

BUDGET REPORT AND MEASURE SUMMARY

CARRIER: Rep. Stark

Joint Committee On Ways and Means

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**Action:** Do Pass The B-Eng Bill.

**Action Date:** 02/25/16

**Vote:**

**House**

**Yeas:** 12 - Buckley, Gomberg, Huffman, Komp, McLane, Nathanson, Rayfield, Read, Smith, Whisnant, Whitsett, Williamson

**Senate**

**Yeas:** 11 - Bates, Devlin, Girod, Hansell, Johnson, Monroe, Roblan, Shields, Steiner Hayward, Thomsen, Whitsett

**Exc:** 1 - Winters

**Prepared By:** Tamara Brickman and Michelle Lisper, Department of Administrative Services

**Reviewed By:** Laurie Byerly, Legislative Fiscal Office

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**Agencies:** Department of Human Services; Department of Justice

**Biennium:** 2015-17

## **Budget Summary\***

	2015-17 Legislatively Adopted Budget	2016 Committee Recommendation	Committee Change from 2015-17 Leg. Adopted	
			\$ Change	% Change
<b>Department of Human Services</b>				
General Fund	\$ -	\$ 369,031	\$ 369,031	
Other Funds Limited	\$ -	\$ 96,659	\$ 96,659	
Federal Funds Limited	\$ -	\$ 253,564	\$ 253,564	
Total	\$ -	\$ 719,254	\$ 719,254	
<b>Department of Justice</b>				
Other Funds Limited	\$ -	\$ 176,018	\$ 176,018	
Total	\$ -	\$ 176,018	\$ 176,018	

## **Position Summary**

### **Department of Human Services**

Authorized Positions	0	3	3
Full-time Equivalent (FTE) positions	0.00	1.50	1.50

### **Department of Justice**

Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.50	0.50

\* Excludes Capital Construction expenditures

## **Revenue Summary**

Senate Bill 1515 appropriates \$369,031 General Fund to the Department of Human Services (DHS) to implement and administer the bill. Federal Medicaid match will cover \$253,564 in DHS expenditures. Some of the DHS budget (mix of General and Federal Funds) will go to pay for legal work; these funds are received and spent by the Department of Justice (DOJ) as Other Funds. The Other Funds expenditure limitation in DHS is associated with the agency's cost allocation process for shared support services.

## **Summary of Subcommittee Action**

Effective July 1, 2016, Senate Bill 1515 tightens mandatory licensing, certification, authorization, regulation and enforcement standards and criteria for Child-Caring Agencies (CCA) to make explicit and strengthen the Department of Human Services' (DHS) oversight of these facilities,

and to increase legislative oversight of DHS regarding these facilities. Currently there are about 200 individual licensed programs and facilities. The bill creates the statutory authority to bring regulatory action on CCAs licensed by DHS. It expands the definition of child to include 18 to 20 year olds and creates a new definition of abuse for a child in care.

The bill also increases the accountability of the department to investigate a wide range of concerns about CCAs and holds the department accountable for the safety, health and wellbeing of children in their programs. Failure to investigate and hold CCAs accountable may provide grounds for official misconduct charges. The bill requires DHS to report to an interim committee by December 1, 2016 on the cost and feasibility of national accreditation and to report and make recommendations by October 1, 2016 on the cost, feasibility and design of a Center of Continuous Improvement for CCAs.

## **Department of Human Services**

### Child Welfare

The Subcommittee appropriated \$140,000 General Fund and added \$140,000 Federal Funds expenditure limitation. These funds will be paid to DOJ to cover legal costs related to contested case hearings, rulemaking, interpreting laws, and legal advice.

### DHS Shared Services

To help resolve incidents or reports related to child-caring agencies, the Subcommittee approved an Other Funds expenditure limitation of \$96,659 for a permanent position (0.50 FTE) within the Office of Adult Abuse Prevention and Investigation. This Investigator 3 position will respond to allegations of abuse, assure appropriate assessments are completed, and communicate with law enforcement and other agencies.

### Statewide Assessments and Enterprise-Wide Costs

The Subcommittee appropriated \$115,121 General Fund to this program area for Statewide Assessments and Enterprise-Wide Costs to support costs associated with the position in Shared Services; since the work is considered protective services, there is no Medicaid match allowed.

### DHS Program Design Services

The Subcommittee approved \$113,910 General Fund and \$113,564 Federal Funds expenditure limitation for two positions (1.00 FTE) to provide the resources for two permanent Compliance Specialist 3 positions in the Office of Licensing and Regulatory Oversight to help implement the bill's provisions around licensing and regulatory actions. The bill specifically requires the agency to maintain a minimum staff of five full-time equivalent employees who are responsible for licensing, inspections, and investigations.

Since this program starts up mid-biennium, the 2017-19 pricing for DHS costs covered in this bill will be higher and are estimated to be about \$1.3 million total funds. The bill requires development of a workload model that may also influence future costs and the types of positions needed to complete the work.

## **Department of Justice**

The Subcommittee approved a \$176,018 Other Funds expenditure limitation increase and the establishment of one permanent full-time Senior Assistant Attorney General position (0.50 FTE) within the Civil Enforcement Division (0.50 FTE). The position will be hired by July 1, 2016. This Division's Child Advocacy Section will bill DHS for actual legal services related to: administrative rule development; litigation of contested case hearings; court litigations; child abuse investigations; foster home certifications; and other related legal advice. The workload and number of cases is indeterminate at this time; however, DOJ estimates one complex case per month, based on recent experience. Additional resources may need to be requested from either the Emergency Board, or the Legislature, if actual cases, or other workload issues, exceed the agency's initial estimate. The 2017-19 cost of the position is estimated to be \$340,035 Other Funds (1.00 FTE).

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Department of Justice

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DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
<b>SUBCOMMITTEE ADJUSTMENTS</b>										
<b><u>Department of Human Services</u></b>										
<b>SCR 060-06 - Child Welfare Program Delivery and Design</b>										
Services and Supplies	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ 140,000	\$ -	280,000		
<b>SCR 010-045 - DHS Shared Services</b>										
Personal Services	\$ -	\$ -	\$ 77,594	\$ -	\$ -	\$ -	\$ -	77,594	1	0.50
Services and Supplies	\$ -	\$ -	\$ 19,065	\$ -	\$ -	\$ -	\$ -	19,065		
<b>SCR 010-050 - Statewide Assessments and Enterprise-Wide Costs</b>										
Personal Services	\$ 302	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	302	0	0.00
Services and Supplies	\$ 16,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	16,160		
Special Payments - 6085 Other Special Payments	\$ 98,659	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	98,659		
<b>SCR 010-055 - DHS Program Design Services</b>										
Personal Services	\$ 84,010	\$ -	\$ -	\$ -	\$ -	\$ 84,010	\$ -	168,020	2	1.00
Services and Supplies	\$ 29,900	\$ -	\$ -	\$ -	\$ -	\$ 29,554	\$ -	59,454		
<b><u>Department of Justice</u></b>										
<b>SCR 030 - Civil Enforcement</b>										
Personal Services	\$ -	\$ -	\$ 141,704	\$ -	\$ -	\$ -	\$ -	141,704	1	0.50
Services and Supplies	\$ -	\$ -	\$ 34,314	\$ -	\$ -	\$ -	\$ -	34,314		
<b>TOTAL SUBCOMMITTEE RECOMMENDATION</b>	<b>\$ 369,031</b>	<b>\$ -</b>	<b>\$ 272,677</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 253,564</b>	<b>\$ -</b>	<b>895,272</b>	<b>4</b>	<b>2.00</b>