

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

MEASURE NUMBER: SB 414

STATUS: B-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. Allows foster care maintenance payments to for-profit agencies.

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

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DATE: June 20, 2007

EXPENDITURES:	<u>2007-2009</u>	<u>2009-2011</u>
Department of Human Services		
Services and Supplies – General Fund	\$ 80,204	\$ 54,272
Services and Supplies – Federal Funds	\$ 80,204	\$ 54,272
	<u>\$ 160,408</u>	<u>\$ 108,544</u>

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 are to make written findings whether DHS made diligent efforts in these cases. The court may order visitation by the ward's parents or siblings, which DHS is required to implement. DHS is to document and report to the court on school attendance, caseworker face-to-face contacts, and parent or sibling visits. Section 10(4) also specifies when the court is to conduct permanency hearings.

The estimated fiscal impact of this measure considers: (a) extended court hearing time; (b) increased DHS staff workload related to the new documentation requirements; (c) additional legal support for the court hearings; (d) increased DHS staff workload for extended court-ordered visitations; and (e) a database for tracking the educational history of school-aged children. There is no fiscal impact associated with the change allowing foster care maintenance payments to be paid to for-profit agencies.

The Oregon Judicial Department (OJD) estimates that this measure would extend court hearing times by about 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.

Over 95% of the Public Defense Services Commission (PDSC) representation in dependency matters is provided under fixed-rate contracts. This measure would cause some hearings to require more time in order to make the additional findings, but 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 for the 2009-11 biennium. The PDSC does not expect the impact to be significant.

DHS initially estimated its fiscal impact at \$734,874 total funds for the 18 months of the 2007-09 biennium and \$769,286 total funds for 24 months of the 2009-11 biennium. These costs included:

1. Case Staffing: The new documentation requirements are estimated to add between 15 and 30 minutes of additional case document preparation time for approximately 12,793 hearings per year. Position costs for four Social Service Specialist 1 positions (4.00 FTE), 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 \$128 hourly rate for an Assistant Attorney General, the cost would be \$81,408 for 2007-09 and \$108,544 for 2009-11.
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. The position costs for two Social Services Assistants (1.50 FTE) to supervise the added visitation time, 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 contract for modifications to its existing database (the Family and Child Information System) to track the educational history of school-aged children subject to this measure. The one-time cost is estimated to be \$79,000.

DHS' expenditures would be funded 50% General Fund and 50% Federal Funds from Title IV – Part E of the Social Security Act, which provides Foster Care and Adoption Assistance maintenance payments.

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.

The Legislative Fiscal Office (LFO) notes that DHS does not have a workload based staffing standard that would add positions to cover workload increases such as case documentation or extended visitation time. Generally, LFO would expect such incremental workload increases to be absorbed by existing staff given it does not represent an increase in the number of cases per staff. The tangible costs for DHS would be only the legal representation and the educational tracking database, which would total \$160,408 (\$80,204 General Fund and \$80,204 Federal Funds) for 2007-09. DHS has agreed with this approach. Similarly, for OJD, its costs would not be budgeted given that court hearing time would be extended, but no new positions would be added.

LFO notes that the identified fiscal impact may not fully reflect costs necessary to meet the "diligent efforts" standard required for sibling placements, if current placement efforts do not satisfy that standard. The determination of "diligent efforts" will be made by the court when reviewing each case.