

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5327-05
Bill No.: HCS for SS for SCS for SB 801
Subject: Guardians; Attorneys; Children and Minors; Children's Division; Family Law;
Social Services Department
Type: Original
Date: May 12, 2016

Bill Summary: This proposal Establishes the Supporting and Strengthening Families Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(\$0 to \$221,418)	(\$0 to \$265,702)	(\$0 to \$265,702)
Total Estimated Net Effect on General Revenue	(\$0 to \$221,418)	(\$0 to \$265,702)	(\$0 to \$265,702)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Criminal Records	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	Unknown	Unknown	Unknown

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* Savings and losses \$0 to exceeding \$200,000 annually and net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§210.565 - Kinship Placement

Officials from the **Department of Social Services (DSS)** state in section 210.565.2, this proposal adds a definition for “kin” or “kinship” to mean a person who is not related by blood, marriage, or adoption who has a close relationship with the child or child’s family, including a godparent, neighbor, teacher, close family friend, fellow church member, or a person who has a close relationship with the child or the child’s family and is related to the child by blood or marriage beyond the third degree of consanguinity or affinity.

In section 210.565.8, current law provides an exception on a case by case basis in which non-safety related requirements may be waived for grandparents or other relatives in regard to foster care licensure. This bill adds "kin" to that provision.

Federal IV-E requirements only allow waivers for relatives. This change could impact DSS’ federal IV-E funding. Federal law does not allow non-safety waivers for children to be placed in kinship homes and thus DSS would not be able to claim IV-E funding for them.

As a result, children who were previously eligible for IV-E funding would no longer be eligible and would become state funded, increasing the need for General Revenue.

The **Children’s Division (CD)** anticipates that there could be the loss of federal IV-E funding as a result of this legislation. The losses could affect funding for Foster Care, Adoption Assistance, Adoption Incentives, Chafee and Guardianship. As of February 2016, there were 473 children in unlicensed kinship homes. With this change in law, CD assumes the number of children would increase by 25% or 118. Based on the FY 2015 Foster Care maintenance rate for ages 6-12 with the professional parenting payment, the total cost of the additional children is \$635,784 (\$5,388 x 118). With the assumption CD will lose the FMAP rate (63.32%) of the eligibility rate (66%) of the \$635,784, it is estimated the impact to General Revenue would be \$0 to \$265,702.

Oversight assumes the General Assembly would replace the lost federal IV-E funds with General Revenue funds to continue the program. Oversight also assumes lost funds for FY 2017 would be for 10 months.

ASSUMPTION (continued)

§475.602 - Fingerprint-Based Background Checks

Officials from the **Department of Public Safety (DPS), Missouri State Highway Patrol (MHP)** state subsection 6 of section 475.602 requires a community service program that offers support services for families in crisis under this section to ensure that a fingerprint-based background check, a sex offender registry check and a child abuse and neglect registry check is completed for the attorney-in-fact and any adult members of his or her household prior to the placement of the child. Community service programs offering support services for families in crisis would be eligible to apply to the Missouri Volunteers and Employees Criminal History Service to obtain the state and federal fingerprint-based criminal background check. A check of the sex offender registry is included with a fingerprint-based background check through the central repository.

The Criminal Justice Information Services (CJIS) Division is unable to determine the expected number of fingerprint-based background checks to be completed on attorney-in-facts or any adult members of the household prior to the placement of the child. However, the cost for a fingerprint-based background check, to include state and federal open and closed records, is as follows:

State fee:	\$20.00
FBI fee:	\$14.75
Applicant fingerprinting vendor fee:	<u>\$ 8.30</u>
Total fee per applicant:	\$43.05

Of these amounts, the state retains the \$20 state fee and \$2 of the federal charge of \$14.75 for a pass thru fee. The \$8.30 charge is paid directly to the vendor at the time of application.

Officials from the **Department of Social Services (DSS), Division of Youth Services, Children's Division,** and **Family Support Division** assume the proposal would not fiscally impact their agency.

Bill as a Whole

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Office of State Courts Administrator** assume the proposal would not fiscally impact their agency.

ASSUMPTION (continued)

In response to an earlier version of this proposal, officials from the **Office of Secretary of State (SOS)** stated many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS 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 that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes 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 with the 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.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
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GENERAL REVENUE FUNDS

Costs - DSS (§210.565)

Replacement of lost IV-E funds due to non-safety waivers for kinship placements	<u>(\$0 to \$221,418)</u>	<u>(\$0 to \$265,702)</u>	<u>(\$0 to \$265,702)</u>
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**ESTIMATED NET EFFECT ON
GENERAL REVENUE FUNDS**

<u><u>(\$0 to \$221,418)</u></u>	<u><u>(\$0 to \$265,702)</u></u>	<u><u>(\$0 to \$265,702)</u></u>
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CRIMINAL RECORDS FUND

Income - MHP (§475.602)

Increase in background check fees	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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**ESTIMATED NET EFFECT ON THE
CRIMINAL RECORDS FUND**

<u><u>Unknown</u></u>	<u><u>Unknown</u></u>	<u><u>Unknown</u></u>
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<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
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FEDERAL FUNDS

Savings - DSS (§210.565)

Reduction in IV-E funds used	\$0 to \$221,415	\$0 to \$265,702	\$0 to \$265,702
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Loss - DSS (§210.565)

Reduction in eligibility for IV-E funds for non-safety waivers for kinship placements	<u>(\$0 to \$221,418)</u>	<u>(\$0 to \$265,702)</u>	<u>(\$0 to \$265,702)</u>
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**ESTIMATED NET EFFECT ON
FEDERAL FUNDS**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

§210.565 - This bill defines the word "kin" to be a person who is not related by blood, marriage, or adoption who has a close relationship with the child or the child's family, including a godparent, neighbor, teacher, close family friend, fellow church member, or a person who has a close relationship with the child or the child's family is related to the child by blood or marriage beyond the third degree of consanguinity or affinity. The bill adds kin to the individuals for whom standards for licensure not related to safety waived for specific children in care if the standards would otherwise impede licensing of the kin's home.

§475.602 - This act may be known as the "Supporting and Strengthening Families Act." It provides that during a child protective investigation if the child is at risk for possible removal the Children's Division shall provide information to the parent about community service programs that provide support services for families in crisis.

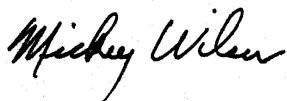
FISCAL DESCRIPTION (continued)

Community service programs for families in crisis must conduct a background check of an attorney-in-fact and any adult members of his or her household prior to the placement of the child.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety -
 Missouri State Highway Patrol
Department of Social Services -
 Children's Division
 Division of Legal Services
 Division of Youth Services
 Family Support Division
Joint Committee on Administrative Rules
Office of State Courts Administrator
Office of Secretary of State



Mickey Wilson, CPA
Director
May 12, 2016

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Assistant Director
May 12, 2016