

Department of Planning and Budget

2019 Fiscal Impact Statement

1. Bill Number: HB2597-H1

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Herring

3. Committee: Appropriations

4. Title: Child abuse and neglect report or complaint; victims of sex trafficking; custody.

5. Summary: Provides that a valid report or complaint of child abuse or neglect where a local department of social services has evaluated the allegations and determined that the local department shall conduct a sex trafficking assessment may be established if the alleged victim has been identified as a victim of sex trafficking or severe forms of trafficking and the abuser is the victim's parent, other caretaker, or any other person suspected to have caused such abuse and neglect. The bill requires the local department, when responding to such complaint, to perform a sex trafficking assessment. The bill also allows a child-protective services worker of a local department responding to such complaint to take the child victim into custody and allows the local department to maintain custody of the child for up to 72 hours without prior approval of a parent or guardian. This bill is a recommendation of the Virginia State Crime Commission.

6. Budget Amendment Necessary: Yes.

7. Fiscal Impact Estimates:

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2019	-	-
2020	\$80,151	General*
	\$20,359	Nongeneral
2021	\$68,174	General
	\$15,387	Nongeneral
2022	\$68,174	General
	\$15,387	Nongeneral
2023	\$68,174	General
	\$15,387	Nongeneral
2024	\$68,174	General
	\$15,387	Nongeneral
2025	\$68,174	General
	\$15,387	Nongeneral

* Included in the general fund dollar amount is \$14,091 annually for the Office of Children's Services. There is also an annual local match increase of \$14,686.

- 8. Fiscal Implications:** This legislation requires Child Protective Services (CPS) within the local departments of social services (LDSS) to complete a sex trafficking assessment for all reports of child sex trafficking. The bill also allows the LDSS to maintain custody of the child for up to 72 hours after receiving a CPS complaint or report. The primary costs associated with this legislation are local staff time and increased foster care maintenance payments.

This bill creates a new type of assessment to be completed by the LDSS. This new assessment, referred to as a sex trafficking assessment, is estimated to take a total of 25 hours by the Department of Social Services (DSS), based on the type and number of requirements laid out in the bill. An average sex trafficking assessment is assumed to include five direct local staff hours with the family, including the initial crisis intervention and home visits. The additional 20 hours are estimated to be spent on case management follow up hours, including referrals to services, referral follow ups, and follow up with the family. DSS estimates that each family assessment or investigation requires an average of 50 hours to respond, if either is required.

In FY 2017, the DSS identified 21 victims of child sex trafficking who were involved in the child welfare system, of which, the LDSS conducted four investigations involving allegations of sex trafficking. Under this legislation, all victims of child sex trafficking would require a sex trafficking assessment by a LDSS, and some cases may be referred for family assessments or investigation. In addition, because this bill broadens the definition of alleged abuser to include any other person suspected to have caused such abuse or neglect, this estimate includes a 13 percent increase over the prior year for a total of 24 (21×1.13) reports of sex trafficking requiring an investigation or assessment. That increase is based on trafficking statistics reported by the Polaris Project. Using departmental statistics, it is also estimated that 67 percent or 16 children would be in need of temporary custody for up to 72 hours.

Since DSS estimates that each sex trafficking assessment will require an average of 25 hours to complete, a total of 500 ($[24-4 \text{ cases already conducted}] \text{ cases} \times 25 \text{ hours per case}$) additional local staff hours will be required to validate these sex trafficking reports to LDSS. Furthermore, it is estimated that after the LDSS conducts a sex trafficking assessment, approximately 10 percent of the 20 victims will also require a family assessment or investigation. Therefore, 100 ($[20 \times 10\%] \times 50 \text{ hours per case}$) additional hours of local staff time is required conduct a family or investigation. A total of 600 (500 hours + 100 hours) additional local staffing hours are required as a result of this legislation. Given 1,500 productive hours per local staff annually, the equivalent of 0.4 ($600/1,500$) additional local departmental staff is required. The average annual cost, including salary, benefits, and nonpersonal services of employing a local CPS worker used for this analysis is \$84,180 for a total estimated annual cost of \$33,672 ($.4 \times \$84,180$). In addition, it takes an average of 13.5 hours of staff time per child per placement. This equates to \$12,122 ($[13.5 \text{ hours} \times \$56.12 \text{ Family Services Specialists hourly rate}] \times 16 \text{ new temporary placements}$) of additional costs

for temporary placements. Total local staff time as a result of this bill is estimated to be \$45,794 (\$33,672 + \$12,122).

Furthermore, because this legislation also allows the LDSS to maintain custody of the child for up to 72 hours, maintenance payments will increase. Given the average maintenance cost of \$202.26 for three days of care, this would result in an increase in temporary custody costs of \$3,236 ($\202.26×16). Based on departmental statistics, it is also estimated that 10 percent or two of the children would be placed in foster care. Using the average annual cost per child of \$24,608 for foster care, total foster care payments are estimated at \$49,216 ($\$24,608 \times 2$ children). Total maintenance costs related to this legislation are estimated to be \$52,452 ($\$3,236 + \$49,216$).

Because this legislation creates a new type of assessment, there will be one-time systems costs to modify OASIS, the agency's child welfare information system. Modifications to the system's referral screens are necessary and will take an estimated 226 hours to develop, analyze, and test the changes. At an average blended rate of \$75 per hour for developers, total systems costs are \$16,950 ($\75×226).

The total estimated ongoing cost of this legislation is \$98,247 (\$15,387 federal funds, \$68,174 general funds, and \$14,686 local match). The general fund amount includes \$14,091 for the Office of Children's Services for state foster care placement. First year costs include an additional \$16,950 (\$4,972 federal funds, \$11,978 general fund) to fund the systems modifications.

9. Specific Agency or Political Subdivisions Affected: Department of Social Services, local departments of social services, Juvenile and Domestic Relations Courts, Office of Children's Services

10. Technical Amendment Necessary: No.

11. Other Comments: None.