

## Department of Planning and Budget 2009 Fiscal Impact Statement

**1. Bill Number:** SB 1413

House of Origin	<u>  X  </u>	Introduced	<u>      </u>	Substitute	<u>      </u>	Engrossed
Second House	<u>      </u>	In Committee	<u>      </u>	Substitute	<u>      </u>	Enrolled

**2. Patron:** Edwards, John S.

**3. Committee:** Rehabilitation and Social Services

**4. Title:** Elder or dependent adult abuse; requires financial institution to report suspected financial abuse

**5. Summary:** The bill requires employees of banks and trust companies, savings banks, building and loan associations, savings and loan companies or associations, and credit unions to report the suspected financial abuse of elder or dependent persons, based on information obtained in their professional or official capacity.

**6. Minimal Fiscal Impact**

**7. Budget Amendment Necessary:** No

**8. Fiscal Implications:** The costs associated with educating, notifying, and training financial institutions of the reporting requirements should be negligible since the education of mandated reporters is an ongoing function of the adult protective services (APS) program with numerous brochures and training materials already available. Information is also provided on the agency website. Many community organizations and employers will continue to assist with notification to mandated reporter groups by providing information through new employee orientation, newsletters, conferences, and membership mailings.

The department does not have sufficient data to accurately estimate the additional number of reports that may be received by local departments as a result of this legislation. In FY 2008, there were 14,314 APS reports in the Commonwealth. Of the reported cases 12,150, were investigated and 7,482 were found to be substantiated cases of adult abuse, neglect or exploitation. Of these substantiated cases, 670 involved some type of financial exploitation.

There are no reliable means of estimating how financial institutions would respond to this change and what the resultant impact would be on APS reports. It can be assumed that there would be an increase in reports, the extent of which is unknown. The costs of the additional investigations and provision of services to these adults would vary depending on the needs of each individual case. Further, these costs would be spread across 120 local departments of social services, which differ in the number of cases that they serve, depending on the demographics and priorities of the locality. It is assumed that the increased reports would not be equally distributed across the state; that the larger local departments would be better able to absorb any increases; and that the impact on any one local department would be minimal.

**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

**Date:** 1/22/2009

**Document:** G:\2009 Fiscal Year\EFIS\SB1413.Doc