

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DSS (765)	-	\$218,946	\$898,744	\$898,744	\$898,744	\$898,744
TOTAL	-	\$218,946	\$898,744	\$898,744	\$898,744	\$898,744

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

Position Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DSS (765)	-	6.0	26.0	26.0	26.0	26.0
TOTAL	-	6.0	26.0	26.0	26.0	26.0

Fiscal Analysis: This bill authorizes the Commissioner of the Department of Social Services (DSS) to issue corrective action plans (CAPs) to local boards of social services and local departments of social services (LDSS) that fail to adequately administer public benefits and/or child welfare programs. While the Commissioner is currently able to issue CAPs and assume control of local boards or LDSS that fail to adequately administer foster care services, DSS anticipates that expanding state oversight of local boards or LDSS as it relates to the provision of public benefits and child welfare services will create new responsibilities for state program staff that cannot be absorbed as part of existing resources. DSS maintains that the creation of an internal state oversight division will be the most effective way to focus and coordinate all state oversight services and the issuance of CAPs.

DSS estimates that the new state oversight division will require a total of 26 new FTE positions with the following responsibilities:

- 1 Assistant Director
- 5 Program Administrators
- 2 Supervisors
- 18 Program Analysts

The costs to fully staff this division are estimated at \$875,788 (\$656,842 GF/\$218,946 NGF) in FY 2027 and \$3,594,978 (\$2,696,234 GF/\$898,744 NGF) in FY 2028 and each year thereafter. The cost estimate assumes that the assistant director and program administrator positions (six total positions) would be hired in FY 2027 to establish agency protocols and workflows around state oversight mechanisms and associated interventions. The supervisor and program analyst positions (20 total positions) would be hired in FY 2028 to execute the established workflows, provide assistance to local boards and LDSS, and monitor ongoing compliance with CAPs. The costs for all positions are inclusive of salary, benefits, and non-personnel operating costs (supplies, equipment, and travel). The FY 2027 position costs also include one-time onboarding costs (estimated at \$5,163 per position for six FTEs) associated with the establishment of the new division.

Other: HB1366 is similar to portions of SB640.