

## Department of Planning and Budget 2019 Fiscal Impact Statement

**1. Bill Number:** HB2381

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Hurst

**3. Committee:** Appropriations

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

**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 provides for the Office of the Governor to conduct a needs assessment with the Department of General Services to provide for the office space needs of the Office of the Children's Ombudsman. The bill also creates the Children's Advocacy Fund for the purpose of supporting the operations of the Office of the Children's Ombudsman. The Fund would be funded in part by fines collected from criminal offenses involving a child.

The bill contains three enactment clauses. The first stipulates that the term of the Ombudsman first appointed under the Act shall expire on January 15, 2023. The second 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 third 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>
2019	-	-	-
2020	\$360,031	4.0	Special
2021	\$748,185	8.0	Special
2022	\$900,543	10.0	Special
2023	\$900,543	10.0	Special
2024	\$900,543	10.0	Special
2025	\$900,543	10.0	Special

**7b. Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2019	-	-
2020	\$1,211,000	Special
2021	\$1,211,000	Special
2022	\$1,211,000	Special
2023	\$1,211,000	Special
2024	\$1,211,000	Special
2025	\$1,211,000	Special

- 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 2021 to include the Department of Behavioral Health and Developmental Services, the Department of Education, and the Department of Correctional Education. In FY 2022, 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 2020, 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 2021 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 2022, 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 2020*</b>	<b>FY 2021</b>	<b>FY 2022</b>
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
<b>Total</b>	<b>\$260,031</b>	<b>\$638,185</b>	<b>\$805,543</b>

\*Assumes 18 pay periods of compensation since it is unlikely that any positions would be hired and in place by July 1, 2019.

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.

<b>Nonpersonal Services</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
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
<b>Total</b>	<b>\$100,000</b>	<b>\$110,000</b>	<b>\$95,000</b>

The fiscal implications of this legislation will need to be revisited before FY 2022, 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.

The funding for this office will be derived from the Children's Advocacy Fund, as prescribed by the bill. The Fund is comprised of a \$250 fine paid into it by persons convicted of certain crimes involving a child. According to data from the courts systems, 3,439 convictions for applicable crimes annually in circuit courts and 1,405 convictions for applicable crimes annually in general district and domestic relations district courts. Based on this information, approximately 4,844 people would each pay \$250 into the Children's Advocacy Fund annually, for a total revenue of \$1,211,000. It is important to note that the actual number of convictions in circuit courts is likely higher than the number provided, because the total does not include data from Alexandria or Fairfax, two of the largest circuit courts in the Commonwealth.

**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 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:** See Item 11.

**11. Other Comments:** The bill references the Department of Correctional Education. However, that agency was divided and absorbed into the Department of Juvenile Justice, for juvenile offenders, and the Department of Corrections, for adult offenders.