

2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 414

STATUS: A-Engrossed

SUBJECT: Requires the Department of Human Services to make diligent efforts to place statutorily defined siblings together when the siblings are removed from the home by the Department; court reporting on Department's diligent efforts; court order visitation; and court permanency hearing frequency.

GOVERNMENT UNIT AFFECTED: Department of Human Services, Oregon Judicial Department, Public Defense Services Commission, and the Department of Justice

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DATE: March 28, 2007

2007-2009

2009-2011

EXPENDITURES:

Department of Human Services – See Comments

Oregon Judicial Department – See Comments

POSITIONS / FTE:

Department of Human Services (see comments)

EFFECTIVE DATE: January 1, 2008

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: This measure requires the Department of Human Services (DHS) to make diligent efforts to place statutorily defined siblings together when the siblings are removed from the home by the Department. DHS is required to report its efforts to keep siblings together to the state court, which may find such placement is not in the interest of either the child, or the ward, or the child or ward's sibling. Courts shall make written finding whether DHS made diligent efforts pursuant to law. The court may make an order regarding visitation by the ward's parents or siblings, which the DHS is required to implement. The reporting by DHS to state courts is also expanded. Section 10(4) also specifies when the court is to conduct permanency hearings.

The fiscal impact of this measure can be categorized by five specific impacts, the first three of which relate to the placement of siblings with competing placement options. The impacts are: (a) extended court hearing time; (b) increase in DHS staff workload related to court hearings; (c) DHS legal support for the hearings; (d) court-ordered extended visitations; and (e) a database for tracking the educational history of school-aged children.

The Oregon Judicial Department (OJD) estimates that this measure would extend court hearing times by approximately 10 minutes for every one in three dependency cases, or 1,260 cases each year. This would add a total of 210 hours of court time at \$129 per hour. The total OJD impact could be \$40,635 for 18-

months of the 2007-09 biennium and \$54,180 for 24-months of the 2009-11 biennium. The costs would be General Fund and would not include any new positions.

The majority (over 95%) of Public Defense Services Commission (PDSC) representation in dependency matters is provided under fixed-rate contracts. To the extent that this measure would cause some hearings to require more time in order to make the additional findings, there would not be a direct and immediate increase in expenditures. If, however, the workload increase is more than marginal, there will be upward pressure on contract rates which would impact 2009-11 expenditures. The PDSC does not expect the impact to be significant.

The DHS fiscal estimate totals \$734,874 All Funds for 18-months of the 2007-09 biennium and \$769,286 for 24-months of the 2009-11 biennium, including six positions (5.50 FTE). These expenditures would be supported with approximately 50% General Fund and 50% Federal Funds. The source of Federal Funds would be Title IV – Part E Social Security Act which is federal payments for Foster Care and Adoption Assistance. The specific costs are as follows:

1. Case Staffing: DHS estimates that it would have to hire four Social Service Specialist 1 positions (4.00 FTE) to handle the new documentation requirements based on between 15 and 30 minutes of additional case document preparation time for approximately 12,793 hearings per year. The position costs, including supporting services and supplies, would be \$445,640 for 18-months of the 2007-09 biennium.
2. Legal Representation: DHS estimates that its caseworkers will require 636 hours of legal consultation/court representation from the Attorney General. At the standard AG hourly rate of \$128 for an Assistant Attorney General, the cost would be \$81,408 for the 2007-09 biennium, which would be split 50% General Fund and 50% Federal Funds.
3. Extended Visitation: DHS assumes that courts would extend visitation plans by one hour per week for 40 cases or approximately 2,080 hours per biennium. This would require the Department to hire two Social Services Assistants (1.50 FTE) for supervising the additional visitation time. The position costs, including supporting services and supplies, would be \$128,826 for 18-months of the 2007-09 biennium.
4. Educational Tracking Database: DHS states that it would have to modify an existing database (Family and Child Information System) to track the educational history of school-aged children subject to this measure. This would be done through a professional service contract. The one-time cost is estimated to be \$79,000, which would be split 50% General Fund and 50% Federal Funds.

The Department of Justice's (DOJ) fiscal impact is based upon the amount of legal services actually provided to DHS (estimated above at 636 AAG hours or \$81,408). Revenue received by DOJ from DHS would be Other Funds. At this time, DOJ would not add staff to accommodate this additional workload.

Based on the above assumptions, the cumulative fiscal impact, which is the combination of DHS and OJD, may be estimated to be \$775,509 for 18-months of the 2007-09 biennium and \$823,466 for 24-months of the 2009-11 biennium. Again, approximately one-half of these amounts would be General Fund. However, the Legislative Fiscal Office (LFO) notes that DHS does not currently have a workload based staffing standard that would result in added positions to cover incremental workload increases such as case documentation or extended visitation time. Generally, LFO would expect such an increase in workload to be absorbed by existing staff given it does not represent an increase in the number of cases per staff. The estimated tangible costs for DHS would be only the legal representation and the

educational tracking database, which would total \$160,408 for the 2007-09 biennium. Similarly, for OJD, its costs would not be budgeted given that no new positions would be added and that court hearing time would be extended.

Furthermore, LFO notes that the DHS fiscal impact does not reflect any added cost based on increased placement efforts. If the current placement efforts do not meet the undefined “diligent” standard in the measure, there may be added costs not yet identified.

The LFO believes this measure warrants a subsequent referral to the Joint Committee on Ways and Means Committee for consideration of this measure’s budgetary impact on the State’s General Fund.