TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 264 – HB 312

February 11, 2023

SUMMARY OF BILL: Removes the requirement for a petition to have been filed alleging neglect under the reasons for which termination of parental or guardianship rights may be based. Removes certain requirements surrounding the safekeeping of records of adoption petitions that are dismissed. Requires the Department of Children's Services (DCS) to store sealed adoption records on or after July 1, 2023.

FISCAL IMPACT:

Decrease State Expenditures – \$10,300/FY23-24 and Subsequent Years

Assumptions:

- Tennessee Code Annotated § 36-1-113(g)(3)(A) currently states that the initiation of termination of parental or guardianship rights may be based on the fact that the child has been removed from custody for a period of at least six months by a court order in which a petition has been filed in court alleging that a child is neglected. The proposed legislation removes the requirement for a petition to be filed.
- It is assumed that the changing the requirements for termination of parental or guardianship rights will not result in a significant increase in court proceedings, and can therefore be handled without a significant fiscal impact to courts.
- Pursuant to Tenn. Code Ann. § 36-1-126, sealed adoption records are stored with the Secretary of State (SOS). The proposed legislation would require these records to instead be stored with DCS following implementation on July 1, 2023.
- The Adoption Unit of DCS currently sends an average of 44 boxes of records to storage each month, or 528 (44 x 12 months) boxes per year, which costs a one-time fee of \$10.50 per box and an additional monthly fee of \$0.17 per box.
- The annual state expenditures associated with storing these boxes is \$5,634 [(528 boxes x \$10.50 fee) + (528 boxes x \$0.17 fee)].
- The Adoption Unit of DCS also requests an average of 17 boxes a month from storage at a retrieval rate of \$23 per box, or \$4,692 (17 boxes x \$23 fee x 12 months) per year.
- The total state expenditures associated with storing and retrieving adoption records is \$10,326 (\$5,634 + \$4,692) annually.
- The SOS currently contracts with Vital Records Inc. to house all state records, these costs are currently passed along to DCS; therefore, any impact on the SOS is considered not significant.

- Under the proposed legislation, DCS will store adoption records electronically, eliminating the need for fees to be paid to a third-party contractor to house and retrieve records.
- The records can be electronically stored within existing resources at DCS; DCS will not incur any costs associated with such storage.
- The proposed legislation will therefore result in a decrease in state expenditures of \$10,326 in FY23-24 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Kiista Lee Caroner

Krista Lee Carsner, Executive Director

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