

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6869

BILL NUMBER: HB 1279

DATE PREPARED: Jan 7, 2000

BILL AMENDED:

SUBJECT: Alternative Dispute Resolution Pilot Project.

FISCAL ANALYST: Susan Preble

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill extends the Alternative Dispute Resolution Fund Pilot Project and the imposition of related court fees for two additional years.

Effective Date: June 1, 2000.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: According to a report authored by a clinical social worker and four judicial officers of the Allen County circuit and superior courts, the Alternative Dispute Resolution Fund Pilot Project has resulted in the following: increased referrals to mediation; a reduction in time for hearings of dissolution cases; the provision of funding for families who could not have otherwise utilized mediation services; and a positive change in the culture of the Allen County Bar regarding domestic relations mediation.

The time period between filing and a decree have significantly decreased since the inception of the project in both courts. The total funds collected by both courts for the Project through October of 1999 totaled \$54,918. To date, 57% of these funds have been spent. The breakdown of the expenditures is as follows: mediation training (18%), facilitator in circuit court (13%), mediation fees (12%), and research consultant (10%).

Explanation of Local Revenues: This bill extends the Alternative Dispute Resolution Fund Pilot Project and the imposition of court-related fees to fund the Project for two additional years. In 1997, the General Assembly enacted HEA 1092 which allows courts to refer to mediation actions for dissolution of marriage, separation, maintenance, child custody, visitation support, property disposition and other family law actions.

It allows the fee for dissolution actions in the Allen circuit and superior courts to be raised from \$100 to \$120. The revenue from the additional \$20 is deposited into the Alternative Dispute Resolution Fund, administered by the court, and used to foster mediation, reconciliation, parental counseling and other forms of alternative dispute resolution. It also requires litigants referred to services covered by the Alternative Dispute Resolution Fund to make a copayment for the services in an amount determined by the court.

In 1999, the 1,578 actions for dissolutions of marriage that were filed in the Allen County circuit and superior courts generated \$31,560 in revenue for the Alternative Dispute Resolution Fund [1,578 x \$20].

State Agencies Affected:

Local Agencies Affected: Allen County circuit and superior courts

Information Sources: 1998 Indiana Judicial Report, Vol. II, p. 55; Jennifer Bauer, Staff Attorney, Indiana Judicial Center, 232-1313; Allen County Circuit Court; *Report on the Study of the Allen County Family Relations Alternative Dispute Resolution Plan*, submitted to the Board of Directors of the Indiana Judicial Conference on December 9, 1999.