



Wm. Jeff Kahrs, Interim-Acting Secretary

**Senate Judiciary Committee
January 25, 2012**

SB 283 – Sheriffs, civil process fees

**Integrated Service Delivery
Trisha Thomas, Director
Child Support Enforcement**

For Additional Information Contact:
Gary Haulmark, Legislative Director
Docking State Office Building, 6th Floor
(785) 296-3271



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Good morning Mr. Chairman and members of the committee. I am Trisha Thomas, Director of Child Support Enforcement (CSE) for SRS. I appreciate the opportunity to testify today concerning the impact of Section 1 of Senate Bill 283 on the CSE program and its contractors. For the reasons stated below, we ask the proposed new language in subsection (g) be stricken.

Section 1 of the bill would increase the amount that sheriffs charge for service of process from \$5 to \$30 per service, beginning July 1, 2012. Also, non-governmental firms (i.e., contractors) working on behalf of the state would be required to pay this fee. Currently, contractors performing work on behalf of the state do not pay this fee. Charging our contractors for service of process would increase their costs, which would be passed on to CSE either directly or indirectly.

Currently, our contractors handle about 80% (105,600 cases) of our program's 132,000 cases. Of those, approximately 50% (52,800 cases) are paying and the other 50% (52,800) are not. Contractors currently use service of process for noncustodial parents in cases needing revivers, interstate registration, contempt actions/bench warrants, some liens, and modifications to add a child. Of the 50% cases not paying, 30% need a locate on the noncustodial parent, resulting in the ability to work on 36,960 cases annually. Of those cases that can be worked, approximately 50% require two service attempts. This results in 55,440 service attempts by our contractors per year, which under this bill would represent \$1,663,200 per year in additional costs. This amount represents a more than 15% premium over the amount CSE currently pays to its contractors.

A potential cost increase such as this cannot simply be absorbed within existing resources. If this bill is passed as written, CSE would be forced to either rebid all of its enforcement contracts, resulting in significantly higher bids, or pay all service fees directly. It is anticipated that these increased costs would have a negative impact on enforcement actions (like contempt actions) and would cause collections to suffer. A decrease in collections combined with the additional expenditures would result in CSE receiving fewer federal incentive dollars, due to decreased efficiency and collections, thereby resulting in the use of more state general funds in order to continue operating the CSE program to the level required by federal mandate. This fee would also negatively impact CSE's revenue received on TANF payments retained and medical collections sent to KDHE, due to reduced collections.



Finally, we would like the committee to consider that K.S.A. 60-2005, and the original language of K.S.A. 28-110(g), exempt the state and its agencies from paying service of process fees. The new language of subsection (g) is an attempt to circumvent that protection. If contractors are required to pay a service of process fee, those costs will ultimately be borne by the state agencies that pay the contractors. This would result in the state bearing costs that it is specifically exempted from paying.

Because of the significant financial burden this bill would cause CSE and because of its detrimental impact on CSE's ongoing attempts to increase its efficiency and cost effectiveness, we ask that subsection (g) of SB 283 be stricken.

Thank you for considering CSE's concerns regarding this legislation. I will be glad to stand for any questions you may have.