

February 19, 2019

The Honorable Gene Suellentrop, Chairperson
Senate Committee on Public Health and Welfare
Statehouse, Room 441-E
Topeka, Kansas 66612

Dear Senator Suellentrop:

SUBJECT: Fiscal Note for SB 162 by Senate Committee on Public Health and Welfare

In accordance with KSA 75-3715a, the following fiscal note concerning SB 162 is respectfully submitted to your committee.

SB 162 would require foster care management contractors to provide notification to the Department for Children and Families (DCF) of any child who is reported missing within 24 hours of any time the contractor knows or has reason to know a child assigned to the contractor has gone missing or spent any overnight period in a facility under the control of the contractor. Within 48 hours of receipt of the notice, DCF would be required to notify the Governor and Legislature of the missing child and publish the information in the official newspaper of the county where the child went missing or in a newspaper of general circulation of the county. The bill would also require DCF to assess a fine against a contractor of \$500 per day for each day that a foster care case management contractor does not notify DCF of a missing child.

Estimated State Fiscal Effect				
	FY 2019 SGF	FY 2019 All Funds	FY 2020 SGF	FY 2020 All Funds
Revenue	--	--	--	(\$55,140,469)
Expenditure	--	--	\$55,188,469	\$48,000
FTE Pos.	--	--	--	--

DCF indicates that much of this monitoring is already being done. However, reporting this information in newspapers would add a cost of approximately \$48,000 per year. The agency estimates there would be 40 notices per month at a cost of \$100 per notice. The agency states that SB 162 would put federal funding at risk because of non-compliance with confidentiality laws. First, providing this information to the entire Legislature would expose this information to

members not authorized to receive it. Second, publishing this information in newspapers would be in violation of confidentiality laws related to children's identities. The agency currently receives approximately \$55.1 million per year in Title IV-E federal funds related to child welfare that would have to be replaced with State General Fund.

The agency indicates that it is unable to determine the number of fines that would be imposed on contractors for not notifying DCF of a missing child. However, imposing significant fines against the contractors could jeopardize their financial position which, in turn, could impact quality of services provided to DCF clients or even create liquidity issues for them. DCF states that this could result in higher future rates or bail-outs of the contractors to prevent any resulting adverse affect to the clients. Any fiscal effect associated with SB 162 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink that reads "L. L. Campbell". The signature is written in a cursive style with a large, stylized initial "L".

Larry L. Campbell
Director of the Budget

cc: Jackie Aubert, Children & Families