

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

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ORIGINAL

Bill Number: SB243

Patron: Head

Bill Title: Adult protective services; adult abuse, neglect and exploitation central registry.

Bill Summary: Creates a central registry of substantiated complaints of adult abuse, neglect, and exploitation to be maintained by the Department for Aging and Rehabilitative Services. The bill establishes (i) investigation requirements for local departments of social services related to reports of adult abuse, neglect, and exploitation; (ii) record retention and disclosure requirements for the Department for Aging and Rehabilitative Services and local departments of social services; (iii) notice requirements related to findings by local departments and central registry entries; and (iv) an appeals process to contest the findings of a local department related to substantiated reports of adult abuse, neglect, or exploitation. The bill directs the Commissioner for Aging and Rehabilitative Services to adopt regulations to implement the provisions of the bill and exempts the Commissioner's initial adoption of such regulations from the provisions of the Administrative Process Act. The bill has a delayed effective date of July 1, 2028.

Budget Amendment Necessary: Yes

Items Impacted: Item 323

Explanation: The proposed legislation will require a FY 2028 budget amendment for the Department for Aging and Rehabilitative Services in Item 323 (Adult Programs and Services). Other costs included in this analysis may need to be incorporated in a future biennial budget (FY 2029 and subsequent years).

Fiscal Summary: The proposed legislation will require general fund expenditures and new positions on the part of the Department for Aging and Rehabilitative Services (DARS) beginning in FY 2028. It is further expected that additional general fund expenditures and/or positions will be required on the part of the Office of the Attorney General (OAG) and the Department of Social Services (DSS) beginning in FY 2029. See table and fiscal analysis below.

General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DARS (262)	-	-	\$678,348	\$422,813	\$422,813	\$422,813
DSS (765)	-	-	-	\$81,353	\$78,025	\$78,025
OAG (141)	-	-	-	\$160,226	\$160,226	\$160,226
TOTAL	-	-	\$678,348	\$664,392	\$661,064	\$661,064

Position Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DARS (262)	-	-	1.0	3.0	3.0	3.0
OAG (141)	-	-	-	1.0	1.0	1.0
TOTAL	-	-	1.0	4.0	4.0	4.0

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Fiscal Analysis: This legislation requires the Department for Aging and Rehabilitative Services (DARS) to establish and maintain an adult abuse, neglect, and exploitation information system and a central registry of substantiated reports. The bill further establishes requirements for local departments of social services (LDSS) as it relates to investigations of alleged adult abuse, neglect, or exploitation and documentation of such findings in the DARS central registry. The bill establishes an appeals process for persons initially found to have committed acts of adult abuse, neglect, or exploitation. DARS anticipates that this bill will require significant technological upgrades to existing systems, as well as additional resources to support appeals processes.

Information Technology Costs

Currently, DARS utilizes a case management system for adult protective services (APS) called PeerPlace. While DARS anticipates that PeerPlace includes much of the data necessary to populate the required registry, the agency expects that system enhancements will be required to support a new central registry that can interface with the existing case data. Additionally, DARS would need to ensure that such registry is available on the agency website and navigable by the public. The estimated general fund (GF) cost for one-time upgrades to PeerPlace and the agency website is \$550,000, with ongoing registry maintenance costs estimated at \$65,000 GF annually.

Additionally, DARS anticipates that a staff member will be needed to supervise implementation and maintenance of the registry, coordinate system and operational updates with the vendor administering PeerPlace, and serve as a point of contact for the public as it relates to troubleshooting issues. The GF cost for this position is estimated at \$128,348 per year and includes salary, fringe benefits, and associated nonpersonal services. In order to ensure that the centralized registry is available to APS workers and the public upon the bill's enactment date of July 1, 2028 (FY 2029), DARS expects that the position and any resources to support first-year system costs will be needed in the prior year (FY 2028).

Appeals Process

The bill establishes an appeals process that allows an individual who is found by an LDSS to have committed an act of adult abuse, neglect, or exploitation to contest such finding to the LDSS and further appeal to the Commissioner for Aging and Rehabilitative Services should the LDSS refuse to amend such finding. Specific impacts for DARS, LDSS, and the Office of the Attorney General (OAG) are discussed in detail below. It is assumed that all appeals-related costs discussed in this section will begin in FY 2029 due to the bill's delayed enactment date of July 1, 2028.

LDSS

DARS reports that there were 14,304 substantiated reports of abuse and neglect in FY 2025. The bill includes a provision to exclude self-neglecting individuals from the central registry, as well as individuals found to have neglected an adult without intent. Based on DARS' FY 2025 APS annual report data, this provision is expected to lower the potential number of reports entered into the registry by 8,780. DARS also expects that among the total reports, 1,329 "unspecified" perpetrators (e.g., unidentifiable scammers) will not be registrable. This leaves approximately 4,195 reports that could feasibly be entered into the central registry.

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Current law provides an appeals process for founded complaints of adult abuse, neglect, or exploitation where the LDSS notified a licensing, regulatory, or legal authority regarding an alleged perpetrator. Of the 4,195 substantiated reports that did not involve self-neglect or an unspecified perpetrator, it is estimated that 2 percent of the 4,195 cases involved a perpetrator that did not already receive a referral to a licensing, regulatory, or legal authority. This would mean that approximately 84 new cases would be eligible for an appeals process. Available data from child protective services (CPS) divisions at LDSS estimate that nine percent of founded complaints result in a local appeal hearing. Assuming that nine percent of the newly eligible APS cases also result in a local appeal hearing, this would mean that LDSS would be responsible for approximately eight additional appeals cases.

It is estimated that each APS review hearing requires seven hours of staff time for an LDSS APS worker and three hours of review time for the associated LDSS director. The average hourly compensation rate for an LDSS APS worker is estimated at \$74 in FY 2029 and \$70 in FY 2030; the average hourly compensation rate for an LDSS director is estimated at \$132 in FY 2029 and \$128 in FY 2030. Additionally, notices associated with each review hearing will require approximately \$5 of postage. The annual cost for LDSS to conduct eight new local appeal hearings is estimated at \$7,352 in FY 2029 (\$919 per appeal) and \$7,032 in FY 2030 and thereafter (\$879 per appeal).

Additionally, it is expected that LDSS will need to participate in state-level appeals brought to DARS in which an LDSS finding or determination is challenged. Again, based on available CPS data it is assumed that nine percent of all 4,195 eligible cases in the registry will result in a local appeal; LDSS representatives further assume that 25 percent of cases receiving local appeals will also make state-level appeals. For the estimated number of registry entries, this would result in 94 new state-level appeals.

Based on CPS data, it is expected that an LDSS APS worker and an LDSS supervisor will each need to commit 5.5 hours of additional staff time (LDSS directors are not typically involved in state-level CPS appeals, and it is assumed that this practice will remain consistent for APS). As stated above, the average hourly compensation rate for an LDSS APS worker is estimated at \$74 in FY 2029 and \$70 in FY 2030. The average hourly compensation rate for an LDSS supervisor is \$98 in FY 2029 and \$95 in FY 2030. The annual cost for LDSS to participate in state-level appeals is estimated at \$88,924 in FY 2029 (\$946 per appeal) and \$85,305 in FY 2030 and thereafter (\$908 per appeal).

The total cost for LDSS to participate in appeals is estimated at \$96,276 in FY 2029 and \$92,337 in FY 2030 and thereafter. When applying this to the state/local match rates for APS position costs (84.5 percent state funds/15.5 percent local funds), this would result in a general fund cost of \$81,353 in FY 2029 and \$78,025 in FY 2030 and thereafter.

DARS

DARS estimates that it will need additional resources to coordinate the state-level appeals process as set forth by the bill. DARS does not currently employ or contract with hearing officers who are capable of handling the expected volume of appeals requests. As stated above, it is expected that approximately 25 percent of all

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cases in the central registry, or 94 cases, could annually receive a state-level appeal. DARS expects that one full-time hearing officer and one-part time support position would be necessary to support the expected caseload. The estimated cost for the full-time position is \$141,562 and the estimated cost for the part-time position is \$32,295 beginning in FY 2029; these estimates include all salary, benefits, and nonpersonal services as may be necessary.

Additionally, DARS would incur costs associated with legal representation should a party appeal the DARS decision to a circuit court, as provided by the bill. The cost of these appeals is estimated at \$18,000 annually; however, this estimate is a placeholder and there is no definitive way to estimate the number of court cases that may occur, as well as any associated costs.

OAG

The bill establishes state-level appeals decisions made by the DARS Commissioner as a final case decision under the Administrative Process Act, which could be appealed to circuit court. OAG would be responsible for representing DARS in these appeals. As stated above, there is no definitive way to estimate the number of cases that may be appealed to a circuit court as a result of this legislation. However, OAG expects that one attorney position at a GF cost of \$160,226 will be necessary to handle any such appeals.

Training Costs

DARS expects that additional staff capacity will be needed to train LDSS staff on the provisions of this legislation, including use of the registry and the expanded appeals process. Currently, DARS employs one full-time and one-part time staff whose responsibilities include training APS workers; however, these employees cannot take on the additional training responsibilities created by this legislation. The estimated GF cost of one additional full-time trainer is estimated at \$165,956 and includes salary, benefits, and nonpersonal services.

Other Costs

Both DARS and LDSS representatives report that this legislation creates an indeterminate impact for LDSS staff as it relates to investigative responsibilities for APS cases involving reports of death or missing victims. Typically, APS workers do not investigate deaths and an investigation ceases if an adult cannot be located. If the provisions of this bill are interpreted to increase investigatory time in these cases, then LDSS expenses would also increase.

LDSS representatives report that for every increase of 1,000 investigations, the equivalent of 23 LDSS APS workers and five APS supervisors would need to be employed across LDSS. The cost for this workload increase is estimated at \$3,287,333 annually based on expected staffing ratios and associated compensation. However, the scope of the bill's requirements in this regard are not fully known at this time; accordingly, any impacts associated with these provisions are indeterminate and are not included in the impact tables.

It is expected that any costs associated with promulgating regulations reflecting the provisions of this bill will be minimal and absorbable within existing resources.

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Other: SB243 may be a companion to HB1297.