


Colorado Legislative Council Staff
STATE and LOCAL
REVISED FISCAL IMPACT
(replaces fiscal impact dated January 16, 2003)

Drafting Number: LLS 03-0385
Prime Sponsor(s): Rep. Jahn

Date: March 21, 2003
Bill Status: House Appropriations
Fiscal Analyst: Janis Baron (303-866-3523)

TITLE: CONCERNING CHILD CARE, AND, IN CONNECTION THEREWITH, MAKING MODIFICATIONS TO CERTAIN STATUTES AFFECTING CHILD PLACEMENT AGENCIES.

Fiscal Impact Summary	FY 2003/2004	FY 2004/2005
State Revenues		
Cash Funds — Fees	\$21,000	\$0
Cash Funds Exempt — Pass Through to FBI	3,300	0
State Expenditures		
General Fund	\$ 81,149	\$113,584
Federal Funds — Title IV-E	22,515	0
Cash Funds — Fees	21,000	0
Cash Funds Exempt — Pass Through to FBI	3,300	0
FTE Position Change	1.0 FTE	2.0 FTE
Other State Impact: TABOR Impact		
Effective Date: Upon Signature of the Governor		
Appropriation Summary for FY 2003/2004:		
Department of Human Services	\$103,664 Total + 1.0 FTE	
	81,149 General Fund	
	22,515 Federal Funds	
Department of Public Safety	\$24,300 Total	
	21,000 Cash Funds	
	3,300 Cash Funds Exempt	
Local Government Impact: See Local Government Impact section of fiscal note.		

Summary of Legislation

The bill, as amended by the House HEWI Committee, February 3, 2003, includes the following provisions related to foster care:

- requires the State Board of Human Services, no later than January 1, 2004, to promulgate rules that apply to foster care, regardless of whether the care is provided by a foster care home certified by a

county department of social services or by a child placement agency (CPA);

- stipulates what the rules, at a minimum, must include/address: state department investigations, uniformity in monitoring and home visits, notification procedures on substantiated claims of abuse or neglect in a foster care home, notification of a child's guardian ad litem upon a child's placement in a foster care home, critical incidents reporting, and the timely reporting of investigation outcomes;
- effective January 1, 2004, requires the Department of Human Services (DHS) to compile a summary of critical incidents reported by CPAs or county departments and provide a written annual summary of the incidents and the outcomes for each incident to the House and Senate HEWI Committees;
- requires the State Board, no later than January 1, 2004, to promulgate rules requiring all current and prospective employees of a county department having direct contact with any child in the process of being placed or placed in foster care to have a fingerprint-based criminal history record check; and
- stipulates that the Department of Human Services (DHS) shall not authorize or contract with any county department, the county department of health, or any other publicly or privately operated organization with a declared interest in children and experience working with children or on behalf of children for investigations and inspections of any facilities that provide 24-hour care.

State Revenues

Department of Public Safety. Under the bill, 1,500 county staff currently not subject to a fingerprint-based criminal history record check will now be subject to one. The Colorado Bureau of Investigation (CBI) charges \$14.00 for its fingerprint check. Total revenue in FY 2003-04 is estimated at \$21,000. Additionally, of the 1,500 county staff fingerprinted, 150 (10%) will be subject to the statutorily required FBI check because these persons will not have resided in Colorado for 2 years. The cost of an FBI fingerprint check is \$22.00. Thus, \$3,300 cash funds exempt revenue will be collected by the state and passed onto the FBI. As county staff turns over in subsequent fiscal years, minimal revenues will be collected for fingerprint checks. As amended, the bill requires county staff to pay the cost for the fingerprint-based criminal history record check.

State Expenditures

Department of Human Services. The DHS will require \$103,664 in FY 2003-04 and \$113,584 in FY 2004-05 to comply with the bill's requirements.

- **Monitoring Activities.** Currently, the Child Welfare Monitoring Team conducts monitoring visits to CPAs and visits when there are abuse reports or complaints. The monitoring team includes 9.0 FTE. Current staff is responsible for the 61 CPAs plus residential treatment centers, residential child care facilities, and group homes (average caseload is 30 facilities per FTE). For FY 2001-02, the monitoring team followed up on 86 complaints and 178 abuse investigations in the 61 CPAs. With the addition of 64 counties, workload increases will require 2.0 FTE General Professional IV. Due to the bill's effective date of January 1, 2004, for Section 1 of the bill, personal services, operating expenses, and travel costs for FY 2003-04 are estimated at \$58,634 and 1.0 FTE. FY 2004-05 costs are estimated at \$113,584 and 2.0 FTE.

- **Colorado Trails.** The DHS will require one-time costs of \$45,030 in FY 2003-04 for 570 hours of programming changes to this automated system ($570 * \$79/\text{hr.} = \$45,030$) to compile a summary of critical incidents reported by CPAs or county departments and provide a written annual summary of the incidents and the outcomes for each incident to the House and Senate HEWI Committees. Currently, the DHS uses a Microsoft Access database to maintain critical incidents reported by CPAs. With the addition of county departments combined with the annual reporting requirement, the DHS will capture and maintain this information in its Colorado Trails system. The current database is insufficient to receive approximately double the information currently received.

Department of Public Safety. As noted in the State Revenues section above, the department will require spending authority of \$24,300 for fingerprint checks. Of the total amount, \$21,000 is for the CBI and \$3,300 is pass through to the FBI.

Local Government Impact

Section 26-6-106.5 (1) of the bill requires the State Board of Human Services to promulgate rules that apply to foster care in general, regardless of whether such care is provided by a foster care home certified by a county department or by a CPA. Contingent upon such rules, counties may incur costs for masters level staff to meet the requirements for Placement Supervisor (currently required of CPAs) and must hire qualified staff at \$6,000 over existing staff costs. At this time, the DHS estimates that approximately 27 counties do not have masters level staff to meet the requirements for Placement Supervisor. Additionally, should a county choose not to hire masters level staff, children would require placement with a CPA, raising the per day placement cost from \$34.08 to \$47.41 (\$13.30/day increase). Although increased costs are dependent on new rules promulgated, the fiscal note assumes that current foster care rules will not be relaxed but will be uniformly applied.

State Appropriations

The fiscal note indicates that the Department of Human Services should receive an appropriation for \$103,664 and 1.0 FTE for FY 2003-04. Of the total amount, \$81,149 is General Fund and \$22,515 is Title IV-E federal funds.

The Department of Public Safety should receive an appropriation for \$24,300 for FY 2003-04. Of the total amount, \$21,000 is cash funds and \$3,300 is cash funds exempt.

Departments Contacted

Human Services Public Safety