

**LEGISLATIVE FISCAL OFFICE**

**Fiscal Note**



Fiscal Note On: **HB 357** HLS 15RS 815  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 13, 2015	1:53 PM	<b>Author:</b> RITCHIE
<b>Dept./Agy.:</b> Department of Children & Family Services (DCFS)		<b>Analyst:</b> Travis McIlwain
<b>Subject:</b> Data Match		

BANKS/BANKING OR NO IMPACT See Note Page 1 of 1  
 Provides with respect to banks and financial institutions

Current law authorizes a bank or any affiliate of data match to disclose certain account information of individuals to the Department of Children & Family Services (DCFS), child support enforcement section. Proposed law requires disclosure authorization be made applicable to all persons who co-own an account. Proposed law mandates DCFS to pay a reasonable reimbursement fee to a financial institution for the actual costs incurred by the financial institution conducting the data match. Proposed law requires the reimbursement fee be paid annually as opposed to quarterly as provided within current law. This fee refers to the data match services provided by the financial institutions for DCFS and the Department of Revenue, Office of Debt Recovery.

<b>EXPENDITURES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. This legislation requires the Department of Children & Family Services (DCFS) to pay a reimbursement fee (as opposed to the fee being permissive as is stated within current law) to financial institutions conducting data match services for family and child support programs.

Based upon current practice, DCFS is already reimbursing financial institutions for these services. Therefore, the Legislative Fiscal Office does not anticipate this legislation will result in additional financial contracts since this practice is currently being followed.

According to DCFS, this bill may result in an increase of \$65,250 (\$22,185 state general fund, \$43,065 federal) due to an estimated increase in participating financial institutions. Due to the current reimbursement fee being permissive in current statute, DCFS already has approximately 200 financial institution contracts in place for data match services that range in value from \$0 to \$2,000 with an average contract value of \$870. DCFS contends this legislation may result in an additional 75 financial institution contracts, which could equate to an additional \$65,250 of total expenditures based upon the current contract value average of \$870.

In addition, this legislation amends provisions that provide for financial institutions to invoice DCFS/Revenue annually as opposed to quarterly. This will likely result in additional agency workload requiring amendments to the existing 200 banking contracts to require annual invoices as opposed to quarterly.

Note: Although the proposed bill mandates that DCFS to pay a reasonable reimbursement fee to the financial institution providing data match services, the agency currently has some contracts in place with banks that do not charge for these services.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure. Although this legislation requires the financial institution to provide co-owner information on applicable accounts, this information is already being submitted to DCFS and the Department of Revenue.

Senate	<u>Dual Referral Rules</u>	House	<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	<i>Evan Brasseaux</i> Evan Brasseaux Staff Director
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}		
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}		