



**Colorado
Legislative
Council
Staff**

HB16-1385

**REVISED
FISCAL NOTE**

(replaces fiscal note dated April 11, 2016)

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0740
Prime Sponsor(s): Rep. Singer
Sen. Newell

Date: May 2, 2016
Bill Status: House Appropriations
Fiscal Analyst: Bill Zepernick (303-866-4777)

BILL TOPIC: DEFINITION CHILD ABUSE SUBSTANCE EXPOSURE

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	<u>\$38,528</u>	Workload increase and potential expenditure increase.
General Fund	29,705	
Federal Funds	8,823	
Appropriation Required: \$38,528 - Department of Human Services (FY 2016-17).		
Future Year Impacts: Ongoing workload increase and potential expenditure increase.		

Summary of Legislation

This bill expands the definitions of "abuse" and "child abuse or neglect" in regards to children's exposure to controlled substances in several provisions of law. Under current law, manufacturing or attempting to manufacture a controlled substance in the presence of a child or where a child resides constitutes child abuse or neglect. Under the bill, the provisions regarding manufacturing of controlled substances are repealed and "child abuse or neglect" is instead defined as substance use or substance exposure that threatens or results in harm to the health or welfare of a child, based on several criteria including:

- behavior indicating impairment of the parent, guardian, or other person who resides in the child's home and who exercises authority over the child or has responsibility for care of the child;
- the knowing, reckless, or negligent exposure to or ingestion by a child of any legal or illegal substance, unless such exposure or ingestion is the result of the child's lawful intake of such substance; or
- creation of a harmful environment to the child, purposefully or negligently, from the manufacture, production, possession, cultivation, or use of a legal or illegal substance.

In addition, the bill modifies the definition for "child abuse or neglect" in regards to children who test positive at birth for substance exposure. Specifically, the bill adds significant exposure to alcohol at birth as constituting child abuse or neglect; expands exposure at birth to include any controlled substance, rather than only schedule I and II controlled substances; and makes an exception for positive tests resulting from use of a controlled substance that is prescribed or recommended and monitored by a health care provider who is aware of the pregnancy and use of

the substance. A county department shall not determine a child to be abused or neglected solely based on the child testing positive for a legal substance under Colorado law at birth. The bill requires the Department of Human Services (DHS) to promulgate and adopt rules by July 1, 2017, to improve the consistent implementation of the definition of abuse in regards to substance use and exposure.

The bill requires the DHS to collect data on the use of the definition of child abuse and neglect as modified by the bill. The DHS must report on this data as part of its SMART Act hearing, including information on cases using the new definition by economic status, race, and zip code. The bill outlines a schedule of annual data reporting through 2019 and information that must be included in the reports.

State Expenditures

For FY 2016-17 only, the bill results in one-time costs of \$38,528 in the DHS paid using General Fund and federal funds. The Judicial Department will also have increased workload and potential costs under the bill. These impacts are discussed below.

Department of Human Services — Training. Based on the changes in the law, the DHS must develop training for new and existing child welfare caseworkers at costs of \$16,600 in FY 2016-17. The DHS currently contracts with a vendor for child welfare training at a rate of \$100 per hour. For new case workers, this training is expected to require 16 hours of contractor time to incorporate the new information into the existing curriculum, resulting in costs of \$1,600. These costs will be paid with \$1,000 General Fund and \$600 in federal funds. For existing caseworkers, it is assumed that 150 hours of contractor time is required to develop and implement a new web-based training module covering the changes in the bill, resulting in a cost of \$15,000, paid from the General Fund.

Department of Human Services — IT modifications. To comply with the reporting and data analysis requirements of the bill, the DHS will have costs of \$21,928 to make changes to the reporting functionality in the child welfare case management data system, TRAILS. Of these costs, \$13,705 is from the General Fund and \$8,223 is federal funds. This work will be conducted by the Office of Information Technology using reappropriated funds.

Judicial Department. By expanding the definition of "child abuse or neglect" in regards to substance abuse and exposure, the bill may increase reports of child abuse and neglect to county departments of human services. This may ultimately increase the number of dependency and neglect cases heard by the courts. In addition, any increase in dependency and neglect caseload will lead to higher expenditures in the Office of the Child's Representative and the Office of Respondent Parent's Counsel for providing legal representation to children and indigent parents, respectively. At this time, the exact impact on dependency and neglect caseload cannot be estimated. It is assumed that any increases will be minimal and that the required work can be accomplished within existing appropriations to the Judicial Department.

Local Government Impact

The bill increases workload and costs to counties in several ways. First, child welfare caseworkers will be required to attend training on the definition changes under the bill. Second, additional reports of child abuse and neglect will increase staff time required to assess, investigate, and provide services in child welfare cases and to participate in any court proceeding associated with these cases. The overall impact of the bill on counties is assumed to be minimal.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2016-17, the bill requires appropriations totaling \$38,528 to the Department of Human Services, as follows:

- \$16,600 for training, of which \$16,000 is from the General Fund and \$600 is federal funds; and
- \$21,928 for TRAILS system modifications, of which \$13,705 is from the General Fund and \$8,223 is federal funds; this whole amount is reappropriated to the Office of Information Technology.

State and Local Government Contacts

Counties
Judicial
Sheriffs

Human Services
Law

Information Technology
Public Health and Environment