

John R. Ashcroft

Secretary of State
Administrative Rules Division

RULE TRANSMITTAL

COPY

Administrative Rules Stamp

RECEIVED

APR 08 2019

SECRETARY OF STATE
ADMINISTRATIVE RULES

COPY

Rule Number 13 CSR 40-110.030

Use a "SEPARATE" rule transmittal sheet for EACH individual rulemaking.

Name of person to call with questions about this rule:

Content Aaron Mealy Phone (573) 526-0414 FAX (573) 522-6092

Email address aaron.mealy@dss.mo.gov

Interagency mailing address DLS, Broadway Bldg, 221 W High Street, Room 230

TYPE OF RULEMAKING ACTION TO BE TAKEN

Emergency Rulemaking __ Rule __ Amendment __ Rescission __ Termination

Effective Date for the Emergency _____

Proposed Rulemaking __ Rule X Amendment __ Rescission

Rule Action Notice In Addition Rule Under Consideration

Request for Non-Substantive Change

Statement of Actual Cost

Order of Rulemaking __ Withdrawal __ Adopt __ Amendment __ Rescission

Effective Date for the Order _____

Statutory 30 days OR Specific date _____

Does the Order of Rulemaking contain changes to the rule text? NO

YES—LIST THE SECTIONS WITH CHANGES, including any deleted rule text:

Note: Please file the public fiscal note with this regulation. The public cost is less than \$500.

Small Business Regulatory
Fairness Board (DED) Stamp

JCAR Stamp

JOINT COMMITTEE ON

APR 08 2019

ADMINISTRATIVE RULES

STATE CAPITOL
201 W. CAPITOL AVENUE, ROOM 216
JEFFERSON CITY, MISSOURI 65101



(573) 751-3222
WWW.GOVERNOR.MO.GOV.

Michael L. Parson

GOVERNOR
STATE OF MISSOURI

April 4, 2019

Mark Gutchen
General Counsel
Missouri Department of Social Services
Broadway State Office Building
Jefferson City, MO 65102

Dear Mark:

This office has received your Final Order of Rulemaking for 13 CSR 40-110.030 Annual Fee.

Executive Order 17-03 requires this office's approval before state agencies release proposed regulations for notice and comment, amend existing regulations, rescind regulations, or adopt new regulations. After our review, we approve the submission of this rule to JCAR and the Secretary of State.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Limbaugh".

Christopher K. Limbaugh
General Counsel

Missouri Department of
SOCIAL SERVICES
Your Potential. Our Support.

MICHAEL L. PARSON, GOVERNOR • STEVE CORSI, Psy.D., DIRECTOR

MARK A. GUTCHEN, DIRECTOR
DIVISION OF LEGAL SERVICES
P.O. BOX 1527 • BROADWAY STATE OFFICE BUILDING • JEFFERSON CITY, MO 65102-1527
WWW.DSS.MO.GOV • 573-751-3229 • 573-522-6092 FAX

April 8, 2019

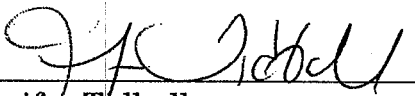
Waylene W. Hiles, Director
Joint Committee on Administrative Rules
Capitol Building, Room B-8
Jefferson City, MO 65101

Dear Ms. Hiles:

RE: 13 CSR 40-110.030 Annual Thirty-Five Dollar (\$35) Fee

Attached is an accurate and complete copy of the proposed order regarding the amendment of 13 CSR 40-110.030. This proposed order will be filed concurrently with the Secretary of State.

Statutory authority: sections 454.400.2(5) and 660.017, RSMo.


Jennifer Tidball
Deputy Director
Department of Social Services

Attachment

AUXILIARY AIDS AND SERVICES ARE AVAILABLE UPON REQUEST TO INDIVIDUALS WITH DISABILITIES

TDD / TTY: 800-735-2966

RELAY MISSOURI: 711

Missouri Department of
SOCIAL SERVICES
Your Potential. Our Support.

MICHAEL L. PARSON, GOVERNOR • STEVE CORSI, Psy.D., DIRECTOR

MARK A. GUTCHEN, DIRECTOR
DIVISION OF LEGAL SERVICES
P.O. BOX 1527 • BROADWAY STATE OFFICE BUILDING • JEFFERSON CITY, MO 65102-1527
WWW.DSS.MO.GOV • 573-751-3229 • 573-522-6092 FAX

April 8, 2019

John R. Ashcroft
Secretary of State
Administrative Rules Division
600 West Main Street
Jefferson City, Missouri 65101

RE: 13 CSR 40-110.030 Annual Thirty-Five Dollar (\$35) Fee

Dear Secretary of State Ashcroft:

CERTIFICATION OF ADMINISTRATIVE RULE

I do hereby certify that the attached is an accurate and complete copy of the proposed rulemaking lawfully submitted by the Family Support Division, Department of Social Services.

The Family Support Division, Department of Social Services further certifies that it has conducted an analysis of whether or not there has been a taking of real property pursuant to section § 536.017, RSMo 2000, that the proposed rulemaking does not constitute a taking of real property under relevant state and federal law.


The Family Support Division, Department of Social Services has determined and hereby also certifies that if the proposed rulemaking does affect small business pursuant to sections 536.300 to 536.310, RSMo, a small business impact statement has been filed as required by those sections. If no small business impact statement has been filed the proposed rulemaking either does not affect small business or the small business requirements do not apply pursuant to section 536.300.4, RSMo.

Statutory Authority: sections 454.400.2(5) and 660.017, RSMo.

If there are any questions regarding the content of this proposed rulemaking, please contact:

Aaron Mealy
221 West High Street, Room 230
Jefferson City, MO 65102
aaron.mealy@dss.mo.gov

Sincerely,


Jennifer Tidball
Deputy Director
Department of Social Services

Attachment

AUXILIARY AIDS AND SERVICES ARE AVAILABLE UPON REQUEST TO INDIVIDUALS WITH DISABILITIES

TDD / TTY: 800-735-2966

RELAY MISSOURI: 711

**FISCAL NOTE
PUBLIC COST**

- I. Department Title: Social Services
Division Title: Family Support Division
Chapter Title: Fees**

Rule Number and Name:	13 CSR 40-110.030 Annual Thirty-Five Dollar (\$35) Fee
Type of Rulemaking:	Proposed Amendment

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Family Support Division (FSD)	Up to \$724,279 cost avoidance [\$758,160 (cost avoidance of increased annual fee) - \$11,084 (mailing cost-state share) - \$22,797 (system cost-state share)]

III. WORKSHEET

Number of One-Time Notices to Custodians	Postage Cost Per Notice	Total Mailing Cost
75,816	\$0.43	\$32,601 ((state share \$11,084 (\$32,601*.34))
Number of Hours	Hourly Rate	Total Systems Cost
894	\$75	\$67,050 ((state share \$22,797 (\$67,050*.34))
Annual Number of Cases Projected to Meet the \$550 Collections Threshold	Increase in Annual Fee	Total Cost Avoidance of Increased Annual Fee
75,816	\$10 (\$35 - \$25)	\$758,160

IV. ASSUMPTIONS

1. The fees are assessed at the case level.
2. Based on FFY18 case data, there are an estimated 75,816 cases that will meet the \$550 collections threshold and become eligible for the assessment of the \$35 fee.
3. Postage costs associated with mailing advance notices to eligible custodians of the agency's intent to charge the annual fee is \$0.43 per notice for pre-sorted mail. There will be a one-time notice to custodians only as FSD already sends a notice to obligors.
4. System changes are necessary to update the annual \$25 fee to \$35 and to update the collection threshold amount from \$500 to \$550.
5. System changes are necessary to charge obligors \$17.50 of the \$35 annual fee instead of the full \$25 of the current annual fee, to start collecting \$17.50 of the \$35 annual fee from the custodians, and to develop the one-time notice for custodians.

**FISCAL NOTE
PRIVATE COST**

- I. Department Title: Social Services
Division Title: Family Support Division
Chapter Title: Fees**

Rule Number and Title:	13 CSR 40-110.030 Annual Thirty-Five Dollar (\$35) Fee
Type of Rulemaking:	Proposed Amendment

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
75,816	Obligors	Up to \$568,620 positive impact
75,816	Custodians	Up to \$1,326,780 impact
75,816 (Obligors) + 75,816 (Custodians) = 151,632	Obligors and Custodians	Up to \$758,160 total private entity impact [\$1,326,780 (cost to custodians) - \$568,620 (positive impact on obligors)] = \$758,160

III. WORKSHEET

Annual Number of Cases Projected to meet the \$550 Collections Threshold	Fee per eligible case	Projected annual fee assessed
75,816	Obligors \$7.50 (\$25 - \$17.50)	Up to \$568,620 positive impact
75,816	Custodians \$17.50	Up to \$1,326,780 impact

IV. ASSUMPTIONS

1. Fees are assessed at the case level.

2. An estimate in the aggregate is presented as the annual total assessed for all affected obligors and custodians. The life of the rule is without end.

COPY

RECEIVED

**Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 40—Family Support Division
Chapter 110—Fees**

APR 08 2019

SECRETARY OF STATE
ADMINISTRATIVE RULES

PROPOSED AMENDMENT

13 CSR 40-110.030 Annual [~~Twenty-Five~~]Thirty-Five Dollar (\$[~~25~~]35) Fee. The Department of Social Services is amending the purpose, sections (1) and (2), and adding sections (3) and (4).

PURPOSE: This amendment will bring the Department of Social Services into compliance with the Bipartisan Budget Act of 2018, Pub. L. 115-123 that requires updating the amount of the annual fee assessed in a IV-D, never-assistance case in which the division has disbursed to the obligee or payee at least five hundred fifty dollars (\$550) of support in the federal fiscal year from twenty-five dollars (\$25) to thirty-five dollars (\$35). The act also requires updating the amount the state must collect and disburse to the family before assessing the annual fee from five hundred dollars (\$500) to five hundred fifty dollars (\$550). The Family Support Division (FSD) is also amending this regulation to collect seventeen dollars and fifty cents (\$17.50) of the fee from obligee or payee and seventeen dollars and fifty cents (\$17.50) of the fee from obligors.

*PURPOSE: This rule defines how the Family Support Division will assess **and collect** an annual[~~twenty-five~~] **thirty-five** dollar (\$[~~25~~]35) fee as required by section 454(6)(B)(ii) of Title IV-D of the Social Security Act as amended by the [~~Deficit Reduction Act of 2005, Pub. L. 109-171~~]Bipartisan Budget Act of 2018, Pub. L. 115-123.*

(1) Definitions.

(A) [~~Division means the Family Support Division~~]“**Case**” means an official record comprised of an obligee or payee and dependent child(ren), associated with a particular obligor.

(B) [~~Support means any financial support collected for the support or maintenance of a child or the custodian of a child or a spouse or ex-spouse~~]“**Obligee or Payee**” means an individual to whom a duty of support is owed.

(C) [~~Custodian means an individual to whom a duty of support is owed~~]“**Division**” means the Family Support Division.

(D) [~~Obligor means an individual owing a duty of support~~]“**Federal fiscal year**” means the period from October 1 to September 30.

(E) “**IV-D**” means part IV-D of the Social Security Act.

(F) [~~Case means an official record comprised of a custodian and dependent child(ren), associated with a particular obligor~~]“**IV-D, Never-Assistance Case,**” means a case in which the obligee or payee is receiving services pursuant to section 454.400, RSMo, but has never received Aid to Families with Dependent Children or Temporary Assistance for Needy Families benefits on behalf of the child(ren) associated with the case.

JOINT COMMITTEE ON

APR 08 2019

ADMINISTRATIVE RULES

(G) *[IV-D, never-assistance case means a case in which the custodian is receiving services pursuant to section 454.400, RSMo, but has never received Aid to Families with Dependent Children or Temporary Assistance for Needy Families benefits on behalf of the child(ren) associated with the case]* **“Obligor” means a person who owes a duty of support as determined by a court or administrative agency of competent jurisdiction.**

(H) *[Federal fiscal year means the period from October 1 to September 30]* **“Support” means any financial support collected for the support or maintenance of a child or the obligee or payee of a child or a spouse or ex-spouse based upon a judicial or administrative order.**

(2) Assessing an Annual *[Twenty-Five Dollar (\$25)]/Thirty-Five Dollar (\$35)* Fee. In a IV-D, never-assistance case in which the division has disbursed to the obligee or payee at least five hundred **fifty** dollars (*\$/500/550*) of support in the federal fiscal year, the division shall assess an annual fee of *[twenty-five]/thirty-five* dollars (*\$/25/35*). *[The fee shall be assessed to the obligor.]*

(A) If an **obligee or payee or** an obligor is associated to more than one IV-D, never-assistance case, the division shall assess the fee on each case in which at least five hundred **fifty** dollars (*\$/500/550*) of support has been disbursed to the obligee or payee in the federal fiscal year.

(B) The division shall assess the fee in each federal fiscal year after the first five hundred **fifty** dollars (*\$/500/550*) of support has been disbursed to the obligee or payee.

(C) *[After the fee is assessed, the division shall provide notice of the fee to the obligor. The notice shall provide instructions to the obligor for satisfying the fee.*

(D) *If the obligor does not satisfy the fee by the end of the federal fiscal year in which it is assessed, the balance remains due.*

(E) *The division shall not assess a fee in cases excluded by federal law or regulation.*

(3) Collecting the Annual Thirty-Five Dollar (\$35) Fee. The division will collect **seventeen dollars and fifty cents (\$17.50)** of the **thirty-five dollars (\$35)** assessed fee from the obligee or payee and collect **seventeen dollars and fifty cents (\$17.50)** of the **thirty-five dollars (\$35)** assessed fee from the obligor on each assessed case.

(A) The division shall deduct the obligee’s or payee’s **seventeen dollars and fifty cents (\$17.50)** fee from support payments collected on behalf of the obligee or payee, in excess of the **five hundred fifty dollars (\$550)** threshold, prior to disbursing payments to the obligee or payee. The obligor shall receive credit toward his or her obligation for the entire support payment. The division will notify obligees or payees of the state’s annual fee for IV–D services.

(B) If the obligee or payee does not satisfy the **seventeen dollars and fifty cents (\$17.50)** fee by the end of the federal fiscal year in which the division assessed the **thirty-five dollars (\$35)** fee, the balance remains due and the division will deduct the unpaid fee from any future support payments received for the obligee or payee until the entire fee is satisfied.

(C) The division shall provide notice to the obligor of his/her seventeen dollars and fifty cents (\$17.50) fee. The notice shall provide instructions to the obligor for satisfying the fee. The division may collect the fee from the obligor utilizing enforcement mechanisms provided by law.

(D) If the obligor does not satisfy the fee by the end of the federal fiscal year in which it is assessed, the balance remains due.

(E) Any fee assessed to the obligor under this regulation prior to the amendment on October 1, 2019, if not satisfied, remains due.

(4) This amendment is effective on October 1, 2019.

AUTHORITY: sections 454.400.2(5) and 660.017, RSMo. Original rule filed Aug. 20, 2007, effective Feb. 29, 2008. Amended: April 8, 2019.*

**Original authority: 454.400, RSMo 1982, amended 1985, 1986, 1990, 1993, 1995, 1997, 2014.*

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate. The Family Support Division estimates a public cost avoidance of up to \$724,279.

PRIVATE COST: This proposed amendment will cost private entities \$758,160 in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Social Services, Legal Services Division-Rulemaking, P.O. Box 1527, Jefferson City, MO 65102-1527, or by email to Rules.Comment@dss.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.