

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2427-07
Bill No.: SCS for HS for HCS for HB 1453
Subject: Children and Minors; Family Law; Family Services Division
Type: Original
Date: May 4, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General Revenue*	(More than \$5,333,129)	(More than \$6,820,113)	(More than \$9,294,989)
Total Estimated Net Effect on General Revenue Fund	(More than \$5,333,129)	(More than \$6,820,113)	(More than \$9,294,989)

*Part of General Revenue is subject to appropriations; does not include income of unknown, but greater than \$100,000 and costs of unknown but less than \$100,000.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Highway Fund	(\$3,966)	\$0	\$0
Criminal Records System Fund	(\$4,240) to \$576,776	\$58,906 to \$639,922	\$58,096 to \$639,112
Childhood Lead Test Fund	(\$29,999)	(\$47,380)	(\$59,037)
Total Estimated Net Effect on <u>All</u> State Funds	(\$38,205) to \$542,811	\$11,526 to \$592,542	(\$941) to \$580,075

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 35 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

*Income and Costs of unknown to more than approximately \$4,000,000 would net to \$0.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0 to (Less than \$1,621,532)	\$0 to (Less than \$1,621,532)	\$0 to (Less than \$1,621,532)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri House of Representatives**, the **Office of Prosecution Services**, and the **Department of Insurance** state this proposal would not fiscally impact their agencies.

Officials from the **Office of State Public Defender (SPD)** did not respond to our fiscal note request. In a similar proposal, SPD assumed the proposal would result in no fiscal impact.

Officials from the **Office of the Secretary of State (SOS)** state this proposal enacts and modifies various provisions regarding the state foster care system and the putative father registry. The Department of Social Services, the Department of Health and Senior Services, and the Administrative Hearing Commission could promulgate rules to enact this legislation. Based on experience with other divisions, the rules, regulations and forms issued by the Department of Social Services could require as many as 50 pages in the *Code of State Regulations*. For any given rule, roughly one-half again as many pages are published in the *Missouri Register* as are published in the Code because cost statements, fiscal notes and notices are not published in the Code. The estimated cost of a page in the *Missouri Register* is \$23.00. The estimated cost of a page in the *Code of State Regulations* is \$27.00. The actual costs could be more or less than the numbers given. The fiscal impact of this legislation in future years is unknown and depends

ASSUMPTION (continued)

upon the frequency and length of rules filed, amended, rescinded and withdrawn. The SOS estimates the cost of this legislation to be \$3,075 in FY 05.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Elementary and Secondary Education (DES)** stated the following in a similar proposal:

Section 168.283

For FY 2002, numbers of pupil-contact individuals throughout the state's districts are:

Custodians	9,049
Food Service	7,107
Teacher Aides	11,296
Office	8,851
Other	9,579
Certified Staff	<u>78,583</u>
Total	124,465

124,465	x	\$24 national background check	=	\$2,987,160
124,465	x	\$14 state background check	=	<u>\$1,742,510</u>
				\$4,729,670

Average turnover for teachers, administration, librarians, special services, and certificated personnel in Missouri's elementary, junior high, and high schools is 22%. Assuming a 22% turnover rate, DES estimates costs for the first subsequent year and second subsequent year as calculated below. School districts may reimburse the individual for the cost of the background check.

124,465	x	0.22	=	27,382
27,382	x	\$24 national background check	=	\$657,175
27,382	x	\$14 state background check	=	<u>\$383,352</u>
				\$1,040,527

Oversight assumes "...no person employed by a school after January 1, 2005..." would be school district employees with pupil contacts newly hired after January 1, 2005. **Oversight** is showing

ASSUMPTION (continued)

the fiscal impact to school districts as a cost of \$0 to \$1,040,516 (cost is \$38 per background check for 27,382 checks) for each year because the language is permissive. It would be a local school district decision as to how much of the cost to reimburse to the individuals.

Section 211.032

DES states the changes proposed in this section would allow (upon request of the foster family and whenever possible), any child in the custody of CD attending a school other than the school the child was attending when taken into custody, to attend the same school the child was enrolled in and attending at the time the child was taken into custody by CD.

Costs related to this provision are unknown; but could be significant. In addition, it is unknown who would be responsible for the costs. Transportation costs could easily be \$100 per child per day for 174 days of the school year.

Oversight assumes that in most cases, the DFS would place a child in foster care in the same school district the child was attending, thereby minimizing transportation costs.

Section 210.518

DES states with the exception of DES state operated programs, DES does not maintain the kind of student specific information identified in Section 210. 518, and therefore, DES states it does not make sense to bind DES to a meeting when DES does not have the information to share with the other two agencies. DES states it would object to being included in the requirement for attendance at meetings, that is being proposed in this legislation. Attendance would not be logical, since DES don't have the information. Such a requirement would be burdensome to the staff. The financial impact would come in the form of opportunity costs (i.e. investing staff time in a meeting when that time would otherwise be spent on DES functions).

Section 135.327

DES states changes to this section would remove the \$2 million cap on the tax credit for nonrecurring adoption expenses. More tax credits mean less general revenue available for distribution to local schools through the foundation formula.

Officials from the **Office of State Courts Administrator (CTS)** state this proposal would make numerous changes in the laws relating to foster care, and create new responsibilities and time frames for the courts and court clerks.

At this time, the CTS has no way of knowing what the actual fiscal impact will be, but it could be substantial. CTS states as this proposal undergoes revisions, costs could arise as these revisions

ASSUMPTION (continued)

impact the workload of the courts. Any significant increase in the workload of the courts as a result of these provisions will be reflected in future budget requests.

Officials from the **Office of Administration- Division of Budget and Planning (BAP)** state this proposal would not result in additional costs or savings to the BAP.

BAP states this proposal creates a separate deduction for adoptions from state individual tax liability which could significantly decrease General Revenue. BAP states the \$2 million capped tax credit program remains for business entities.

BAP states the proposal creates an Office of Child Advocate for Children's Protection and Services in the Office of Administration. BAP states a similar office is already operational in the Office of Administration during the current fiscal year. BAP states funding for the office, for Fiscal Year 2005, is being considered by the budget conference committee.

Officials from the **Department of Mental Health (DMH)** state Sections 37.700 -37.730 create an Office of Child Advocate within the Office of Administration to assure that children receive adequate protection and care from services and programs offered by DOS and DMH or juvenile court. DMH's Consumer Affairs Office represents consumer and family viewpoints in decision and policy development for the DMH. It works to increase the knowledge and skills of individuals and families necessary to effectively navigate the system so they experience greater satisfaction. Client Rights services are provided through this office. The Office of Child Advocate created under this bill, "shall act independently of the Departments of Social Services, Mental Health and the juvenile court", so DMH assumes that the provisions relating to Chapter 37 RSMo do not affect the services provided by the DMH. Further, DMH assumes that no fiscal impact will be imposed upon the DMH for the funding and staffing of such office since section 37.705 states the "Office of Administration" shall provide administrative support and staff as deemed necessary. Also, section 37.710.2(7) gives the Office of Administration the authority to "apply for and accept grants, gifts, and bequests of funds from other states, federal, and interstate agencies, and independent authorities, private firms, individuals, and foundations to carry out his or her duties and responsibilities."

DMH states Section 210.108 authorizes the Department of Social Services to enter into "voluntary Placement agreements" with parents, legal guardians or custodians for placement of children only in need of mental health services with the Department of Mental Health.

Officials from the **Office of Administration - Administrative Hearing Commission (AHC)** assume that this proposal will not significantly alter its caseload. AHC states if there are more

ASSUMPTION (continued)

cases than anticipated or more complex cases, there would be a fiscal impact. AHC states if other similar proposals also pass, there would be a fiscal impact.

Officials from the **Office of Administration - Office of Child Welfare (OCW)** state if a report is determined to be unsubstantiated, the reporter may request that the report be referred to the Office of Child Advocate. The OCW anticipates a substantial number of referrals to be referred to the child advocate's office. The impact of adding referrals on unsubstantiated child abuse hotline reports is unknown. OCW estimates an investigator can handle 20 new referrals a month and estimates a .67 FTE Investigator will be needed.

Oversight assumes these costs of a .67 FTE Investigator could be absorbed. Should the OCW receive significantly more referrals than anticipated, they could request additional resources through the appropriation process.

Officials from the **Department of Corrections (DOC)** assume this proposal will require supervision by the DOC through probation or incarceration would result in some additional costs, but DOC assumes the impact would be \$0 or minimal and could be absorbed within existing resources.

Officials from the **Department of Revenue (DOR)** did not respond to our fiscal note request. In a similar proposal the DOR stated the following:

Administrative Impact: DOR states this proposal removes the \$2,000,000 cap that currently applies to the adoption Tax Credit. The Division of Taxation will see an increase in the number of credits, but will not see an increase in workload due to the time currently spent denying credits over the \$2,000,000 cap. Therefore, there is no additional administrative impact to DOR.

Revenue Impact: DOR states as of January 23, 2004, the DOR has approved credits for 786 returns, totaling \$2,000,000. DOR has also denied 566 returns due to the cap being reached, totaling \$1,496,543. Because the amount denied is only for half of the fiscal year, the DOR believes the total loss to General Revenue will be more than \$1,500,000. However, the DOR cannot estimate the total loss to General Revenue and assumes it will be \$1,500,000 to unknown.

DOR states because the credit is now refundable, the full credit amount will be utilized the first year, therefore having a greater impact to GR the first year. Currently, the use of the credit is being spread out over five years, due to the carry forward provisions of the credit.

Oversight assumes the anticipated amount of credits to be submitted over the annual cap this

ASSUMPTION (continued)

year could be a result of the previous years' buildup of denied claims plus additional claims from this year. Therefore, if the cap on the tax credits was taken out of statutes, the first fiscal year (FY 2005) could have a large impact of previous year' denied credits being allowed, and then future years not so large. Therefore, with this possibility and with the lack of information available regarding the number of special needs adoptions in the state and the non-recurring expenses related to them, **Oversight** will utilize DOR's estimate of (\$1.5 million to Unknown) for FY 2005, but for future years, assume (Unknown - greater than \$100,000) in losses to GR.

These tax credits can be sold to and utilized by insurance companies against their premium tax liability. Premium tax revenue is split evenly between General Revenue Fund and the County Foreign Insurance Fund which is later distributed to school districts. Therefore, **Oversight** has footnoted the possibility that some of the additional tax credits resulting from this proposal could be utilized by insurance companies and therefore, reduce revenue to the local school districts.

The DOR stated there would be a cost of \$3,966 in FY 05 related to the programming required for school bus permit system programming.

Officials from the **Office of Attorney General (AGO)** assume that certain provisions in the proposal will require additional advice to agencies, particularly regarding the Sunshine Law, access to records and proceedings and criminal background checks. AGO also assumes that the privatization of components of the Division of Children's Services may result in additional legal work for AGO in reviewing contracts with private entities and defending the state from any litigation arising from those contracts.

The AGO assumes that potential costs arising from this proposal are unknown, but will not exceed \$100,000.

Officials from the **Department of Social Services - Children's Division (CD)** stated the following:

Section 135.327 - Adoption Tax Credit

CD states this section lifts the \$2 million cap on the special needs adoption tax credit. Currently, there are more tax credits requested than can be accommodated. If the cap is lifted, it is expected that the number of credits redeemed will exceed the cap by a considerable amount. The CD assumes that the Department of Revenue, who administers this tax credit, will provide the fiscal impact.

ASSUMPTION (continued)

Section 210.109.3(8) - Privatization

The CD states this section requires the CD to contract with private agencies to provide case management services whenever available and appropriate. The CD assumes that the language, "whenever available and appropriate..." would mean that the division has the authority to determine where contracting for services would be appropriate. The CD also assumes the intent of this section would be for contracting to be done with existing funding. Therefore, this section is not expected to have a fiscal impact.

Sections 210.112.2 - 210.112.3

CD states on or before July 1, 2005, and subject to appropriations, the CD and the courts shall enter into and implement contracts with qualified children's service providers and agencies which will provide a comprehensive system of service delivery. Direct services shall be contracted for by a competitive bid process. Contractors shall have a proven record of providing child welfare services or the ability to provide a range of child welfare services. In implementing, the CD and courts will direct efforts toward Greene County and other areas where eligible direct children's service providers are currently available. Section 210.112.4 (7) stipulates that payments to children's services providers of family-centered services, family preservation, and case management services shall be made in reasonable amounts based on the costs of services.

The CD will develop performance based contracts to provide child welfare services in these areas. Due to several factors, including the stipulation that the rates are to be reasonable amounts based on the costs of services, contracting for these services may exceed the cost of providing these services within the CD. However, until the contracts are awarded, the additional cost to the state is unknown. Therefore, the CD is assuming at this time that the cost to contract for child welfare services is equivalent to providing those services with state/public staff. This section is subject to appropriation therefore any additional cost would have to be appropriated before this section is implemented. The fiscal impact for this section is unknown but greater than \$100,000.

Oversight assumes unknown costs for privatization, but assumes the resulting staff loss will net the fiscal impact to \$0.

Section 210.112.6 - Privatization Evaluation

The Division is to conduct an evaluation of the success of privatization. The CD estimates the cost would be \$30,000 based on a similar research conducted in the past year.

ASSUMPTION (continued)

Section 210.113 - Accreditation

The CD states it is the goal of the General Assembly for the DOS to attain accreditation by the Council on Accreditation for Families and Children within five years of the effective date of the section. To achieve accreditation an additional staff 774 staff, including 417 Social Service Workers are needed. The cost over a five-year period is approximately \$45.5 million before inflation. This includes associated supervisory and clerical staff, salaries, E&E, leasing costs, and fringe benefits.

Based on FY 03 budget, CD (then DFS) had 1,382 budgeted social service workers but only 75% or 1,037 were staffed at that time. Also at that time, social workers were handling 23,094 cases (24,714 cases less 1,620 privatized cases) or a total of 22 cases per social worker. **Oversight** assumes CD would need to move to 14 cases per social worker to become accredited. Depending on the type of case, social workers can handle more or less than 14 cases, but 14 is the average. Therefore, CD would need 1,650 social workers or 268 more than it currently has budgeted (1,650-1,382). CD has on average, .63 supervisors and clerical staff for each social worker. Therefore, CD would need 169 supervisors and clerical staff in addition to the 268 social workers for a total of 437 staff. Since the accreditation is to occur within 5 years, **Oversight** has adjusted CD's estimate of 156 FTE needed per year to 88 FTE (437/5) per year.

Oversight has, for fiscal note purposes only, changed the starting salary for CD employees to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

Section 210.487 - Fingerprinting Costs

CD states when conducting investigations of persons for the purpose of foster parent licensing, the CD shall, upon initial application, obtain two sets of fingerprints for all adults in the applicant's household. One set of fingerprints shall be used by the Highway Patrol to search the criminal history repository and the second set shall be forwarded to the Federal Bureau of Investigation (FBI) for searching the federal criminal history files. The total cost of fingerprinting shall be paid by the State, subject to appropriations.

Cost of fingerprinting is \$14 for the Missouri Highway Patrol search and \$24 for the FBI search. The CD estimates 979 new homes to be licensed, with an average of two adults per home for whom background checks must be completed. The estimated cost would be \$74,404.

ASSUMPTION (continued)

Oversight notes this section is subject to appropriations.

210.762 - Team Meetings

Due to the uncertainty of the intent of Sections 210.762, it is not possible to fully determine the fiscal impact. However, for this fiscal note, CD assumes that the term “any action” as used in Section 210.762 is referring to the team meeting held upon initial placement of a child in protective custody. Based upon this assumption, CD assumes there would be no fiscal impact.

Section 210.117 and 211.038—Child Placement

These sections would mandate that any child placed in the state’s custody, shall not be reunited with a parent or placed in a home in which the parent or any person residing in the home has been guilty of various violations. This could increase the number of children in the custody of the CD and would increase the length of time some children would have to remain in the CD’s custody.

The CD cannot estimate the increase to work load for division staff, and cannot determine the number of children who would remain in the CD’s custody for a longer period of time. Since the number of children that would be affected is unknown, the fiscal impact for this is unknown. If even 15 children were kept in custody the impact would exceed \$100,000.

Several sections - Preponderance of Evidence

Preponderance of the evidence requires more evidence resulting in a need for staff to be certified forensic investigators. Training for such specialization is provided by "Finding Words," currently being utilized by CACs in Missouri. The cost is \$475 per trainee. As of FY04, the CD has 1,382.42 budgeted workers. Additionally 95 Social Service Workers will be added each year to achieve accreditation. Social Service Worker turnover is approximately 20% per year. Therefore, a factor needs to be added for ongoing training costs due to turnover. The costs per year would be:

FY 05: $1,282.42 + 95 \text{ additional workers} = 1,477.42 \times \$475 = \$701,775$
FY 06: $95 \text{ additional workers} + 295 \text{ turnover} = 390 \times \$475 = \$185,250$
FY 07: $95 \text{ additional workers} + 314 \text{ turnover} = 409 \times \$475 = \$194,275$

Officials from the **Department of Social Services - Office of Early Childhood (OEC)** assumes family home childcare providers must submit to fingerprinting at their initial application for state

ASSUMPTION (continued)

or federal funds. OEC estimated in a previous note that 4,562 persons would need to be fingerprinted, however, the OEC would pass the cost of fingerprinting on to the applicant. Therefore, OEC assumes no fiscal impact.

Officials from the **Department of Social Services - Division of Legal Services (DLS)** assumed the following:

This proposal would require adjustments to the DLS' representation of the CD in court proceedings and in representation in situations related to the court proceedings but outside the courtroom (i.e. legal advice and other legal assistance).

DLS states it received 397 requests for review in FY01, 480 requests for reviews in FY02 and 425 requests for reviews in FY 03, for an average of approximately 435 cases per year. The DLS closed 48 de novo judicial reviews of CANRB hearings in FY01, 32 in FY02 and 27 in FY03, for an average of 36 cases per year. DLS states this proposal would add another layer to the appeal process (the Administrative Hearing Commission) as a review of the CANRB, thus creating an additional amount of cases that would be pending at the AHC needing to be handled by a DLS attorney. DLS assumes the amount of cases appealed from the CANRB to the AHC would be somewhere around 75 cases per year. DLS assumes that this amount may be higher as the AHC is an administrative body and a few additional alleged perpetrators may appeal to finish that administrative review that would have not filed in circuit court. Thus an additional attorney would be needed to handle the additional caseload created by the extra layer of the AHC hearings. This caseload would be in addition to the amount of cases DLS already is maintaining as neither the CANRB or circuit court has been removed from the process.

Transcription costs: According to the administrative hearings commission, transcription costs average approximately per case \$61 per case for cases that go to circuit court. Assuming that 25% of the 75 cases are appealed to circuit court, that would result in additional costs of approximately \$1,150 in transcription costs and fees.

Litigation costs: Some cases will require formal discovery such as depositions and the costs for serving subpoenas. Assuming that 50 per year cases will require taking or defending formal depositions at an estimated cost of \$400 per deposition this will cost approximately \$20,000 per year in additional costs. Assuming that approximately 50 cases per year would require service of subpoenas for testimony at depositions and at hearings \$20 per subpoena, this will result in an additional litigation cost of approximately \$1,000 per year.

Officials from the **Department of Social Services - Division of Medical Services (DMS)**

CAM:LR:OD (12/02)

ASSUMPTION (continued)

assumed the following:

DMS states Section 208.647 eliminates the waiting period for health care coverage for children with special health care needs that do not have access to affordable employer-subsidized health care insurance as determined by the Family Support Division (FSD). In order to receive federal participation, the Centers for Medicare and Medicaid Services (CMS) would have to approve an amendment to the 1115 waiver. For the purpose of this fiscal note, DMS assumes CMS would approve such a waiver amendment.

FSD has estimated that 126 children would meet these guidelines in FY 05. The cost was determined by utilizing a phase-in formula for the number of eligibles multiplied by the cost per eligible. It is assumed the number of children would be this high because the proposed legislation would apply to common childhood health conditions, such as earaches or colds, which could lead to hearing loss or pneumonia, respectively.

DMS states the average monthly cost per child in the 1115 waiver for FY 03 is \$100.33. Based on a six-month phase-in for the first fiscal year and taking into account the inflation forecast of 4.5% for medical care, the total cost for FY 05 would be \$125,499. For FY 06 and FY 07, the number of eligible children was increased by 3% for caseload growth and phased-in over a four month time frame. The same inflation forecast of 4.5% was applied to the second and third years as well. The total cost for FY 06 would be \$170,253 and for FY 07, the total cost would be \$183,413.

DMS states Section 701.336 would require lead poisoning screenings. DMS assumes that the collaboration to devise an educational strategy, as required by this legislation, can be provided with existing staff and resources. However, if the implementation of the strategy requires additional administrative duties over and above the current workload of DMS staff, DMS would require additional staff to perform these duties. If not, there is not a fiscal impact for new staff to DMS.

If the number of children tested for lead poisoning increases, the Medicaid expenditures for the fee-for-service population would also increase. In addition, the managed care rates of the health maintenance organizations would have to be adjusted to reflect the increased utilization. The anticipated impact of these adjustments is unknown. Therefore, DMS assumes a fiscal impact of unknown but greater than \$100,000.

DMS assumes because of sections modifying the Missouri Family Trust, DMS would anticipate an unknown savings due to increased estate recoveries of an unknown amount, but greater than

ASSUMPTION (continued)

\$100,000.

Officials from the **Department of Public Safety - Criminal Records and Identification Division (CRI)** responded to our fiscal note request and calculated a cost based on 154,209 fingerprints the first year and 26,161 each subsequent year. They obtained this number by contacting the appropriate state agencies. However, in their response to Oversight, the CD reported 1,958 would need background checks and OEC reported 4,562 would need background checks. Oversight has used MHP's formula to recalculate the cost based on 6,520 applicants.

Based on this volume, one additional FTE would be required. The CRI would have this individual work 2nd and 3rd shift so no new equipment would be needed.

The CRI would collect \$38 and pass the \$24 fee from the Federal background checks and pass this on to the FBI.

The CRI estimates the Information System Division (ISD) of the Department of Public Safety would incur additional state data center costs of approximately \$1,630 per year.

Officials from the **Department of Health and Senior Services (DOH)** stated the following:

STATE PUBLIC HEALTH LAB (SPHL)

DOH states the goal of this legislation is to have 75% of the children who receive Medicaid tested for lead poisoning by August 28, 2008. (See 701.336.2)

DOH states according to the latest data available, 55% of Medicaid clients are not enrolled in MC+ plans. In FY 03 the SPHL performed 74% of the lead testing on the Missouri Medicaid clients that were not enrolled in Medicaid Managed Care (MC+). Approximately 10% of the samples tested result in a second sample being tested. The SPHL performs less than .5% of the lead tests on those that were enrolled in a MC+ plan. It is assumed this testing percentage will continue as more Medicaid children are tested. It is also assumed the SPHL will test few, if any, non-Medicaid samples as the volume of Medicaid testing increases due to limited laboratory capacity.

FY 03 lead testing data for SPHL

Total Medicaid samples – 11,228

FY 03 Total Missouri Medicaid children (6 month – not yet reached 6 yrs) ----- 182,729

Medicaid children not enrolled in MC+ plans ----- 100,932

CAM:LR:OD (12/02)

ASSUMPTION (continued)

Projected Samples (Medicaid-non MC+plan) tested by SPHL

Year 1*(40%) Year 2* (60%) Year 3* (75%)
 * based upon 40%, 60%, 75% testing of non-MC+ Medicaid child population with SPHL performing 74% of testing

	29,877	44,815	56,019
	<u>2,988</u> (10% repeat)	<u>4,482</u> (10% repeat)	<u>5,602</u> (10% repeat)
Total	32,865	49,297	61,621

Increase over FY 03

SPHL workload (11,228)	21,637	38,069	50,393
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Revenue raised

\$9.00/sample**	\$194,730	\$342,621	\$453,539
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**based up 60% Federal share Medicaid reimbursement of \$15 fee schedule

Projected costs	(\$357,005)	(\$628,138)	(\$831,488)
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@\$16.50/sample SPHL cost
 (present workload of 11,228
 samples not included)

Cost over Revenue	(\$162,274)	(\$285,517)	(\$377,950)
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Staffing

1st year – two Public Health Lab Scientists, one Office Support Assistant, one Storekeeper, and one Account Clerk II (SPHL)

2nd year - one Senior Public Health Lab Scientist

3rd year - one Public Health Lab Scientist

Expenses over standard include postage for mailing kits and laboratory forms; printing of laboratory forms, instrument lease costs (includes maintenance & repair), and laboratory supplies and reagents.

DOH states while costs per test run \$16.50, Medicaid revenue is based on the fee schedule set by Medicaid, which is \$15.00 per test. Of that \$15.00, the State Public Health Lab receives only the federal portion, which is 60%, or \$9.00 per test.

DOH assumes that all costs and revenues will be charged to and deposited in the Childhood Lead Testing Fund created in section 701.345. Because moneys in the fund shall be used to fund the administration of childhood lead programs, blood tests to uninsured children, educational

ASSUMPTION (continued)

materials and analysis of lead blood test reports and case management, no indirect costs have been shown.

DIVISION OF ENVIRONMENTAL HEALTH AND COMMUNICABLE DISEASE
PREVENTION

PERSONNEL: One Health Educator II would be needed. Expenses would be needed to cover costs to produce brochures (15¢ each), and postage to mail them (40¢ each).

Child population less than six years of age participating in Medicaid as 7/1/03 = 182,729. Less than 15% are lead tested. Thus, the following number of brochures will need to be produced:

182,729 – for 1st year mailing and to use during physician and laboratory visits.
73,092 – for 2nd year mailing – assumes 40% from 1st mailing will still not be lead tested.
29,237 – for 3rd year mailing – assumes 40% from 2nd mailing will still not be lead tested.
285,058 – Total

DIVISION OF SENIOR SERVICES AND REGULATION

The Dept. of Elementary and Secondary Education stated that in 2002, 92,288 educator staff and 45,885 non-educator staff were employed by the school districts statewide. DESE also estimates there is an 8% turnover rate, so 11,054 staff would be hired annually.

According to the internet website for the Missouri CASA Association (Court Appointed Special Advocates), there are 16 regional programs in Missouri and CASA of St. Louis County has 87 volunteers. The DHSS estimates that on average there would be approximately 50 volunteer advocates per region or a total of approximately 800 volunteer advocates to be registered and screened.

DOH is unable to accurately estimate the number of employees working for the private children's division providers and agencies that would require registering and screening nor the number of attorneys appointed annually to act as guardians ad litem in juvenile cases.

DOH estimates that it will require one additional Health Program Representative I/II FTE and 1 additional Office Support Assistant (Keyboarding) FTE to respond to the estimated additional registrations and requests for background screening received through the school districts and the courts. DHSS estimates that one HPR I/II FTE can process 12,000 registrations and related requests annually, and one Office Support Assistant will be required to handle the copying and mailing of results to the school districts, courts, and registrants.

ASSUMPTION (continued)

Additional staff will be required if the total number of additional registrations required by the bill exceed 12,000 annually.

DIVISION OF COMMUNITY HEALTH

DOH states there are presently 488 participants in Hope Service who are not covered by Medicaid. Historically, 1% of those were rejected for Medicaid due to insurance coverage in the previous 6 months. SHCN estimates that 5 participants were rejected for Medicaid coverage due to having insurance coverage within the previous 6 months. A slight savings in General Revenue could occur.

Oversight used estimates of fiscal impact provided by DOH for another proposal.

Officials from the **Office of Prosecution Services** and **Missouri Senate** did not respond to our fiscal note request.

Section 43.530

In response to a similar proposal from this year, officials from the **Department of Elementary and Secondary Education (DES)** stated it would increase fees for receiving background checks and fingerprint search requests. Payments for fingerprint searches will increase from \$14 to \$20. DES states all information submitted by DES to the highway patrol is electronic and assumes the \$5 would not apply.

DES stated that during FY 2003, they requested background checks and fingerprint searches as follows:

	<u>FY 2003</u>	Fee increase		<u>FY 2005</u>	<u>FY 2006</u>
Background	54,977	x	\$0 = \$000,000		
Fingerprint	<u>12,910</u>	x	\$6 = <u>\$ 77,460</u>		
TOTAL	67,887		\$ 77,460	\$85,206	\$93,727

School districts would see an additional cost directly related to the number of requests made. The number of requests increased by 9.2% and 10.7% during FY 2002 and FY 2003 respectively, therefore, DES' calculation for subsequent years is inflated by 10%.

In response to a similar proposal from this year, officials from the **Department of Social Services - Division of Youth Services (DYS)** stated they request substitute teacher certification

ASSUMPTION (continued)

for youth specialist who fill in during teacher absences. Criminal history record information is sought for each applicant. Approximately 100 new requests are made each year. Thus, it is estimated that passage of this will result in DYS being assessed an additional \$500 per year for background checks. DYS states they are currently able to utilize Title IV funds (Safe and Drug Free Schools) to pay those fees. DYS assumed the fiscal impact is “immaterial”.

In response to a similar proposal from this year, officials from the **Department of Social Services - Children’s Division (CD)** stated this would change the fee for name based criminal record checks from \$5 to \$10. Currently, the CD obtains name based criminal history checks on Foster Parents through the Family Safety Registry. Currently, the fee is waived for Foster Parents to sign up for the registry. Therefore, there is no fiscal impact to CD for raising the fee from \$5 to \$10.

In addition, this legislation raises the cost of a fingerprint criminal record check through the Highway Patrol from \$14 to \$20. The CD stated they are requesting funding in the FY 2005 budget to perform fingerprint criminal record searches. This would raise the amount of funding needed to perform the fingerprint criminal record check. The CD stated the current budget request is based on a cost of \$14 for a Highway Patrol fingerprint criminal history check and \$24 for an FBI fingerprinting criminal history check. Therefore, the CD current budget request would be insufficient to meet the costs of a fingerprinting if the legislation is passed. There would be an additional \$6 per check needed on the following providers:

	<u>New</u>	<u>Renewals</u>	<u>Total</u>
Relative Homes	1,000	1,327	2,327
Adoptive Homes	1,145	2,658	3,803
Foster Homes	979	2,471	3,450
Court Ordered Placements	4,222		4,222
Supervision Only Placements	653		<u>653</u>
TOTAL			<u>14,455</u>

Therefore, CD assumed $14,455 \times 2$ persons per households \times an additional \$6 = \$173,460 in costs resulting from the proposal. The CD assumed the cost breakout would be \$82,394 of General Revenue Funds and \$91,067 of Federal Funds.

Oversight assumes the proposal may or may not have an impact on the current budget request for CD, and have not reflected the potential increase in the fiscal note.

In response to a similar proposal from this year, officials from the **Department of Public Safety**

ASSUMPTION (continued)

- **Missouri Highway Patrol (MHP)** stated that according to their Criminal Records and Identification Division, the amendment would increase the revenue received for name checks and fingerprint checks.

The Criminal Records and Identification Division (CRID) currently charges \$5.00 for a name check and \$14.00 for a fingerprint check. The proposed amendment allows the division to charge not more than \$10.00 for a name check (if it is not electronic) and not more than \$20.00 for a fingerprint check. The Patrol assumes that it would not raise the fee the full amount allowed in the first year so a range will be used for the purpose of this fiscal note.

Currently, the Criminal Records Identification Division processes In 2003, MHP received approximately 630,000 requests for name checks, of which about 525,000 (83%) were submitted electronically. As time goes by, MHP expects that percentage to continue to increase, until virtually all requests are submitted electronically in the near future.

Below are some of the incremental increases possible. Based on 105,000 checks:

\$6 per check (\$1 increase) = \$105,000 in additional revenue
\$7 per check (\$2 increase) = \$210,000 in additional revenue
\$8 per check (\$3 increase) = \$315,000 in additional revenue
\$9 per check (\$4 increase) = \$420,000 in additional revenue
\$10 per check (\$5 increase) = \$525,000 in additional revenue

Also currently, the Criminal Records Identification Division processes 9,336 fingerprint searches, which generates \$130,704 (9,336 x \$14) in revenue. The MHP assumes the additional revenue that could be generated with this proposal from the fingerprint searches, could be up to an additional \$56,016. Below are some of the incremental increases possible.

\$15 per check (\$1 increase) = \$9,336 in additional revenue
\$16 per check (\$2 increase) = \$18,672 in additional revenue
\$17 per check (\$3 increase) = \$28,008 in additional revenue
\$18 per check (\$4 increase) = \$37,344 in additional revenue
\$19 per check (\$5 increase) = \$46,680 in additional revenue
\$20 per check (\$6 increase) = \$56,016 in additional revenue

The **overall** combined increases for the Criminal Records and Identification Fund, based on the increased fee for name checks and the increased fee for fingerprints checks would be from \$114,336 (\$1 dollar increase on both searches) to \$581,016 (increase fees to the maximums

ASSUMPTION (continued)

allowed by proposal).

The MHP assumed that some amount of increase would be made each year. MHP also assumes that the increase would only be about \$1.00 each time. A decision would have to be made to determine how much the fee would increase once the legislation passed, and how often it would increase after that. It is possible that the name check and fingerprint check fees would increase at different rates. At this time, there is no way to determine that.

The MHP also stated they do not charge state agencies for background checks, so this proposal would not result in additional cost to other state agencies.

MHP states cost of the customer service satisfaction assessment mechanism would have a one time cost in FY 05 of \$69,200 for development.

In response to a similar proposal from this year, officials from the **Jefferson City Police Department** and the **Springfield Police Department** each assumed the proposal would not have a fiscal impact on their respective agencies.

The amendment states the MHP can charge not more than \$10 for a name check and not more than \$20 for a fingerprint check. Based on this and MHP's response, **Oversight** will range the fiscal impact of the proposal from \$0 (MHP is allowed to by statute but chooses not to raise the fees) to an additional \$581,016 in revenue to the Criminal Record System Fund.

Oversight assumes some of the potential increase in background and fingerprint searches will be paid by local political subdivision (including local school districts) and some of the potential increase will be paid by various other non-governmental entities. Therefore, Oversight will range the additional cost of the amendment to local political subdivisions from \$0 to (Less than \$581,016).

Putative Father Registry Section 192.016 and Sections 453.020 thru 453.061

Officials from the **Department of Health and Senior Services (DOH)** assume they would be responsible for printing and distributing pamphlets relating to this proposal. The DOH assumes the printing costs for 150,000 pamphlets would be \$15,834. The DOH assumes mailing cost to 2,471 counties, birthing hospitals, public libraries, public schools, and universities would be \$9,772. The DOH estimates 200 Programming hours x \$50.00 per hour = \$10,000 would be needed to develop database for tracking purposes and modify paternity file.

ASSUMPTION (continued)

Officials from the **Office of State Courts Administrator (CTS)** state this proposal would create new rights for men in the establishment of paternity, and make changes in the putative father registry maintained by the Department of Health and Senior Services. The CTS states the proposal provides for a \$50 filing fee on all petitions for adoption, to be used to fund the registry.

The CTS states in 2003 (the most recent year for which this data is available), there were 3,400 adoption filings. Thus, the CTS estimates that approximately \$170,000 will be raised in a given year.

Officials from the **Office of the Secretary of State (SOS)** state this proposal amends the Putative Father Registry. The Department of Social Services could promulgate rules to enact this legislation. Based on experience with other divisions, the rules, regulations and forms issued by the Department of Social Services could require as many as 4 pages in the *Code of State Regulations*. For any given rule, roughly one-half again as many pages are published in the *Missouri Register* as are published in the Code because cost statements, fiscal notes and notices are not published in the Code. The estimated cost of a page in the *Missouri Register* is \$23.00. The estimated cost of a page in the *Code of State Regulations* is \$27.00. The actual costs could be more or less than the numbers given. The fiscal impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded and withdrawn. The SOS estimates the cost of this legislation to be \$246.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Social Services - Children's Division (CD)** state the CD reimburses the adoptive parents for legal fees incurred during the adoption process of a child in their care and custody. The legal fees include the filing fee for the adoption proceedings. In FY 2003, the CD had approximately 1,407 adoptions finalized. The proposed filing fee could potentially cost the agency \$70,350.

<u>FISCAL IMPACT - State Government</u>	FY 2005	FY 2006	FY 2007
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GENERAL REVENUE

Income - Department of Social Services -
 Division of Medical Services

Increased estate recoveries	Unknown, greater than \$100,000	Unknown, greater than \$100,000	Unknown, greater than \$100,000
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Income - Office of State Courts
 Administrator

Filing fees (Sections 192.016, 453.020, 453.030, 453.060, 453.061)	\$170,000	\$170,000	\$170,000
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Savings - Department of Health and
 Senior Services

Program savings	\$1,715	\$1,715	\$1,715
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Costs - Office of Attorney General

Additional litigation costs	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
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Costs - Department of Social Services -
 Children's Division

Personal Service (88 FTE in FY 05, 176 FTE in FY 06 and 264 FTE in FY 07)	(\$1,299,010)	(\$3,195,565)	(\$4,913,181)
Fringe Benefits	(\$537,790)	(\$1,322,964)	(\$2,034,058)
Expense and Equipment	(\$877,607)	(\$1,357,847)	(\$1,319,624)
Evaluation contract	(\$20,550)	(\$21,167)	(\$21,801)
Child Placement - Sections 210.117 & 211.038	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)
Training for preponderance of evidence Fingerprinting (1,958 per year)*	(\$480,716)	(\$126,896)	(\$133,078)
	<u>(\$35,342)</u>	<u>(\$35,342)</u>	<u>(\$35,342)</u>
<u>Total Costs - Department of Social Services - Children's Division</u>	(Unknown, greater than \$3,351,015)	(Unknown, greater than \$6,159,781)	(Unknown, greater than \$8,557,084)

*Subject to appropriations

Costs - Department of Social Services -
 Division of Family Services

Filing fees (Sections 192.016, 453.020, 453.030, 453.060, 453.061)	(\$46,529)	(\$46,529)	(\$46,529)
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Cost - Department of Social Services -
 Division of Legal Services

Personal Services (1.5 FTE)	(\$19,282)	(\$23,726)	(\$24,319)
Fringe Benefits	(\$8,052)	(\$9,908)	(\$10,156)
Expense and Equipment	<u>(\$12,127)</u>	<u>(\$13,442)</u>	<u>(\$13,876)</u>
<u>Total Cost - Department of Social Services - Division of Legal Services</u>	(\$39,461)	(\$47,076)	(\$48,351)

Costs - Department of Social Services -
 Division of Medical Services

Program Costs-Section 208.647	(\$34,048)	(\$46,190)	(\$49,760)
Program costs-lead testing Section 701.336	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>
<u>Total Costs - Department of Social Services - Division of Medical Services</u>	(More than \$134,048)	(More than \$146,190)	(More than \$149,760)

Costs - Department of Public Safety -
 Missouri State Highway Patrol

State Data Center Costs	(\$1,358)	(\$1,679)	(\$1,729)
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Costs - Department of Health and Senior
 Services

Expense and equipment (Sections 192.016, 453.020, 453.030, 453.060, 453.061)	(\$35,673)	(\$26,456)	(\$27,250)
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Costs - Department of Health and Senior
 Services

Personal Service (3 FTE)	(\$66,635)	(\$81,961)	(\$84,010)
Fringe Benefits	(\$27,587)	(\$33,932)	(\$34,780)
Expense and Equipment	(\$140,264)	(\$62,707)	(\$39,261)
Transfer to CLTF 40% share of test costs	<u>(\$162,274)</u>	<u>(\$285,517)</u>	<u>(\$377,950)</u>

Total Costs - Department of Health and
 Senior Services

	(\$396,760)	(\$464,117)	(\$536,001)
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<u>Loss</u> - increase in adoption tax credits*	<u>(More than \$1,500,000)</u>	<u>(More than \$100,000)</u>	<u>(More than \$100,000)</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE**	<u>(More than \$5,333,129)</u>	<u>(More than \$6,820,113)</u>	<u>(More than \$9,294,989)</u>
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* The fiscal impact could be divided between the General Revenue Fund and the County Foreign Insurance Fund (which ultimately goes to local school districts) if some of the tax credits are utilized against insurance premium taxes.

**Not including income of unknown, greater than \$100,000 and cost of unknown less than \$100,000

HIGHWAY FUND

Costs – Department of Revenue

Programming costs	<u>(\$3,966)</u>	<u>\$0</u>	<u>\$0</u>
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**ESTIMATED NET EFFECT TO
 HIGHWAY FUND**

	<u>(\$3,966)</u>	<u>\$0</u>	<u>\$0</u>
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**CRIMINAL RECORDS SYSTEM
 FUND**

Revenue – Department of Public Safety -
 Missouri State Highway Patrol

Fingerprint fees (6,520 x \$38)	\$247,760	\$247,760	\$247,760
Increase fees for background checks–Section 43.530	\$0 to <u>\$581,016</u>	\$0 to <u>\$581,016</u>	\$0 to <u>\$581,016</u>
<u>Total Revenue - Department of Public Safety - Missouri State Highway Patrol</u>	\$247,760 to \$828,776	\$247,760 to \$828,776	\$247,760 to \$828,776

Costs – Department of Public Safety -
 Missouri State Highway Patrol

Pass through to FBI (6,520 x \$24)	(\$156,480)	(\$156,480)	(\$156,480)
Personal Services (1 FTE)	(\$18,614)	(\$22,895)	(\$23,468)
Cust service mechanism Sec 43.530	(\$69,200)	\$0	\$0
Fringe benefits	<u>(\$7,706)</u>	<u>(\$9,479)</u>	<u>(\$9,716)</u>
<u>Total Costs - Department of Public Safety - Missouri State Highway Patrol</u>	<u>(\$252,000)</u>	<u>(\$188,854)</u>	<u>(\$189,664)</u>

**ESTIMATED NET EFFECT ON
 CRIMINAL RECORDS SYSTEM
 FUND**

<u><u>(\$4,240) to</u></u> <u><u>\$576,776</u></u>	<u><u>\$58,906 to</u></u> <u><u>\$639,922</u></u>	<u><u>\$58,096 to</u></u> <u><u>\$639,112</u></u>
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CHILDHOOD LEAD TEST FUND

Revenues- Department of Health and
 Senior Services

Sample fees	\$194,730	\$342,621	\$453,539
<u>Transfer in</u> - from General Revenue	\$162,274	\$285,517	\$377,950

Costs - Department of Health and Senior Services

Personal Service (5, 6, and 7 FTE)	(\$105,606)	(\$166,923)	(\$204,889)
Fringe Benefits	(\$43,721)	(\$69,106)	(\$84,824)
Expense and Equipment	(\$184,834)	(\$355,029)	(\$496,696)
Indirect costs	<u>(\$52,842)</u>	<u>(\$84,460)</u>	<u>(\$104,117)</u>
<u>Total Costs - Department of Health and Senior Services</u>	(\$387,003)	(\$675,518)	(\$890,526)

ESTIMATED NET EFFECT ON CHILDHOOD LEAD TEST FUND

(\$29,999) (\$47,380) (\$59,037)

FEDERAL

Income - Department of Social Services

Program reimbursements	More than \$1,741,494	More than \$3,424,439	More than \$4,874,851
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Income - Department of Social Services - Division of Family Services

Program Reimbursements-Sections 192.016, 453.020, 453.030, 453.060, 453.061	\$23,821	\$23,821	\$23,821
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Costs - Department of Social Services - Children's Division

Personal Service (88 FTE in FY 05, 176 FTE in FY 06 and 264 FTE in FY 07)	(\$665,021)	(\$1,635,951)	(\$2,515,275)
Fringe Benefits	(\$275,319)	(\$677,284)	(\$1,041,324)
Expense and Equipment	(\$193,159)	(\$624,412)	(\$817,246)
Evaluation contract	(\$9,450)	(\$9,734)	(\$10,026)
Child Placement - Sections 210.117 & 211.038	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)
Training for preponderance of evidence Fingerprinting (1,958 per year)*	(\$221,059)	(\$58,354)	(\$61,197)
	<u>(\$39,062)</u>	<u>(\$39,062)</u>	<u>(\$39,062)</u>
<u>Total Costs - Department of Social Services - Children's Division</u>	(Unknown, greater than \$1,503,070)	(Unknown, greater than \$3,144,797)	(Unknown, greater than \$4,584,130)

*Subject to appropriations

Cost - Department of Social Services -
 Division of Legal Services

Personal Services (1.5 FTE)	(\$20,303)	(\$24,983)	(\$25,607)
Fringe Benefits	(\$8,479)	(\$10,433)	(\$10,694)
Expense and Equipment	(\$18,191)	(\$20,163)	(\$20,767)
<u>Total Cost - Department of Social Services - Division of Legal Services</u>	(\$46,973)	(\$55,579)	(\$57,068)

Costs - Department of Social Services -
 Division of Medical Services

Program Costs-Section 208.647	(\$91,451)	(\$124,063)	(\$133,653)
Program costs-lead testing Section 701.336	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)
<u>Total Costs - Department of Social Services - Division of Medical Services</u>	(More than \$191,451)	(More than \$224,063)	(More than \$233,653)

Costs - Department of Social Services -
 Division of Family Services
 Program Costs - Reimbursements-
 Sections 192.016, 453.020, 453.030,
 453.060, 453.061)

(\$23,821)	(\$23,821)	(\$23,821)
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**ESTIMATED NET EFFECT TO
 FEDERAL FUNDS**

\$0 **\$0** **\$0**

FISCAL IMPACT - Local Government

FY 2005 FY 2006 FY 2007

POLITICAL SUBDIVISIONS

Costs - Local School Districts

Reimbursement to employees for criminal history checks	\$0 to (\$1,040,516)	\$0 to (\$1,040,516)	\$0 to (\$1,040,516)
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Costs - Local School Districts and other
 political Subdivision

Increased fees for background checks Amendment 3	\$0 to (Less than \$581,016)	\$0 to (Less than \$581,016)	\$0 to (Less than \$581,016)
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**ESTIMATED NET EFFECT TO
 POLITICAL SUBDIVISIONS**

<u>\$0 to (Less than</u>	<u>\$0 to (Less than</u>	<u>\$0 to (Less than</u>
<u>\$1,621,532)</u>	<u>\$1,621,532.)</u>	<u>\$1,621,532)</u>

FISCAL IMPACT - Small Business

Small businesses providing certain child care services would be affected as a result of this proposal.

DESCRIPTION

This proposal makes changes to the laws regarding protective services for children and foster care.

CHILD ABUSE AND NEGLECT REPORTS

- (1) Changes the standard for including an individual on the child abuse and neglect central registry from probable cause to believe the individual committed child abuse or neglect to a finding by the Children's Division within the Department of Social Services that there is a preponderance of evidence that the individual committed child abuse or neglect;
- (2) Prohibits mandated reporters from making reports of child abuse or neglect anonymously. All other reporters may remain anonymous;
- (3) Requires the division to use a structured decision-making model to classify all reports made to the child abuse and neglect hotline, giving priority to ensuring the well-being and safety of the child;
- (4) Requires the names of individuals placed on the central registry before August 28, 2003, to remain on the registry for the duration of the time required in Section 210.152, RSMo;
- (5) Prohibits the division from meeting with a child at any school or child care facility where abuse of the child is alleged to have occurred;
- (6) Reduces from 10 to five years the amount of time the division must keep an unsubstantiated

DESCRIPTION (continued)

report of child abuse made by a mandated reporter;

(7) Requires biological parents, foster parents, guardians ad litem, and court-appointed special advocates to be notified of all family assessment team meetings;

(8) Specifies that disclosure of information about reports of abuse and neglect is to be made after the alleged perpetrator has received sufficient due process; and

(9) Allows alleged perpetrators who are aggrieved by the determination of the Child Abuse and

Neglect Review Board to seek administrative review with the Administrative Hearing Commission.

COURT PROCEEDINGS

(1) Requires the guardian ad litem and court-appointed special advocate volunteer to be informed of and have the right to attend all meetings involving the child upon appointment by the court. The guardian ad litem is required to advocate for timely court hearings to achieve permanency for the child as soon as possible;

(2) Requires that the questioning of a child who is in custody because of a delinquency or a criminal violation cease if the child wishes to have a parent, guardian, or attorney present during the questioning. All video or audio recordings of meetings, interviews, or interrogations conducted in relation to a child in the state's custody are presumed admissible as evidence in proceedings involving the child. The recordings are inadmissible only upon a showing by clear and convincing evidence that the recording lacks sufficient indicia of reliability;

(3) Requires the court to grant a change of judge upon the motion of a child or the child's parent;

(4) Requires a status conference to be held within three days of a child being taken into custody. If requested at the status hearing, a protective custody hearing must be held within 14 days of the request. An adjudication must be held no later than 60 days after the child has been taken into custody; and if at that time the court determines there is sufficient cause for the child to remain in the state's custody, the court will conduct a dispositional review no later than 90 days after the child has been taken into custody. The court must then conduct review hearings every 90 to 120 days during the first year and at least every six months after the first year; and

(5) Requires that on or before July 1, 2005, all juvenile court proceedings for children who are in

DESCRIPTION (continued)

need of care and treatment and termination of parental rights cases initiated by the juvenile office or the division will be open to the public. The proceedings can be closed in certain situations. The general public is excluded during the testimony of a child or a victim.

BACKGROUND CHECKS AND FINGERPRINTING

- (1) Allows the division or the juvenile office to request a name-based criminal history check when an emergency placement of a child must be made and requires them to determine whether any person age 17 or over living in the household is listed on the child abuse and neglect central registry;
- (2) Requires the division to conduct a search for full orders of protection for anyone seeking a foster parent license. The applicant and any adult in the applicant's household must also submit two sets of fingerprints for a criminal background check;
- (3) Requires persons employed by a school after January 1, 2005, who are authorized to have contact with children to have a criminal background check completed before having any unsupervised contact with a child;
- (4) Requires the Department of Social Services to determine whether an applicant for a license to operate a school bus is listed on the central registry. The applicant is required to submit fingerprints to search state and federal criminal history repositories and to pay the fees for the searches;
- (5) Requires the court that certifies a juvenile offender as an adult to order the law enforcement agency to fingerprint the individual immediately;
- (6) Requires qualified entities to obtain two sets of fingerprints from the individual if a national criminal record review is requested; and
- (7) Increases the fees the State Highway Patrol can charge for name-based criminal history background checks from \$5 to \$10 (non-electronic applications) and for checks based on fingerprints from \$14 to \$20. A requesting entity that provides information in electronic form to the highway patrol shall pay a fee of not more than \$5 per request for a criminal history record information not based on a fingerprint check.

FOSTER CARE AND PLACEMENT OF CHILDREN

DESCRIPTION (continued)

- (1) Requires the division to provide standards and training for prospective foster parents, as well as performance-based criteria for licensed foster parents;
- (2) Requires the division to notify parents when their child is placed in foster care, except when harm or danger to the child is imminent;
- (3) Prohibits the removal of children from school for placement in foster care without a court order;
- (4) Requires the division to hold a team meeting immediately after the 72-hour status conference and additional meetings prior to taking any action relating to the placement of a child in its custody;
- (5) Requires the division to place a child with relatives if the court has determined that the placement is not contrary to the best interests of the child. The court must make specific findings on the record detailing why placement with a relative is not in the best interests of the child;
- (6) Specifies that the age of a relative may not be the only consideration in determining whether to place the child with that relative. The substitute also requires the division to comply with the Federal Indian Child Welfare Act in placing Native American children;
- (7) Allows parents to temporarily place a child with another person, while retaining the right to supervise the care of the child and resume custody, and allows a parent to use a power of attorney to delegate his or her powers regarding care or custody of a minor child to another person for a period of up to one year;
- (8) Requires that all information provided at a meeting or hearing relating to the removal of a child from the child's home be confidential, except that a party or parent may waive confidentiality for himself or herself, and that no one may be required to sign a confidentiality agreement prior to testifying or providing information at the meeting; and
- (9) Requires the Department of Social Services to seek Title IV-E waivers from the Department of Health and Senior Services and requires the Department of Social Services to take the necessary steps to qualify the state for any federal block grant money available for foster care and adoption assistance.

DESCRIPTION (continued)

PRIVATIZATION OF SERVICES FOR CHILDREN

- (1) Requires the division to implement privatization of child welfare services statewide beginning on or before July 1, 2005. All direct services for children that are currently provided by the division, except hotline, initial investigation, and family assessment services, will be provided by public and private children's service providers that have contracted through a competitive bid process;
- (2) Requires providers to have a proven record of providing child welfare services in the state or the ability to provide a range of services. Providers and agencies that currently contract with the state may also participate in the competitive bid process. All contracts entered into by the division must be in accordance with federal law and must not result in a loss of federal funding; and
- (3) Requires the division, in collaboration with the courts, to submit a report to the General Assembly beginning July 15, 2006, and continuing each year that the privatization project is in operation. The substitute specifies the information that must be included in the report.

REPORTS

The substitute:

- (1) Requires the Task Force on Children's Justice established by the Children's Service Commission in accordance with federal law to conduct an independent review of the policies and procedures of state and local child protective services agencies and to conduct reviews of specific cases, when appropriate, to evaluate how effectively agencies are discharging their responsibilities;
- (2) Requires the Department of Social Services to submit, beginning February 1, 2006, an annual statistical report regarding the number of children receiving child protective services to the Governor and the General Assembly; and
- (3) Requires the division to identify all children in its custody who are receiving foster care services by January 1, 2005, and report to the General Assembly the type of foster care being provided and the status of all children.

DESCRIPTION (continued)

MISCELLANEOUS PROVISIONS

- (1) Establishes the Office of Child Advocate for Children's Protection and Services within the Office of Administration;
- (2) Designates specified provisions as the "Dominic James Memorial Foster Care Act of 2004";
- (3) Requires the Family Support Division and the Children's Division to jointly operate and maintain an office in each county;
- (4) Requires employees of the Children's Division who are involved with child protective services and who purposely, knowingly, and willingly violate a policy, rule, or state law that is related to the child abuse and neglect activities of the division to be dismissed if the violation results in serious physical injury or death;
- (5) Allows children with special health care needs that if not treated would result in death or serious physical injury to participate in the MC+ for Kids Program without meeting the six-month uninsured requirement;
- (6) Requires the division to conduct a diligent search for the natural parents of a child who is in the custody of the division when the parents' identity or location is unknown;
- (7) Requires an action to recover damages for injury or illness that resulted from child sexual abuse to be commenced within 10 years of the date the plaintiff reached the age of 21 or within three years of the date the plaintiff discovers or reasonably should have discovered that the illness or injury resulted from child sexual abuse, whichever is later;
- (8) Revises the Special Needs Child Adoption Tax Credit. For individuals, the amount of the credit that is in excess of the individual's tax liability is refundable for the year in which the credit is claimed. The credit is not refundable for businesses claiming the credit on behalf of an employee, and there is a \$2 million annual cumulative cap on credits claimed by businesses;
- (9) Requires all hospitals and health care facilities providing obstetrical services to require new mothers to watch a video on shaken baby syndrome before being discharged from the facility;
- (10) Requires the Department of Health and Senior Services and the Department of Social Services to collaborate with non-profit organizations, health maintenance organizations, and the Missouri Consolidated Health Care Plan to formulate an educational strategy to increase the

DESCRIPTION (continued)

number of children who are tested for lead poisoning under the Medicaid Program, with a goal of having 75% of the children who receive Medicaid being tested; and

(11) Revises provisions regarding the Missouri Family Trust.

(12) Provides for a voluntary placement agreement between the Department of Social Services, and a parent, legal guardian or custodian of a child seventeen years of age or younger solely in need of mental health treatment. The Department of Social Services and the Department of Mental Health shall enter into a cooperative agreement to administer the placement and care of a child under a voluntary placement agreement.

PUTATIVE FATHER

This proposal amends the Putative Father Registry.

Lack of knowledge of a pregnancy does not excuse the failure to timely file with the State Registrar. Further, a man's consent to an adoption is not waived by the failure to timely file with the State Registrar unless there was fraud or misrepresentation by the mother. Upon the discovery of the fraud or misrepresentation, the man shall have fifteen days to file. Pamphlets and publications regarding the Putative Father Registry must include the specific statements contained in subsection 10 of this section (Section 192.016).

Petitions for adoption shall include the payment of a \$50 filing fee, which shall be used to fund the Putative Father Registry (Section 453.020).

The consent form must specify that the birth parent understands the importance of identifying possible fathers and may provide the names (Section 453.030).

In cases where the father is unknown, a search of the Missouri Putative Father Registry or any other state's registry must be conducted. Where the mother has named potential fathers and the adoption petition has been filed, a statement declaring that the man has been named and a copy of the pamphlet must be mailed to the last known address of each man (Section 453.060).

This section provides that any man who has had sexual intercourse with a woman is deemed on notice that a child may be conceived and is entitled to notice of adoption proceedings only as provided in Chapter 453, RSMo (Section 453.061).

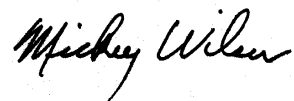
DESCRIPTION (continued)

The proposal contains an emergency clause.

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

SOURCES OF INFORMATION

Missouri House of Representatives
State Public Defender
Department of Insurance
Secretary of State
Department of Elementary and Secondary Education
Office of State Courts Administrator
Office of Administration -
 Administrative Hearing Commission
 Division of Budget and Planning
 Office of Child Advocate
Department of Mental Health
Department of Corrections
Attorney General Office
Department of Social Services
 Division of Medical Services
 Children's Division
 Office of Early Childhood
 Division of Legal Services
Department of Public Safety -
 Missouri Highway Patrol
Department of Health and Senior Services
Department of Revenue
Office of Prosecution Services



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L.R. No. 2427-07
Bill No. SCS for HS for HCS for HB 1453
Page 35 of 35
May 4, 2004

Director
May 4, 2004

CAM:LR:OD (12/02)