

Department of Planning and Budget 2024 Fiscal Impact Statement

1. Bill Number: SB 417

House of Origin Introduced Substitute Engrossed
 Second House In Committee Substitute Enrolled

2. Patron: Head

3. Committee: Rehabilitation and Social Services

4. Title: Adult protective services; creates central registry

5. Summary: The proposed legislation creates a central registry of substantiated complaints of adult abuse, neglect, and exploitation to be maintained by the Department for Aging and Rehabilitative Services (DARS). However, the registry must exclude identifying information about (i) an adult who the local department has determined is self-neglecting or (ii) a person who neglected an adult without intent shall not be entered in the central registry.

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 proposal also contains two enactment clauses: (1) directing DARS to promulgate regulations addressing the registry and other provisions of the bill and (2) should the bill pass delaying the effective date of the provisions until July 1, 2026.

6. Budget Amendment Necessary: Yes

7. Fiscal Impact Estimates: Preliminary

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2024	-	-	-
2025	663,083	1.0	General
2026	743,634	3.0	General
2027	743,634	3.0	General
2028	743,634	3.0	General
2029	743,634	3.0	General
3030	743,634	3.0	General

*Additionally, a local match of \$33,287 is required for the LDSS portion of this bill. This amount may increase if additional investigations associated with deaths and missing persons are required.

- 8. Fiscal Implications:** The proposed bill is expected to have fiscal implications on both the Department for Aging and Rehabilitative Services (DARS) and the local adult protective services (APS) workers employed by local departments of social services (LDSS).

Adult Central Registry Information System

The legislation requires DARS to maintain an adult abuse, neglect, and exploitation information system that includes a public-facing central registry of founded complaints. DARS utilizes an APS case management system called PeerPlace. The agency believes that PeerPlace already includes much of the data necessary to populate the required registry; however, moderate system enhancements would need to be made including the establishment of an interface with the new central registry. Additionally, DARS would need to create a public-facing registry on the agency's website. DARS estimates the one-time cost of the necessary PeerPlace modifications and website creation to be approximately \$550,000. Ongoing additional systems operating cost are estimated at \$65,000 annually.

The cost of registry staff who would act as customer service/information technology representatives for the public, private organizations and governmental organizations to ensure that information is loaded to the website properly and coordinate systems and operational updates, would be \$113,083 general fund the first year and \$123,364 each year thereafter for salary, benefits, and associated nonpersonal services. It is assumed that system development costs as well as the support position would occur in FY 2025 to ensure the registry is available July 1, 2025.

Appeals Process

The bill calls for an appeals process that allows individuals to contest the findings of the LDSS related to founded reports of adult abuse, neglect, or exploitation. Any individual with a founded complaint resulting from an APS investigation will have a right to review and request that the LDSS amend its determination and records. Those individuals who do not receive a favorable decision from the LDSS can appeal to DARS. These requirements will have an impact on both local department of social services (LDSS) staff as well as DARS. It is assumed that all appeals related costs will begin in FY 2026 due to the bill's delayed enactment.

Currently, the subject of an APS investigation can only request a local review if there was a founded complaint and if the LDSS sent information about that person to a licensing, regulatory, or legal authority. However, the legislation permits a wider scope for alleged perpetrators to request a local conference to dispute their identification and request that related records be amended. Further, the public-facing nature of the proposed APS registry, as required by this bill, is likely to increase the motivation for those with founded cases to request a local conference since their name would be easily available on the agency website.

There were 12,824 substantiated reports of abuse and neglect in FY 2022. The bill's provision to exclude self-neglecting individuals as well as those without intent is expected to lower the potential number of reports entered into the registry by 8,373 (based on a January 2023 adult protective service report). As such, it is assumed that 4,451 individuals would be

potentially entered into the required registry. There is no data to suggest how many additional appeals will be generated due to the public facing nature of the registry. However, DARS assumes that approximately ten percent (445 individuals) of the registry population could request a LDSS review. DARS estimates that each APS review requires an average of seven hours to respond. Therefore, 3,116 (445.1 reviews x 7 hours) additional local staff hours will be required. Given an average of 1,500 productive hours per local staff annually, the equivalent of approximately 2.08 (3,116 hours / 1,500 hours) additional local departmental staff are required at an annual cost \$204,028 (2.08 x \$98,226). In addition, onboarding expenses of \$10,724 (\$5,163 per full-time equivalent employee) are necessary in the first year. Based on these assumptions, local conference costs are expected to increase by \$204,029 annually. Localities would fund 15.5 percent of these costs (\$33,287 annually) and the rest (\$181,466 each year) would be funded by the Department of Social Services, which allocates administration funding to LDSS. The localities also may incur an indeterminate amount of legal costs during this review process.

In addition to local costs, DARS would require additional staff to handle the appeals of local conferences as required by the bill. DARS does not currently employ or contract with hearing officers who could handle the significant volume of appeal requests. If one-third of local reviews are appealed to DARS, agency hearing officers would need to handle approximately 149 appeals annually. As such, the agency would initially require, at a minimum, one hearing officer and a part-time support position. The estimated cost of these positions, including salary, benefits and nonpersonal services is \$167,106. DARS also would incur costs associated with legal representation when the perpetrator appeals the DARS hearing officer's decision to circuit court as provided for in the bill. The cost of these appeals is estimated at \$18,000 annually; however, there is no clear way to estimate the number of court cases and the cost of legal representation. As such the cost for DARS to handle appeals is estimated at \$185,106 annually beginning in FY 2026.

The outcome of the DARS appeal would be a final case decision under the Administrative Process Act and could be appealed to circuit court. The Office of Attorney General (OAG) would be responsible for handling these appeals. Assuming DARS upheld most of the local decisions, OAG estimates an annual cost of \$188,698 to support an attorney position beginning in FY 2026.

Local Adult Protective Services (APS) Staff

There may be an indeterminate impact on local staffing if the provisions of this bill are interpreted to require additional staff work for those cases involving reports of deaths and/or missing victims, which potentially exposes everyone in the case record to an appeal process. Typically, APS workers do not investigate deaths and an investigation ceases if the adult cannot be located. If any provision of this bill increases investigatory time in these cases, then local staff expenses would also increase. The Department of Social Service reports that for every increase of 1,000 new investigations, the equivalent of 23 APS workers and four supervisors would need to be employed across local departments. Furthermore, for every increase of 1,000 new investigations, the approximate cost increase is estimated at \$3,050,000 annually. This estimate is based on an average investigation of 35 hours (35 x 1,000 = 35,000 required local APS staff hours), 1,500 productive work hours in a year per

full time equivalent ($35,000 / 1,500 = 23.3$ equivalent local APS workers), and a span of supervisory control of one supervisor to every five workers ($23.3 / 5 = 4.7$ equivalent supervisors).

9. Specific Agency or Political Subdivisions Affected:

Department of Social Services

Local departments of social services

Department for Aging and Rehabilitative Services

Office of the Attorney General

10. Technical Amendment Necessary: No

11. Other Comments: None