

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2342H.02I
Bill No.: HB 1123
Subject: Children and Minors; Family Law; Social Services, Department of; Children's
Division; Adoption
Type: Original
Date: February 23, 2021

Bill Summary: This proposal modifies provisions relating to the protection of children.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue	\$24,709	\$467,962	\$566,604
Total Estimated Net Effect on General Revenue	\$24,709	\$467,962	\$566,604

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Federal Funds*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

*Savings and losses estimated at \$458,000 annually and net to \$0 beginning in FY22.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☒ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§211.444 – Who may petition to terminate parental rights

Officials from the **Department of Social Services (DSS), Children's Division (CD)** state this section would allow for a guardian ad litem (GAL) to be the filing party in a Termination of Parental Rights (TPR) case.

As of January 31, 2021, there are 1,833 children/youths in the legal custody of the state with either a goal of adoption or in a pre-adoptive home with no completed termination of parental rights. Should GALs be able to file TPRs for these children/youths, CD estimates 10% of these youths, or 183 children/youths, could be impacted resulting in permanency.

If 183 children/youths had TPRs completed as a result of a GAL filing the TPR, the fiscal impact in cost savings to CD would be \$3,706 in case management, administration costs, resource development and special expenses as well as the savings in maintenance payments, of \$181 per month or \$2,172 annually and the annual savings on clothing allowances of an average of \$385.

183 Children/Youth X \$3706=\$678,198
183 Children/Youth X \$181=\$397,476
183 Children/Youth X \$385=\$70,455

Case Management Cost Savings
Maintenance Cost Savings
Clothing Expense Savings

This would be offset by costs associated with the TPR fee agreement which the Children's Division reimburses adoptive parents who assume responsibility for doing TPR as part of their adoption.

This savings would start 6 months after the passage of this legislation, and would accrue up to 183 children over a year.

Using the same estimate as cited above and if 50% of the cases are contested and 50% are uncontested, the expense to Children's Division would be \$183,000. This is based on current policy regarding expenses associated with TPR:

91.5 Non-contested cases (183/2) X \$500/case = \$45,750
91.5 Contested cases (183/2) X \$1,500/case = \$137,250
Total: \$183,000

Children's Division defers to DLS in regards to anticipated expenses in Children's Division representation, but in the cases outlined below Children's Division does not currently have representation.

Oversight does not have information to the contrary. Oversight notes the savings and costs presented by DSS are subject to a 60% GR/40% Federal fund split. Therefore, Oversight will reflect the estimates as provided by CD.

Officials from the **DSS, Division of Legal Services (DLS)** state there is no fiscal impact to DLS because this bill does not increase the need for DLS services, litigation, hearings, or personnel as presently written.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for DLS for this section.

Responses regarding the proposed legislation as a whole

Officials from **Office of the State Courts Administrator (OSCA)** state there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the OSCA will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the OSCA for fiscal note purposes. Oversight also assumes OSCA may seek additional appropriations if the proposal results in a significant increase in costs.

Officials from the **Attorney General's Office**, the **Department of Commerce and Insurance**, the **Department of Corrections**, the **Department of Health and Senior Services**, the **Missouri Office of Prosecution Services** and the **Office of the State Public Defender** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State** notes 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 Secretary of State's office for Administrative Rules is less than \$5,000. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, they also recognize 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 our office can sustain with our core budget. Therefore, they

reserve 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.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (5 Mo.)	FY 2023	FY 2024
GENERAL REVENUE FUND			
<u>Savings</u> - DSS (§211.444) Foster care program savings	\$70,459	\$577,762	\$676,404
<u>Costs</u> – DSS (§211.444) Expenses from cases	(\$45,750)	(\$109,800)	(\$109,800)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	\$24,709	\$467,962	\$566,604
FEDERAL FUNDS			
<u>Income</u> - DSS (§211.444) Reimbursements for case expenses	\$30,500	\$73,200	\$73,200
<u>Savings</u> - DSS (§211.444) Foster care program savings	\$46,973	\$385,175	\$450,936
<u>Costs</u> – DSS (§211.444) Expenses from cases	(\$30,500)	(\$73,200)	(\$73,200)
<u>Losses</u> - DSS (§211.444) Lost reimbursements for the foster care program	(\$46,973)	(\$385,175)	(\$450,936)
ESTIMATED NET EFFECT ON FEDERAL FUNDS	\$0	\$0	\$0

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	\$0	\$0	\$0

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill adds "guardian ad litem" to the listed individuals that may petition for the termination of parental rights, specific adoption or waiver for consent to adopt (§§211.444 and 211.447).

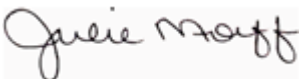
The bill repeals payment for adoption legal fees by the prospective adoptive parents for a birth parent, and allows the court to determine if representation is needed for the birth parent in an adoption proceedings (§453.030).

Currently consent to the adoption of a child is required by a parent unless the child is under the age of one and the parent, for at least six months, has neglected to provide the child with necessary care and protection. This bill changes the age from one to three (§453.040)

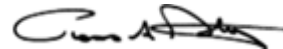
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Attorney General's Office
Department of Commerce and Insurance
Department of Health and Senior Services
Department of Corrections
Department of Social Services
Joint Committee on Administrative Rules
Missouri Office of Prosecution Services
Office of the Secretary of State
Office of the State Courts Administrator
Office of the State Public Defender



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February 23, 2021



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