



[HF 2519](#) – Interest on Child Support Debts (LSB5512HV)
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Fiscal Note Version – New

Description

[House File 2519](#) requires the Department of Health and Human Services (HHS) to collect interest accrued on unpaid child support debt and permits the HHS to collect the interest without first obtaining a court order.

Background

Iowa Code section [252C.6](#) establishes that interest accrues on support debts. Interest on periodic child support payments only begins to accrue after a payment has become due and owed for 30 days, at which point the interest accrues at a rate of 10.0% per year. Under current law, the HHS is permitted to collect the accrued interest but is not required to maintain interest balance accounts for accrued interest on support debts.

At the close of FY 2025, the total amount of child support debt in the State was \$791.1 million. That amount includes \$769,000 owed to other states, \$665.4 million owed to families, and \$124.9 million owed to the State. Child support is recovered through the HHS's Child Support Services (CSS) Central Office, 20 field offices, the Central Registry, and the Collection Services Center.

Assumptions

- The HHS will need to notify every payor and payee in a child support case that the CSS now charges interest.
- There are 136,174 child support cases in the State.
- The cost for printing and postage for each notice is \$0.90.
- There will be additional printer costs totaling \$14,000.
- The HHS will require new information technology (IT) infrastructure to maintain interest balance accounts for CSS cases.
- The billable cost to the HHS for the required IT changes is estimated by the Information Technology Division of the Department of Management (DOM DoIT) to be \$1.1 million in FY 2027. These are one-time costs for FY 2027.
- The cost to the DOM DoIT for the required IT changes is estimated to be \$168,000 in FY 2027. These are one-time costs for FY 2027.
- The HHS will require additional staff to implement the Bill. **Figure 1** shows the required full-time equivalent (FTE) positions and their salaries.

Figure 1 — HHS Personnel Salaries for House File 2519

Job Classification	FTE Positions	Cost
Accounting Clerk 2	1.0	\$ 63,000
Accounting Technician 2	1.0	72,000
Administrative Assistant 1	1.0	76,000
Program Planner 2	1.0	95,000
Support Recovery Officer	14.0	1,176,000
Total	18.0	\$ 1,482,000

- There will be additional support costs for the new FTE positions that will total \$73,000 in FY 2027 and \$32,000 in FY 2028.
- The State will provide for 34.0% of the costs to the HHS associated with the Bill, while federal funds will provide for 66.0% of the costs.

Fiscal Impact

The total cost of House File 2519 for FY 2027 is approximately \$3.1 million, of which the State cost is \$1.2 million and the federal cost is \$2.0 million. The total cost for FY 2028 is \$1.5 million, of which the State cost is \$515,000 and the federal cost is \$999,000. **Figure 2** shows the breakout of the costs to implement HF 2519 for FY 2027. **Figure 3** shows the annual, ongoing operating costs for FY 2028.

Figure 2 — Estimated Costs for FY 2027 for House File 2519

Category	State	Federal	Total
IT Infrastructure	\$ 548,000	\$ 739,000	\$ 1,287,000
FTE Positions	504,000	978,000	1,482,000
Support Costs	25,000	48,000	73,000
Printing	88,000	171,000	259,000
Total	\$ 1,165,000	\$ 1,936,000	\$ 3,101,000

Figure 3 — Estimated Costs for FY 2028 for House File 2519

Category	State	Federal	Total
FTE Positions	\$ 504,000	\$ 978,000	\$ 1,482,000
Support Costs	11,000	21,000	32,000
Total	\$ 515,000	\$ 999,000	\$ 1,514,000

Sources

Department of Health and Human Services
Department of Management, Division of Information Technology

/s/ Jennifer Acton

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.