

**OFFICE OF RECOVERY SERVICES FEE**

2007 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Allen M. Christensen**

House Sponsor: Lorie D. Fowlke

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**LONG TITLE**

**General Description:**

This bill brings the state into compliance with the federal Deficit Reduction Act by requiring the Office of Recovery Services to charge an annual fee for child support services rendered to a custodial parent who has never received TANF assistance.

**Highlighted Provisions:**

This bill:

- ▶ imposes an annual fee of \$25 in each case where child support services are provided by the Office of Recovery Services to a custodial parent who has never received TANF assistance, if the office has collected at least \$500 of child support for the custodial parent; and

- ▶ provides that the fees collected under the provisions of this bill will be deposited into the General Fund as a dedicated credit to used by the Office of Recovery Services for the purpose of collecting child support.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill takes effect on July 1, 2007.

**Utah Code Sections Affected:**

ENACTS:

**62A-11-303.7**, Utah Code Annotated 1953



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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **62A-11-303.7** is enacted to read:

**62A-11-303.7. 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.

Section 2. **Effective date.**

This bill takes effect on July 1, 2007.

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**Legislative Review Note**  
**as of 12-14-06 10:15 AM**

**Office of Legislative Research and General Counsel**

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**S.B. 104 - Office of Recovery Services Fee**

**Fiscal Note**

2007 General Session

State of Utah

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**State Impact**

Enactment of this bill will generate dedicated credits of approximately \$400,000 for FY 2008 from fees collected for child support services. These fees are to be used by the Office of Recovery Services for child support collection services. There will also be an estimated loss of federal funds because the new fee authorized will be counted as program expenditures in the federal Title IV-D program and must be subtracted from the child support expenditures thus reducing the federal funds received.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>
Federal Funds	\$0	\$0	\$0	\$0	(\$264,000)	(\$283,800)
Dedicated Credits	\$0	\$400,000	\$430,000	\$0	\$400,000	\$430,000
<b>Total</b>	<b>\$0</b>	<b>\$400,000</b>	<b>\$430,000</b>	<b>\$0</b>	<b>\$136,000</b>	<b>\$146,200</b>

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for businesses, or local governments. Individuals that receive child support collections will be required to pay an annual fee of \$25 which will be deducted from their child support payments.