

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2019-20		FY 2020-21	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill makes changes to the duties and processes of the Child Advocacy Centers and the Department of Health and Human Services. The definitions of sexually abused or exploited and out-of-home abuse and neglect are changed. All reports involving children who are alleged victims of sexual abuse, sexual exploitation, human trafficking, severe physical abuse or neglect or kidnapping would be shared with the CACs the next working day. Requires law enforcement and the department to provide notification to the person or persons having custody of the child and requires the department to ensure social services that are necessary to protect and assist the child and preserve the family. States legislative intent to appropriate sufficient funds to ensure the CACs provide strong multi-disciplinary team coordination and high-quality services for alleged victims and their families. The department is required to provide the CACs direct computer access.

The Department of Health and Human Services interprets the change in the definition of sexual abuse and exploited to “placed in a situation to be” sexually abused or exploited to substantially increase the number of investigations and intakes. The department shows costs of \$13 million in FY 20 and \$16.9 million in FY 21.

The department’s fiscal note assumes the definition change would increase intakes by 450. A foster care review report is cited as the source of this estimate. The department’s fiscal note assumes the definition change would require services to be provided to approximately 5% of children in these situations 1) children on probation in out-of-home care, 2) children in juvenile detention, 3) children experiencing homelessness, 4) youth in the YRTCs and 5) children of parents who are not U.S. citizens. It’s unclear if the change in the definition of child abuse and neglect broadens the reach of the department to the extent identified in the agency’s fiscal note. Additionally, the Preventing Sex Trafficking and Strengthening Families Act requires state agencies to have policies for identifying, documenting and determining appropriate services for any child in state care “who the State has reasonable cause to believe is or is at risk of being a victim of sex trafficking.” Compliance with the act is a condition of receipt of federal funding. The department stated they are in compliance. However, the provisions in the bill appear to be attempting to address the requirements in the federal law.

The bill would require the department to investigate cases where the abuse occurred outside of the home in the community. The department currently is required to only investigate situations where the abuse occurred out of the home in child care settings, residential care agencies and foster homes. This would increase the number of investigations by 1,700 and would require 22 child and family specialists, two supervisors and 14 case aids. Staff and operating costs would be \$1,714,357 in FY 20 and \$2,323,232 in FY 21.

The provision that the Legislature appropriate sufficient funding for the CACs could increase the General Fund cost in the future. Currently the CACs receive state funding and also received a large increase in federal funding receive through the Crime Commission and are sufficiently funded. However, if federal funding declines, state general funds may be required to make up for the loss.

The CACs have had administrative access to NFOCUS since 2007. The department indicates that this provision may violate federal privacy laws under Medicaid, developmental disabilities and economic assistance programs. It is unclear if this provision is being interpreted as allowing greater access or if this is a general concern and not specific to this bill.

The Department of Administrative Services submitted a fiscal note indicating that changes to the computer access of records would be billed to the CACs. The CACs currently have access, there shouldn’t be any additional costs.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 458 AM:	AGENCY/POLT. SUB: Supreme Court	
REVIEWED BY: Elton Larson	DATE: 3/12/2019	PHONE: (402) 471-4173
COMMENTS: No basis to disagree with Supreme Court estimate of no fiscal impact to the agency.		

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Mike Michalski

Date Prepared 1-22-19

Phone: (5) 471-6719

	<u>FY 2019-2020</u>		<u>FY 2020-2021</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$13,022,564		\$16,954,617	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$13,022,564		\$16,954,617	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 458 broadens the definition of sexual abuse, trafficking, and out-of-home assessments. The Division of Children and Family Services in the Department of Health and Human Services (DHHS) will be impacted due to the change in definitions and policies.

This bill expands the definition of sexual abuse, exploitation, and trafficking to include those children “placed in a situation” to be abused. It is difficult to project the number of intakes that will be received based on this bill’s broadened definition of abuse or neglect based on youth that are “at risk” of trafficking. DHHS based their projection on a recent internal analysis by the Foster Care Review Office that included youth who are or have been involved in the Child Welfare and Juvenile Justice System as well as their gender as they are at greater risk of being involved in a trafficking situation. This analysis showed DHHS would expect an average of 450 more intakes would be accepted in each fiscal year.

Another policy change will be for investigations of abuse. Currently, DHHS does not investigate all reports of abuse or neglect in which the alleged perpetrator is not in the family home and no longer has access to the alleged victim. These reports are currently referred to law enforcement for investigation. When requested, DHHS will partner with law enforcement on these investigations, but law enforcement takes the lead. LB 458 would now require DHHS to conduct an in-person investigation on all of these types of cases. In 2018, there were 1,724 law enforcement only accepted reports of abuse and neglect which would become intakes accepted for investigation under this bill.

Other populations that could be labeled “at risk” for trafficking based on the 2018 Kids Count Report are Probation Youth in Out-of-Home Care (2,184 total), Youth in Juvenile Detention (1,614), Children experiencing homelessness (1,546), Youth at risk of homelessness (793), YRTC youth Admitted (172), Unaccompanied Homeless children (46), and Children from Immigrant families in which parents are not US Citizens (28,000 estimated with CFS assuming that 5% of the population or 1,400 would be at risk).

The total new investigations for all populations would be approximately 9,929 cases per year. Each CFS Specialist can work approximately 74 intakes per year. DHHS would need to hire 134 Specialists, 22 Supervisors, 99 case aides, and 4 DHHS Administrators for investigations. It is assumed that staff would be hired October 1, 2019.

It is unknown how many new cases due to abuse would need ongoing case management but CFS would need to hire staff for management of these cases at similar ratios listed above. General funds would also need to be appropriated for case management services.

DHHS would also need to update and add to the Evidence Based/Informed assessment and screening tools. Purchasing and updating evidence based tools and training staff would cost a minimum of \$200,000.

DHHS would also need to add the tools to NFOCUS as well as updating NFOCUS system to accommodate a service array related to trafficking; changes to the Central Registry; and updates to reporting requirements. It is estimated that the costs for updates to NFOCUS would be \$106,600.

Federal confidentiality laws prevent the Child Advocacy Centers from having access to any Medicaid, Developmental Disabilities, or Economic Assistance (SNAP; TANF, etc.) records. LB 458 allows direct computer access without limits and will put federal funding at risk for these programs.

DHHS will be required to complete a major rule and regulation change as a result of LB 458. DHHS will absorb the estimated costs listed below to complete this regulation change.

Title	Hours	Hourly Cost	Absorbed Cost
Director	4	72.115	\$ 288
Deputy Director	4	51.923	\$ 208
Administrator I	4	29.354	\$ 117
Program Specialist	8	21.466	\$ 172
Program Analyst	16	20.869	\$ 334
Attorney 3	30	32.213	\$ 966
Total Costs	66		\$ 2,086

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:

POSITION TITLE	NUMBER OF POSITIONS		2019-2020	2020-2021
	19-20	20-21	EXPENDITURES	EXPENDITURES
Child and Family Services Specialist	100.5	134	\$3,963,607	\$5,284,810
Child and Family Services Specialist Supervisor	16.5	22	\$832,809	\$1,10,412
Case Aid	74.25	99	\$1,916,292	\$2,555,055
DHHS Administrator I	3	4	\$192,329	\$256,439
Benefits.....			\$2,684,679	\$3,579,571
Operating.....			\$3,126,248	\$4,168,330
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....			\$306,600	
TOTAL.....			\$13,022,564	\$16,954,617

Please complete ALL (5) blanks in the first three lines.

2019

LB⁽¹⁾ 458

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Department of Administrative Services (DAS) – Office of the Chief Information Officer (OCIO)

Prepared by: ⁽³⁾ Rebecca Fisher Date Prepared: ⁽⁴⁾ 1/23/2019 Phone: ⁽⁵⁾ 402-471-0642

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Explanation of Estimate:

LB 458 states, "In order to facilitate multidisciplinary team coordination, child advocacy centers shall be provided with direct computer access to records maintained by the department, the juvenile courts, and the Nebraska Commission on Law Enforcement and Criminal Justice which relate to the work of the child advocacy centers and the teams".

Any charges incurred by the Department of Administrative Services (DAS) – Office of Chief Information Office (OCIO) relative to this legislation would be rebilled to the child advocacy center as part of the project. It is assumed that the OCIO could provide these additional services within existing revolving fund appropriations and the net fiscal impact to the DAS - OCIO would be zero.

LB458 as introduced will have no fiscal impact on the DAS - OCIO.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Please complete ALL (5) blanks in the first three lines.

2019

LB⁽¹⁾ 458

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ 05 Supreme Court

Prepared by: ⁽³⁾ Eric Asboe Date Prepared: ⁽⁴⁾ 3/12/19 Phone: ⁽⁵⁾ 1-4138

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2019-20</u>		<u>FY 2020-21</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

No fiscal impact.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2019-20</u>	<u>2020-21</u>
	<u>19-20</u>	<u>20-21</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____