

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 468 - HB 1385

April 8, 2021

SUMMARY OF BILL: Redefines “exploitation” in the context of adult abuse to include: (1) the use of deception, intimidation, undue influence, force, or threat of force to obtain or exert unauthorized control over an elderly or vulnerable adult's property with the intent to deprive the elderly or vulnerable adult of property; (2) the breach of a fiduciary duty to an elderly or vulnerable adult by the person's guardian, conservator, or agent under a power of attorney which results in an appropriation, sale, or transfer of the elderly or vulnerable adult's property; and (3) the act of obtaining or exercising control over an elderly or vulnerable adult's property, without receiving the elderly or vulnerable adult's effective consent, by a caregiver committed with the intent to benefit the caregiver or other third party.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$109,100/FY21-22
\$80,100/FY22-23 and Subsequent Years**

Assumptions:

- Pursuant to Tenn. Code Ann. § 71-6-102(8), exploitation is limited to the improper use by a caretaker of government funds that have been paid for the use or care of an adult.
- The proposed legislation expands that definition to include non-governmental funds, other unspecified property, and a broader array of offenses.
- The Department of Human Services (DHS) conducted an analysis in November 2020 to determine the impact of expanding the definition of exploitation to include non-governmental funds. The analysis determined that approximately 267 referrals to Adult Protective Services (APS) per month were excluded from further investigation because they only involved non-governmental funds.
- As the proposed legislation expands the definition of exploitation beyond just including non-governmental funds, it is reasonably assumed that APS will be required to investigate an additional 267 referrals per month, or 3,204 per year (267 x 12 months) as a result of the proposed legislation.
- Based on information provided by DHS, between calendar years 2018-2020, the average number of new cases opened for investigation per month was 765. DHS currently has 93 investigative specialists handling such cases, which results in an average of 8 (765 / 93) new cases per month, per investigator.

- The Department's target for a full caseload per investigator is 11 new cases per month. Consequently, each investigative specialist currently has the capacity for at least 3 (11 target – 8 actual) additional cases per month, which equates to approximately 279 new cases (3 cases per investigator x 93 investigators) for which the Department is estimated to have the capacity utilizing current investigative staffing. Therefore, it is estimated DHS currently has sufficient resources to handle the estimated additional cases resulting from this legislation.
- The investigations to be conducted will require DHS to pay financial institutions for pertinent records. The cost per financial records request is \$25.
- Therefore, a recurring increase in expenditures to DHS for financial records requests estimated to be \$80,100 (3,204 x \$25).
- An update to the Department's Tennessee Adult Protective Services (TNAPS) case management system will be required to manage the new types of cases to be investigated.
- The TNAPS update is estimated to require 400 hours at a rate of \$72.50 per hour.
- Therefore, a one-time increase in expenditures for the TNAPS update estimated to be \$29,000 (400 hours x \$72.50).
- These expenditures are assumed to be allowable uses for the Department's annual Social Security Block Grant funds. However, according to DHS, the total of the estimated \$32,800,000 is already allocated for other purposes, and no such funds are expected to be available to meet the requirements of this legislation. As a result, the total increase in expenditures to DHS will be state expenditures.
- The total increase in state expenditures to DHS is estimated to be \$109,100 (\$80,100 financial records + \$29,000 TNAPS update) in FY21-22.
- The total recurring increase in state expenditures to DHS is estimated to be \$80,100 in FY22-23 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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