

# NORTH CAROLINA GENERAL ASSEMBLY

## LEGISLATIVE FISCAL NOTE

**BILL NUMBER:** Senate Bill 475  
**SHORT TITLE:** WomenWork Fund  
**SPONSOR(S):** Senator Perdue

### FISCAL IMPACT ON REVENUES

	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>
<b>Estimated Revenues Collected by AOC for WomenWork Fund</b>	\$740,000	\$740,000	\$740,000	\$740,000	\$740,000
<b>Administration Funds Expended by Dept. of Administration</b>	\$117,000	\$117,000	\$117,000	\$117,000	\$117,000
<b><u>Net Revenues for WomenWork Fund</u></b>	\$623,000	\$623,000	\$623,000	\$623,000	\$623,000

**PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:** Judicial Branch; Department of Administration

**EFFECTIVE DATE:** July 1, 1997 and applies to final actions on and after that date.

**BILL SUMMARY:** TO ESTABLISH THE NORTH CAROLINA WOMENWORK FUND FOR DISPLACED HOMEMAKERS TO BE ADMINISTERED BY THE NORTH CAROLINA COUNCIL FOR WOMEN, AND TO ESTABLISH AN ADDITIONAL CIVIL ACTION FEE TO BE COLLECTED BY THE COURT IN DIVORCE ACTIONS.

### ASSUMPTIONS AND METHODOLOGY:

#### Judicial Department

According to data from the State Center for Health Statistics, there were 36,943 divorces and annulments in 1995. The Center estimates there will be approximately 37,000 divorces in FY 1997-98. The Judicial Department anticipates the extra \$20 fee would be collected up front when the divorce action is filed. Thus, if the fee were collected in all of these cases, an additional \$740,000 would be generated annually for transfer to the WomenWork fund.

The Department estimates it would take about ten hours of programming to update the accounting system in order to collect the \$20 fee. This programming could be handled by a programmer within the Department's Information Services Division.

### Department of Administration

The Department of Administration believes it would need roughly \$86,000 to administer the expanded Displaced Homemaker program. Administrative costs would include costs of promoting the program through newsletters and other mailings, costs of increased travel to monitor local programs, and wages for temporary office support staff to help administer the program. However, the Department has the authority to spend considerably more than the \$86,000 it estimates it needs. The bill allows up to 20% of the fees collected to be spent on administration. Based on the fee estimates discussed above, these administrative costs could amount to as much as \$148,000. Because the Department has the authority to spend money above and beyond what it estimates it needs, we believe that the Department may spend more than \$86,000. Under these assumptions, administrative costs would range somewhere between the \$86,000 the Department states that it needs and the \$148,000 the bill allows it to spend. We base our estimates for administrative expense on the midpoint of this range, \$117,000.

The bill would require the Department of Administration to adopt rules to govern the distribution of money from the WomenWork Fund. Currently, the Department of Administration distributes grants ranging between \$6,000 and \$25,000 to 23 local displaced homemaker programs. The Department has stated that additional funds generated by this bill would be used to fund more programs and to increase the size of grants to programs already being funded. The Department of Administration expects to fund two to three additional displaced homemaker programs each year over the next five years.

### **FISCAL RESEARCH DIVISION**

**733-4910**

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**APPROVED BY:** Tom L. Covington

**DATE:** June 17, 1997



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