



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 0021 Introduced on January 8, 2019
Author: Hutto
Subject: Birth Certificates
Requestor: Senate Judiciary
RFA Analyst(s): Mitchell and Gardner
Impact Date: January 25, 2019

Fiscal Impact Summary

The bill will increase Other Fund expenditures by \$268,947 for the Department of Health and Environmental Control in FY 2019-20, and \$266,759 each year thereafter to accommodate the processing of 14,000 court orders and administrative decisions.

This bill will decrease Other Funds revenue by \$52,500 for the Department of Health and Environmental Control due to the loss of amendment fees for updated birth certificates.

The bill will have no impact on the General Fund, Other Funds, or Federal Funds for the Department of Social Services and the Judicial Department.

Explanation of Fiscal Impact

Introduced on January 8, 2019

State Expenditure

This bill amends the requirements of family court orders determining that a putative father is the natural father of a child by ordering that the birth certificate be amended to include the father's name. Upon entry of a court order or administrative determination specifying that the putative father is the legal father of a child, the clerk of court shall send a report to the registrar of the Division of Vital Statistics at the Department of Health and Environmental Control (DHEC) showing the information necessary to amend a birth certificate. Further, the bill stipulates that orders modifying, vacating, or amending paternity orders are to be handled in the same manner. The bill also clarifies language surrounding the amendment of birth certificates to state that if the surname of a child is not decreed by the court, the surname must not be changed.

Department of Social Services. The Department of Social Services (DSS) processes approximately 14,000 paternity orders and administrative determinations each year. Currently, after receiving a family court order or administrative determination, individuals who desire an amended birth certificate consult with the Department of Health and Environmental Control. The department indicates that the provisions of the bill do not materially or fiscally alter the processes or operations of its programs. As such, the bill will not impact the General Fund, Other Funds, or Federal Funds for the department.

Department of Health and Environmental Control. The bill requires DHEC to issue a new birth certificate upon receipt of a court order or administrative determination that the putative father is the legal father of a child. In order to accommodate the increased volume of birth

certificates requiring amendment, DHEC anticipates the need to hire 4 new program assistants to process reports, issue certified copies of vital events, and provide timely consultation to customers. DHEC indicates additional recurring expenditures of \$242,606 for salary and fringe and \$24,153 for office space, supplies, and contractual employee costs. Non-recurring expenditures associated with the addition of 4 program assistants total \$2,188 for computer equipment. Therefore, this bill will increase Other Fund expenditures by \$268,947 in FY 2019-20, and \$266,759 each year thereafter.

Judicial Department. The bill amends the requirements of family court orders to include a new provision in certain paternity orders, and adds the requirement that a clerk of court must send a report to the Registrar of the Division of Vital Records containing information necessary in order to amend a birth certificate. The department indicates that the additional provision will not result in increased expenditures for family court judges. As such, there is no expenditure impact on the General Fund, Other Funds, or Federal Funds for the department.

State Revenue

Currently, when DHEC receives an application for an amended birth certificate, the individual remits a fee of \$27 to the Division of Vital Statistics. This fee includes a \$12 search fee and a \$15 amendment fee. This bill requires courts to send paternity orders and administrative determinations directly to DHEC. Court orders and administrative determinations sent directly to DHEC by the courts or the Department of Social Services are not subject to the \$27 fee. DSS and DHEC report that an average of 14,000 paternity orders and administrative determinations will be sent directly to the Division of Vital Statistics. As in past years, DHEC and DSS expect that approximately 3,500 of the 14,000 court orders and administrative decisions will result in the distribution of an amended birth certificate.

DHEC specifies that if an individual wishes to receive a copy of the new birth certificate after amendment by court order, DHEC would assess a \$12 search fee. Based on historical data of paternity orders, DHEC may experience a reduction in revenue of \$52,500 (3,500 x \$15) in amendment fees under the provisions of this bill. Revenue generated by search fees can be used to offset the expenditures associated with the addition of new FTEs.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director