

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: HB 445

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: Toscano, David J.

3. Committee: Courts of Justice

4. Title: Adoption; various changes to procedures

5. Summary: The proposed legislation changes several general provisions of adoptions related to matters of consent to the adoption. Major provisions include:

- Expanding jurisdiction of the Juvenile and Domestic Relations (JDR) court judges related to reviewing the Commissioner's decision to grant or deny a variance for the adoptive home approval requirements; and providing assistance with execution of a consent to an adoption.
- Criteria related to requirements for birth parents' consent and notice provisions to parents about any hearings related to the adoption.
- Allowing the court to consider medical evidence in establishing the date of birth for a child born in and adopted from a foreign country, whose date of birth is unknown.
- Changing the time period for revocations of an entrustment to adopt to seven days from the signing of the entrustment and further limits the birth parents ability to revoke a second entrustment.
- Adding a new section requiring child placing agencies to approve prospective adoptive homes when the home meets all criteria and allowing the adoptive parents to request a variance first from the local departments of social services (LDSS), with an appeal to the Commissioner and the JDR courts.

6. Budget Amendment Necessary: Yes

7. Fiscal Impact Estimates: Preliminary

Expenditure Impact*:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2012	\$97,728	1.0	General Fund
	\$97,728	1.0	Nongeneral Funds
2013	\$92,565	1.0	General Fund
	\$92,565	1.0	Nongeneral Funds
2014	\$92,565	1.0	General Fund
	\$92,565	1.0	Nongeneral Funds
2015	\$92,565	1.0	General Fund
	\$92,565	1.0	Nongeneral Funds
2016	\$92,565	1.0	General Fund
	\$92,565	1.0	Nongeneral Funds
2017	\$92,565	1.0	General Fund
	\$92,565	1.0	Nongeneral Funds
2018	\$92,565	1.0	General Fund
	\$92,565	1.0	Nongeneral Funds

*The expenditure impact only reflects the estimated costs in the Department of Social Services; a specific impact on local departments and Juvenile and Domestic Relations Courts cannot be determined at this time. In addition, the estimated impact assumes a minimum staffing need to implement the provisions of this bill. However, since the legislation does not currently reflect the number of days by which the Commissioner must respond to an appeal, this estimate is tentative. If an aggressive turnaround is expected of the department, then additional resources might be necessary.

8. **Fiscal Implications:** Currently, any prospective foster or adoptive parent may appeal that decision by requesting a variance from the director of the relevant local department of social services. One of this bill's provisions would change that process by allowing prospective adoptive parents to appeal a local decision to the Commissioner of the Department of Social Services and ultimately to the Juvenile and Domestic Relations (JDR) Courts. While the fiscal impact of many of this bill's provisions cannot be determined, this statement includes a general estimate as to the minimal cost of handling these appeals at the department's central office.

The Appeals and Fair Hearings unit within the Department of Social Services currently handles appeals associated with benefits and services, child support and child protective services. The complexity of the cases handled by this unit varies dramatically from case to case. The process generally consists of a local agency taking an action, the appellant noting an appeal which must be processed by the office's administrative intake staff and then assigned to a hearing officer. The hearing officer validates the appeal request, determining if it is timely and meets other statutory and regulatory requirements. If the appeal is valid, then a hearing is scheduled via a written notice of hearing. The hearing is conducted by the hearing officer, and each party (the appellant and the local agency) may present evidence (including witness testimony and documentary evidence) and argument. All parties may be represented by an attorney (the majority of our hearing officer staff are also attorneys). Then the hearing officer writes a decision, which again varies in length and complexity depending on the program. Decisions are further appealable to the circuit court of the appropriate jurisdiction. Each step in the process is accompanied by administrative actions performed by the department's administrative staff.

Because all adoptions variance requests are currently handled by local directors, the department has no data or method of estimating the number of child welfare cases that might seek an appeal per this legislation. However, the bill will create an entirely new function within the department's central office. In FY 2011, the appeals unit handled 10,189 appeals, a 12.3 percent increase over the previous year. With 10 hearing officers on staff, this is an average of 1,089 cases per hearing officer per year. It is assumed that unit staff is operating at maximum capacity and cannot absorb any additional workload. Therefore, the unit will need at least two additional positions: a hearing officer and intake assistant. The total cost of supporting one hearing officer position with an annual salary of \$77,000, and one intake position with an annual salary of \$54,000, is estimated at \$195,456 the first year and \$185,130 each year thereafter. This includes funds to cover routine operating costs of telephone, supplies, personal computer costs, and rent estimated at \$7,715 per worker as well as one-time costs totaling \$5,163 for office furnishings and equipment. It is assumed that only half of this cost would be borne by the general fund since unit expenses are cost allocated to appropriate federal grants. It should be noted that the legislation does not reflect the number of days by which the Commissioner must respond (a placeholder appears in the bill) to an appeal. As the current estimate is considered a conservative staffing assumption, an aggressive turnaround expectation could require more resources than is currently noted.

The local departments would also be impacted by a provision of this bill as they would now be required to hear variances from prospective adoptive parents denied approval by child placing agencies. However, we have no way of knowing the number of variances that will be requested, and because each case is different, the fiscal impact to the local departments cannot be determined. In addition, it is assumed that this bill would impact Juvenile and Domestic Relations Courts; however a specific impact cannot be determined.

9. Specific Agency or Political Subdivisions Affected:

Department of Social Services
Local departments of social services
Juvenile and Domestic Relations Courts

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 1/27/12

Document: G:\2012 Fiscal Year\Efis\HB445.doc