

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2016 REGULAR SESSION**

MEASURE

2016 BR NUMBER **1958**

HOUSE BILL NUMBER **538**

RESOLUTION NUMBER _____

AMENDMENT NUMBER _____

SUBJECT/TITLE **An ACT relating to child abuse and neglect.**

SPONSOR **Representative Linda Belcher**

NOTE SUMMARY

FISCAL ANALYSIS: IMPACT NO IMPACT INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT: STATE LOCAL FEDERAL

BUDGET UNIT(S) IMPACT: **Cabinet for Health & Family Services; Kentucky State Police**

FUND(S) IMPACT: GENERAL ROAD FEDERAL RESTRICTED AGENCY _____ OTHER

FISCAL SUMMARY

FISCAL ESTIMATES	2015-2016	2016-2017	2017-2018	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES		Indeterminable	Indeterminable	Indeterminable
NET EFFECT		(Indeterminable)	(Indeterminable)	(Indeterminable)

() indicates a decrease/negative

MEASURE'S PURPOSE: The purpose of this measure is to authorize and require the Department for Community Based Services to investigate reports of child-on-child abuse and to require continued payment of subsidies for children removed by the court from the care of the Cabinet for Health and Family Services.

PROVISIONS/MECHANICS: Section 1 amends KRS 620.030 to require investigations of reports of child abuse or neglect allegedly committed by a child.

Section 2 amends KRS 620.040 to require investigations of reports of child abuse or neglect allegedly committed by a child.

Section 3 amends KRS 620.030 to establish new requirements when a specific emergency custody order is issued.

FISCAL EXPLANATION: The Cabinet for Health and Family Services (CHFS) estimates that the legislation would have an indeterminable fiscal impact on the Cabinet and the Department for Community Based Services (DCBS) specifically. HB 538 mandates that DCBS investigate any

instance of child abuse or neglect committed by another child, regardless of the child's age or caretaker role. Requiring the Department to investigate all instances of child perpetrators of child abuse, particularly sexual abuse, could result in a significant increase in DCBS investigations.

Currently, DCBS will only investigate instances of sexual assault involving a child perpetrator who is in a caretaker role (e.g., babysitting) or upon the request of law enforcement. While the increase in DCBS investigations cannot be precisely calculated, the expansion in investigations associated with the provisions of the bill would necessitate the hiring of additional staff. The additional staff would cost approximately \$75,000 per employee per year for an undetermined number of additional employees. There would also be additional costs associated with supplies, start-up, and travel for the added staff.

The legislation also contains a retroactive mandate that the Cabinet provide foster care benefits to children whose custody is transferred from emergency custody under the Cabinet to temporary or permanent custody under a person, or persons, with the same level benefits those children would have been afforded in foster care. Currently, DCBS does not provide foster care benefits to children who are not in the custody of the Cabinet. This provision would mandate that the Cabinet finance reimbursements, medical expenses, child-care, adoption assistance, non-recurring adoption expenses, and tuition and mandatory fees for any child removed from the Cabinet through an emergency custody order. This would apply to a caregiver, other than the child's home of origin, who is awarded temporary or permanent custody of the child (e.g., relatives, de facto custodians, prospective adoptive parents).

Due to the retroactive provisions in the bill, CHFS estimates that it would be required to reimburse a prior claim of approximately \$60,000. In the future, the retroactive application of the provisions of the legislation could be applied to other cases. While it is not possible to determine the number of cases to which this would actually apply, if a child received the basic foster care per diem for a child 11 years of age or younger (\$22.70) — the least expensive of the state per diems — then each child would cost approximately \$8,300 per year in similar foster care reimbursement. Moreover, these expenses would not be eligible for any federal reimbursement, and, thus, would be 100 percent state funded.

The legislation could also increase the number of investigations that the Kentucky State Police would need to conduct. However, the potential number of cases that would need to be investigated is indeterminable.

DATA SOURCE(S): Cabinet for Health & Family Services

PREPARER: Miriam Fordham NOTE NUMBER: 135 REVIEW: JRS DATE: 3/9/2016