

March 6, 2013

The Honorable Mary Pilcher-Cook, Chairperson
Senate Committee on Public Health and Welfare
Statehouse, Room 441-E
Topeka, Kansas 66612

Dear Senator Pilcher-Cook:

SUBJECT: Fiscal Note for SB 219 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 219 is respectfully submitted to your committee.

SB 219 would add the following procedures and requirements for the Department for Children and Families (DCF) child abuse and neglect investigations:

1. During the initial contact with the alleged perpetrator, the Department would be required to convey the allegation and the right to legal counsel. The identity of the reporter would be withheld.
2. DCF employees would be required to be trained on the legal rights of children and families from the inception of the investigation through treatment. The training curriculum would have to include instruction on the fourth amendment of the U.S. Constitution, which guards against unreasonable search and seizure.
3. If no evidence exists for the initial report and if there is no probable cause to suspect abuse or neglect for any other reason, the Department would be required to end the investigation. Upon closing the investigation, the agency would be required to issue a letter stating that the investigation was closed, and that no evidence of abuse or neglect was found.
4. If the investigation revealed a report that was not made in good faith, the agency would be required to charge the cost of the investigation to the reporter.

Estimated State Fiscal Effect				
	FY 2013 SGF	FY 2013 All Funds	FY 2014 SGF	FY 2014 All Funds
Revenue	--	--	\$149,610	\$149,610
Expenditure	--	--	--	--
FTE Pos.	--	--	--	--

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DCF states that passage of SB 219 would slightly increase agency administrative expenditures and training costs. The additional costs could be absorbed within the current budget. There would be an increase in State General Fund revenue from charging false reporters for investigation costs. DCF estimates that 239 intentionally false reports occurred in calendar year 2012. This estimate is based on a total of 33,294 unsubstantiated reports during 2012 and an intentionally false reporting rate of 0.72 percent. This rate was taken from the experience of eleven states that document intentionally false reports. The number of unsubstantiated reports for FY 2014 is assumed to increase to 36,504, so the number of intentionally false reports would be 263. Based on calendar year 2012 expenditures, the cost per investigation is \$998. DCF would charge the false reporters \$262,474 (263 X \$998). The estimated recovery rate of intentionally false reports is assumed to be 57.0 percent. This estimate is based on the child support debt collection rate. Therefore, the additional revenue from intentionally false reporting would be \$149,610 (\$262,474 X 0.57). Any fiscal effect associated with SB 219 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Jackie Aubert, DCF