

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5908-03
Bill No.: HCS for SCS for SB 873
Subject: Social Services Department; Children and Minors; Courts; Family Law
Type: Original
Date: May 8, 2014

Bill Summary: This proposal changes the laws regarding children.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(\$1,578,884)	(\$1,407,705)	(\$1,420,667)
Total Estimated Net Effect on General Revenue Fund	(\$1,578,884)	(\$1,407,705)	(\$1,420,667)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 14 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* Income and expenditures exceed \$1 million annually net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	20.72	18.72	18.72
Federal	20.28	20.28	20.28
Total Estimated Net Effect on FTE	41	39	39

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government*	\$0	\$0	\$0

* Income and expenses net to \$0.

FISCAL ANALYSIS

ASSUMPTION

§37.710 - Office of Child Advocate responsibilities

Officials from the **Office of Administration (OA) - Office of Child Advocate (OCA)** state section 37.710.2(5), RSMo would increase the responsibility of and the length of time the OCA is involved in a case and would likely increase the number of cases. OCA would need one new investigator at \$48,000 annually, plus benefits and related equipment and expense of \$2,729. This position would review cases and coordinate with the Attorney General's Office to file pleadings necessary to intervene on behalf of the child. This individual would require experience working with the Children's Division, Juvenile Officers and the courts.

Officials from the **Department of Social Services (DSS) - Children's Division (CD)** state these provisions will not fiscally impact the CD.

§210.027 - Child care providers who receive state or federal funds

Officials from the **DSS-CD** state subdivision (9) establishes procedures for the conducting of onsite monitoring of child care providers prior to receiving state or federal funds for providing child care. Onsite monitoring will require additional staff. The Department of Health and Senior Services (DHSS) currently inspects licensed facilities in the same fashion that CD will need to inspect all other facilities, i.e. registered providers. DHSS Child Care Facility Specialists (equivalent to DSS' Executive I) work 12-13 inspections per month. CD has assumed it would be able to conduct 18 inspections per month.

CD currently has between 4,600-4,700 registered providers that are either new or renewal providers that would need to be inspected. 22 Executives I FTE could handle around 4,700 inspections per year (18 inspections/month X 12 months X 22 Execs I = 4,752). In addition, 2 FTE Senior Office Support Assistant will be needed to assist tracking.

Travel cost for inspectors is assumed to be \$3,000 per person per year, similar to CD's Caseworkers travel costs.

Some inspections in the urban areas may require more than one inspector for safety concerns. Executives II will be utilized for this purpose and supervision of Executives I.

Additional positions include 1 Manager as well as a Program Development Specialist to handle the support and a Management Analysis Specialist I for all of the data associated with this new section; 5 FTE Executives II will be needed to supervise the Executives I.

ASSUMPTION (continued)

Fund split was calculated based on available child care appropriation, excluding Early Childhood Development Education and Care (ECDEC) funding (which is appropriated for specific purposes); 36.58% GR; 63.42% Federal Funds.

In total, DSS-CD assumes total FY 15 costs for 32 FTE plus related expenses of \$1,721,101 (GR \$629,579; Federal \$1,091,522); FY 16 costs of \$1,826,574 (GR \$668,161; Federal \$1,158,413); and FY 17 costs of \$1,847,441 (GR \$675,794; Federal \$1,171,647).

Officials from the **Department of Health and Senior Services (DHSS)** state the U.S. Department of Health and Human Services has proposed changes to the rules governing the Child Care Development Fund in 45 CFR 98. The changes proposed in this legislation would make Missouri's child care statutes more consistent with the proposed changes governing the Child Care Development Fund.

DHSS' Division of Regulation and Licensure (DRL) Section for Child Care Regulation (SCCR) is responsible for licensure and enforcement of regulated child care facilities in Missouri. SCCR estimates that there are approximately 1,788 unlicensed and unregulated in-home child care providers receiving state or federal funds. DHSS, Division of Community and Public Health (DCPH) submits sanitation inspections of child care facilities to DRL. DCPH estimates at least 1,788 facilities not currently regulated will be immediately required to be inspected annually for sanitation under this proposal.

DCPH staff conduct initial sanitation inspections and Local Public Health Agency (LPHA) staff conduct most annual sanitation inspections. DCPH would require a minimum of five additional Environmental Public Health Specialists (EPHS) IV to provide these services for 1,788 facilities during FY 15. Additional activities such as identification of additional facilities, initial inspections due to high rates of facility turnover, and training/education to industry and local public health agencies in FY 16 and FY 17 would be conducted by an ongoing three EPHSs IV. Standard expense and equipment costs are included for additional staff.

DCPH contracts with LPHAs to conduct annual child care sanitation inspections. Additional payments to LPHAs starting in FY 16 are \$277,140.

1,788 facilities x \$120/inspection = \$214,560
1,788 facilities x \$70/reinspection x 50% reinspection rate = \$62,580
\$214,560 + \$62,580 = \$277,140

The DHSS estimates FY15 costs to the General Revenue (GR) Fund of \$344,440; FY16 costs of \$514,320; and FY17 costs of \$517,292.

HWC:LR:OD

ASSUMPTION (continued)

Officials from the **Department of Public Safety (DPS) - Division of Fire Safety (DFS)** state this proposal expands the DFS' Fire Inspection program for the inspection of child care providers who receive state or federal funds. Section 210.027 establishes requirements for these child care facilities to include compliance with state and local fire codes. The Department of Health and Senior Services (DHSS) estimates this will impact approximately 2,600 facilities not currently under the purview of DFS inspection.

Based on this information, the DFS assumes that it would need to hire two (2) FTE Fire Safety Inspectors and conduct inspections of these additional child care facilities. Related expense and equipment funding is also being requested. Total Costs for FY15 would be \$165,018 to the General Revenue Fund; FY16 costs would be \$122,315; and FY 17 costs would be \$123,785.

Officials from the **OA - Information Technology Services Division (ITSD)** state they consulted with Department of Social Services (DSS) Child Care to develop the level of effort (LOE) for this section. The LOE is estimated at 3,800 hours. This estimate is based on the assumption DSS Child Care workers will input the information into the Family Assistance Management Information System (FAMIS) and no automated eligibility determination will be needed for the providers.

- Interface Programs: ITSD will need to build interface programs (Web services/Cobol programs) to fetch the required provider information from other agencies who maintain the provider information like health and safety, history of violations, compliance etc.
Estimation: Approximately 400 Hrs for Analysis, Development and Implementation.
- Changes to the existing FAMIS Green Screens: Change existing screens to capture all information needed for web page.
Estimation: Approximately 400 Hrs for Analysis, Development and Implementation.
- Web Interface to Customers: Need to build 6 to 8 new web screens to satisfy the requirement. The screens may increase +2/+3 once the exact requirements are defined.
Estimation: Approximately 3000 Hrs for analysis, spec development, coding, unit testing and Implementation.

Contract staff will be used for this effort. FAMIS contractors are \$90.00/hr

Contract Staff \$90.00/hr x 3,800 hours = \$ 342,000

Child care is 100% General Revenue.

ASSUMPTION (continued)

§§ 210.117 and 211.038 - Finger Print Checks

Officials from the **DSS-CD** state these proposed provisions would not fiscally impact the CD. The changes in this proposal in sections 210.117.4 and 211.038.4 changed the fingerprint requirement from "shall" to "may" in both sections and allows the CD to obtain criminal history information by means other than fingerprinting, which eliminates the fiscal impact to the CD.

§§210.145, 210.152, and 210.183 - Children's Division protocols, investigation and report timeframes, and court proceedings

Officials from the **OA-ITSD** state these sections would require multiple changes to the Family and Children's Electronic System (FACES) in the Child Abuse and Neglect (CA/N) Assignment and Managed Reporting processes.

All three sections affect the same programs.

<u>Function</u>	<u>Work Effort (hours)</u>
Analysis and Design	16 hours
Update HLD and Tech Specification Documents	12 hours
CAN/N Assignment modifications and unit testing	52 hours
Managed Reporting modifications and unit testing	120 hours
System/Regression Test	28 hours
User Acceptance Testing	<u>60 hours</u>
Total:	288 hours

State Staff would be required for this effort at \$63.04/hr

Total Cost: 288 hours X \$63.04/hr = \$ 18,156 (rounded)

Match rate for FACES is 50% GR and 50% Federal.

<u>Total Cost:</u>	<u>GR</u>	<u>Federal</u>	<u>Total</u>
FAMIS	\$342,000	0	\$342,000 (\$210.027)
<u>FACES</u>	<u>\$ 9,078</u>	<u>\$ 9,078</u>	<u>\$18,156</u>
	\$351,078	\$ 9,078	\$360,156

ASSUMPTION (continued)

Officials from the **DSS-CD** state the proposal extends the amount of time the CD has to complete child abuse and neglect investigations and to document it into the system from 30 days to 45 days. It also extends the amount of time the CD has to provide the alleged perpetrator, when the report involves sexual abuse, with written notification of the CD's determination to up to 120 days. This proposal also provides specific good cause exceptions that can be documented in writing, when an investigation is not completed in 45 days.

This section will provide some additional time for the CD to complete investigations and collect the necessary evidence to support investigative conclusions. The CD does not anticipate a fiscal impact as a result of this section.

In 210.183.1, this proposal increases the amount of time the CD has to make every reasonable attempt to complete the investigation from 30 days to 45 days. This proposal changes the exception in this subsection, "except if a child involved in the impending investigation dies, the investigation shall remain open until the division's investigation surrounding the death is completed". This proposal changes this to except that if a child fatality or near fatality is involved in a report of abuse or neglect, then the investigation shall remain open until the circumstances surrounding the death or near fatality is investigated.

In this section, this proposal also extends the amount of time the CD has to provide written notification to the alleged perpetrator of its determination to 90 days or 120 days for a report of abuse or neglect involving sexual abuse.

This section will provide some additional time for the CD to notify the alleged perpetrator of the CD's determination. The CD does not anticipate a fiscal impact as a result of this section.

§210.160 - Guardian ad litem

Officials from the **DSS-CD** state the changes to section 210.160 do not fiscally impact the CD as any costs associated with required training for guardians ad litem would presumably come from sources other than the CD, most presumably the courts and/or attorneys intending to serve the courts and children in this capacity.

§210.211 - In-home licensed child care facilities

Officials from the **DSS-CD** state this section will have no fiscal impact on the CD.

§210.482 - Fingerprint checks

Officials from the **DSS-CD** state the changes to this section will not fiscally impact the CD.

ASSUMPTION (continued)

§334.950 - SAFE CARE

Officials from the **Department of Public Safety (DPS) - Director's Office** state the legislation requires the DPS to establish rules and make payments to SAFE CARE providers, out of appropriations made for that purpose, who provide forensic examinations of persons under eighteen years of age who are alleged victims of physical abuse.

The SAFE program within the Crime Victims Compensation Unit of the DPS received 2,587 claims for suspected sexual assault/rape victims who were under the age of 18 and paid a total of \$1,433,919 to medical providers who performed the sexual assault forensic examination.

In order to provide reimbursement to medical providers for forensic examination of victims of physical abuse, DPS would require the following:

One FTE for a staff person to process claims (Processing Technician, \$25,572 annually) plus related fringe benefits, equipment and expense. Total FY15 costs to the General Revenue (GR) Fund are estimated to be \$39,597; FY16 costs to GR of \$39,651; and FY17 costs to GR of \$40,056.

Officials from the **DSS-CD** state this version adds section 334.950.5, which requires the Department of Public Safety (DPS) to establish rules and make payments to SAFE CARE providers, out of appropriations made for that purpose, who provide forensic examinations for persons under 18 years of age who are alleged victims of physical abuse.

Currently, the DPS has rules in place and makes payments to SAFE CARE providers for forensic examinations for sexual abuse victims under the age of 18.

The CD does not anticipate a fiscal impact as a result of this section.

Bill as a Whole:

Officials from the **Department of Mental Health (DMH)** state the DMH does operate children's programs in two accredited facilities. It is assumed that those facilities would meet or exceed requirements related to buildings and training that the Department of Social Services might develop. Based upon this assumption, the proposal should create no fiscal impact for the DMH. If this assumption proves false, then the DMH would experience an unknown fiscal impact.

ASSUMPTION (continued)

Officials at the **Office of State Courts Administrator**, the **DSS - Division of Legal Services**, and the **Joint Commission on Administrative Rules** each assume the proposal would not fiscally impact their respective agencies.

In response to similar legislation (HCS SS SB 869), officials from the **Office of Attorney General** assumed any potential costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if there is a significant increase in referrals.

Officials from the **Office of Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes this is a small amount and does not expect that additional funding would be required to meet these costs. However, it is also recognized that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE FUND			
<u>Costs - OA-OCA (\$37.710)</u>			
Personal service	(\$40,000)	(\$48,480)	(\$48,965)
Fringe benefits	(\$20,402)	(\$24,727)	(\$24,975)
Equipment and expense	<u>(\$2,729)</u>	<u>(\$352)</u>	<u>(\$359)</u>
Total <u>Costs - OA</u>	<u>(\$63,131)</u>	<u>(\$73,559)</u>	<u>(\$74,299)</u>
FTE Change - OA	1 FTE	1 FTE	1 FTE
 <u>Costs - DPS-FS (\$210.027)</u>			
Personal service	(\$57,860)	(\$70,126)	(\$70,828)
Fringe benefits	(\$29,511)	(\$35,768)	(\$36,126)
Equipment and supplies	<u>(\$77,647)</u>	<u>(\$16,421)</u>	<u>(\$16,831)</u>
Total <u>Costs - DPS-FS</u>	<u>(\$165,018)</u>	<u>(\$122,315)</u>	<u>(\$123,785)</u>
FTE Change - DPS	2 FTE	2 FTE	2 FTE
 <u>Costs - DHSS (\$210.027)</u>			
Personal service	(\$179,400)	(\$130,460)	(\$131,764)
Fringe benefits	(\$91,503)	(\$66,541)	(\$67,206)
Equipment and supplies	(\$59,579)	(\$29,878)	(\$30,623)
LPHA contracts	\$0	<u>(\$277,140)</u>	<u>(\$277,140)</u>
Total <u>Costs - DHSS</u>	<u>(\$330,482)</u>	<u>(\$504,019)</u>	<u>(\$506,733)</u>
FTE Change - DHSS	5 FTE	3 FTE	3 FTE
 <u>Costs - DSS-CD (\$210.027)</u>			
Personal service	(\$312,945)	(\$379,441)	(\$383,235)
Fringe benefits	(\$159,617)	(\$193,534)	(\$195,469)
Equipment and supplies	<u>(\$157,016)</u>	<u>(\$95,186)</u>	<u>(\$97,090)</u>
Total <u>Costs - DSS-CD</u>	<u>(\$629,578)</u>	<u>(\$668,161)</u>	<u>(\$675,794)</u>
FTE Change - DSS-CD	11.72 FTE	11.72 FTE	11.72 FTE
 <u>Costs - OA-ITSD (\$210.027)</u>			
Contract costs for system modifications	(\$342,000)	\$0	\$0
 <u>Costs - OA-ITSD (§§210.145, 210.152, and 210.183)</u>			
System modification costs	(\$9,078)	\$0	\$0

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE FUND (cont.)			
<u>Costs - DPS-DO (\$334.950)</u>			
Personal service	(\$21,310)	(\$25,828)	(\$26,086)
Fringe benefits	(\$10,869)	(\$13,174)	(\$13,305)
Equipment and expense	<u>(\$7,418)</u>	<u>(\$649)</u>	<u>(\$665)</u>
Total <u>Costs - DPS-DO</u>	<u>(\$39,597)</u>	<u>(\$39,651)</u>	<u>(\$40,056)</u>
FTE Change - DPS	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND			
	<u>(\$1,578,884)</u>	<u>(\$1,407,705)</u>	<u>(\$1,420,667)</u>
Estimated Net FTE Change on the General Revenue Fund	20.72 FTE	18.72 FTE	18.72 FTE
FEDERAL FUNDS			
<u>Income - DSS-CD (\$210.027)</u>			
Increase in program reimbursements	\$1,091,522	\$1,158,413	\$1,171,647
<u>Income - OA-ITSD (§§210.145, 210.152, and 210.183)</u>			
System modification reimbursements	\$9,078	\$0	\$0
<u>Costs - DSS-CD (\$210.027)</u>			
Personal service	(\$542,563)	(\$657,849)	(\$664,428)
Fringe benefits	(\$276,734)	(\$335,536)	(\$338,891)
Equipment and expense	<u>(\$272,225)</u>	<u>(\$165,028)</u>	<u>(\$168,328)</u>
Total <u>Costs - DSS-CD</u>	<u>(\$1,091,522)</u>	<u>(\$1,158,413)</u>	<u>(\$1,171,647)</u>
FTE Change - DSS-CD	20.28 FTE	20.28 FTE	20.28 FTE
<u>Costs - OA-ITSD (§§210.145, 210.152, and 210.183)</u>			
System modification costs	<u>(\$9,078)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS			
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change on Federal Funds	20.28 FTE	20.28 FTE	20.28 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
LOCAL GOVERNMENT - LOCAL PUBLIC HEALTH AGENCIES			
<u>Income - LPHAs</u>			
Daycare inspection contract fees	\$0	\$277,140	\$277,140
<u>Costs - LPHAs</u>			
Increase in inspection costs	<u>\$0</u>	<u>(\$277,140)</u>	<u>(\$277,140)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENT - LOCAL PUBLIC HEALTH AGENCIES	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

§210.027 - This proposal will have a negative administrative and fiscal impact on small business child care facilities, whether licensed or registered, as they will be required to attend additional training sessions and meet new safety regulations.

FISCAL DESCRIPTION

This proposal allows the Office of the Child Advocate within the Office of Administration to file any pleadings necessary in order to intervene on behalf of a child at the appropriate judicial level using the resources of the Office of the Attorney General. (Section 37.710)

This proposal modifies provisions relating to rules and requirements by the Department of Social Services for child-care businesses that receive state or federal funds for providing such services.

The new provisions establish increased child care provider training requirements as well as building and physical premises requirements. The Department is required to establish a publicly available website listing provider specific information about health and licensing requirements, inspections and history of violations and compliance actions taken. With assistance from state-wide stakeholders, including child care providers and parents, and statewide advocates, the Department is also required to provide information to establish a transparent system of quality indicators to provide parents with a way to differentiate between child care businesses available in their community. A hotline shall also be established for parents to submit provider complaints. (Section 210.027)

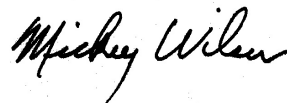
FISCAL DESCRIPTION (continued)

The department of public safety shall establish rules and make payments to SAFE CARE providers, out of appropriations made for that purpose, who provide forensic examinations of persons under eighteen years of age who are alleged victims of physical abuse. (Section 334.950)

This legislation is not federally mandated (however, it would put the Missouri statutes more consistent with federal proposed rule changes governing the Child Care Development Fund in 45 CFR 98), would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Attorney General
Office of State Courts Administrator
Department of Mental Health
Department of Health and Senior Services
Department of Social Services -
 Children's Division
 Division of Legal Services
Department of Public Safety -
 Director's Office
 Division of Fire Safety
Joint Commission on Administrative Rules
Office of Administration -
 Office of Child Advocate
 Information Technology Services Division
Office of Secretary of State



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