

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. **Bill Number:** SB619

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. **Patron:** Pillion

3. **Committee:** Education and Health

4. **Title:** Public elementary and secondary schools; compulsory attendance policies and procedures; educational neglect defined.

5. **Summary:** Revises the policies and procedures relating to addressing the nonattendance or nonenrollment of a child subject to compulsory education requirements by expanding the definition of "abused or neglected child" to include educational neglect and, therefore, requiring any teacher, attendance officer, or other person employed by such child's school, to report such neglect to the appropriate authority in accordance with pertinent law. The bill defines "educational neglect" as the failure or refusal to provide necessary education for a child who is subject to compulsory attendance in accordance with relevant law and is enrolled in a public school and has missed 10 percent or more of the academic year, including by (i) causing or allowing the child to become chronically absent, defined as any student who has missed 10 percent or more of the academic year for any reason, including excused and unexcused absences, or (ii) failing or refusing to enroll a child in any school who is not otherwise exempt from school attendance if (a) such failure or refusal to enroll continues after the school notifies and institutes proceedings against the parent and (b) the time elapsed between the institution of proceedings and the continued noncompliance to date exceeds 10 percent of the academic year.

The second enactment clause requires the Board of Social Services to amend its regulations to include the definition of "educational neglect" and the third enactment clause requires the Board of Education to amend its regulations.

6. **Budget Amendment Necessary:** Yes. Items 268 (Office of Children's Services costs), 326 (DSS local department costs), and 334 (one-time systems cost)

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

7a. **Expenditure Impact:**

Department of Social Services:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2025	\$473,349,421	General fund
2026	\$463,817,454	General fund

2027	\$463,817,454	General fund
2028	\$463,817,454	General fund
2029	\$463,817,454	General fund
2030	\$463,817,454	General fund

*These totals do not include the 15.5 percent local match of \$86,825,574 in FY 2025 and \$85,078,941 in FY 26 and thereafter.

Office of Children’s Services:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2025	\$133,019,040	General fund
2026	\$133,019,040	General fund
2027	\$133,019,040	General fund
2028	\$133,019,040	General fund
2029	\$133,019,040	General fund
2030	\$133,019,040	General fund

*These totals do not include the 34 percent local match of \$68,524,960 each year.

- 8. Fiscal Implications:** This legislation expands the authority of the Department of Social Services’ (DSS) child protective services (CPS) unit to serve a population of children who have experienced educational neglect; a segment of children for which it currently has no authority to intervene. As a result of the expansion of authority, DSS will require funding to support an increase in DSS and local department of social services (LDSS) staffing levels, the revision and delivery of training courses for a new neglect type, and modifications to applicable agency systems. The Office of Children’s Services (OCS) will also require funding to support the estimated increase in In-Home Services.

Impact on LDSS Staffing:

During the 2018-2019 academic year, the Department of Education (DOE) identified 133,059 students experiencing chronic absenteeism, which they define as missing 10 percent or more of days enrolled. For this impact statement, data was used from the last academic year prior to the COVID-19 pandemic, in order to use a data point that was not skewed by any pandemic-related effects. DSS does not have the data to determine whether CPS is already serving these children, but information from the agency suggests educational neglect may occur simultaneously or sequentially with other forms of neglect and abuse. In fiscal year (FY) 2023, local departments received 93,287 referrals of child abuse and neglect, from which 37,187 were deemed to be valid and assigned to family assessment or investigation tracks.

According to DSS, a scholarly article on child abuse and neglect suggests eight percent of all neglected children also experience educational neglect. Assuming this percentage, DSS estimates that CPS may be currently serving 10,645 (eight percent) of the 133,059 chronically absent children in Virginia through another neglect classification. The remaining 122,414 children (92 percent) may potentially be referred to DSS for CPS services. Based on current abuse and neglect statistics at the agency, approximately 75 percent of the children in this group would require a family assessment and the remaining 25 percent would trigger an

investigation, resulting in an additional 91,810 (122,414 x 75 percent) family assessments and 30,604 (122,414 x 25 percent) investigations annually if this legislation were to pass. Because of the nature of the neglect, all children reported for “educational neglect” because of chronic absenteeism would be deemed valid complaints. Based on 1,500 productive work hours a year, a CPS worker can complete approximately 42 assessments or 26 investigations annually. Local departments would need to hire and train approximately 3,363 new CPS workers and 480 supervisors to support this potential caseload increase. The average annual salary, benefits and operational costs of a CPS worker and supervisor are \$98,226 and \$130,698 respectively, including a 15.5 percent local match component. For 3,363 new workers and 480 new supervisors, total annual costs for LDSS CPS staffing will be \$393,128,517 (\$332,193,597 general fund and \$60,934,920 local match) annually.

This legislation would also require additional staffing to handle the new In-Home Services cases. At this time, DSS cannot readily identify the number of current In-Home Services cases in which children may be linked to the educational neglect category. However, based on the presenting and assessed needs of children and families being served in In-Home Services cases, DSS can conservatively estimate that two percent of the neglect population is already being served and could have services provided related to educational neglect. Using the 122,414 potential referrals to DSS for students experiencing chronic absenteeism, DSS estimates that the remaining 98 percent or 119,966 children have the potential of being referred to DSS for In-Home Services. According to DSS, approximately 30 percent of cases are referred for In-Home Services, so approximately 35,990 cases may be referred (119,966 x .30). An In-Home Services worker can complete approximately 27 cases annually. Local departments would need to hire and train approximately 1,333 new In-Home Services workers and 190 supervisors to support this potential caseload increase based on 1,500 productive work hours a year. The average annual salary, benefits and operational costs of an In-Home worker and supervisor are \$98,226 and \$130,698 respectively, including a 15.5 percent local match component. For 1,333 new workers and 190 new supervisors, total annual costs for LDSS In-Home Services staffing will be \$155,767,878 (\$131,623,857 general fund and \$24,144,021 local match) annually.

Additionally, a portion of children in the educational neglect category may eventually enter the foster care system. It is currently unknown how CPS assessments and investigations and In-Home Services will dampen the number of children in the educational neglect category that may become eligible for foster care; therefore, any potential costs to the foster care system are indeterminate at this time.

Furthermore, the legislation addresses the occurrence of an extended period of continued noncompliance by the parent before educational neglect is established. If the remaining 122,414 children from the DOE report are not receiving services and have already met the legislation’s definition of educational neglect, then DSS would experience a significant and immediate increase of workload that would exceed current capacity levels. DSS could potentially have an additional 91,810 family assessments, 30,604 investigations and 35,990 In-Home cases. Without significant funding, it will potentially place children who are experiencing other types of abuse or neglect at risk because of CPS staffing shortages at local

departments. Without further data to confirm the number of children who have met the legislation's criteria for educational neglect, it is assumed that this entire calculated population would need DSS intervention.

Office of Children's Services (OCS) costs:

While LDSS provides the case management for In-Home Services cases, the actual services are funded through the Office of Children's Services (OCS). The average cost of community-based services in FY 2023 for a child referred under a foster care prevention (abuse/neglect) mandate was \$5,600. For the estimated 35,990 children referred for services under the educational neglect category, annual services costs at OCS would be approximately \$201,544,000 (\$133,019,040 state general fund and \$68,524,960 local match). OCS is funded with 66 percent state general fund and 34 percent local match.

Impact on DSS Training:

Per current DSS regulations, the department shall implement a uniform training plan for child protective services workers and supervisors. In addition, DSS mandates uniform training requirements for all In-Home Services workers and supervisors. Mandated training includes a mixture of instructor-led (both virtual and in-person) and eLearning courses, satisfies the first year required training, and is the platform used with current new hires. Revisions to the existing first year courses will be needed along with additional instructor positions to facilitate some of the training modules. The annual training cost per each new hire is estimated at \$2,100. This amount includes the cost of instructors, which is a combination of temporary positions to address the high volume of new staff, and permanent full-time positions to support first year and ongoing training needs for this new level of staffing. Using the per new hire annual training cost for the estimated 5,366 new hires in local departments is \$11,268,600 (\$9,521,967 general fund and \$1,746,633 local match) in the first year only.

DSS System Costs:

This legislation would require a system update to add a new selection option to the Structured Decision Making (SDM) tool which is proprietary and is purchased through the vendor, Evident Change. An estimated cost of \$10,000 general fund would include adding the option "educational neglect" to the SDM intake tool and the recertification tool. This cost would be one-time in the first year.

Other Costs:

This legislation would require additional DSS staffing and supervision to handle the educational neglect reports serviced through the state child abuse and neglect hotline. The state hotline processed 23 percent of all statewide reports in FY 2023. Using the number of potential children not receiving CPS services, or 122,414 students, as a basis for calculating new reports, DSS estimates that 23 percent of this population, or a total of 28,155 reports, would be processed annually through the state hotline. The approximate time to process a report is 1.7 reports per hour. Current hotline staffing cannot support this volume of additional reports; therefore, passage of this legislation could result in the need to hire additional hotline staff. Additionally, there may be a need to hire additional CPS regional practice consultants, depending on the actual number of cases. The average annual salary,

benefits, and operational costs of a DSS hotline employee, hotline supervisor, and practice consultant are \$103,781, \$119,773, and \$125,316 annually respectively.

The costs of this legislation would be driven by the number of new cases resulting from the new “educational neglect” category. Using the maximum number of potential children impacted from this legislation, the costs of the major expenditure components presented would be significant. However, the impact of other LDSS costs such as sufficient facility space, adequate technology, increased administrative functions (accounting, payroll, etc.) and the financial stability of LDSS to handle such a workload increase would also need to be considered.

Department of Education/Board of Education impacts:

The Board of Education will absorb any impact associated with amending regulations. Any impact to local school divisions is indeterminate.

9. Specific Agency or Political Subdivisions Affected: Department of Education, Department of Social Services, local departments of social services, Office of Children’s Services

10. Technical Amendment Necessary: No.

11. Other Comments: None.