SUMMARY:
The President of the Senate and the Speaker of the House requested the Social Services Appropriations Subcommittee, during its 2015 interim meetings, review and consider the elimination of statutorily required fees. The Department of Human Services has only one fee that appears in statute. By practice of Legislative staff, this fee also appears on the fee schedule the committee annually reviews and approves. The fee in question is the $25 annual collections fee charged by the Office of Recovery Services. The fee is mandatory and the amount of the fee is established by the federal government (45 CFR 302.33(6)(e)].

LEGISLATIVE ACTION:
No action is required regarding this fee. If the committee desired, it could take action to remove the fee from statute and leave the fee on its list for annual review and approval which would continue to allow the fee to be assessed.

BACKGROUND:
The Department of Human Services has only one fee that appears in statute. By practice, this fee also appears on the fee schedule the committee annually reviews and approves. The fee is the $25 annual collections fee charged by the Office of Recovery Services. With regard to this fee, the department has stated:

“DHS has one fee that is set in statute, however it is also included in the annual fee bill. The ORS "$25 Annual Collections Fee” is set in 62A-11-303.7(1). The State statute is based on Federal statute and we would not be able to alter the amount by simply altering the state statute. Amounts for other fees may also be determined by the federal government.”

This fee is an annual one-time fee collected from child support payments made by a non-custodial parent. During the 2015 General Session the fee was estimated to collect $635,000 annually.

UCA 62A-11-303.7(1) Annual fee for child support services to a custodial parent who has not received TANF assistance:
(1) The office shall impose an annual fee of $25 in each case in which services are provided by the office if:
(a) the custodial parent who received the services has never received assistance under a state program funded under Title IV, Part A of the Social Security Act; and
(b) the office has collected at least $500 of child support in the case.
(2) The fee described in Subsection (1) shall be:
(a) subject to Subsection (3), retained by the office from child support collected on behalf of the custodial parent described in Subsection (1)(a); or
(b) paid by the custodial parent described in Subsection (1)(a).
(3) A fee retained under Subsection (2)(a) may not be retained from the first $500 of child support collected in the case.
(4) The fees collected under this section shall be deposited in the General Fund as a dedicated credit to be used by the office for the purpose of collecting child support.