

## Department of Planning and Budget 2008 Fiscal Impact Statement

**1. Bill Number:** HB 1131

House of Origin      X      Introduced                  Substitute                  Engrossed  
Second House                 In Committee              Substitute                  Enrolled

**2. Patron:**        Fralin

**3. Committee:** General Laws

**4. Title:**         Office of the Children's Ombudsman

- 5. Summary:** This legislation would create an Office of the Children's Ombudsman as an executive branch agency to provide ombudsman services, including investigation of complaints, advocacy, and the provision of information for children, parents, and citizens involved with child-serving agencies. The ombudsman would be appointed by the Governor and serve an initial appointment of one year following the expiration of the Governor's term, after which the ombudsman would serve a four-year term.

The bill also contains two enactment clauses. The first stipulates that Office of the Children's Ombudsman would phase-in the scope of its responsibilities and investigations over a three year period. The second requires the Office of the Governor to conduct a needs assessment of resources and work with the Division of General Services to provide for the office space needs of the Office of the Children's Ombudsman.

**6. Fiscal Impact Estimates:** Preliminary

**Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2008	-	-	-
2009	\$314,492	4.0	General
2010	\$676,940	8.0	General
2011	\$820,740	10.0	General
2012	\$820,740	10.0	General
2013	\$820,740	10.0	General
2014	\$820,740	10.0	General

**7. Budget Amendment Necessary:** Yes, new item.

- 8. Fiscal Implications:** The proposed legislation phases-in the responsibilities of the ombudsman over the next three years. Initially the office is only required to accept and investigate complains from the Department of Social Services and Department of Juvenile Justice. Its scope will expand in FY 2010 to include the Department of Mental Health, Mental Retardation and Substance Abuse Services, the Department of Education, and the Department of Correctional Education. In FY 2011, the Office of Children's Ombudsman will accept and investigate complaints related to any child-serving agency or any program,

service or facility licensed, funded or operated by a child-serving agency. The fiscal impact and staffing reflect the staggered start of the office.

In FY 2009, the office will require the services of four full-time positions, including a director, office assistant, as well as two human services analysts. This staffing level should ensure that the office is able to be established, provide preliminary outreach, and respond to any initial investigations. It is likely that additional staff will be needed in FY 2010 as the office's role expands to include three large and complex child-serving agencies. The fiscal estimate assumes that three additional human services analysts and another office assistant would be added. As the office's role is further expanded in FY 2011, it is estimated that it would require the services of two additional human services analysts. The following table summarizes the staffing services associated with this proposal.

<b>Positions</b>	<b>Annual Salary (Including Benefits)*</b>		
	<b>FY 2009**</b>	<b>FY 2010</b>	<b>FY 2011</b>
Director	\$82,701	\$111,300	\$111,300
Office Services Specialist(s)	\$36,453	\$98,640	\$98,640
Human Services Analyst(s)	\$110,338	\$372,000	\$520,800
<b>Total</b>	<b>\$229,492</b>	<b>\$581,940</b>	<b>\$730,740</b>

\*Does not include salary increases; such funding would be provided centrally.

\*\*Assumes 18 pay periods of compensation since it is unlikely that any positions would be hired and in place by July 1, 2009.

It is also assumed that the Office of Children's Ombudsman would also incur costs associated with operating as a separate agency. Based on agencies of comparable size, it is assumed that the office would require an estimated \$45,000 for rent costs each year. In addition, the initial cost of furniture and equipment for each new employee is estimated at \$7,500 the first year and \$2,500 each subsequent year. The office is also responsible for disseminating reports, information and best practices. An additional, \$10,000 each year would be needed to cover these costs.

<b>Nonpersonal Services</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
Office Space	\$45,000	\$45,000	\$45,000
Furniture/Equipment	\$30,000	\$40,000	\$35,000
Publishing/Information	\$10,000	\$10,000	\$10,000
<b>Total</b>	<b>\$85,000</b>	<b>\$95,000</b>	<b>\$90,000</b>

The fiscal implications of this legislation will need to be revisited before FY 2011, when the office is expected to investigate complaints from child-serving agencies statewide. The staffing estimates are extremely tentative and will rely heavily on the number and complexity of complaints received by the office.

#### **9. Specific Agency or Political Subdivisions Affected:**

Department of Social Services

Department of Juvenile Justice

Department of Mental Health, Mental Retardation and Substance Abuse Services

Department of Education

Department of Correctional Education

Any child-serving agency or any program, service or facility licensed, funded or operated by a child-serving agency

**10. Technical Amendment Necessary:** None

**11. Other Comments:** This bill is a companion to SB 315.

**Date:** 1/15/2008

**Document:** G:\2008 Fiscal Year\08 Session\Fis\Hb1131.Doc

cc: Secretary of Health and Human Resources  
Secretary of Public Safety  
Secretary of Education