

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING PROTECTIONS FOR AT-RISK ADULTS.

Prime Sponsors: Senator Hudak
Representative Schafer S.

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Summary of Amendments Made to the Bill After the 04/24/12 Legislative Council Staff Revised Fiscal Note Was Prepared

None.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs* **Does Not Concur** **Updated Analysis**

*As reflected in the fiscal note and discussed under points to consider, this represents a preliminary estimate. Current county costs per adult protective services case as reported to the Department of Human Services for county administration reimbursement are much lower than those outlined in the fiscal note. Although the additional service costs outlined in the fiscal note reflect a reasonable estimate of county expenditures based on the assumptions outlined, the *State* has not historically reimbursed counties at this level.

Amendments/Appropriation Status

The bill requires but does not contain an appropriation clause. Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$4,148,476, including \$3,318,781 General Fund and \$829,695 local cash funds to the Department of Human Services for FY 2012-13.

Bill Sponsor Amendments

Staff is not aware of any sponsor amendments to be offered.

Points to Consider

1. The Joint Budget Committee has introduced a balanced budget package for FY 2012-13 based on the March 2012 Office of State Planning and Budgeting forecast. The budget package (as introduced) appropriates all but approximately \$200,000 of General Fund revenues projected to be available, less a statutorily required 4.0 percent General Fund reserve. This bill requires a General Fund appropriation of \$3,318,781 for FY 2012-13. If this bill is enacted, other General Fund appropriations for existing programs will need to be reduced by \$3,118,781 in order to maintain the statutorily required General Fund reserve.
2. Staff considers the costs reflected in the Legislative Council Staff Revised Fiscal Note to be a preliminary estimate. In FY 2010-11, statewide adult protective services expenditures reported through the County Financial Management System were \$8,210,346 for 5,944 adult protective services investigations. If this bill were to result in a 15.0 percent increase in caseload, as estimated in the Revised Fiscal Note, a proportionate increase in funding would be an increase of \$1,231,552, including \$985,242 General Fund and \$246,310 county funds, rather than the \$4.1 million reflected in the Revised Fiscal Note. However, the percentage increase in caseload could also be considerably higher than the Fiscal Note estimate, given the range of experience in other states.
3. The State does not reimburse counties for all county administrative expenses, and could choose not to fully reimburse the additional costs outlined in the Revised Fiscal Note. In FY 2010-11, total county spending for county administrative activities exceeded total block allocations for county administration by 20.0 percent. Consistent with historic practice, the State did not reimburse counties for these excess expenditures.