Department of Planning and Budget
2020 Fiscal Impact Statement

1. **Bill Number:** HB904

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

2. **Patron:** Hayes

3. **Committee:** Health, Welfare, and Institutions

4. **Title:** Child abuse and neglect reporting; public sports programs.

5. **Summary:** Adds to the list of mandatory reporters of suspected child abuse and neglect athletic coaches, directors, and other persons 18 years of age or older that are employed by or volunteering with a public sports organization or team.

6. **Budget Amendment Necessary**: Yes.

7. **Fiscal Impact Estimates:**

7a. Expenditure Impact:

Fiscal Year	*Dollars*	*Positions*	*Fund*
2020	-	-	-
2021	$342,803	-	General fund
2022	$324,043	-	General fund
2023	$324,043	-	General fund
2024	$324,043	-	General fund
2025	$324,043	-	General fund
2026	$324,043	-	General fund

*In addition, local match of $62,881 in FY 2021 and $59,440 in FY 2022 and every year thereafter is required.

8. **Fiscal Implications:** Currently, adults who are employed or volunteering with a public sports organization are not mandatory reporters of suspected child abuse or neglect. Under this legislation, they would become mandatory reporters. It is unknown how many new Child Protective Services (CPS) assessments and/or investigations will be necessary as a result of the expanded definition pursuant to this legislation. However, considering that many municipalities run public youth sports programs across the state, it is expected that the Department of Social Services (DSS) will see a minor increase in reports or referrals resulting from the new category of mandatory reporters. Therefore, DSS has provided a cost estimate based on a quarter percent increase in referrals and a corresponding increase in assessments or investigations.

During FY 2019, the Department received 84,915 CPS referrals of which 40,005 or 47 percent (40,005/84,915) were investigated. Assuming the number of CPS referrals increases by a quarter of a percent due to the legislation, it is estimated that local departments of social services (LDSS) will receive 213 (84,915 x 0.25%) new referrals/reports. Since 47 percent of referrals resulted in either a family assessment or investigation, 100 (213 x 47%) new assessments or investigations are also projected. Therefore, for every quarter percent increase in referrals due to this bill, local CPS workers will need to take action on approximately 100 new assessments or investigations.

The annual costs for all new LDSS employees shown in this analysis are a combined total of average salary, benefits, and non-personal services such as rent, technology, and telephone service. The averages are based on expenses of current employees in similar positions and are estimated at $89,182 for a CPS worker. First year costs also include on-boarding expenses of $5,163 per full-time equivalent employee.

Considering all of the requirements to respond to a valid referral, DSS estimates that each CPS assessment or investigation requires an average of 50 hours to respond. Therefore 5,000 (100 cases x 50 hours per case) additional local staff hours will be required to validate these reports. Given 1,500 productive hours per local staff annually, the equivalent of 3.3 (5,000/1,500) additional local departmental staff is required at a yearly cost of $311,339 in FY 2021 (3.3 x $94,345) and $294,301 (3.3 x $89,182) each subsequent year.

Furthermore, it is estimated that 15 percent, or 15, of those 100 assessments or investigations will require on-going case management by local staff. With a ratio of approximately 15 cases for every CPS staff member, the equivalent of one additional CPS worker is needed. Total estimated annual expenses for new CPS staff to provide on-going case management are $94,345 in FY 2021 and $89,182 beginning in FY 2022.

The total estimated cost of the proposed legislation is $405,684 ($311,339 + $94,345) in FY 2021 and $383,483 ($294,301 + $89,182) in FY 2022 and subsequent years. There is no un-obligated federal funding source available for CPS activities; as such, general fund appropriation will be needed to fund this legislation. In addition, there is a 15.5 percent local match. General fund appropriation of $342,803 and local matching funds of $62,881 in FY 2021, and general fund of $324,043 and local matching funds of $59,440 in FY 2022 and subsequent years, are needed for a quarter of a percent increase in referrals resulting from this legislation.

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.