GOVERNOR'S OFFICE OF BUDGET AND PROGRAM PLANNING

# Fiscal Note 2025 Biennium

| Bill information: | |
|---|---|
| SB0469 - Establish statewide central registry for reports of child abuse or neglect (Trebas, Jeremy ) | |
| | |
| **Status:** | As Introduced |

☐Significant Local Gov Impact ☒Needs to be included in HB 2 ☒Technical Concerns

☐Included in the Executive Budget ☐Significant Long-Term Impacts ☐Dedicated Revenue Form Attached

## FISCAL SUMMARY

| | FY 2024 Difference | FY 2025 Difference | FY 2026 Difference | FY 2027 Difference |
|---|---|---|---|---|
| **Expenditures:** | | | | |
| General Fund | $974,176 | $907,877 | $921,494 | $935,215 |
| **Revenue:** | | | | |
| General Fund | $0 | $0 | $0 | $0 |
| **Net Impact-General Fund Balance:** | ($974,176) | ($907,877) | ($921,494) | ($935,215) |

**Description of fiscal impact:** SB 469 establishes a statewide central registry for substantiated reports of child abuse or neglect and requires the Department of Public Health and Human services (DPHHS) to request a hearing before district court prior to an individual being added to the central registry of child abuse and neglect investigations. The requirements of the bill will have a fiscal impact on current staffing and operations. SB 469 requires the district court to affirm any addition to the child abuse registry. The bill also allows any party on the registry to file a written request with the district court to be removed from the registry.

## FISCAL ANALYSIS

**Assumptions:**

**Judicial Branch**

1. DPHHS reports there were 1,239 registry reports filed in FY 2022. The department cannot provide a breakdown by county or judicial district. The Judicial Branch assumes the workload would be similar to that required for a criminal case or 141 minutes per case for a total of 2,911 additional judicial hours of new additions to the registry. The department cannot provide a total number on the registry who may petition for removal. The Judicial Branch assumes 500 people each year would petition for removal for an additional 1,175 judicial hours per year.

2. The impact would be greatest in the judicial districts with the largest child abuse and neglect caseloads with a larger impact on single judge, multi-county districts with large DN caseloads.
3. The Judicial Branch assumes a standing master could preside over the cases to reduce costs. To meet the total additional 4,086 judicial hours needed to process the cases, the Judicial Branch would need an additional 2.25 FTE as follows:
    a. two 0.50 FTE standing masters, one each in the 8th and the 13th Judicial Districts (41% of the total DN cases),
    b. one 0.50 FTE standing master to serve both the 9th and 12 Judicial Districts (11% of total DN cases), and
    c. one 0.75 FTE standing master to serve the 1st, 2nd, and 4th Judicial Districts (17% of total DN cases).
    d. Other districts would absorb the increases, but workload impact would be significant and could result in the need for additional judges.
4. Using IBARS position detail data, the cost for a .50 FTE standing master is $59,198 in FY 2024 and $59,377 in FY 2025. The cost for a 0.75 FTE standing master is $82,473 in FY 2024 and $82,742 in FY 2025. Standing master personal services in FY 2024 are $260,067 (three 0.50 FTE x $59,198 and one 0.75 FTE at $82,473). Standing master personal services in FY 2025 are $260,873 (three 0.50 FTE x $59,377 and one 0.75 FTE at $82,742).
5. The Judicial Branch will need an additional 2.25 FTE for court reporters to attend the hearings with the standing masters. Using IBARS position detail data, the cost for a 0.50 FTE court reporter is $42,250 in FY 2024 and $42,363 in FY 2025. The cost for a 0.75 FTE court reporter is $53,975 in FY 2024 and $54,134 in FY 2025. Court reporter personal services in FY 2024 are $180,725 (three 0.50 FTE x $42,250 and one 0.75 FTE at $53,975). Court reporter personal services in FY 2025 are $181,223 (three 0.50 FTE x $42,363 and one 0.75 FTE at $54,134).
6. One-time startup costs include the standard new employee package of $1,600 for a desk, chair, bookshelf, and file cabinet and $1,200 for a new computer. Total one-time startup costs incurred in FY 2024 are $22,400 (8 new employees x $2,800).
7. Each court reporter will require a new stenograph machine and related software, which is estimated to cost $12,000 per machine, for a total of $48,000 to be incurred in FY 2024.
8. The standing master and court reporter assigned to cover the 9th and 12th Judicial Districts will have to cover hearings in seven counties. It is assumed that the standing master and court reporter will be in travel status at least one day each week. The average miles traveled each week is estimated at 216 miles round trip (assuming a home base of Havre) for a weekly mileage reimbursement cost of $141 (216 miles x $0.655). Total annual mileage is estimated at $7,332 ($141 x 52 weeks).
9. The standing master and court reporter assigned to cover the 1st, 2nd, and 4th Judicial Districts will have to cover hearings in five counties. It is assumed that the standing master and court reporter will be in travel status at least one day each week. The average roundtrip miles traveled each week (assuming a home base of Helena) is estimated at 200 miles for a cost of $131 (200 miles x $0.655). Total annual mileage is estimated at $6,812 ($131 weekly reimbursement x 52 weeks).
10. Total annual mileage reimbursement is estimated at $14,144 ($7,332 for the 9th and 12th Judicial Districts plus $6,812 for the 1st, 2nd, and 4th Judicial Districts).
11. Total costs for each fiscal year are as follows:

| | **FY 2024** | **FY 2025** | **FY 2026** | **FY2027** |
|---|---|---|---|---|
| Standing Master Pers. Svc. (2.5 FTE) | 260,067 | 260,873 | 264,786 | 268,699 |
| Court Reporter Pers. Svc. (2.5 FTE) | 180,725 | 181,223 | 183,941 | 186,660 |
| New Employee Startup | 22,400 | - | - | - |

| | | | | |
|---|---|---|---|---|
| Court Reporter Equipment | 48,000 | - | - | - |
| Annual Mileage | 14,144 | 14,144 | 14,356 | 14,568 |
| **Total Costs** | **$525,336** | **$456,240** | **$463,083** | **$469,927** |

12. FY 2026 and FY 2027 costs are FY 2025 costs increased by 1.5% and 3% respectively to account for inflation.

**Department of Public Health and Human Services (DPHHS)**

13. Section 2 of the bill requires the department to request a hearing before the district court prior to an individual being added to the central registry of child abuse and neglect investigations established in Section 1. Section 2(4) allows for these hearings to be held in conjunction with a show cause hearing in a dependent neglect case. In FY 2022 there were 1,649 substantiated or founded reports of abuse or neglect. Of those reports, 725 resulted in a legal proceeding, which would include a show cause hearing, leaving 924 substantiated or founded reports requiring a hearing prior to being added to the central registry. (1,649 substantiated reports - 725 with legal action = 924 substantiated hearings)
14. The hearings for substantiated reports with no other legal action is in addition to work already required by federal regulation or state law under short timeframes. SB 469 does not alleviate the department from other required, necessary, and time-consuming work. Adding a new process to the existing workload results in opportunity cost of other required work and would thus result in overtime of existing staff.
15. It is estimated to take one hour to write the hearing report and three hours for the hearing of child protection (CPS) staff time. It is estimated that the substantiated report hearings will occur at an average of $50.44 per overtime hour cost of CPS staff. Overtime costs are estimated to be $186,424 in FY 2024 and $189,221 in FY 2025. Annual costs for personal services are estimated to increase 1.5% in FY 2026 and FY 2027. (924 substantiated reports requiring a hearing X 4 hours per report = 3,696 additional hours x $50.44 average hourly cost = $186,242)
16. CFSD administrative expenditures are federally allowable expenditures under Title IV-E of the Social Securities Act at a federal participation rate of 30%, the remaining 70% of expenditures are funded with state general funds.

**Office of Public Defender (OPD)**

17. OPD is unclear whether the proposed statute creates a new substantiation proceeding at which OPD will be required to provide counsel for the accused parent or parents. Section 2(4) provides, "The individual has a right to counsel." However, the bill does not amend 47-1-104, MCA, which lists the cases to which a court may order assignment of a public defender.
18. If the bill does create a new substantiation proceeding at which OPD will be required to provide counsel, OPD assumes such representations will require an average 4 hours of OPD attorney time.
19. OPD assumes the cost of per attorney hour will be the contract rate of $71 per hour due to OPD's FTE attorneys already being at maximum caseload capacity.
20. Based on information from Child and Family Services that there are 924 substantiations per year that do not currently result in court proceedings and OPD appointment, OPD assumes the bill would result in 924 new substantiation appointments for a total cost to OPD of $262,416 per year (924 times 4 hours times $71/hour).
21. OPD assumes an inflation rate of 1.5% in each of years 3 and 4.

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|---|---|---|---|---|
| **Expenditures:** | | | | |
| Personal Services - Jud | $440,792 | $442,096 | $448,727 | $455,359 |
| Operating Expenses - Jud | $84,544 | $14,144 | $14,356 | $14,568 |
| Operating Expenses - OPD | $262,416 | $262,416 | $266,352 | $270,348 |
| Personal Services - DPHHS | $186,424 | $189,221 | $192,059 | $194,940 |
| **TOTAL Expenditures** | $974,176 | $907,877 | $921,494 | $935,215 |
| **Funding of Expenditures:** | | | | |
| General Fund (01) | $974,176 | $907,877 | $921,494 | $935,215 |
| **TOTAL Funding of Exp.** | $974,176 | $907,877 | $921,494 | $935,215 |
| **Revenues:** | | | | |
| General Fund (01) | $0 | $0 | $0 | $0 |
| **TOTAL Revenues** | $0 | $0 | $0 | $0 |
| **Net Impact to Fund Balance (Revenue minus Funding of Expenditures):** | | | | |
| General Fund (01) | ($974,176) | ($907,877) | ($921,494) | ($935,215) |

**Technical Notes:**

1. Section 2(4) states a person has a right to counsel, but the bill does not define who pays for the counsel. The Judicial Branch does not have authority or funding to pay for appointed counsel in these cases.
2. Section 4(1) directs the person to file a written request for removal from the registry. The term "written request" is not defined in court rule.
3. Section 4(6) requires procedures for expungement to be clearly posted but doesn't define who is responsible for creating and posting the required documents. The Judicial Branch assumes this responsibility rests with the DPHHS.
4. Section 2(4) provides, "The individual has a right to counsel." However, the bill does not amend 47-1-104, MCA, which lists the cases to which a court may order assignment of a public defender.

| *Sponsor's Initials* | *Date* | *Budget Director's Initials* | *Date* |
|---|---|---|---|
| | | | 4-14-23 |