

Multiple Agency Fiscal Note Summary

| | |
|--------------------------------|------------------------------------|
| Bill Number: 1645 2S HB | Title: Parental improvement |
|--------------------------------|------------------------------------|

Estimated Cash Receipts

| Agency Name | 2019-21 | | 2021-23 | | 2023-25 | |
|---------------------------------------------|-----------|----------------|-----------|----------------|-----------|----------------|
| | GF- State | Total | GF- State | Total | GF- State | Total |
| Office of Attorney General | 0 | 33,000 | 0 | 248,000 | 0 | 248,000 |
| Office of Administrative Hearings | 0 | 45,861 | 0 | 183,442 | 0 | 183,442 |
| Department of Social and Health Services | 0 | 9,000 | 0 | 0 | 0 | 0 |
| Department of Children, Youth, and Families | 0 | 80,340 | 0 | 107,614 | 0 | 107,614 |
| Total \$ | 0 | 168,201 | 0 | 539,056 | 0 | 539,056 |

Estimated Operating Expenditures

| Agency Name | 2019-21 | | | 2021-23 | | | 2023-25 | | |
|---------------------------------------------|------------|----------------|----------------|------------|------------------|------------------|------------|------------------|------------------|
| | FTEs | GF-State | Total | FTEs | GF-State | Total | FTEs | GF-State | Total |
| Office of Attorney General | .1 | 0 | 33,000 | .9 | 0 | 248,000 | .9 | 0 | 248,000 |
| Office of Administrative Hearings | .2 | 0 | 45,861 | .7 | 0 | 183,442 | .7 | 0 | 183,442 |
| Department of Social and Health Services | .2 | 41,000 | 50,000 | .0 | 0 | 0 | .0 | 0 | 0 |
| Department of Children, Youth, and Families | 1.6 | 692,503 | 772,843 | 6.5 | 1,804,552 | 1,912,166 | 6.5 | 1,804,552 | 1,912,166 |
| Total \$ | 2.1 | 733,503 | 901,704 | 8.1 | 1,804,552 | 2,343,608 | 8.1 | 1,804,552 | 2,343,608 |

Estimated Capital Budget Expenditures

| Agency Name | 2019-21 | | | 2021-23 | | | 2023-25 | | |
|---------------------------------------------|------------|----------|----------|------------|----------|----------|------------|----------|----------|
| | FTEs | Bonds | Total | FTEs | Bonds | Total | FTEs | Bonds | Total |
| Office of Attorney General | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Office of Administrative Hearings | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Department of Social and Health Services | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Department of Children, Youth, and Families | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Total \$ | 0.0 | 0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0 |

Estimated Capital Budget Breakout

| | | |
|-------------------------------------------|---------------------------------|-------------------------------------------|
| Prepared by: Rayanna Williams, OFM | Phone: (360) 902-0553 | Date Published: Final 3/ 9/2020 |
|-------------------------------------------|---------------------------------|-------------------------------------------|

Individual State Agency Fiscal Note

| | | |
|--------------------------------|------------------------------------|-----------------------------------------------|
| Bill Number: 1645 2S HB | Title: Parental improvement | Agency: 100-Office of Attorney General |
|--------------------------------|------------------------------------|-----------------------------------------------|

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

| ACCOUNT | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|-------------------------------------------------|---------|---------|---------|---------|---------|
| Legal Services Revolving Account-State 405-1 | | 33,000 | 33,000 | 248,000 | 248,000 |
| Total \$ | | 33,000 | 33,000 | 248,000 | 248,000 |

Estimated Operating Expenditures from:

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|-------------------------------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | 0.0 | 0.2 | 0.1 | 0.9 | 0.9 |
| Account | | | | | |
| Legal Services Revolving Account-State 405-1 | 0 | 33,000 | 33,000 | 248,000 | 248,000 |
| Total \$ | 0 | 33,000 | 33,000 | 248,000 | 248,000 |

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

| | | |
|-----------------------------------|-----------------------|------------------|
| Legislative Contact: Luke Wickham | Phone: 360-786-7146 | Date: 02/25/2020 |
| Agency Preparation: Bruce Turcott | Phone: (360) 586-2738 | Date: 02/26/2020 |
| Agency Approval: Edd Giger | Phone: 360-586-2104 | Date: 02/26/2020 |
| OFM Review: Gwen Stamey | Phone: (360) 902-9810 | Date: 02/26/2020 |

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Bill Summary:

Section 1 adds a new section to chapter 74.13 requiring the Department of Children, Youth, and Families (DCYF) to develop a process for issuing certificates of parental improvement in specified cases.

Section 2 authorizes a person who requests a certificate of parental improvement to seek review of a denial.

Section 3 amends RCW 74.13.700 to prohibit DCYF from denying unsupervised access to children to a person with a certificate of parental improvement.

Section 4 amends definitions section RCW 74.13.020.

Section 5 adds a new section to chapter 18.20 RCW to prohibit assisted living facilities from denying volunteer or employee status to a person with a certificate of parental improvement.

Section 6 adds a new section to chapter 18.51 RCW to prohibit nursing homes from denying volunteer or employee status to a person with a certificate of parental improvement.

Section 7 amends RCW 43.43.832 regarding DCYF rulemaking authority and Department of Social and Health Services (DSHS) background checks.

Section 8 amends RCW 74.39A.056 regarding long-term care workers and certificates of parental improvement.

Section 9 amends RCW 43.216.270 regarding childcare licenses and certificates of parental improvement.

Section 10 amends RCW 43.20A.710 to prohibit DSHS from considering certain facts when conducting a background check on a person who holds a certificate of parental improvement.

Section 11 amends definitions section RCW 43.216.010.

Section 12 provides an effective date of January 1, 2021.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agency is the Department of Children, Youth, and Families. The Attorney General's Office (AGO) will bill all clients for legal services rendered.

These cash receipts represent the AGO's authority to bill and are not a direct appropriation to the AGO. The

direct appropriation is reflected in the client agencies' fiscal note. Appropriation authority is necessary in the AGO budget.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Attorney General's Office (AGO) Agency Assumptions:

1. Legal services associated with the enactment of this bill will begin in September, 2020. This bill is assumed effective January 1, 2021.
2. The AGO Revenue & Finance Division (REV) has reviewed this bill and determined it will not significantly increase the division's workload in representing the Office of Administrative Hearings (OAH). This bill is expected to generate few, if any, requests for legal advice from OAH. New legal services are assumed to be nominal and costs are not included in this request.
3. Agency administration support FTEs are included in the tables below, using a Management Analyst 5 as a representative classification.

Assumptions for the AGO Social & Health Service Division's (SHO) Legal Services for the Department of Children, Youth, and Families (DCYF):

1. The AGO will bill DCYF for legal services based on the enactment of this bill.
2. Costs that are identified reflect legal services assumed to be provided agency-wide. This includes the following divisions: SHO, Social and Health Services—Seattle, Tacoma, Spokane, and the Regional Services Division.
3. In FY 2021, the AGO assumes that the enactment of this bill will increase Assistant Attorney General (AAG) workload by 255 total AAG hours. The AGO will represent DCYF at the OAH and occasionally at Superior Court if a petition for judicial review is filed. This includes 25 AAG hours for advice on rule making related to the implementation of this bill. The first new administrative appeals will not be generated until after January 1, 2021.
4. Beginning in FY 2022, the AGO assumes 919 AAG hours per FY to include, but not limited to:
 - A. DCYF representation in the initial appeals of denials of certificates of parental improvement at OAH.
 - B. 124 administrative appeals to OAH per FY. This is based on DCYF's estimates. This will increase AAG workload by 756 AAG hours per FY.
 - C. The AGO assumes that of the 20 percent (or 25) of the administrative appeals will require 1 AAG hour each. Appeals will be resolved either at, or prior to the pre-hearing conference if the appealing party either withdraws his or her appeal, or fails to appear for the pre-hearing conference ($124 \times .20 = 25$).
 - D. The AGO assumes 30 percent (or 37) of the administrative appeals will require 3 AAG hours of time each.

Some appeals will be resolved with a motion for summary judgment. This will typically occur in cases where the appealing party does not meet the minimum requirements for a certificate of parental improvement. ($124 \times .30 = 37$)

E. The AGO assumes that 50 percent (or 62) of the administrative appeals will require 10 hours of AAG time each. These cases will go to hearing and will likely take up to a day to a full day of hearing time and approximately 4 hours of AAG time spent preparing for the hearing (preparing witnesses, reading and reviewing files, preparing exhibits, etc.). ($124 \times .50 = 62$)

F. This is a total of 756 AAG hours. $((62 \times 10) + (37 \times 3) + (25 \times 1)) = 756$

G. The AGO assumes this bill will result in 41 new petitions for review per FY to the DCYF Board of Appeals (BOA), which will increase AAG workload by 123 AAG hours per year.

1) Of the 124 OAH initial orders that result from the new administrative appeals, the AGO assumes 33 percent (or 41) will be further appealed to the DCYF BOA. This includes cases that DCYF loses at OAH and wishes to appeal to the BOA and cases that DCYF wins and the parent, whose certificate of parental improvement was denied, wishes to appeal. This population of individuals is likely to be more motivated than the average appellant because they are likely to seek a certificate of parental improvement. They are attempting to qualify for a job or training program. ($124 \times .33 = \text{about } 41$)

2) The AGO assumes that each petition for review, or response thereto, at the BOA will require about 3 hours of AAG time to draft.

H. The AGO assumes 2 new petitions for judicial review to the Superior Court per FY, which will increase AAG workload by 40 AAG hours per year. Of the 41 petitions for review to the DCYF BOA, 5 percent (or 2), will be further appealed to the Superior Court through a petition for judicial review. As a point of reference, in calendar year 2019, 408 founded findings of child abuse or neglect were appealed to OAH and 8 of those cases resulted in petitions for judicial review in Superior Court. A petition for judicial review of one of these cases will require 20 AAG hours of time.

5. This work would be in addition to the workload of AAGs whose caseloads average 93.5 cases per AAG. This caseload far exceeds the American Bar Association's recommended caseload for attorneys representing child welfare agencies of 40-50 cases as reasonable, and caseloads of over 60 are unmanageable.

6. Total workload impact:

FY 2021: 0.14 AAG and 0.07 Legal Assistant (LA) at a cost of \$33,000.

FY 2022 and in each FY thereafter: 0.51 AAG and 0.26 LA at a cost of \$124,000 per FY.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|-----------------|-------------------------------------|-------|---------|---------|---------|---------|---------|
| 405-1 | Legal Services Revolving Account | State | 0 | 33,000 | 33,000 | 248,000 | 248,000 |
| Total \$ | | | 0 | 33,000 | 33,000 | 248,000 | 248,000 |

III. B - Expenditures by Object Or Purpose

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|----------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | | 0.2 | 0.1 | 0.9 | 0.9 |
| A-Salaries and Wages | | 22,000 | 22,000 | 160,000 | 160,000 |
| B-Employee Benefits | | 7,000 | 7,000 | 54,000 | 54,000 |
| E-Goods and Other Services | | 4,000 | 4,000 | 30,000 | 30,000 |
| G-Travel | | | | 2,000 | 2,000 |
| J-Capital Outlays | | | | 2,000 | 2,000 |
| Total \$ | 0 | 33,000 | 33,000 | 248,000 | 248,000 |

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

| Job Classification | Salary | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|----------------------------|---------|---------|---------|---------|---------|---------|
| Assistant Attorney General | 108,156 | | 0.1 | 0.1 | 0.5 | 0.5 |
| Legal Assistant 3 | 54,108 | | 0.1 | 0.0 | 0.3 | 0.3 |
| Management Analyst 5 | 88,644 | | | | 0.1 | 0.1 |
| Total FTEs | | | 0.2 | 0.1 | 0.9 | 0.9 |

III. D - Expenditures By Program (optional)

| Program | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Social & Health Services (All) (SHO) | | 33,000 | 33,000 | 248,000 | 248,000 |
| Total \$ | | 33,000 | 33,000 | 248,000 | 248,000 |

Part IV: Capital Budget Impact**IV. A - Capital Budget Expenditures**

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout*Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods*

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

| | | |
|--------------------------------|------------------------------------|------------------------------------------------------|
| Bill Number: 1645 2S HB | Title: Parental improvement | Agency: 110-Office of Administrative Hearings |
|--------------------------------|------------------------------------|------------------------------------------------------|

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

| ACCOUNT | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|-------------------------------------------------------|---------|---------|---------|---------|---------|
| Administrative Hearings Revolving Account-State 484-1 | | 45,861 | 45,861 | 183,442 | 183,442 |
| Total \$ | | 45,861 | 45,861 | 183,442 | 183,442 |

Estimated Operating Expenditures from:

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|-------------------------------------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | 0.0 | 0.4 | 0.2 | 0.7 | 0.7 |
| Account | | | | | |
| Administrative Hearings Revolving Account-State 484-1 | 0 | 45,861 | 45,861 | 183,442 | 183,442 |
| Total \$ | 0 | 45,861 | 45,861 | 183,442 | 183,442 |

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

| | | |
|---------------------------------------|-----------------------|------------------|
| Legislative Contact: Luke Wickham | Phone: 360-786-7146 | Date: 02/25/2020 |
| Agency Preparation: Deborah Feinstein | Phone: 360-407-2717 | Date: 02/25/2020 |
| Agency Approval: Deborah Feinstein | Phone: 360-407-2717 | Date: 02/25/2020 |
| OFM Review: Bryan Way | Phone: (360) 902-0650 | Date: 02/26/2020 |

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Under section 2(1) of this proposed legislation, a person who applies for a certificate of parental improvement has the right to seek internal review of the secretary's denial of this certificate request. Section 2(6) states that if on internal review the secretary does not alter the denial decision, the requestor may request an adjudicative hearing to contest this decision. The adjudicative proceeding is governed by the administrative procedure act, chapter 34.05 RCW, and these cases would be referred to the Office of Administrative Hearings.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

As a central service agency, OAH bills referring agencies for its costs and collects the revenue into the Administrative Hearings Revolving Account. Cash receipts are assumed to equal costs. OAH will bill the Department of Children, Youth, and Families for the costs related to this proposed legislation.

These cash receipts represent the OAH's authority to bill and are not a direct appropriation to OAH. Appropriation authority is necessary in OAH's budget.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The Department of Children, Youth, and Families estimates that 124 cases per year would be heard at the Office of Administrative Hearings beginning January 1, 2021. Based on OAH's experience, each appeal will take approximately 4 hours of line administrative law judge time (ALJ) including prehearing conference, hearing, order writing, etc.

Workforce Assumptions:

- * Ratio of 1 Line Administrative Law Judge (ALJ) to .15 Senior ALJ to 0.6 legal support to 0.25 administrative support.
- * Average ALJ salary for Line ALJ and Senior ALJ used.
- * Legal support staff assumed to be Legal Assistant 2 - range 40 step L.
- * Administrative support used a representative class of Management Analyst 5 - range 64 step L.
- * Benefit rates were analyzed by job class using SPS data.
- * Goods and services, travel and on-going capital outlays were projected based on historical data for each of the job classes.

Total Workload Impact:

FY 2021: 0.18 Administrative Law Judge at a cost of \$25,613; 0.03 Senior Administrative Law Judge at a cost of \$4,331; 0.10 Legal Assistant 2 at a cost of \$9,758. Agency administrative support is included using 0.04 FTE of a Management Analyst 5 as a representative at a cost of \$6,159. Total cost: \$ 45,861.

FY 2022 and each FY thereafter: 0.35 Administrative Law Judge at a cost of \$51,226; 0.05 Senior Administrative

Law Judge at a cost of \$8,663; 0.21 Legal Assistant 2 at a cost of \$19,515. Agency administrative support is included using 0.09 FTE of a Management Analyst 5 as a representative at a cost of \$12,317. Total cost: \$ 91,721.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|-----------------|-------------------------------------------|-------|---------|---------|---------|---------|---------|
| 484-1 | Administrative Hearings Revolving Account | State | 0 | 45,861 | 45,861 | 183,442 | 183,442 |
| Total \$ | | | 0 | 45,861 | 45,861 | 183,442 | 183,442 |

III. B - Expenditures by Object Or Purpose

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|--------------------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | | 0.4 | 0.2 | 0.7 | 0.7 |
| A-Salaries and Wages | | 28,084 | 28,084 | 112,336 | 112,336 |
| B-Employee Benefits | | 10,041 | 10,041 | 40,162 | 40,162 |
| C-Professional Service Contracts | | | | | |
| E-Goods and Other Services | | 7,000 | 7,000 | 28,000 | 28,000 |
| G-Travel | | 316 | 316 | 1,264 | 1,264 |
| J-Capital Outlays | | 420 | 420 | 1,680 | 1,680 |
| M-Inter Agency/Fund Transfers | | | | | |
| N-Grants, Benefits & Client Services | | | | | |
| P-Debt Service | | | | | |
| S-Interagency Reimbursements | | | | | |
| T-Intra-Agency Reimbursements | | | | | |
| 9- | | | | | |
| Total \$ | 0 | 45,861 | 45,861 | 183,442 | 183,442 |

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

| Job Classification | Salary | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|---------------------------------|---------|---------|---------|---------|---------|---------|
| Administrative Law Judge | 90,000 | | 0.2 | 0.1 | 0.4 | 0.4 |
| Legal Assistant 2 | 47,568 | | 0.1 | 0.1 | 0.2 | 0.2 |
| Management Analyst 5 | 86,064 | | 0.0 | 0.0 | 0.1 | 0.1 |
| Senior Administrative Law Judge | 105,000 | | 0.0 | 0.0 | 0.1 | 0.1 |
| Total FTEs | | | 0.4 | 0.2 | 0.7 | 0.7 |

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

| | | |
|--------------------------------|------------------------------------|-------------------------------------------------------------|
| Bill Number: 1645 2S HB | Title: Parental improvement | Agency: 300-Department of Social and Health Services |
|--------------------------------|------------------------------------|-------------------------------------------------------------|

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

| ACCOUNT | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|----------------------------|---------|---------|---------|---------|---------|
| General Fund-Federal 001-2 | | 9,000 | 9,000 | | |
| Total \$ | | 9,000 | 9,000 | | |

Estimated Operating Expenditures from:

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|----------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | 0.0 | 0.3 | 0.2 | 0.0 | 0.0 |
| Account | | | | | |
| General Fund-State 001-1 | 0 | 41,000 | 41,000 | 0 | 0 |
| General Fund-Federal 001-2 | 0 | 9,000 | 9,000 | 0 | 0 |
| Total \$ | 0 | 50,000 | 50,000 | 0 | 0 |

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

| | | |
|------------------------------------|-----------------------|------------------|
| Legislative Contact: Luke Wickham | Phone: 360-786-7146 | Date: 02/25/2020 |
| Agency Preparation: Teresa Elliott | Phone: 360-902-8177 | Date: 03/03/2020 |
| Agency Approval: Douglas Hoffer | Phone: 360-902-8187 | Date: 03/03/2020 |
| OFM Review: Jason Brown | Phone: (360) 902-0539 | Date: 03/04/2020 |

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Sec. 1. requires the Department of Social and Health Services (DSHS) to make changes to its existing Background Check System (BCS), which is utilized to support organizations across the state. These changes require information technology (IT) resources and ongoing business specific resources.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

These funds will be earned following DSHS's Public Accounting Cost Allocation Plan (PACAP).

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

1. Changing the BCS - will require IT resources to modify the system in order to collect and process the information required. An IT Business Analyst will perform approximately 450 hours developing, testing, providing business analysis and coordinating with customers on how best to modify this state-wide system. Approximate cost of \$37,000.
2. Training - approximately 150 hours will be required to train staff and customers on the changes to the system as well as updating employee desk manuals and policies. Approximate cost of \$13,000.
3. Mail Processing - five additional applicant packets will need to be processed daily by a Forms and Records Analyst 3. Each packet takes approximately 10 minutes to review creating a minimal increase in workload. These costs are not included in this fiscal note.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|----------|---------------|---------|---------|---------|---------|---------|---------|
| 001-1 | General Fund | State | 0 | 41,000 | 41,000 | 0 | 0 |
| 001-2 | General Fund | Federal | 0 | 9,000 | 9,000 | 0 | 0 |
| Total \$ | | | 0 | 50,000 | 50,000 | 0 | 0 |

III. B - Expenditures by Object Or Purpose

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|--------------------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | | 0.3 | 0.2 | | |
| A-Salaries and Wages | | 29,000 | 29,000 | | |
| B-Employee Benefits | | 18,000 | 18,000 | | |
| C-Professional Service Contracts | | | | | |
| E-Goods and Other Services | | 2,000 | 2,000 | | |
| G-Travel | | | | | |
| J-Capital Outlays | | | | | |
| M-Inter Agency/Fund Transfers | | | | | |
| N-Grants, Benefits & Client Services | | | | | |
| P-Debt Service | | | | | |
| S-Interagency Reimbursements | | | | | |
| T-Intra-Agency Reimbursements | | 1,000 | 1,000 | | |
| 9-adjustment to balance | | | | | |
| Total \$ | 0 | 50,000 | 50,000 | 0 | 0 |

III. C - Operating FTE Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

| Job Classification | Salary | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|-------------------------------|--------|---------|---------|---------|---------|---------|
| IT BUSINESS ANALYST - JOURNEY | 96,888 | | 0.3 | 0.2 | | |
| Total FTEs | | | 0.3 | 0.2 | | 0.0 |

III. D - Expenditures By Program (optional)

| Program | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|----------------------|---------|---------|---------|---------|---------|
| Administration (110) | | 50,000 | 50,000 | | |
| Total \$ | | 50,000 | 50,000 | | |

Part IV: Capital Budget Impact**IV. A - Capital Budget Expenditures**

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

None

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

New rules may be required.

Individual State Agency Fiscal Note

| | | |
|--------------------------------|------------------------------------|----------------------------------------------------------------|
| Bill Number: 1645 2S HB | Title: Parental improvement | Agency: 307-Department of Children, Youth, and Families |
|--------------------------------|------------------------------------|----------------------------------------------------------------|

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

| ACCOUNT | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|----------------------------|---------|---------|---------|---------|---------|
| General Fund-Federal 001-2 | | 80,340 | 80,340 | 107,614 | 107,614 |
| Total \$ | | 80,340 | 80,340 | 107,614 | 107,614 |

Estimated Operating Expenditures from:

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|----------------------------|---------|---------|---------|-----------|-----------|
| FTE Staff Years | 0.0 | 3.3 | 1.6 | 6.5 | 6.5 |
| Account | | | | | |
| General Fund-State 001-1 | 0 | 692,503 | 692,503 | 1,804,552 | 1,804,552 |
| General Fund-Federal 001-2 | 0 | 80,340 | 80,340 | 107,614 | 107,614 |
| Total \$ | 0 | 772,843 | 772,843 | 1,912,166 | 1,912,166 |

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

| | | |
|-----------------------------------|-----------------------|------------------|
| Legislative Contact: Luke Wickham | Phone: 360-786-7146 | Date: 02/25/2020 |
| Agency Preparation: Tula Habb | Phone: 3609028004 | Date: 02/25/2020 |
| Agency Approval: John Rich | Phone: (360) 725-4513 | Date: 02/25/2020 |
| OFM Review: Rayanna Williams | Phone: (360) 902-0553 | Date: 02/27/2020 |

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Second Substitute House Bill 1645 compared to Substitute House Bill 1645:

--Effective date moved from July 1, 2020 to January 1, 2021. Costs are shifted by six months to the later effective date.

Description of Second Substitute House Bill 1645:

Section 1 requires the Department of Children, Youth and Families (department) to develop and implement a process to issue certificates of parental improvement to individuals with founded findings of child abuse or neglect issued by the department or juvenile court.

This bill sets limits for individuals eligible to requests such certificates:

--Five years since last founded finding

--No conviction or pending criminal action for certain felonious crimes or out-of-state equivalent.

The department must consider the following when determining whether to issue a certificate:

--Child abuse and neglect history,

--Length of time since founded finding,

--Dependency actions related to individual's children

--Documentation that supports individual's change in behavior or circumstance that led to the founded finding
Personal references

--Federal and state background check results

--Education, volunteer work or other history of community involvement

The department must respond to requests for certificates within 60 days, and within that time, determine to issue or deny a certificate. If denied, the department must provide, in writing, the reason for denial and how the applicant can challenge its decision.

Section 2 allows an individual to appeal the department's decision to deny a certificate of improvement. The request for review must be made in writing and within 30 days following the department's decision. The department has 30 days to respond to these requests to review. If the department upholds its decision to not issue a certificate, the individual has 30 days to request an adjudicative proceeding, if desired.

Section 3 amends RCW 74.13.700 so the department may not deny or delay a license or approval of unsupervised access to children solely based on the existence of a founded finding if the individual has a certificate of parental improvement.

Section 12 states the bill takes effect January 1, 2021.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

The department assumes the following federal reimbursement rates from Title IV-E Foster Care and Adoption from the total cost and assumptions were based on similar costs:

2% for administrative review and board of appeals staff,

21% for information technology cost,

18% for both the Office of Administrative Hearings and Attorney General Office costs.

The department estimates federal cash receipts of \$80,340 in FY2021 and \$53,807 in each fiscal year thereafter.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Second Substitute House Bill 1645 compared to Substitute House Bill 1645: Effective date moved from July 1, 2020 to January 1, 2021. Costs are shifted by six months to the later effective date.

The department estimates costs of 3.25 FTEs and \$772,843 (\$692,503 GF-State) in FY2021 and 6.5 FTEs and \$956,083 (\$902,276 GF-Federal) in each fiscal year thereafter.

This bill requires the department to develop and implement a process by which an individual with a founded finding of child abuse or neglect, or an individual whose child was found by a court to be dependent, may petition the department for issue of a certificate of parental improvement. To comply with this requirement, the department will create a new unit tasked with reviewing requests for and creating certificates of parental improvement.

Section 1: Process Certificate of Parental Improvement, 6.0 FTEs ongoing and one-time information technology (IT) cost.

The department estimates that it receives approximately 133 phone calls per month requesting additional information on founded allegations of abuse or neglect, which is based on callers whose employment background check reflected founded allegations. The department assumes 60% of those callers, or 80 callers, would request certificates of parental improvement. Based on administrative reviews that the department currently undertakes, a Social Service Specialist 3 (SSS3) can complete 20 certificates of improvement per month, which would require four SSS3 positions. The department estimates one supervisor, Social Service Specialist 4, to ensure compliance with the legislation. The department also estimates one Administrative Assistant 2, to receive, track, and respond

to requests for certificates of parental improvement, draft legal correspondence related to outcomes and appeal processes, and send outcomes via mail. Please see attachment for calculation summary.

The department estimates one-time IT costs to update its background check system, including interfacing with other state systems; cost is \$277,000 (\$219,000 GF-State) for FY2021. The department estimates seven months for each of the following IT positions: business analyst \$56,000, project manager \$55,000, tester \$55,000; and two developer positions \$111,000.

Section 2: Appeals Certificate of Parental Improvement, 0.5 FTEs on-going and on-going OAH cost.

The department assumes 50 percent or 479 certificates of improvement per year will be denied. Of those denied, 13% or 124 certificates will request a hearing with the Office of Administrative Hearings (based on the percentage of founded allegations requested hearings). Of those hearings, 3% or four cases will request an appeal through the department's Board of Appeals.

The costs to Office of Administrative Hearing (OAH) are \$45,861 (\$37,861 GF-State) in FY2021 and \$91,721 in each fiscal year thereafter to hold hearings for 124 certificates of improvements per year. Please see the OAH fiscal note for specific cost assumptions.

The costs for the Attorney General Office services are \$33,000 (\$27,000 GF-State) in FY2021 and \$124,000 (102,000) in each fiscal year thereafter. Please see the AAG fiscal note for specific cost assumptions.

The department estimates 0.5 FTE to handle appeals through the department's Board of Appeals.

Please see FTE section of fiscal note for staffing salaries. The department uses \$11,256 per FTE for health insurance, \$420 per FTE for worker's compensation, and 20.51% of salaries for OASI, retirement and Medicare. The department uses \$1,800 per FTE for goods and services which are for supplies, training, communication and computer lease. The department uses \$2,400 per FTE for travel. The department assumes one-time office furniture or cubicle build of \$7,200 per FTE in FY2021. The department assumes a 17.05% of the total salaries and benefits for back office support such as fiscal, payroll and human resource (Object T costs).

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|----------|---------------|---------|---------|---------|---------|-----------|-----------|
| 001-1 | General Fund | State | 0 | 692,503 | 692,503 | 1,804,552 | 1,804,552 |
| 001-2 | General Fund | Federal | 0 | 80,340 | 80,340 | 107,614 | 107,614 |
| Total \$ | | | 0 | 772,843 | 772,843 | 1,912,166 | 1,912,166 |

III. B - Expenditures by Object Or Purpose

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|--------------------------------------|---------|---------|---------|-----------|-----------|
| FTE Staff Years | | 3.3 | 1.6 | 6.5 | 6.5 |
| A-Salaries and Wages | | 220,200 | 220,200 | 880,800 | 880,800 |
| B-Employee Benefits | | 84,397 | 84,397 | 337,588 | 337,588 |
| C-Professional Service Contracts | | | | | |
| E-Goods and Other Services | | 361,712 | 361,712 | 454,842 | 454,842 |
| G-Travel | | 7,800 | 7,800 | 31,200 | 31,200 |
| J-Capital Outlays | | 46,800 | 46,800 | | |
| M-Inter Agency/Fund Transfers | | | | | |
| N-Grants, Benefits & Client Services | | | | | |
| P-Debt Service | | | | | |
| S-Interagency Reimbursements | | | | | |
| T-Intra-Agency Reimbursements | | 51,934 | 51,934 | 207,736 | 207,736 |
| 9- | | | | | |
| Total \$ | 0 | 772,843 | 772,843 | 1,912,166 | 1,912,166 |

III. C - Operating FTE Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

| Job Classification | Salary | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|-----------------------------|--------|---------|---------|---------|---------|---------|
| Admin Assistant 2 | 44,184 | | 0.5 | 0.3 | 1.0 | 1.0 |
| Paralegal 2 | 67,248 | | 0.3 | 0.1 | 0.5 | 0.5 |
| Social Service Specialist 3 | 68,892 | | 2.0 | 1.0 | 4.0 | 4.0 |
| Social Service Specialist 4 | 74,196 | | 0.5 | 0.3 | 1.0 | 1.0 |
| Total FTEs | | | 3.3 | 1.6 | 6.5 | 6.5 |

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

None.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

WAC 110-04 will need to include certificates of parental improvement.