

Department of Planning and Budget 2017 Fiscal Impact Statement

1. **Bill Number:** SB937

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

2. **Patron:** Edwards

3. **Committee:** General Laws and Technology

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

5. **Summary:** Creates the Office of the Children's Ombudsman to provide ombudsman services, including investigation of complaints, advocacy, and information for children, parents, and citizens involved with child-serving agencies, defined in the bill. The bill also provides for the Office of the Governor to conduct a needs assessment with the Department of General Services to provide for office space needs of the Office of the Children's Ombudsman.

The bill also contains two enactment clauses. The first stipulates that the 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 Department of General Services to provide for the office space needs of the Office of the Children's Ombudsman.

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

7. **Fiscal Impact Estimates:** Preliminary. See Item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2017	-	-	-
2018	\$360,031	4.0	General
2019	\$748,185	8.0	General
2020	\$900,543	10.0	General
2021	\$900,543	10.0	General
2022	\$900,543	10.0	General
2023	\$900,543	10.0	General

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 complaints from the Department of Social Services and Department of Juvenile Justice. Its scope will expand in FY 2019 to include the Department of Behavioral Health and Developmental Services, the Department of Education, and the Department of

Correctional Education. In FY 2020, the Office of the 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 2018, the first year after enactment, 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 2019 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 2020, 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.

Positions	Annual Salary (Including Benefits)		
	FY 2018*	FY 2019	FY 2020
Director	\$104,181	\$138,908	\$138,908
Office Services Specialist(s)	\$30,331	\$80,882	\$80,882
Human Services Analyst(s)	\$125,519	\$418,395	\$585,753
Total	\$260,031	\$638,185	\$805,543

*Assumes 18 pay periods of compensation since it is unlikely that any positions would be hired and in place by July 1, 2017.

It is also assumed that the Office of the Children’s Ombudsman would also incur costs associated with operating as a separate agency. Based on the Department of General Services’ yearly cost per square foot and the recommended amount of square footage per employee, it is assumed that the office would require an estimated \$40,000 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 agency can also expect to experience annual operating and information technology costs estimated at \$20,000. 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.

Nonpersonal Services	FY 2018	FY 2019	FY 2020
Office Space	\$40,000	\$40,000	\$40,000
Furniture/Equipment	\$30,000	\$40,000	\$35,000
Operating costs (including IT)	\$20,000	\$20,000	\$20,000
Publishing/Information distribution	\$10,000	\$10,000	\$10,000
Total	\$100,000	\$110,000	\$95,000

The fiscal implications of this legislation will need to be revisited before FY 2020, 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 Behavioral Health and Developmental Services, Department of Education, Department of Correctional Education, Department of Health, Office of Comprehensive Services for At-Risk Youth and Families, any child-serving agency or any program, service or facility licensed, funded or operated by a child-serving agency

10. Technical Amendment Necessary: No.

11. Other Comments: