

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4216-01
Bill No.: HB 1070
Subject: Family Law; Domestic Relations; Courts; Drugs and Controlled Substances
Type: Original
Date: January 20, 2014

Bill Summary: This proposal establishes family intervention orders for the treatment of persons who abuse chemical substances.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(Up to \$248,955)	(\$139,041)	(\$140,465)
Total Estimated Net Effect on General Revenue Fund	(Up to \$248,955)	(\$139,041)	(\$140,465)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 13 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Federal	\$0*	Unknown exceeding \$100,000	Unknown exceeding \$100,000
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	Unknown exceeding \$100,000	Unknown exceeding \$100,000

* Income and expenditures exceeding \$100,000 annually net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	2.67	2.67	2.67
Federal	2.33	2.33	2.33
Total Estimated Net Effect on FTE	5	5	5

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services (DSS) - Children's Division (CD)** state in section 210.145.2 subsection (2), this proposal adds that all reports made to the child abuse and neglect hotline shall include an inquiry of the reporter about whether chemical substance abuse is present. If chemical substance abuse is a factor and the reporter is a family member of the alleged abuser, the division is required to inform the reporter about how to obtain a family intervention order under the new sections 455.100 to 455.155 of this proposal.

This proposal will require modification to the Child Abuse or Neglect Hotline Protocol. Currently, if a call is received at the hotline and substance abuse is a factor, structured interviewing would lead the call to a line of structured questions that would address substance abuse and its relationship to the allegation of child abuse or neglect. The protocol would need to be revised to determine on every call to the hotline: 1) if chemical substance abuse is a factor and if so, 2) is the reporter a family member of the person who is the chemical substance abuser. Once the criterion is established, scripted instructions would need to be provided to the hotline worker to read to the caller.

Child abuse and neglect hotline workers field about 138,000 calls per year, handled by 47 workers. This is an average of about 20 minutes per call. The CD estimates the questions added to every call in order to determine if substance abuse is a factor, the caller's relationship to the abuser and, when appropriate, scripted instructions to file a family intervention order, will add approximately 3 minutes to each call. This is an increase of 414,000 minutes (138,000 calls x 3 minutes) of time required on calls. 414,000 minutes divided by 60 minutes = 6,900 additional hours. 6,900 hours divided by 2,080 hours per FTE = 3.3 additional staff needed. The Division would require an additional 4 FTE to take calls.

§§198.070.5 and 210.145.2.2 - Computerized system changes

See the Office of Administration - Information Technology Services Division's (OA-ITSD) response for costs associated to change the Family and Children's Electronic System (FACES).

§ 455.150 - Family Intervention Order Literature

Subject to appropriations, DSS, in consultation with the courts, shall develop and make available literature regarding family intervention orders and be made available at all state government offices, domestic violence courts, and law enforcement offices. Upon request, such literature shall be provided to twelve-step programs, practicing psychologists and psychiatrists, and other organizations.

ASSUMPTION (continued)

In August of 2012, the CD spent approximately \$1,184 on the printing of 10,000 brochures for *Safe Place for Newborns*, which are made available in local offices and at the request of professionals. The Division would anticipate at least 5 times this cost (approximately \$5,920) in order to supply material at all state government offices, domestic violence courts, and law enforcement offices.

Also, subject to appropriations, DSS shall implement a public awareness media campaign to inform the public on the availability of family intervention orders. Such media campaign shall include, but not be limited to, direct advertising in newspapers, and on television, radio, and the internet.

A recent media campaign to recruit foster and adoptive parents cost the CD \$52,870, which consisted of television spots in limited markets. The Division would anticipate the need for a larger appropriation in order to expand this type of media campaign to include not only television spots, but direct advertising in newspapers, radio, and the internet.

The CD assumes a federal/state match of approximately 33.5% Federal/66.5% State (General Revenue). FY 15 costs are estimated to be between \$209,218 and 268,009 (Federal \$70,067 to \$89,756/GR \$139,151 to \$178,253); FY 16 costs of \$222,924 (\$74,657 Federal/\$148,267 GR); and FY 17 costs of \$225,344 (\$75,468 Federal/\$149,877 GR).

Oversight assumes the DSS-CD does not need additional rental space for three (3) FTE. In addition, since the literature and media campaign requirements of the proposal are subject to appropriations, Oversight will present costs "Up to" the estimated costs rather than as a range for FY 15.

Officials from the **DSS - Family Support Division (FSD)** provide the following information:

§455.135 - Loans for Treatment of Chemical Substance Abuse

The TANF block grant for federal fiscal year 2013 was \$217 million. One percent of these funds, or \$2.17 million, would be utilized for loans under this section. All TANF block grant and state maintenance of effort (MOE) funds must be spent on one of the four purposes of the TANF program:

1. To provide assistance to needy families;
2. To end dependence of needy parents by promoting job preparation, work and marriage;
3. To prevent and reduce out-of-wedlock pregnancies; and,
4. To encourage the formation and maintenance of two-parent families.

ASSUMPTION (continued)

TANF funds could be spent to provide loans for chemical substance abuse treatment as required by this section, so long as such loans meet one of these purposes. The loans would have to be based on income criteria set by the DSS. Federal law (42 USC 608(a)(6)) does not allow the TANF/MOE funds to be used to provide medical services. Therefore, the loans could not be used to pay for medical treatment relating to outpatient or inpatient treatment, including counseling, but could be used to pay for room and board in an inpatient treatment facility. All loans that are repaid, including interest payments, must be reinvested and used for one of the four purposes of TANF.

The FSD is unable to determine how many loans may be requested or approved per year or what other sources may be available for loans. The FSD is also unable to determine the average amount per loan.

Subsection 4 of this section requires the DSS to file a report with the general assembly each February 1, beginning with February 1, 2015, which details any loans provided under this section. The FSD assumes existing Central Office staff would be able to complete any tasks necessary for the completion of this report.

Oversight assumes the amount of the federal TANF block grant is a set amount and will not be increased if the provisions of this proposal are implemented. Oversight notes the provisions of the proposal provide that "...the DSS may (emphasis added) seek financial assistance for loans from any source, including but not limited to mental health agencies, and through the receipt of any necessary waivers to utilize one percent of any temporary assistance for needy families funds to provide loans as a six percent annual interest rate..." For purposes of the fiscal note, Oversight assumes the DSS-FSD will not seek assistance from other sources and the \$2.17M of block grant funds used for the loan program will be a re-direction of funds already received. As long as the loan program meets the purpose of the TANF program, this re-direction will not have a fiscal impact on state or federal funds and, therefore, will not be presented in the fiscal note.

Oversight assumes loans made from the TANF block grant will begin being repaid in FY 16. It is assumed since all of the funding for the loan program will come from federal TANF program funds, all interest paid on the loans will have to be refunded to the federal government. Since it is unknown how much interest will be repaid in FY 16 or FY 17, it is assumed the interest earnings returned to the federal government will be "Unknown exceeding \$100,000" annually.

Officials from the **DSS - Division of Finance and Administrative Services (DFAS)** state the administration of the TANF loans will require one FTE. DFAS requests a Management Analysis Specialist II (\$41,516) to write the policy, implement the program and file the annual reports.

ASSUMPTION (continued)

Expenses associated with FTE will be 100% federally reimbursed since all duties will relate to the administration of the TANF loans. Expenses are estimated to be \$62,418 for FY 15; \$67,994 for FY 16; and \$68,722 for FY 17.

Oversight assumes DSS-DFAS will not need rental space for one additional FTE.

Officials from the **DSS - Division of Legal Services (DLS)** defer to each of the relevant divisions within DSS as to the fiscal impact of the proposal on those divisions. It is not anticipated the proposal will have any direct fiscal impact on the DLS.

Officials from the **Office of Administration - Information Technology Services Division (ITSD)/DSS** state the Family and Children's Electronic System (FACES) would need to modify the questions on the Child Abuse and Neglect (CA/N) Protocols screens to specifically ask about chemical substance abuse and inquire whether the reporter is a family member. If both conditions are met, FACES would add instructions at the CA/N closure screen on how to obtain a family intervention order.

FACES would need to change three (3) modules for this proposal. It is estimated all changes will be made by ITSD staff at the current average rate of \$63.04 per hour; it is estimated it will take 240 hours to complete the changes; and, the federal/state match rate for FACES is 50% Federal/50% General Revenue. One-time costs are estimated to be \$15,130 (\$63.04/hour X 240 hours); \$7,565 Federal/\$7,565 General Revenue.

Officials from the **Department of Health and Senior Services (DHSS)** provide the following information:

§§198.070 and 660.225 - Computerized system changes:

The proposed legislation requires inquiry of the reporter regarding chemical substance abuse and whether it is a factor in the reported abuse when a report is taken by the abuse and neglect hotline. Capture of this data will require an enhancement to the computerized reporting system and training for intake and investigative staff.

Computer System Enhancement

The Division of Senior and Disability Services (DSDS) will be required to create and implement a system enhancement for the current reporting system. Based on recent enhancement releases, DSDS estimates the cost of this change at approximately \$66,000. Any routine maintenance

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ASSUMPTION (continued)

would be absorbed by DSDS. This portion of the fiscal estimate was calculated based on a 48.35% General Revenue/51.65% Federal split. Federal expenses would be offset by a drawdown of Federal funding.

Training of Staff

There are currently 19 Hotline staff who complete the initial intake of hotline reports for abuse, neglect, and financial exploitation; 293 Adult Protective Services (APS) staff who work in the field performing investigations of alleged abuse, neglect, and financial exploitation; and approximately 20 staff in the central office who handle constituent complaints and inquiries, develop and interpret policy, and perform data extraction and analysis from this computer system. Total staff equals 332 (19 + 293 + 20).

DSDS estimates that all of these individuals would need training on the new requirements and the computer system enhancements. Based on averages for other trainings of this nature, DSDS estimates the cost at \$250 per person. The total cost of training would be \$83,000 (332 staff X \$250) for the first year. For subsequent years, DSDS estimates approximately 30 individuals would be trained annually. This training would be incorporated into the regular training for APS staff and the cost absorbed by DSDS. This portion of the fiscal estimate was calculated based on a 46.70% General Revenue/53.30% Federal split the division uses for expenses and equipment. Federal expenses would be offset by a drawdown of Federal funding.

Officials from the **Office of Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes this is a small amount and does not expect that additional funding would be required to meet these costs. However, it is also recognized that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **Department of Mental Health (DMH)** assume the referrals from the court ordered process will be self-funded by those referred to treatment either through health insurance, personal financial resources, or from a loan fund that may be established by this legislation within the Department of Social Services. Therefore, there is no fiscal impact to the DMH.

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ASSUMPTION (continued)

Officials from the **Office of State Courts Administrator (CTS)** state the proposed legislation would establish family intervention orders for the treatment of people who abuse chemical substances. Since the legislation is permissive, the CTS has no way of knowing how many interventions would occur. Any significant increase in workload will be reflected in future budget requests.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Office of Prosecution Services (OPS)** assume the proposal will have no measurable fiscal impact on the OPS.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE FUND			
<u>Costs - OA-ITSD/DSS</u>			
Computer programming costs (§§198.070.5 and 210.145.2.2)	(\$7,565)	\$0	\$0
<u>Costs - DSS-CD (§ 210.145.2)</u>			
Personal service	(\$74,027)	(\$89,757)	(\$90,654)
Fringe benefits	(\$37,757)	(\$45,780)	(\$46,238)
Equipment and expense	(\$19,833)	(\$3,504)	(\$3,573)
Brochure and media campaign costs	(Up to \$39,101)	\$0	\$0
<u>Total Costs - DSS-CD</u>	(Up to \$170,718)	(\$139,041)	(\$140,465)
FTE Change - DSS-CD	2.67 FTE	2.67 FTE	2.67 FTE
<u>Costs - DHSS-DSDS</u>			
Computer system enhancements and staff training (§§198.070 and 660.255)	(\$70,672)	\$0	\$0
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(Up to <u>\$248,955</u>)	<u>(\$139,041)</u>	<u>(\$140,465)</u>
Estimated Net FTE Change on the General Revenue Fund	2.67 FTE	2.67 FTE	2.67 FTE

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
FEDERAL FUNDS			
<u>Income - DHSS-DSDS</u>			
Increase in Federal drawdown (§§198.070 and 660.255)	\$78,328	\$0	\$0
<u>Income - OA-ITSD-DSS</u>			
Increase in program reimbursements (§§198.070.5 and 210.145.2.2)	\$7,565	\$0	\$0
<u>Income - DSS-CD</u>			
Increase in program reimbursements (§210.145.2)	Up to \$85,962	\$70,011	\$70,728
<u>Income - DSS-FSD (§455.135)</u>			
Interest on loans	\$0	Unknown exceeding \$100,000	Unknown exceeding \$100,000
Increase in program reimbursements	<u>\$59,677</u>	<u>\$64,635</u>	<u>\$65,295</u>
Total <u>All</u> Estimated Income	<u>Up to \$231,532</u>	<u>Unknown exceeding \$234,646</u>	<u>Unknown exceeding \$236,020</u>
<u>Costs - DHSS-DSDS</u>			
Increase in federally funded program costs (§§198.070 and 660.255)	(\$78,328)	\$0	\$0
<u>Costs - OA-ITSD/DSS</u>			
Increase in program expenditures (§§198.070.5 and 210.145.2.2)	(\$7,565)	\$0	\$0
<u>Costs - DSS-CD (§210.145.2)</u>			
Personal service	(\$37,275)	(\$45,195)	(\$45,647)
Fringe benefits	(\$19,012)	(\$23,052)	(\$23,282)
Equipment and expense	(\$9,986)	(\$1,764)	(\$1,799)
Brochure and media campaign costs	<u>(Up to \$19,689)</u>	<u>\$0</u>	<u>\$0</u>
Total Costs - DSS-CD	<u>(Up to \$85,962)</u>	<u>(\$70,011)</u>	<u>(\$70,728)</u>
FTE Change - DSS-CD	1.33 FTE	1.33 FTE	1.33 FTE

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
FEDERAL FUNDS (continued)			
<u>Costs - DSS-DFAS (455.135)</u>			
Personal service	(\$34,583)	(\$41,931)	(\$42,350)
Fringe benefits	(\$17,639)	(\$21,387)	(\$21,601)
Equipment and expense	<u>(\$7,455)</u>	<u>(\$1,317)</u>	<u>(\$1,344)</u>
Total Costs - DSS-DFAS	<u>(\$59,677)</u>	<u>(\$64,635)</u>	<u>(\$65,295)</u>
FTE Change - DSS-DFAS	1 FTE	1 FTE	1 FTE
 Total <u>All</u> Costs	 <u>(Up to \$231,532)</u>	 <u>(\$134,646)</u>	 <u>(\$136,020)</u>
 ESTIMATED NET EFFECT ON FEDERAL FUNDS	 <u>\$0</u>	 <u>Unknown exceeding \$100,000</u>	 <u>Unknown exceeding \$100,000</u>
 Estimated Net FTE Effect on Federal Funds	 2.33 FTE	 2.33 FTE	 2.33 FTE
 <u>FISCAL IMPACT - Local Government</u>	 FY 2015 (10 Mo.)	 FY 2016	 FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal establishes family intervention orders for the treatment of persons who abuse chemical substances. In its main provisions, the proposal: (1) Requires all reports of abuse or neglect of a child; abuse of a convalescent, nursing, or boarding home resident; or any report of an eligible adult that presents a likelihood of suffering serious physical harm and in need of

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FISCAL DESCRIPTION (continued)

protective services to include an inquiry of the reporter whether chemical substance abuse may be present. If the reporter is a family member of the alleged abuser he or she must be informed on how to obtain a family intervention order if chemical substance abuse may be a factor; (2) Requires a petition in a dissolution proceeding to state whether a family intervention order has been entered against either party and specifies the actions the court may take if an order has been entered; (3) Requires the court to consider if either or both parties to a custody proceeding have a family intervention order entered against them for chemical substance abuse. Temporary or permanent custody may be considered for any party that does not have a family intervention order entered against them for chemical substance abuse; (4) Requires the court to make specific findings of fact showing the custody or visitation schedule ordered by the court best protects the child and the parent or other family or household member if the court finds that a parent or other family or household member is a chemical substance abuser; (5) Specifies that a person who is alleged to have a chemical substance abuser as a member of his or her family or household may petition for a family intervention order. The petition must be filed in the county where the petitioner or respondent resides or where the respondent may be served; (6) Requires a hearing on a petition for a family intervention order to be held within 15 days of the filing of the petition unless the court determines upon good cause shown that a continuance should be granted. The court must order a full family intervention order if the petitioner proves the allegation of chemical substance abuse by a preponderance of the evidence; (7) Specifies that a family intervention order may be issued or renewed for a period of time the court determines is appropriate, but must be valid for at least 180 days and not more than one year. If found to be in the best interest of the parties, the court may include an automatic renewal provision in the order; (8) Specifies the requirements for the service of the petition and full family intervention order on the respondent; (9) Specifies the minimum requirements for any full family intervention order; (10) Creates a presumption of chemical substance abuse by the respondent if the respondent fails to comply with the requirements of the family intervention order; (11) Allows the court to recommend a petitioner, respondent, or other family or household member to participate in codependency treatments programs or Al-Anon; (12) Requires the Department of Social Services to obtain any necessary waivers to utilize 1% of any Temporary Assistance for Needy Families funds to provide loans at 6% annual interest for individuals who enter chemical substance abuse treatment and who are uninsured or do not have available financial resources to pay for treatment. The loan must not exceed the cost of the chemical substance abuse treatment; (13) Requires the department to file, beginning February 1, 2015, and by every February 1 thereafter, a report with the General Assembly that includes a summary detailing any loans provided under these provisions; (14) Specifies the language that must be used on forms to be used for the issuance of family intervention orders; (15) Requires the department, subject to appropriations, in consultation with the courts, to develop and make available literature regarding family intervention orders. The literature must be available at all state government offices, domestic

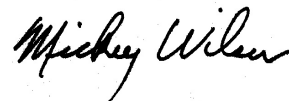
FISCAL DESCRIPTION (continued)

violence courts, and law enforcement offices and provided on request to 12-step programs, practicing psychologists and psychiatrists, and other organizations; (16) Requires the department, subject to appropriations, to implement a public awareness media campaign to inform the public on the availability of family intervention orders; and (17) Requires the court to retain jurisdiction over the family intervention order for its entire duration.

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

Office of Administration -
 Information Technology Services Division/DSS
Office of State Courts Administrator
Department of Mental Health
Department of Health and Senior Services
Department of Social Services -
 Children's Division
 Division of Finance and Administrative Services
 Family Support Division
 Division of Legal Services
Joint Commission on Administrative Rules
Office of Prosecution Services
Office of Secretary of State



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L.R. No. 4216-01
Bill No. HB 1070
Page 13 of 13
January 20, 2014

January 20, 2014

HWC:LR:OD