

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	690,000		590,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	690,000		590,000	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill renames the Child Protection Act to the Child Protection and Family Safety Act. The bill requires the Department of Health and Human Services in consultation with the Nebraska Children’s Commission to develop an alternative response implementation plan. Alternative response is a comprehensive assessment of the risk of subsequent child abuse or neglect, family strengths and needs and the provision of necessary services. Alternative response is not to be used for situations where knowing or intentional child abuse or neglect is alleged. Once the plan is developed it may be implemented in up to five demonstration projects, with a report to the Legislature by December 15, 2014. Up to five additional sites may be started after January 1, 2015. An independent evaluation is to be conducted.

One-time training costs are estimated to be \$100,000 in FY 14. The evaluation costs are estimated to be \$200,000 in FY 14 and FY 15. The Department estimates that the cost of services would be \$390,000 each year, as more families will be receiving services.

Nebraska has applied for a Title IV-E waiver which would allow federal funds to be used to cover the cost of services. It is not known to what extent federal funds will be available.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: LB 503	AM:	AGENCY/POLT. SUB: Dept. of Health and Human Services (025)	
REVIEWED BY: Joe Wilcox	DATE: February 22nd, 2013	PHONE: (402) 471-4178	
<p>COMMENTS: The DHHS estimate of fiscal impact from LB 503 includes \$200,000 to contract for independent evaluations of the Alternative Response (AR) demonstration project(s), which is consistent with price ranges for contracted evaluations of other DHHS projects. The fiscal note includes \$100,000 for one-time training costs for staff, which is difficult to assess. Finally, the fiscal note includes \$390,000 in Aid, to provide alternative services for 300 AR cases beginning in January 2014, which appears to be a reasonable estimate.</p>			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Willard Bouwens

Date Prepared:(4) 2-21-13

Phone: (5) 471-8072

	<u>FY 2013-2014</u>		<u>FY 2014-2015</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$690,000		\$590,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$690,000		\$590,000	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 503 renames the Child Protection Act to be the Child Protection and Family Safety Act and describes an Alternative Response (AR) process.

The bill amends various child abuse and neglect related statutes to provide for what is called AR, defined as a comprehensive assessment of the risk of subsequent child abuse and neglect, family strengths and needs the provision of necessary services. There is no "investigation" and no determination about whether child abuse has occurred. The definition of assessment also includes child safety. AR can be used for situations where knowing or intentional child abuse or neglect is not alleged. Investigation is defined to mean fact gathering related to child safety, and risk of subsequent abuse or neglect, a determination of abuse or neglect occurred, and whether or not services are needed.

The bill provides that DHHS, consulting with the Nebraska Children's Commission, shall develop an AR implementation plan. When such plan has been developed DHHS may begin utilizing AR in up to five AR demonstration project locations.

It is estimated that \$200,000 would be required to contract with an independent entity to evaluate the AR demonstration project(s).

It is estimated that \$100,000 would be required for one-time training costs for staff assigned AR cases.

It is estimated that \$390,000 would be required to provide alternative services for 300 AR cases beginning in January 2014.

Additional staffing is not expected to be needed as existing positions would be used for Alternative Response cases.

Nebraska has applied for a Title IV-E waiver and if approved would be able to claim Federal Funding for AR clients which will help cover the first full year of AR in FY 2014-2015; however the amount of these funds cannot be estimated.

AJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2013-2014	2014-2015
		13-14	14-15	EXPENDITURES	EXPENDITURES

Benefits.....		
Operating.....	\$300,000	\$200,000
Travel.....		
Capital Outlay.....		
Aid.....	\$390,000	\$390,000
Capital Improvements.....		
TOTAL.....	\$690,000	\$590,000