

FISCAL NOTE
Requested by Legislative Council
03/08/2013

Amendment to: SB 2323

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$431,116		\$422,468	
Appropriations			\$431,116		\$422,468	

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill will require mandatory reporting for certain individuals having knowledge of abuse or neglect of a vulnerable adult and provide a penalty.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 subsection 1 of the bill requires mandatory reporting by any medical or mental health professional or personnel, law enforcement officer, firefighter, member of the clergy, financial service provider or caregiver having knowledge that a vulnerable adult has been subjected to abuse or neglect. However, a member of the clergy is not required to report if the knowledge is derived from information received in the capacity of spiritual advisor. Section 1 subsection 2 provides for voluntary reporting by any person not required to report under subsection 1. For the first five months of SFY 2013, 504 intakes have been received. Annualized, this would be 1,210 intakes. Research on the impact to South Dakota when they instituted a similar but less restrictive bill, determined they had an increase of 70% in the number of intakes received. Since SB 2323 is more restrictive, it's estimated the state would see an increase of 35%, half of the impact seen in South Dakota in the number of intakes received. With current annual intakes of 1,210, a 35% increase would result in an additional 424 intakes per year for a total of 848 additional intakes for the 2013-2015 biennium. The addition of 2 FTE would be needed for the additional cases. The potential impact on State's Attorneys related to the provisions of failure to report is undeterminable since it is not possible to estimate the number of the cases that would be prosecuted.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The fiscal impact for the Department of Human Services for the 2013-2015 biennium would be the cost for 2 FTE to handle the increased number of intakes that would be received. Costs for the biennium total \$431,116 and are comprised of: salary and benefits for 2 FTE \$338,549, operating costs for travel, rent, office supplies, and communication \$52,567, and IT costs for maintenance of a database reporting system \$40,000. The fiscal impact for DHS for the 2015-2017 biennium would be \$422,468. This reflects the removal of one-time costs for office furniture and equipment that would occur in the 2013-2015 biennium.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The funding needed to perform the requirements provided for in SB 2323 are not included in the Department of Human Services appropriation bill (HB 1012), therefore DHS would need a general fund appropriation of \$431,116 for the 2013-2015 biennium and \$422,468 for the 2015-2017 biennium.

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