Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (<u>www.nmlegis.gov</u>) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR	Rya	n	ORIGINAL DATE LAST UPDATED	1/20/16	HB	
SHORT TITL	E.	Uniform Family Su	apport Act Effective Dat	e	SB	68

ANALYST Boerner

<u>REVENUE (dollars in thousands)</u>

	Estimated Revenue	Recurring	Fund	
FY16	FY17	FY18	or Nonrecurring	Affected
	Provides for continued federal funding	Provides for continued federal funding	Recurring	Human Services Department Operating Funds

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Human Services Department (HSD) Children, Youth and Families Department (CYFD) Attorney General's Office (AGO) Secretary of State (SOS)

SUMMARY

Senate Bill 68 would remove Section 69 – "Applicability", and Section 70 – "Contingent Effective Date," of the 2011 Uniform Interstate Family Support Act ("UIFSA"). By removing these sections, 2011 UIFSA amendments would become effective May 18, 2016.

Chapter 159 Section 69 Laws 2011

APPLICABILITY.--The provisions of this act apply to proceedings begun on or after January 1, 2012 to establish a support order, to determine parentage of a child or to register, recognize, enforce or modify a prior support order, determination or agreement, whenever issued or entered.

Chapter 159 Section 70 Laws 2011 CONTINGENT EFFECTIVE DATE.--The effective date of the provisions of this act is the later of: A. the date that the United States deposits the instrument of ratification for the Hague Convention on the International Recovery of Child Support and Other Forms of Family Maintenance with the Hague conference on private international law, as certified by the secretary of human services; or

B. January 1, 2012.

The 2011 UIFSA contains language in Sections 69 and 70 that precludes a viable effective date. Removal of these sections would allow 2011 UIFSA to become effective on May 18, 2016.

FISCAL IMPLICATIONS

New Mexico already passed the mandated UIFSA 2008 changes but did not include a workable effective date. If New Mexico does not amend the 2011 legislation to include a 2016 effective date, the state will risk its federal match (66 percent) for the operation of its child support program and/or additional penalties assessed by the federal government against its Temporary Assistance to Needy Families (TANF) grant.

BACKGROUND INFORMATION

In 2014, the U.S. Congress passed the "Preventing Sex Trafficking and Strengthening Families Act," PL. 113-183, which amends Section 466(f) of the Social Security Act. The Act requires that all states, no later than 2016, enact amendments to the Uniform Interstate Family Support Act that were approved in 2008 by the National Conference of Commissioners on Uniform State Laws ("NCCUSL"). These amendments, commonly referred to as "UIFSA 2008," integrate provisions of the Hague Convention on International Recovery of Child Support and Other Forms of Family Maintenance, adopted at the Hague Conference on Private International Law on November 23, 2007. The Hague Convention provisions created uniform, simple and inexpensive procedures for establishing, recognizing and enforcing child support and family maintenance obligations in international cases.

OTHER SUBSTANTIVE ISSUES

In 1996, Congress required all states to enact the UIFSA. UIFSA can best be described as one order, at one time, in one place for each combination of payer and child. This means that only a single state at a time may issue an order. The state that issues the original order holds what UIFSA calls "Continuing, Exclusive Jurisdiction" (CEJ) of the order. CEJ can be lost (transferred) to another state if circumstances allow it.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

New Mexico will risk its federal match (66 percent) for the operation of its child support program and/or additional penalties assessed by the federal government against its Temporary Assistance to Needy Families (TANF) grant.

ANA/sec/jo