

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**May 26, 2005**

**TO:** Honorable Tom Craddick, Speaker of the House, House of Representatives

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: HB1238** by Paxton (Relating to distribution of certain child support payments by the state disbursement unit.), **As Passed 2nd House**

**No significant fiscal implication to the State is anticipated.**

The bill would provide guidelines for the distribution of certain child support payments by the state disbursement unit. The bill adds subsection (d) to § 234.008, "Deposit, Distribution, and Issuance of Payments," Chapter 234, "State Case Registry," Title 5, Family Code: (d) The signature of an obligee on a final order in a suit affecting a parent child relationship that designates an individual or entity for the purpose of receiving, disbursing, and monitoring child support payments constitutes written consent by the obligee to the distribution of the child support payments by the State Disbursement Unit to the designated individual or entity. The State Disbursement Unit shall distribute each child support payment to the designated individual or entity by the date required by Subsection (a). The designated individual or entity shall deduct any amount of the individual's or entity's authorized fee from the payment and promptly disburse the remainder of the amount to the Title IV-D agency or obligee. If the Office of the Attorney General is notified by the federal oversight agency that implementation of Subsection (d) of the bill would cause the child support program to be out of compliance with federal requirements, Subsection (d) would be considered null and void.

Regional federal administrators have accepted the position that State law could define what constitutes the consent of an obligee to have collections re-directed. The bill may require programming to the automated child support system, TXCSES, but the Office of the Attorney General could absorb those costs with current resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 302 Office of the Attorney General

**LBB Staff:** JOB, LB, MS