

SF2857 - 1UE - Filing Fees Increased; Marriage and Dissolution

Chief Author: **Karin Housley**
 Committee: **Judiciary And Public Safety Finance And Policy**
 Date Completed: **3/14/2022 4:53:32 PM**
 Lead Agency: **District Courts**
 Other Agencies:
 Minn Management and Budget

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
District Courts	-	-	-	-	-
General Fund	-	-	408	445	445
Restrict Misc. Special Revenue	-	-	(408)	(445)	(445)
Minn Management and Budget	-	-	-	-	-
General Fund	-	-	619	675	675
Restrict Misc. Special Revenue	-	-	(619)	(675)	(675)
State Total					
General Fund	-	-	1,027	1,120	1,120
Restrict Misc. Special Revenue	-	-	(1,027)	(1,120)	(1,120)
Total	-	-	-	-	-
Biennial Total			-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
District Courts	-	-	-	-	-
General Fund	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-
Minn Management and Budget	-	-	-	-	-
General Fund	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Alyssa Holterman Rosas **Date:** 3/14/2022 4:53:32 PM
Phone: 651-284-6439 **Email:** alyssa.holterman.rosas@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2	Biennium			Biennium	
Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
District Courts	-	-	-	-	-
General Fund	-	-	408	445	445
Restrict Misc. Special Revenue	-	-	(408)	(445)	(445)
Minn Management and Budget	-	-	-	-	-
General Fund	-	-	619	675	675
Restrict Misc. Special Revenue	-	-	(619)	(675)	(675)
Total	-	-	-	-	-
Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*					
District Courts	-	-	-	-	-
General Fund	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-
Minn Management and Budget	-	-	-	-	-
General Fund	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-
2 - Revenues, Transfers In*					
District Courts	-	-	-	-	-
General Fund	-	-	(408)	(445)	(445)
Restrict Misc. Special Revenue	-	-	408	445	445
Minn Management and Budget	-	-	-	-	-
General Fund	-	-	(619)	(675)	(675)
Restrict Misc. Special Revenue	-	-	619	675	675
Total	-	-	-	-	-
Biennial Total			-		-

SF2857 - 1UE - Filing Fees Increased; Marriage and Dissolution

Chief Author: **Karin Housley**
 Committee: **Judiciary And Public Safety Finance And Policy**
 Date Completed: **3/14/2022 4:53:32 PM**
 Agency: **District Courts**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	-	408	445	445
Restrict Misc. Special Revenue	-	-	(408)	(445)	(445)
Total	-	-	-	-	-
Biennial Total			-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Alyssa Holterman Rosas **Date:** 3/14/2022 4:53:21 PM
Phone: 651-284-6439 **Email:** alyssa.holterman.rosas@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025	
General Fund	-	-	408	445	445	
Restrict Misc. Special Revenue	-	-	(408)	(445)	(445)	
Total	-	-	-	-	-	
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	-	-	-	
Restrict Misc. Special Revenue	-	-	-	-	-	
Total	-	-	-	-	-	
Biennial Total			-			-
2 - Revenues, Transfers In*						
General Fund	-	-	(408)	(445)	(445)	
Restrict Misc. Special Revenue	-	-	408	445	445	
Total	-	-	-	-	-	
Biennial Total			-			-

Bill Description

SF 2857-1UE increases funding for the Minnesota Family Resiliency Partnership by amending sections 357.021, subd. 1a, and 517.08 subd. 1c. Section 1 of the bill amends section 357.021, subd. 1a, to increase the amount of marriage dissolution filing fee appropriated to the Department of Employment and Economic Development (DEED) for the Minnesota Family Resiliency Partnership (MFRP) by \$30 from \$30 to \$60.

Section 2 amends section 517.08 subd. 1c to decrease the portion of the marriage license application fee for applicants who have not completed premarital education requirements allocated to the general fund from \$55 under current law to \$25. The section also increases the portion of this fee allocated to the DEED MFRP program account in a corresponding dollar amount, from \$25 under current law to \$55.

Assumptions

The amendment would be effective July 1, 2022.

The marriage dissolution fee is \$315.

The marriage dissolution filing fees is paid by a party in a marriage dissolution proceeding when that party files his or her first document in the case, unless the party is authorized by the court to proceed *in forma pauperis* under section 563.01. Only one filing fee is required if the parties file a joint petition for dissolution of marriage.

The bill will not change the number of dissolution of marriage proceedings filed, the number of parties who are allowed to proceed *in forma pauperis*, or the number of parties who file jointly.

\$30 of every dissolution filing fee receipted by court administration was paid to DEED for MFRP (fka Displaced Homemaker Program) in the past three fiscal years. The remaining \$285 of each marriage dissolution filing fees receipted, was paid to the state general fund.

The amount paid to DEED for MFRP in the past three fiscal years averaged \$445,342 (\$448,992 in FY19, \$426,318 in FY20, and \$460,717 in FY21).

Under this bill the amount paid to DEED for MFRP will increase by \$30 for fee from \$30 to \$60, and the amount paid to the state general fund will decrease by \$30 for each fee from \$285 to \$255.

Fee revenue paid to DEED for MFRP in July 2022 will be from fees charged and collected in June 2022 at the amount of \$30. Fee revenue paid to DEED for MFRP in August 2022 will be from fees charged and collected in July 2022 at the increased amount of \$60.

The total amount to be paid upon filing the first document in a dissolution of marriage proceeding will be \$365 (\$315 filing fee + \$50 fee set in section 518. 005, subd. 6) plus the applicable county law library fee. County law library fees range from \$0 to \$15, with 72 counties ranging from \$10 to \$15.

The dissolution of marriage fee schedules in the Judicial Branch case management system will be updated to increase the amount of the fee distributed to DEED for the MFRP by \$30 and decrease the amount credited to the state general fund by \$30, in the normal course of business.

This bill has no impact to judge or staff time needed.

Minnesota Management and Budget's fiscal note addresses section 2 of the bill.

Expenditure and/or Revenue Formula

The estimated revenue increase to DEED for the MFRP in FY23, taking cash flow into account, is calculated as follows:

$$\$445,342 / 12 \text{ months} = \$ 37,112 \text{ per month} \times 11 \text{ months} = \$408,232.$$

The estimated revenue increase to DEED for the MFRP in FY24, and after equals \$445,342, the three-year average for revenue in FY19, FY20, and FY21.

As a result, the estimated revenue decrease to the state general fund is:

FY23: (\$408,232)

FY24 and each year after: (\$445,342).

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Janet Marshall

Phone: 651-297-7579

Date: 3/14/2022 4:30:11 PM

Email: Janet.marshall@courts.state.mn.us

SF2857 - 1UE - Filing Fees Increased; Marriage and Dissolution

Chief Author: **Karin Housley**
 Committee: **Judiciary And Public Safety Finance And Policy**
 Date Completed: **3/14/2022 4:53:32 PM**
 Agency: **Minn Management and Budget**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024
General Fund	-	-	619	675	675
Restrict Misc. Special Revenue	-	-	(619)	(675)	(675)
Total	-	-	-	-	-
Biennial Total			-		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Joel Enders **Date:** 3/8/2022 2:18:21 PM
Phone: 651-284-6542 **Email:** joel.enders@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	-	-	619	675	675
Restrict Misc. Special Revenue	-	-	-	(619)	(675)	(675)
Total	-	-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
General Fund	-	-	-	(619)	(675)	(675)
Restrict Misc. Special Revenue	-	-	-	619	675	675
Total	-	-	-	-	-	-
Biennial Total				-		-

Bill Description

Section 1 increases the portion of the filing fee collected by state courts for marriage dissolutions allocated to the Department of Employment and Economic Development (DEED) Minnesota Family Resiliency Partnership (MFRP) program account from \$30 under current law to \$60. This change results in a reduction in a corresponding dollar amount to portion of the fee allocated to the general fund.

Section 2 (previously Section 4 in SF2857-0, but renumbered due to the amendments in this bill) decreases the portion of the marriage license application fee for applicants who have not completed premarital education requirements allocated to the general fund from \$55 under current law to \$25. The section also increases the portion of this fee allocated to the DEED MFRP program account in a corresponding dollar amount, from \$25 under current law to \$55.

Under current law, courts and counties must transmit the fees impacted by this bill to Minnesota Management and Budget (MMB), and MMB must distribute the fees to the general fund, the DEED MFRP program account, and other state funds and accounts in amounts prescribed in statute. MMB's current role does not change in this bill.

Assumptions

The DEED MFRP account is an account in the restricted miscellaneous special revenue (2000) fund for the program established under MS 116L.96.

MMB assumes no additional administrative costs associated with this bill.

The District Courts' fiscal note shows the estimated fiscal impact resulting from Section 1 (a fee collected by state courts). This fiscal note shows the estimated fiscal impact resulting from Section 2 (a fee collected by counties).

It is assumed the bill's effective date is July 1, 2022.

Expenditure and/or Revenue Formula

Marriage license application fees (no premarital education): MMB collected from counties an average of \$562,416 per

year over the last three fiscal years for deposit in the DEED MFRP account: \$580,413 in FY 2019, \$493,821 in FY 2020, and \$613,014 in FY 2021. The bill increases the allocation of this fee directed to the DEED MFRP account by 120 percent (from \$25 to \$55). Because the allocation of this fee directed to the general fund is decreasing in a corresponding amount, there is a corresponding reduction to general fund revenues. The FY 2023 amount is reduced by one-twelfth because of a one-month delay between the bill's effective date and when fee revenue is transmitted by counties to MMB.

DEED MFRP account revenues (revenue increase):

FY 2023: $\$562,416 \times 120 \text{ percent} \times (11/12 \text{ months}) = \$618,658$

FY 2024 and each year thereafter: $\$562,416 \times 120 \text{ percent} = \$674,899$

General fund revenues (revenue decrease):

FY 2023: (\$618,658)

FY 2024 and each year thereafter: (\$674,899)

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Paul Moore

Phone: 651-201-8004

Date: 3/8/2022 10:29:51 AM

Email: paul.b.moore@state.mn.us