

**STATE and LOCAL
FINAL FISCAL IMPACT**

Drafting Number: LLS 07-0370
Prime Sponsor(s): Sen. Mitchell S.

Date: May 15, 2007
Bill Status: Postponed Indefinitely
Fiscal Analyst: Amy Larsen (303-866-3488)

TITLE: CONCERNING MODIFICATION OF CHILD-RELATED ORDERS BASED ON DNA EVIDENCE OF NONPARENTAGE.

| Fiscal Impact Summary | FY 2007-2008 | FY 2008-2009 |
|--|---|---------------------|
| State Revenue | | |
| State Expenditures General Fund | Increase in General Fund Expenditures, see State Expenditures section of the fiscal note. | |
| FTE Position Change | | |
| Effective Date: The bill was postponed indefinitely by the Senate Appropriations Committee on March 23, 2007. | | |
| Appropriation Summary for FY 2007-2008: None Required. | | |
| Local Government Impact: See Local Government Impact section of the fiscal note. | | |

Summary of Legislation

The bill allows for a court order determining parentage to be modified or set aside based on DNA test results at any time. In addition, the court is required to terminate child support obligations if DNA test results establish that the obligor is not the child's biological parent. Certain exemptions are made including cases involving adoption, assisted reproduction, and acknowledgment of paternity with the knowledge that the obligor was not the father of the child.

Under current law, the adjudication of paternity is final. While there may be exceptional circumstances that allow the court to determine a hearing and/or modification is warranted, such circumstances are extremely rare.

State Expenditures

Judicial Branch. At this time, the exact number of existing child support orders is unknown because the court's tracking system only goes back to 1998. However, a conservative estimate of the number of existing orders is 10,000 per year, or approximately 190,000 subject to the provisions of this bill. However, the number of cases resulting from the bill cannot be quantified.

It is estimated that the hearing required to present the DNA evidence will require approximately 30 minutes. If one assumed that 9,500 cases/hearing would result from the bill (5% of the existing orders mentioned above), the Judicial Branch would require total funding of \$621,848, including \$495,567 for personal services and \$126,281 for capital outlay and operating expenses. These costs may be spread over more than one year.

With the termination of a child support order, additional paternity establishment and support orders may be filed by both the Department of Human Services and private parties. Case filings are contingent upon the number of terminations entered, policies of the Department of Human Services, and personal decisions of the private parties. The number of these cases resulting from the bill cannot be estimated at this time.

Funding. It is anticipated that the bill will drive a fiscal impact. All costs are predicated on the number of persons who will choose to file for modification/termination of the parentage or child support order. Up until this point in time, the adjudication of paternity has been final. The fiscal note assumes that required funding under the bill will be addressed through the budget process as cases are filed and those numbers are known. The source of funding to support the bill's requirements would be General Fund.

Local Government Impact

As of December 2006, Colorado had 80,169 open and active cases with court orders for child support through county-administered Social Security Act, section IV-D service agencies. Those agencies are required to order genetic testing in a contested paternity case upon request of any party. The cost per test is \$137.07 which is shared between local and federal governments. The county share is 34 percent or \$46.60 per test. In addition, service agencies are expected to be represented in court hearings for these cases. The cost of representation is \$33.23 per hearing, which is also shared between local and federal governments. The county share is 34 percent, or \$11.30.

At this time, the number of cases resulting from the bill cannot be quantified. However, if one assumed that five percent, or 4,008 cases, would result from the bill, county administration costs would increase by \$232,071. The costs may be spread over several years.

State Appropriations

None required at this time.

Departments Contacted

Human Services

Judicial