently receives information from DOC/DCC regarding individuals in custody or under supervision and who are receiving child support services. The information is provided through an automated data match that is updated every two weeks and includes incarceration date, anticipated release or parole eligibility date, date released or paroled, residential address, and employment information.

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Legal Analysis :

Section 3 of the bill requiring that OCSE grant DOC/DCC staff access to information to determine the existence of a child support obligation is in violation of federal regulation. The disclosure of confidential child support information, including but not limited to SSN, residential and mailing address, employment information, and financial information, outside the administration of the child support program is prohibited except to state agencies administering the TANF, foster care, Medicaid, SCHIP, or SNAP programs. 45 CFR § 303.21.

Under current law, and based on the specific facts of each case, modification of a child support obligation would be permitted when a parent ordered to pay child support has been incarcerated and released. Under § 9-14-107, a change in income of at least 20% of gross income is a basis for a modification for child support. Other material changes in the circumstances, such as the released parent's opportunity to become employed, may also be a basis for modification.