

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5434-01
Bill No.: Perfected SB 850
Subject: Children and Minors; Children’s Division; Social Services Department
Type: Original
Date: March 21, 2018

Bill Summary: This proposal modifies provisions of law relating to child protection and reformation, vital statistics, and adoption and foster care.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	(\$182,980)	(\$192,603)	(\$194,522)
Total Estimated Net Effect on General Revenue	(\$182,980)	(\$192,603)	(\$194,522)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 11 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* Income and expenses exceed \$100,000 annually and net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	3.25	3.25	3.25
Federal	1.75	1.75	1.75
Total Estimated Net Effect on FTE	5	5	5

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 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Senate Amendment 1

§193.265 - Free certificates for certain children

Officials from the **Department of Health and Senior Services (DHSS)** state section 193.265.1 of this proposed legislation states no fee shall be required or collected for a certification of birth, death, or marriage if the request is made by the Children's Division (CD) or the Division of Youth Services (DYS) on behalf of a child who has come under juvenile court jurisdiction per section 211.031. Per Section 193.265, RSMo, DHSS receives a fee of \$15 for each certified birth certificate, marriage and divorce statement issued. The fees are distributed into General Revenue (\$4), the Children's Trust Fund (\$5), the Endowed Care Cemetery Audit Fund (\$1) and the Missouri Public Health Services (MOPHS) Fund (\$5).

The DHSS began issuing one free copy of a certified birth certificate to the CD on behalf of a child in foster care starting August 2017. Prior to this date, DHSS issued non-certified administrative use copies only upon the request of the CD. These were provided free of charge and DHSS would recoup the cost of issuance once a certified copy was requested.

The total requests from the Children's Division have increased, on average, 5 percent each year since 2015. Given that this proposed legislation will require DHSS to also provide a free certified copy of deaths and marriages to the CD, a free certified copy of births, deaths, and marriages to the DYS, and the legislation contains no provisions for limiting the number of copies requested per individual under jurisdiction, DHSS estimates a 30 percent increase in requests once the legislation becomes effective. In subsequent years, DHSS anticipates the continued 5 percent increase. As of December 15, 2017, DHSS has received 3,413 requests from the Children's Division for 2017. Using 2017 data as a base, DHSS estimates 4,437 (3,413 requests x 30% increase = **1,024** + 3,413 = 4,437) requests for FY 2019; 4,659 (4,437 x 5% increase = **222** + 4,437 = 4,659) requests for FY 2020; and 4,892 (4,659 x 5% = **233** + 4,659 = 4,892) requests for FY 2021. This equates to a difference from current issuance of 1,024 certificates for FY 2019, 1,246 certificates for FY 2020 (1,024 + 222), and 1,479 certificates for FY 2021 (1,024 + 222 + 233).

The fees collected on certified copies are deposited into the MOPHS fund (\$5 per certificate) and are allocated to the Bureau of Vital Records for program operations. MOPHS revenue supports the maintenance of Missouri's electronic birth and death registration system (MoEVR), staff to process all requests, and specialized print paper. The maintenance of the MoEVR system is critical for the accurate and timely processing of Missouri birth and death certificates and Bureau of Vital Records staff have a current back log of eight weeks. The revenue lost from issuing these additional certificates necessitates the need to seek general revenue funds to supplant the loss.

ASSUMPTION (continued)

	General Revenue (\$4/certificate)	Children’s Trust Fund (\$5/certificate)	Endowed Care Cemetery Audit Fund (\$1/certificate)	Missouri Public Health Services (MOPHS) Fund (\$5/certificate)
FY 2019 (1,024 certificates)	\$4,096	\$5,120	\$1,024	\$5,120
FY 2020 (1,243 certificates)	\$4,984	\$6,230	\$1,246	\$6,230
FY 2021 (1,479 certificates)	\$5,916	\$7,395	\$1,479	\$7,395

With the expected increase in requests, coupled with the current back-log of requests to all customers (eight week turn-around), the additional requests necessitates the need for 0.5 FTE of a Senior Office Support Assistant (\$26,340 annually) to process the requests within a timely manner. Processing entails reviewing the application and making a determination on whether the applicant has provided sufficient information to identify the record, and either reject the application or issue the certified copy. Without additional staff, the back-log of requests will increase the turn-around time to all customers significantly.

The DHSS estimates the fiscal impact of this proposal to the General Revenue Fund to be a cost plus the loss of certificate revenue of \$44,125 for FY 2019; \$43,531 for FY 2020; and \$46,043 for FY 2021. In addition, there will be a loss of certificate revenue to the Children’s Trust Fund, the MOPHS fund and the Endowed Care Cemetery Fund for each year.

Officials from the **Department of Social Services (DSS)** state this bill modifies section 193.265 subsection 1 by prohibiting any fee from being required or collected for a certification of birth, death or marriage if the request for certification is made by the Children’s Division or Division of Youth Services (DYS) on the behalf of a child who has come under the jurisdiction of the juvenile court under Section 210.031.

The Children’s Division (CD) is not currently being charged for certification of birth, death or marriage, for children in Division custody. This legislation would not create a fiscal or programmatic impact for the CD. However, currently, the DYS is charged \$15 per birth certificate. The DYS requests no more than 100 birth certificates a year for youth in its custody. Therefore, if this legislation is enacted, the DYS would have a cost savings of up to \$1,500 per year.

Oversight assumes savings up to \$1,500 for the DSS, DYS to be minimal and will not present these savings for fiscal note purposes.

ASSUMPTION (continued)

Oversight notes, based on discussions with Department of Social Services personnel, of the number of children that are under the care and control of the department, very few are under the “jurisdiction of the juvenile court” as provided for in 193.265.1 of the proposal. Therefore, Oversight assumes DHSS will not have a significant increase in the number of certificates it issues to the Children’s Division or Division of Youth Services and will not need additional personnel or resources. Oversight assumes the additional expenses incurred (or offsetting savings) as a result of providing certificates provided to the CD and DYS will be absorbable within current funding levels.

Senate Amendment 2

Officials from the **Department of Health and Senior Services** and the **Department of Social Services** each assume the proposal would not fiscally impact their respective agencies.

Senate Amendment 3

Officials from the **Department of Social Services** assume the proposal would not fiscally impact their agency.

In response to similar legislation (SCS SB 890/FN 5820.03), officials from the **Office of State Public Defender (SPD)** stated, for the purpose of this proposed legislation, the SPD cannot assume that existing staff will provide competent, effective representation for any new cases where indigent persons are charged with the proposed new crime of not preserving information with regard to a child abuse case, a new Class A misdemeanor.

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

Officials from the **Missouri Office of Prosecution Services** assume the proposal would not fiscally impact their agency.

In response to a similar proposal, SCS for SB 890 (LR 5820-03), officials from the **St. Louis City** and **Phelps County Circuit Clerks** offices did not respond to **Oversight’s** request for a statement of fiscal impact.

ASSUMPTION (continued)

Senate Amendment 4

Officials from the **Department of Social Services (DSS), Children's Division (CD) and Division of Legal Services (DLS)** state in section 210.145 subsection 4, this bill allows the CD to accept an investigation or family assessment if either the child or the alleged perpetrator resides in Missouri, may be found in Missouri, or if the incident occurred in Missouri.

Subsection 5 allows the CD to accept a report if the child has recently resided in Missouri, but he or she is currently located in another state and the reported incident occurred outside of Missouri.

If the report appears credible, the CD shall immediately communicate such report to the appropriate agency or agencies in the state where the child is believed to be located along with any relevant information as may be contained in the division's information system.

Subsection 22 in section 210.145 provides that nothing in this section shall prohibit the CD from coinvestigating a report of child abuse or neglect or from sharing records and information with designees as determined appropriate under the standard set forth in subsection 4 of section 210.150 and when such receiving agency is exercising its authority under the law.

A new subsection 4 is added to Section 210.150. This new subsection allows the CD to share any records, information, and findings with designated entities in the performance of his or her official duties upon a reasonable belief that such information is needed to protect a child from abuse or neglect or to assist such agency in providing child welfare services.

Such information may include, but is not limited to:

- substantiated or unsubstantiated reports of abuse or neglect;
- family assessments, and
- any other documents or information the division deems necessary for another agency to have access to in order to protect a child.

Unsubstantiated reports may be shared only if the CD reasonably believes the receiving entity will prevent the unauthorized dissemination of the information contained therein.

The CD currently takes reports when either the child or alleged perpetrator resides in Missouri, may be found in Missouri, or if the incident occurred in Missouri. The Division may also accept a report if the child resides in Missouri or is currently residing outside of Missouri and the incident occurred inside Missouri.

ASSUMPTION (continued)

Missouri does not currently accept reports on a child that is currently living outside of Missouri and the incident occurred outside of Missouri, but the child once lived in Missouri.

In calendar year 2017, the CD's Child Abuse and Neglect Hotline Unit (CANHU) documented 437 calls that were not taken (investigated) due to the alleged victim and alleged perpetrator not living in the State of Missouri. In fiscal year 2017, an additional 106 calls were taken (investigated) giving a total of 543 out-of-state calls. Based on the number of additional calls, no additional CANHU staff would be needed (based on a 15 call per day average workload).

If this legislation does pass, it is assumed there would be a 25% increase in call volume (543 out-of-state calls * 0.25 = 136 calls, rounded up). This would result in an additional 679 reports to be investigated annually (543 calls + 136 calls = 679 calls). This would result in the need for an additional 5 field staff investigators based on a 12 case workload per month per FTE (679 calls/investigations / 12 cases per month / 12 months = 4.72 FTE, rounded to 5 FTE).

Investigating incidents that did not occur within this state would also create jurisdictional problems with courts, law enforcement and other multi-disciplinary team members.

Oversight has, for fiscal note purposes only, changed the starting salary for the Children's Service Worker to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

Oversight notes in response to proposals from the current session in which agencies have requested additional rental space the Office of Administration (OA), Division of Facilities Management, Design and Construction (FMDC) has provided that additional space in leased facilities for additional staff in the Cole County area is estimated at 230 sq. ft. per FTE times \$17.50 per sq. ft., or \$4,025 annually per FTE. These costs are building lease cost, fuel and utilities, and janitorial services. The assumption for the need for larger space and/or in other regions of the state, or possible new construction space, would be a higher cost per sq. ft. (estimated at \$24.50 per sq. ft.).

NOTE: In response to a similar proposal, SB 858 (LR 5538-01), DSS officials provided information stating that their original proposal for legislation relating to CA/N reports did not include the language about DSS accepting reports if the child has recently resided in the state but is currently located in another state and the incident occurred in that state. If this language is removed it would eliminate the need for additional Children's Division staff and the fiscal impact of the proposal would be \$0.

ASSUMPTION (continued)

In response to similar legislation from the current session (SCS SB 858/FN 5538.03), officials from the **Office of State Public Defender** assumed the proposal would not fiscally impact their agency.

Senate Amendment 5

Officials from the **Department of Social Services** assume no fiscal impact from this proposal.

§210.152 - Retention of CA/N investigation reports

Officials from the **Department of Social Services** assume the proposal would not fiscally impact their agency.

Officials from the **Office of Administration (OA), Information Technology Services Division (ITSD)/DSS** state changes would have to be made to the expungement process in the Family and Children's Electronic System (FACES).

ITSD assumes that every new IT project/system will be bid out because all ITSD resources are at full capacity. The current contract rate for IT consultants is \$75 per hour. It is estimated this proposal will take 172.80 hours at a cost of \$12,960 (172.80 X \$75), split 50/50 between General Revenue (GR) and federal funds.

Oversight assumes OA, ITSD/DSS can absorb this minimal increase in workload and expense within current resources; GR (\$6,480)/Federal funds (\$6,480).

Bill as a whole

Officials from the **Office of Attorney General (AGO)** assume any potential costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation.

Officials from the **Office of State Courts Administrator (CTS)** indicate there may be some impact but there is no way to quantify that impact at the present time. Any significant changes will be reflected in future budget requests.

Officials from the **Department of Public Safety, Missouri State Highway Patrol** assume the proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
<u>Costs - DSS (§§210.145 & 210.150)</u>			
SA #4			
Personal services	(\$85,659)	(\$103,816)	(\$104,857)
Fringe benefits	(\$54,658)	(\$65,895)	(\$66,204)
Equipment and expense	(\$42,663)	(\$22,889)	(\$23,461)
Total <u>Costs - DSS</u>	<u>(\$182,980)</u>	<u>(\$192,600)</u>	<u>(\$194,522)</u>
FTE Change - DSS	3.25 FTE	3.25 FTE	3.25 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND			
	<u>(\$182,980)</u>	<u>(\$192,600)</u>	<u>(\$194,522)</u>
Estimated Net FTE Change on the General Revenue Fund			
	3.25 FTE	3.25 FTE	3.25 FTE
FEDERAL FUNDS			
<u>Income - DSS (§§210.145 & 210.150)</u>			
SA #4			
Increase in program reimbursements	\$98,492	\$103,662	\$104,697
<u>Costs - DSS (§§210.145 & 210.150)</u>			
SA #4			
Personal services	(\$46,095)	(\$55,867)	(\$56,426)
Fringe benefits	(\$29,423)	(\$35,471)	(\$35,638)
Equipment and expense	(\$22,974)	(\$12,324)	(\$12,633)
Total <u>Costs - DSS</u>	<u>(\$98,492)</u>	<u>(\$103,662)</u>	<u>(\$104,697)</u>
FTE Change - DSS	1.75 FTE	1.75 FTE	1.75 FTE
ESTIMATED NET EFFECT ON FEDERAL FUNDS			
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change on Federal Funds			
	1.75 FTE	1.75 FTE	1.75 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

Senate Amendment 3

Any person served with an investigative demand or subpoena under this act shall preserve the information requested until produced or until further ordered by the court. Any person who knowingly violates this provision shall be guilty of a Class A misdemeanor.

Senate Amendment 4

Under this act, the Children's Division may accept a report for investigation or family assessment if either the child or alleged perpetrator resides in Missouri, may be found in Missouri, or if the incident occurred in Missouri. The Division may also accept a report if the child recently resided in Missouri but is currently located in another state and the reported incident occurred outside of Missouri. The Division shall immediately communicate the report and any relevant information to the appropriate agencies in the state where the child is believed to be located.

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 Social Services

Division of Youth Services

Children's Division

Division of Legal Services

Office of Administration -

Information Technology Services Department/DSS

General Services

Office of State Courts Administrator

SOURCES OF INFORMATION (continued)

Department of Health and Senior Services
State Public Defender's Office
Office of the Attorney General
Department of Public Safety -
 Missouri Highway Patrol
Missouri Office of Prosecution Services

Ross Strobe

A handwritten signature in black ink, appearing to read "Ross Strobe", with a stylized flourish at the end.

Acting Director
March 21, 2018