

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3697H.01I
 Bill No.: HB 1486
 Subject: Children and Minors; Courts, Juvenile; Children's Division; Adoption;
 Department of Social Services; Division of Youth Services; Family Law;
 Highway Patrol; Licenses - Driver's; Mental Health
 Type: Original
 Date: February 4, 2022

Bill Summary: This proposal modifies and establishes provisions relating to the protection of children.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
General Revenue	(\$4,013,612)	\$289,594	\$173,440
Total Estimated Net Effect on General Revenue	(\$4,013,612)	\$289,594	\$173,440

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* Income and expenses are estimated at \$7 million in FY23, then \$13 million annually and net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
General Revenue	101.42 FTE	72 FTE	73 FTE
Federal Funds	41.58 FTE	71 FTE	70 FTE
Total Estimated Net Effect on FTE	143 FTE	143 FTE	143 FTE

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§210.117 - Child not to be reunited with certain persons under specified circumstances

Officials from the **Department of Social Services (DSS), Children's Division (CD)** state current CD policy requires the completion of background checks prior to placements being made following a child coming into protective custody. This would appear to be attainable through existing resources.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for DSS/CD for this section.

§210.672 - Permanency plans for children 14 and older

CD states this section provides an exception for children as young as fourteen with the option of Another Planned Permanent Living Arrangement (APPLA). This would appear to be attainable through existing resources.

Oversight notes the CD [Child Welfare Manual](#) states APPLA is meant to be a planned permanent placement for the child, not just a foster care placement that can be indefinitely extended. Currently, the child must be 16 years of age or older to choose the permanency option.

Officials from the CD assume this section of the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this section.

§210.1320 - Photos and IDs for children in custody

CD assumes the provisions of this section would result in photographing every child in foster care who is five (5) years of age or older but under fourteen (14) years of age, and updated annually. For children fourteen and older, not placed in a home, there might be a cost associated with obtaining a state identification for each child, and subsequent cost for identification maintenance in conjunction with the Department of Revenue (DOR).

Current CD policy directs case management staff to either take or obtain a photograph of each child upon entry into foster care. An updated photo should be taken at least every six (6) months for children six (6) years old or younger and then once a year for older children. An updated photo should also be taken whenever the child's appearance changes. Staff should obtain a

digital photograph whenever possible, which can be uploaded into FACES using OnBase. Frontline staff have state issued iPads which can be used for this purpose.

From FY19 through FY21, there was an average of 7,125 children between the ages of five (5) and thirteen (13) years old in foster care who would need to be photographed and updated annually per this legislation. This would appear to be attainable through existing resources.

From FY19 through FY21, there was an average of 2,332 children 14 and older per year who were not placed in a home environment that would need a state identification in conjunction with DOR. The cost per state identification issued from DOR would be \$18.00 per child. That would create an estimated initial fiscal impact of \$41,976 (2,332 * \$18.00). The average number of children who had reached the age of thirteen (13) years old during FY19 to FY21 is 937. As a result, CD estimates an additional fiscal impact of \$16,866 (937 * \$18.00) annually thereafter for children who reach the age requiring state identifications. There was also an average of 1,096 youth, age fourteen (14) and older, who entered foster care, so based upon that average, the Children's Division estimates an additional cost for state identifications to be \$19,728 (1,096 * \$18.00) annually to account for older youth who come into the foster care system already having attained an eligible age.

Oversight notes the costs associated with the photo and identification provisions of this section are 100% GR. Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by DSS/CD for this section.

§210.1340 - State to pay for mental health services for children when...

Officials from **CD** state this section would present a possible need for CD to pay for mental health services or residential treatment for behavioral issues for children who have been adopted, unless the adoptive parent to such child has the financial resources to cover the costs for the services or treatment.

Oversight does not have any information to the contrary. Oversight notes CD did not present a potential cost for this section. Therefore, Oversight assumes CD will be able to perform any additional duties required by this section with current staff and resources and will reflect no fiscal impact to the CD for fiscal note purposes. Oversight also assumes DSS/CD may seek additional appropriations if the proposal results in a significant increase in costs.

§210.1355 – Fingerprinting and other provision for persons employed by CD

CD states CD already fingerprints every employee and enrolls employees in the Rap Back program, so this provision would appear to be attainable through existing resources.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for DSS/CD for this section.

§211.038 - JC children not to be reunited with certain persons under specified circumstances

Officials from **CD** state CD completes background checks and/or assures that a child under the jurisdiction of the juvenile court shall not be left in the care of a parent, adoptive parent, foster parent, or guardian, or placed in a home in which the parent, adoptive parent, foster parent or guardian is found guilty of any of the offenses enunciated in this chapter where the victim of the offense was a child. No new offenses were added from what was previously in this statute. This would appear to be attainable through existing resources.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for DSS/CD for this section.

§211.064 - When a child may be committed to the Division of Youth Services (DYS)

CD states this provision allows commitment of a youth in CD custody to DYS custody if the child was placed in a residential facility but was expelled from the facility, and CD has exhausted all efforts to place the child in another residential facility. In such situations, it is anticipated that CD would need to make a referral for the litigation section of the Division of Legal Services (DLS) to file a motion requesting a judge to make a finding concerning the youth's expulsion and a finding as to CD's exhaustion of efforts in another residential facility.

The number of youth that have had emergency removals during the past fiscal year (July 1, 2020 through June 30, 2021), was 150, based upon the data self-reported by residential providers. Although it is believed that the emergency removals are underreported, it should be noted that every emergency removal is not necessarily the result of the youth's behavior and does not always equate to an exhaustion of efforts. Therefore, the approximation of 150 youth that may be considered to have been "expelled" in the past year is the best data available.

Officials from **DSS, DYS** state DYS could absorb 70 of the 150 youth from the Children's Division. This assumes that the impact of the Raise the Age legislation, as well as the COVID-19 adjusted numbers, remain on the conservative side.

For the remaining 80 youth (of the 150), DYS will need to operate new residential centers. Buildings currently exist from prior program closures in September of 2020. One-time funding would be needed to reopen the programs to operate for these new youth. Included in the cost estimate is funding for ongoing personal services and expense and equipment needs.

Oversight notes the DYS costs include one (1) 40-bed program and two (2) 20-bed programs for a total of 80 beds. Oversight also notes the GR/Federal fund split in FY23 is expected to be 70.92% GR/28.96% Federal in FY23; 51% GR/49% Federal in FY24; and 51.5% GR/48.5% Federal in FY25. The following is a breakdown of DYS program costs with initial start-up costs from FY23 and ongoing costs from FY24 full implementation:

One-Time Facility Start-Up Costs			
<u>Total</u>	<u>GR</u>	<u>Federal</u>	<u>Expense</u>
\$266,140	\$188,974	\$77,166	Furniture (Beds, cabinets, sofas, chairs, etc.)
\$19,976	\$14,184	\$5,792	Appliances (washers, dryers, TVs, etc.)
\$23,971	\$17,021	\$6,950	Linens
\$35,957	\$25,531	\$10,426	Instructional Aides plus smart boards
\$104,376	\$74,112	\$30,264	Start-up for staff (furniture and office set-up)
\$519,376	\$368,784	\$150,592	Microbus (8)
\$969,796	\$688,606	\$281,190	Total One-Time Facility Start-up Costs
On-Going Costs			
\$1,012,472	\$517,188	\$495,284	On-Going Operating costs
\$841,295	\$429,748	\$411,547	Case management staff PS 20 FTE (20 Youth Services Supervisor/Specialists)
\$2,235,548	\$1,141,957	\$1,093,591	40 bed program staff PS 59 FTE (2 Youth Services Managers; 5 Youth Services Supervisor/Specialists; 40 Youth Services Workers; 1 Food Service Supervisor; 2 Food Service Workers; 1 LPN; 6 Education Specialists; 1 Administrative Support Assistant; and 1 Administrative Support Clerk
\$2,353,491	\$1,202,204	\$1,151,287	20 bed program staff PS 62 FTE (2 Youth Services Managers; 6 Youth Services Supervisor/Specialists; 40 Youth Services Workers; 2 Food Service Supervisor; 2 Food Service Worker; 2 LPNs; 6 Education Specialists; and 2 Administrative Support Assistants
\$3,903,287	\$1,993,867	\$1,909,420	Staff Fringe
\$245,606	\$125,460	\$120,146	Residential Services
\$24,561	\$12,546	\$12,015	Educational Services
\$327,475	\$167,280	\$160,195	Food
\$10,943,735	\$5,590,250	\$5,353,485	Total Annual On-going Costs

DYS states the increased DYS youth are expected to come in over a 12-month period, finally accruing to the total of 150.

A portion of the costs for DYS are Medicaid claimable. They are claimable on a per diem rate of \$151.73. The total claimable amount for the first year is \$4,497,581, the second year is \$8,307,217 and the third year is \$8,307,217. The FMAP rate is 64.948%, resulting in a federal

portion of \$2,966,064 for the first year, \$5,478,444 the second year, and \$5,478,444 for the third year.

The federal split was applied to the total calculated cost. This establishes the cost of moving the children into DYS.

Next, since the children were already being served by the Children's Division, there is a savings from moving children from CD's care.

CD savings were calculated on a per diem rate, looking at an average of the level IV and above level IV costs of care. CD has a federal share of 66.36% for these levels of care. Room and board also has a 44% rate of children eligible for federal funding applied to the federal share.

The average per diem for these children is \$247.76, split \$110.12 GR; \$137.64 Federal. This per diem becomes savings, again calculated with children moving into care over a year, and then the full 150 children in subsequent years.

This savings is applied, resulting in the ultimate cost calculation for this legislation.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by DSS/DYS.

Officials from the **DSS/DLS** estimate it will require an additional two (2) full-time litigation attorneys to implement this section of the proposed legislation. Such statute allows commitment of a CD youth to DYS if the child was placed in a residential facility but was expelled from the facility and CD has exhausted all efforts to place the child in another residential facility. In such situations, it is anticipated that CD would need to make a referral to the litigation section of DLS to file a motion requesting a judge to make a finding concerning the youth's expulsion and a finding as to CD's exhaustion of efforts in another residential facility.

The number of youth that have had emergency removals during the past fiscal year, (July 1, 2020 through June 30, 2021) was 150, based upon the data self-reported by residential providers. The approximation of 150 youth that may be considered to have been "expelled" in the past year is the best data available. In consulting with litigation leadership, it is believed that two (2) full-time attorneys would be needed to handle the motions that would arise from these situations.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by DSS/DLS.

§211.065 - Police report filed when a child is expelled from a residential facility

Officials from the **Office of Administration (OA), Information Technology Services Division (ITSD)/DSS** state updates to the DYS website would be required for this section.

DYS maintains a critical incident report web-aware website that records any violent or potentially criminal event that may take place in a youth facility. This site records whether or not a police report has been filed using a check box format. Depending on whether the critical incident was a violent encounter between two students, that check box could automatically be checked and a pop-up window could be executed informing the user that a police report must be filed.

The critical incident report web page is the only document that would record a violent incident in a DYS facility.

OA, ITSD/DSS assumes every new IT project/system will be bid out because all ITSD resources are at full capacity. IT contract rates for the DYS website are estimated at \$95/hour. It is assumed the necessary modifications will require 43.20 hours for a cost of \$4,104 (43.20 * \$95), split 50% GR; 50% Federal.

Therefore, the total DYS website upgrades will cost \$4,104 (\$2,052 GR; \$2,052 Federal) in FY23 exclusively.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the costs provided by ITSD/DSS for fiscal note purposes.

Responses regarding the proposed legislation as a whole

Officials from the **Office of State Courts Administrator (OSCA)** state there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the OSCA will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the OSCA for fiscal note purposes. Oversight also assumes OSCA may seek additional appropriations if the proposal results in a significant increase in costs.

Officials from the **Eldon Police Department** support the proposed legislation, but did not provide a statement of fiscal impact. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Officials from the **Department of Corrections**, the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Department of Public Safety - Missouri Highway Patrol**, the **Department of Revenue**, the **Office of Administration**, the **Kansas City Police Department**, the **Phelps County Sheriff's Department**, the **Springfield Police Department**, the **St. Joseph Police Department** and the **St. Louis County Police Department** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight**

does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other Public Administrators, sheriffs, police and associations were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in Oversight's database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
GENERAL REVENUE			
<u>Savings</u> - DSS (§211.064) Costs originally in CD to DYS, based on per diem p. 7	\$3,264,218	\$6,029,146	\$6,029,146
<u>Costs</u> – DSS/CD (§210.1320) Photos and IDs for children pp. 3-4	(\$41,976)	(\$37,509)	(\$38,447)
<u>Costs</u> – DSS/DYS (§211.064) Transfer of children from CD to DYS pp. 6-7			
Program staff			
Personal service	(\$3,182,644)	(\$2,773,909)	(\$2,829,115)
Fringe benefits	(\$2,299,871)	(\$1,993,867)	(\$2,022,804)
Equipment and expense	(\$658,824)	(\$517,188)	(\$535,315)
Total Staffing Costs – DSS/DYS	(\$6,141,339)	(\$5,284,964)	(\$5,387,234)
Program facilities and services			
Facility set-up	(\$614,493)	\$0	\$0
Residential services	(\$141,840)	(\$125,460)	(\$129,857)
Educational services	(\$14,184)	(\$12,546)	(\$12,986)
Food	(\$189,120)	(\$167,280)	(\$173,143)
Total Facilities and Services <u>Costs</u> – DSS/DYS	(\$959,637)	(\$305,286)	(\$315,986)
Total <u>Costs</u> – DSS/DYS	(\$7,100,976)	(\$5,590,250)	(\$5,703,220)
FTE Changes – DSS/DYS	100 FTE	71 FTE	72 FTE
<u>Costs</u> – DSS/DLS (§211.064) Litigation attorneys p. 7			
Personal service	(\$73,284)	(\$63,872)	(\$65,144)
Fringe benefits	(\$42,055)	(\$36,503)	(\$37,077)
Equipment and expense	(\$17,487)	(\$11,418)	(\$11,818)
Total <u>Costs</u> – DSS/DLS	(\$132,826)	(\$111,793)	(\$114,039)
FTE Changes – DSS/DLS	1.42 FTE	1 FTE	1 FTE
<u>Costs</u> - OA, ITSD/DSS (§211.065) DYS website changes p. 8	(\$2,052)	\$0	\$0
ESTIMATED NET EFFECT ON GENERAL REVENUE	(\$4,013,612)	\$289,594	\$173,440
Estimated Net FTE Change on the General Revenue Fund	101.42 FTE	72 FTE	73 FTE

<u>FISCAL IMPACT – State Government –</u> (continued)	FY 2023 (10 Mo.)	FY 2024	FY 2025
FEDERAL FUNDS			
<u>Savings</u> - DSS (§211.064) Costs originally in CD to DYS, based on per diem p. 7	\$4,079,883	\$7,535,714	\$7,535,714
<u>Income</u> – DSS/DYS (§211.064) Transfer of children from CD to DYS program reimbursement pp. 6-7	\$2,899,667	\$5,353,485	\$5,353,274
<u>Income</u> – DSS/DLS (§211.064) Program reimbursements p. 7	\$54,239	\$107,059	\$107, 041
<u>Income</u> - OA, ITSD/DSS (§211.065) DYS website update reimbursements p. 8	\$2,052	\$0	\$0
<u>Costs</u> – DSS/DYS (§211.064) Transfer of children from CD to DYS pp. 6-7			
Program staff			
Personal service	(\$1,299,625)	(\$2,656,425)	(\$2,655,523)
Fringe benefits	(\$939,147)	(\$1,909,420)	(\$1,898,686)
Equipment and expense	(\$269,029)	(\$495,284)	(\$502,468)
Total Staffing Costs – DSS/DYS	(\$2,507,801)	(\$5,061,129)	(\$5,056,677)
Program facilities and services			
Facility set-up	(\$250,927)	\$0	\$0
Residential services	(\$57,920)	(\$120,146)	(\$121,889)
Educational services	(\$5,792)	(\$12,015)	(\$12,189)
Food	(\$77,227)	(\$160,195)	(\$162,519)
Total Facilities and Services Costs – DSS/DYS	(\$391,866)	(\$292,356)	(\$296,597)
Total Costs – DSS/DYS	(\$2,899,667)	(\$5,353,485)	(\$5,353,274)
FTE Changes - DSS/DYS	41 FTE	70 FTE	69 FTE

<u>FISCAL IMPACT – State Government –</u> (continued)	FY 2023 (10 Mo.)	FY 2024	FY 2025
<u>Costs – DSS/DLS (§211.064) Litigation attorneys p. 7</u>			
Personal service	(\$29,925)	(\$61,167)	(\$61,146)
Fringe benefits	(\$17,173)	(\$34,957)	(\$34,802)
Equipment and expense	(\$7,141)	(\$10,935)	(\$11,093)
Total Costs – DSS/DLS	(\$54,239)	(\$107,059)	(\$107,041)
FTE Changes – DSS/DLS	0.58 FTE	1 FTE	1 FTE
<u>Costs - OA, ITSD/DSS (§211.065) DYS website changes p. 8</u>	(\$2,052)	\$0	\$0
<u>Losses - DSS (§211.064) Reimbursement for costs originally in CD to DYS, based on per diem p. 7</u>	(\$4,079,883)	(\$7,535,714)	(\$7,535,714)
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change on Federal Funds	41.58 FTE	71 FTE	70 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

CHILD IDENTIFICATION

This bill also requires Children's Division to acquire and maintain a photograph of every child under the care of the state who is five years of age or older but under 14 years of age and update those photographs annually until the child turns 14 or is no longer under the care of the state. This bill also requires Children's Division to acquire and maintain a state identification for every

child under the care of the state who is 14 years of age or older and not placed in a home. After the child has been placed in a home, the state identification shall be given to the child for the child to maintain (§210.1320).

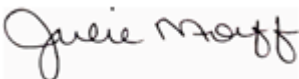
CHILD ABUSE AND VIOLENCE

This bill also establishes the definition of abuse of a child. Additionally, this bill allows for a child to be committed to the Division of Youth services, within the Department of Social Services, if the child is expelled from a residential facility and Children's Division has exhausted all efforts to place child in another. This bill also requires residential facilities to file police reports when they expel a child for reasons related to physical violence (§§211.021, 211.064, and 211.065).

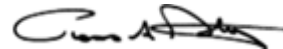
This legislation is not federally mandated, would not duplicate any other program. However, this program would require additional capital improvements and rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Mental Health
Department of Corrections
Department of Revenue
Department of Public Safety - Missouri Highway Patrol
Department of Social Services
Office of Administration
Office of the State Courts Administrator
Eldon Police Department
Kansas City Police Department
Phelps County Sheriff's Department
Springfield Police Department
St. Joseph Police Department
St. Louis County Police Department



Julie Morff
Director
February 4, 2022



Ross Strobe
Assistant Director
February 4, 2022