

Joint Committee on Ways and Means

Carrier – House: Rep. Cameron  
Carrier – Senate: Sen. Nelson

Revenue: No revenue impact

Fiscal: Fiscal statement issued

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Action: Do Pass the A-Engrossed Measure

Vote: 19 – 0 – 2

House – Yeas: D. Edwards, Galizio, Garrard, Hanna, Jenson, Morgan, Nathanson, Nolan, Shields  
– Nays:  
– Exc:

Senate – Yeas: Carter, Devlin, Gordly, Johnson, Morse, Nelson, Schrader, Verger, Westlund, Whitsett  
– Nays:  
– Exc: Bates, Winters

Prepared By: Doug Wilson, Legislative Fiscal Office

Meeting Date: 6/8/07

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**WHAT THE MEASURE DOES:** Generally amends state law to conform to federal child support requirements. Requires that child support obligations on TANF cases be reviewed every three years or sooner if state regulation calls for review sooner than every three years. Requires the Department of Justice (DOJ) to collect the new annual fee mandated by federal law and leaves to a state’s discretion the details of collecting such a fee. Requires that all support orders call for medical support payment from parents if the child is not covered by health insurance. Changes the existing definition of “health benefit plan” to include not only providing health care coverage for the children through a private employer or group insurance, but also to include coverage of health insurance through a public entity such as state health insurance program. Defines “providing party” and substitutes the term for “obligor” because health insurance coverage can now be ordered against either the obligor or the obligee. Requires that the cost of satisfactory health care coverage must be included in the child support calculation. Adds to the definition of “medical support” for the purposes of child support the cost of premiums and any uncovered medical costs such as co-pays and out-of-pocket costs for urgent care. Clarifies that support orders could be ordered against either the obligor or the obligee of health care coverage. Requires that health care coverage be included in all support orders. Requires a court or the Support Enforcement Division of the DOJ to make written findings on whether to order the payment of medical support. Prohibits a court or the Support Enforcement Division from ordering a medically needy person to pay medical support or to order a person who has a child in the household who is eligible to receive medical assistance. Effective October 1, 2007.

**ISSUES DISCUSSED:**

- Impact of bill on the Department of Justice’s budget

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** The federal government supplies a substantial part of the funds the states distribute to children on public assistance through the Temporary Assistance to Needy Families (TANF) program. In return, the federal government requires the states to abide by certain federal requirements.

As part of the federal Deficit Reduction Act of 2005, the federal government imposed additional requirements upon the states who in turn must, if they want federal funding, change state law to comply with the new federal requirements. The required changes are in three areas – modifications, annual fees and enforcement of medical coverage requirements. Failure to pass these changes in state law may result in the loss of the federal resources for the Child Support program and the TANF program. Currently, child support obligations must be reviewed every two years. Also, a parent is required to provide medical insurance if the parent can afford to do so.