

March 17, 2008

The Honorable Bob Bethell, Chairperson  
House Committee on Social Services Budget  
Statehouse, Room 161-W  
Topeka, Kansas 66612

Dear Representative Bethell:

**SUBJECT:** Fiscal Note for HB 2965 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2965 is respectfully submitted to your committee.

HB 2965 would require the Department of Social and Rehabilitation Services (SRS) to establish a fatherhood initiative program to encourage the formation and continuation of relationships between children and their fathers. The bill would require SRS to report to the Legislature annually regarding the number of fathers and children participating and the expenditures and cost savings associated with the program. Funding for the program would be subject to appropriations.

Estimated State Fiscal Effect				
	FY 2008 SGF	FY 2008 All Funds	FY 2009 SGF	FY 2009 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$740,626	\$778,246
FTE Pos.	--	--	--	1.00

SRS indicates that the new program would be administered with grants through the SRS regional offices to local providers. SRS proposes starting with \$500,000 in grants to local fatherhood projects in FY 2009. Increasing the grants by 3.0 percent each year would provide \$515,000 in FY 2010 and \$530,450 in FY 2011. These regional grants would be supplemented by other agency supports, such as educational materials and use of the SRS website. The estimated costs associated with 1.00 additional FTE position and other operating expenditures would be \$62,496 in FY 2009, \$62,311 in FY 2010, and \$64,182 in FY 2011. Providing

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outreach materials would cost \$18,750 in FY 2009, \$19,313 in FY 2010, and \$19,892 in FY 2011. The cost of modifying the SRS website would be \$50,000 in FY 2009 and annual maintenance costs of \$10,000.

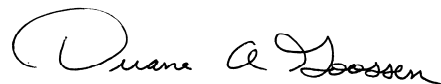
Currently, one fatherhood summit occurs annually in Kansas, providing a forum for education and networking. SRS would provide the funding for a second summit each year to allow more individuals to participate. The cost of the additional summit would be \$40,000 in FY 2009. The agency estimates a 3.0 percent per year cost increase in FY 2010 and beyond.

To promote early paternity establishment, SRS would expand the existing program for in-hospital paternity acknowledgement, which is a collaborative effort between SRS and the Department of Health and Environment. An automated interface between the agencies for timely data matches and statistics concerning out-of-wedlock births and paternity acknowledgements would be fundamental and would provide data needed for the annual report. The one-time cost for this interface would be \$45,000. An ongoing educational program for hospital social workers, the key personnel handling in-hospital paternity acknowledgements, would be needed to counterbalance the high turnover rate for these positions. In addition, the use of multiple media for this program would make high quality resources available statewide. The one-time cost for educational materials would be \$12,000. These costs related to the establishment of paternity would be eligible for 66.0 percent Federal Title IV-D child support enforcement funding, or \$37,620.

Finally, to assist with the preparation of the annual report required by HB 2965, SRS would procure an independent cost savings analysis. The cost of the analysis is estimated at \$50,000 in FY 2009, with an annual cost increase of 3.00 percent.

The total cost estimates for the bill are \$778,246 in FY 2009, \$699,324 in FY 2010, and \$720,005 in FY 2011. The estimates include the permanent addition of 1.00 FTE position, and FY 2009 is the only year that SRS could get federal financial participation. Any fiscal effect resulting from enactment of HB 2965 is not included in *The FY 2009 Governor's Budget Report*.

Sincerely,



Duane A. Goossen  
Director of the Budget

cc: Jackie Aubert, SRS