

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 broadens the definition of sexual abuse and trafficking and directs the processes and procedures for out-of-home assessments.

The expanded definitions of sexual abuse, exploitation and trafficking will increase the number of intakes by 450 per year according to the Department of Health and Human Services' fiscal note. Additionally, the department's fiscal note indicates they would be required to investigate reports in which the alleged perpetrator is not in the home. The department estimates that their workload could increase substantially due to the inclusion of "at risk" in the definition. Based on this volume of investigations, the department estimates they would need 134 children and family specialists, 22 supervisors and 99 case aides. Their estimated costs are \$12 million in FY 2019-20 and \$16 million in FY 2020-21. Development of an assessment tool would cost \$200,000 and modifications to NFOCUS would cost \$60,858.

Current law in Section 28-801 requires law enforcement to report cases to the Department of Health and Human Services for investigation the children under age 18 who are to taken into temporary custody as a result of sex trafficking. Except for the "at risk" cases, it appears that these children would already be under the jurisdiction of the department.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 516 AM:	AGENCY/POLT. SUB: Department of Health and Human Services (DHHS)	
REVIEWED BY: Elton Larson	DATE: 2/19/2019	PHONE: (402) 471-4173
COMMENTS: No basis to disagree with DHHS estimate of fiscal impact.		

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 1-24-19

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	<u>FY 2019-2020</u>		<u>FY 2020-2021</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	\$13,476,822		\$16,954,617	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$13,476,822		\$16,954,617	

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

Explanation of Estimate:

LB 516 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 516 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 \$60,858.

DHHS will also need to submit a required report for LB 516. CFS will submit a RFP for an outside consultant at an anticipated cost of \$500,000.

DHHS will be required to complete a major rule and regulation change as a result of LB 516. 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 EXPENDITURES	2020-2021 EXPENDITURES
	19-20	20-21		
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.....		\$500,000	
Aid.....			
Capital Improvements.....		\$260,858	
TOTAL.....		\$13,476,822	\$16,954,617