

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: HB588

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: LaRock

3. Committee: Health, Welfare, and Institutions

4. Title: Abused or neglected child; definition.

5. Summary: Expands the definition of "abused or neglected child" to include any child whose parent or caregiver, by other than accidental means, exposes the child to a traumatic event that results in harm to the child's psychological or emotional health or development.

6. Budget Amendment Necessary: No, since the magnitude cannot be determined. See Item 8.

7. Fiscal Impact Estimates: Indeterminate. See Item 8.

8. Fiscal Implications: This legislation requires that the definition of abused or neglected children be expanded to include exposure to a "traumatic event" that results in harm to a child's psychological or emotional health or development. The bill does not specifically define "traumatic event", but the American Psychological Association (APA) routinely defines the following events as "traumatic": "sexual abuse, physical abuse, domestic violence, community and school violence, medical trauma, motor vehicle accidents, acts of terrorism, war experiences, natural and human-made disasters, suicides, and other traumatic losses."¹ This list is not all-inclusive. Without a definition of "traumatic event" in the bill, it is impossible to quantify a fiscal impact on this bill.

Because the Department of Social Services (DSS) cannot determine how many children, on average, experience a traumatic event that is not included in the current definition of abused or neglected children, a conservative cost estimate is provided for illustrative purposes only for each one percent increase in referrals and the corresponding assessments or investigations.

During FY 2017, the Department received 83,145 CPS referrals, of which 39,105 or 47 percent (39,105/83,145) were investigated. Assuming the number of CPS referrals increases by one percent due to the legislation, it is estimated that LDSS will receive 831 (83,145 x 1%) new referral/reports. Since 47 percent of referrals resulted in either a Family Assessment or CPS investigation, 391 (831 x 47%) new assessments or investigations are projected.

¹ <http://www.apa.org/pi/families/resources/children-trauma-update.aspx>

Considering all of the requirements to respond to a valid referral, the Department estimates that each CPS assessment or investigation requires an average of 50 hours to respond. Based on this, 19,542 (391 cases x 50 hours per case) additional local staff hours will be required to validate these reports. Given 1,500 productive hours per local staff person annually, the equivalent of 13 (19,542/1,500) additional local department staff is required. The average annual cost, including salary, benefits, and nonpersonal services of employing a local CPS worker is \$88,535, for a total estimated cost of \$1,150,953 (13 x \$88,535) for the first year and \$1,083,847 (\$915,851 general fund and \$167,996 local match) each year thereafter. Local match requirements are currently set at 15.5 percent. One-time costs of \$67,106 for new employee on-boarding are included in the first year totals.

To the extent the final definition of “traumatic event” results in more than a one percent increase in CPS referrals, this illustration would need to be revised accordingly.

9. Specific Agency or Political Subdivisions Affected: Department of Social Services, local departments of social services

10. Technical Amendment Necessary: No.

11. Other Comments: None.