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February 16, 2011

Honorable Bill Hamrick, Chairman
Judiciary Committee
State Capitol, Room 121-H
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
Senate Bill (LC 29 4500ER)

Dear Senator Hamrick:

This bill would substantially revise state legislation (Title 15, Chapter 11) related to juvenile proceedings. The major provisions of this bill are:

- Requires that a set of specified services be provided to all eligible foster youth up to age 23;
- Increases the number of permanency planning hearings for children in foster care; and
- Establishes a new set of provisions to provide a program of treatment, care, guidance, counseling, structure, supervision, and rehabilitation for children considered to be unruly or habitually disobedient and therefore "in need of services."

While other provisions within the bill may also fiscally impact the State, the three areas noted above were identified and addressed by the Department of Human Services (DHS), Division of Family and Children Services (DFCS) as those having a fiscal impact. Based upon data and estimates provided by the DHS, the fiscal impact of this bill will be approximately \$7.4 million, which is comprised of approximately \$1.0 million in one-time costs and about \$6.4 million in ongoing, annual costs. Additionally, the Department of Juvenile Justice (DJJ) anticipates increased costs based on the bill's requirements to provide sight and sound separation for those status offenders who are held in secure juvenile detention centers. This could impact DJJ's ability to fully utilize existing bed space resulting in additional capital investments and operating expenses. Furthermore, requirements pertaining to attorney representation at all stages of proceedings could have a fiscal impact on the Public Defenders Office. However, the DJJ and the Public Defenders Office were unable to provide estimates of these anticipated costs.

The estimated \$1.0 million in one-time, start-up costs reflects necessary data enhancements to the DHS's State Automated Child Welfare Information System (SACWIS) known as SHINES. These enhancements

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are necessary to capture additional Children in Need of Services (CHINS) and Independent Living Program (ILP) data required under this bill.

The approximate \$6.4 million of ongoing, annual costs includes a net state cost of \$1.8 million related to the requirement for independent living services to be provided to all eligible foster youth up to age 23, \$384,000 for increased permanency hearings, and \$4.2 million to implement the new set of ongoing provisions for children “in need of services.” The following information provides detail on how these figures were calculated.

The DHS estimates a net state cost of \$1.8 million related to the requirement for independent living services to be provided to all eligible foster youth up to age 23. Under current state law, foster children may remain in the custody of DFCS until age 18. Although no specific authority is granted in state law, youth have been allowed to stay in foster care placements supported by DFCS beyond age 18 under a written agreement between the youth and DFCS, as long as they are working toward goals specified in the written transitional living plan as provided in longstanding agency policy. Currently, DFCS serves an estimated 4,975 youth over the age of 18 at an annual cost of \$12.4 million. To serve the total population of 6,467 youth, DFCS anticipates the need to add 41.5 full-time positions, including 19 ILP Coordinators, 17 Aftercare/Transitional Coordinators, and 5.5 Supervisors. The DFCS estimates approximately \$3.0 million in additional costs for personnel, benefits, and travel associated with these positions and an additional \$1.7 million for direct services under the program. State costs could be partially offset by leveraging federal funds included in the Fostering Connections to Success and Increasing Adoption Act of 2008. Of the \$4.7 million in total costs, DFCS anticipates as much as \$2.9 million could come from federal sources.

DFCS also identified costs associated with the increase of permanency planning hearings for children in foster care. The DFCS anticipates legal costs of approximately \$384,000 to perform 7,330 annual hearings.

Finally, based on estimates made by the Georgia County Welfare Association (GCWA), DFCS anticipates additional expenditures of \$4.2 million to implement the new set of ongoing provisions for children “in need of services.” The GCWA’s estimates were based on data from another state’s experience involving implementation of a CHINS law. From this data, GCWA estimated that Georgia would have approximately 1,100 CHINS referrals per month. This number of CHINS referrals was then divided by the assumed workload per month per case manager (12) to arrive at an estimated 91 additional case managers needed, with associated personnel, benefits, supply, and equipment costs totaling about \$46,000 per position.

Respectfully,

/s/ Russell W. Hinton
State Auditor

/s/ Debbie Dlugolenski, Director
Office of Planning and Budget

RWH/TC/kd/bb