

Multiple Agency Fiscal Note Summary

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| Bill Number: 2050 S HB | Title: Parent pay/child detention |
|-------------------------------|--|

Estimated Cash Receipts

| Agency Name | 2021-23 | | | 2023-25 | | | 2025-27 | | |
|---|----------|-------------|--------------------|----------|-------------|--------------------|----------|-------------|--------------------|
| | GF-State | NGF-Outlook | Total | GF-State | NGF-Outlook | Total | GF-State | NGF-Outlook | Total |
| Department of Children, Youth, and Families | 0 | 0 | (1,559,000) | 0 | 0 | (1,695,000) | 0 | 0 | (1,695,000) |
| Total \$ | 0 | 0 | (1,559,000) | 0 | 0 | (1,695,000) | 0 | 0 | (1,695,000) |

| Agency Name | 2021-23 | | 2023-25 | | 2025-27 | |
|---------------------|--|-------|-----------|-------|-----------|-------|
| | GF- State | Total | GF- State | Total | GF- State | Total |
| Local Gov. Courts | | | | | | |
| Loc School dist-SPI | | | | | | |
| Local Gov. Other | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | |
| Local Gov. Total | | | | | | |

Estimated Operating Expenditures

| Agency Name | 2021-23 | | | | 2023-25 | | | | 2025-27 | | | |
|---|------------|------------------|------------------|----------|------------|------------------|------------------|----------|------------|------------------|------------------|----------|
| | FTEs | GF-State | NGF-Outlook | Total | FTEs | GF-State | NGF-Outlook | Total | FTEs | GF-State | NGF-Outlook | Total |
| Administrative Office of the Courts | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 | .0 | 0 | 0 | 0 |
| Department of Children, Youth, and Families | .0 | 1,559,000 | 1,559,000 | 0 | .0 | 1,695,000 | 1,695,000 | 0 | .0 | 1,695,000 | 1,695,000 | 0 |
| Total \$ | 0.0 | 1,559,000 | 1,559,000 | 0 | 0.0 | 1,695,000 | 1,695,000 | 0 | 0.0 | 1,695,000 | 1,695,000 | 0 |

| Agency Name | 2021-23 | | | 2023-25 | | | 2025-27 | | |
|---------------------|--|----------|-------|---------|----------|-------|---------|----------|-------|
| | FTEs | GF-State | Total | FTEs | GF-State | Total | FTEs | GF-State | Total |
| Local Gov. Courts | | | | | | | | | |
| Loc School dist-SPI | | | | | | | | | |
| Local Gov. Other | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | | | | |
| Local Gov. Total | | | | | | | | | |

Estimated Capital Budget Expenditures

| Agency Name | 2021-23 | | | 2023-25 | | | 2025-27 | | |
|---|------------|----------|----------|------------|----------|----------|------------|----------|----------|
| | FTEs | Bonds | Total | FTEs | Bonds | Total | FTEs | Bonds | Total |
| Administrative Office of the Courts | .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 |

| Agency Name | 2021-23 | | | 2023-25 | | | 2025-27 | | |
|---------------------|--|----------|-------|---------|----------|-------|---------|----------|-------|
| | FTEs | GF-State | Total | FTEs | GF-State | Total | FTEs | GF-State | Total |
| Local Gov. Courts | | | | | | | | | |
| Loc School dist-SPI | | | | | | | | | |
| Local Gov. Other | Non-zero but indeterminate cost and/or savings. Please see discussion. | | | | | | | | |
| Local Gov. Total | | | | | | | | | |

Estimated Capital Budget Breakout

| | | |
|---|---------------------------------|---|
| Prepared by: Cynthia Hollimon, OFM | Phone: (360) 810-1979 | Date Published: Final 2/15/2022 |
|---|---------------------------------|---|

Judicial Impact Fiscal Note

| | | |
|-------------------------------|--|--|
| Bill Number: 2050 S HB | Title: Parent pay/child detention | Agency: 055-Administrative Office of the Courts |
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The revenue and expenditure estimates on this page represent the most likely fiscal impact . Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

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 for 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.

| | | |
|-----------------------------------|-----------------------|------------------|
| Legislative Contact Yvonne Walker | Phone: 360-786-7841 | Date: 02/09/2022 |
| Agency Preparation: Sam Knutson | Phone: 360-704-5528 | Date: 02/11/2022 |
| Agency Approval: Stanley Chris | Phone: 360-704-4020 | Date: 02/11/2022 |
| OFM Review: Gaius Horton | Phone: (360) 819-3112 | Date: 02/11/2022 |

175,276.00

Request # 2050 SHB-1

Part II: Narrative Explanation

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

Please see attached Judicial Impact Note (JIN).

II. B - Cash Receipts Impact

II. C - Expenditures

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

NONE

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

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

NONE

175,276.00

Form FN (Rev 1/00)

Part II: Narrative Explanation

This bill would repeal RCW 13.40.220 and RCW 13.16.085, the parent pay statutes, removing the requirements that parents pay a portion of their gross income to cover the cost of their child's treatment, confinement and child support in foster care. The bill would provide that from the effective date forward all pending actions to recover these debts, including tax refund intercepts, wage garnishments, payment plans, bank account deductions, etc., are terminated. The bill would provide that all outstanding debts are rendered null and void and are considered paid in full. The bill would provide that any current collection actions are to be recalled or terminated.

Part II.A – Brief Description of what the Measure does that has fiscal impact on the Courts

II.B - Cash Receipt Impact

None.

II.C – Expenditures

Judicial education would be required. This would be managed within existing resources.

Individual State Agency Fiscal Note

| | | |
|-------------------------------|--|--|
| Bill Number: 2050 S HB | Title: Parent pay/child detention | Agency: 307-Department of Children, Youth, and Families |
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

| ACCOUNT | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|-----------|-----------|-------------|-------------|-------------|
| General Fund-Private/Local 001-7 | (711,000) | (848,000) | (1,559,000) | (1,695,000) | (1,695,000) |
| Total \$ | (711,000) | (848,000) | (1,559,000) | (1,695,000) | (1,695,000) |

Estimated Operating Expenditures from:

| | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|----------------------------------|-----------|-----------|-------------|-------------|-------------|
| Account | | | | | |
| General Fund-State 001-1 | 711,000 | 848,000 | 1,559,000 | 1,695,000 | 1,695,000 |
| General Fund-Private/Local 001-7 | (711,000) | (848,000) | (1,559,000) | (1,695,000) | (1,695,000) |
| Total \$ | 0 | 0 | 0 | 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: Yvonne Walker | Phone: 360-786-7841 | Date: 02/09/2022 |
| Agency Preparation: Jay Treat | Phone: 360-556-6313 | Date: 02/14/2022 |
| Agency Approval: Crystal Lester | Phone: 360-628-3960 | Date: 02/14/2022 |
| OFM Review: Cynthia Hollimon | Phone: (360) 810-1979 | Date: 02/14/2022 |

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.

An act repealing requirements for parent payment of the cost of their child's support, treatment and confinement.

Comparison of 2050 HB to 2050 SHB: No change to fiscal impact.

The substitute bill adds the provision that the bill is null and void unless funded in the budget budget bill.

Description of 2050 SHB:

New Section 2 repeals RCW 13.40.220, known as Washington State's Parent Pay statute as well as RCW 13.16.085 for county detention.

RCW 13.40.220 requires parents of incarcerated juveniles to pay a percentage of their gross income to the Department of Children, Youth, and Families (DCYF) for the cost of their children's support, treatment, and confinement in DCYF's Juvenile Rehabilitation (JR) residential facilities.

DCYF currently receives less than 25 percent of the funds allotted in JR's base budget under that statute, primarily because most parents either do not meet the threshold, which is based on the number of dependents in the home and the parents' gross income as a percentage of Federal Poverty Guidelines or because the parents do not otherwise qualify.

This bill has the fiscal effect of replacing current JR private local expenditure and revenue authority with General-Fund State expenditure authority of \$711,000 in FY22 and \$848,000 in FY23, \$847,000 in FY24, \$848,000 in FY25, \$847,000 in FY26 and \$848,000 in FY27.

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.

New Section 2. This bill would require removal of the local revenue authority for Parent Pay, a reduction of (\$711,000) in SFY22 and (\$848,000) in SFY23, (\$847,000) in SFY24, (\$848,000) in SFY25, (\$847,000) in SFY26 and (\$848,000) in SFY27. The FY22 amount requested is less due to the estimated receipt of parent pay through May. Also, the allotment for parent pay is \$1,000 less in year 1 of each biennium.

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.

New Section 2.

The agency currently has local fund expenditure authority, and requests that the local authority be replaced by General Fund-State expenditure authority. DCYF requests \$711,000 of GF-S funding in SFY22 and \$848,000 in SFY23 and \$847,000 and \$848,000 in year 1 and 2 respectively in subsequent biennia.. This switch to General Fund-State authority is needed to continue juvenile's support, treatment, and confinement in DCYF's Juvenile Rehabilitation (JR) residential facilities that is currently supported by local fund authority. The associated objects of expenditure are as follows :

A Salary and Wages \$46,000 Year 1, \$57,000 year 2, \$55,000 Year 3, \$57,000 year 4 ongoing

B Employee Benefits \$39,000 Year 1 and \$46,000 year 2 ongoing

E Good & Services \$54,000 Year 1 and \$64,000 year 2 ongoing

N Client Services \$572,000 Year 1, \$681,000 year 2, \$682,000 year 3, \$681,000 year 4 ongoing

These funds will replace the local authority that is detailed below.

A Salary and Wages (\$46,000) Year 1, (\$57,000) year 2 , (\$55,000) Year 3, (\$57,000) year 4 ongoing

B Employee Benefits (\$39,000) Year 1 and (\$46,000) year 2 ongoing

E Good & Services (\$54,000) Year 1 and (\$64,000) year 2 ongoing

N Client Services (\$572,000) Year 1, (\$681,000) year 2, \$682,000 year 3, \$681,000 year 4 ongoing

The changes in dollars from the previous fiscal note is due to an update for year to date receipts of parent pay.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2022 | FY 2023 | 2021-23 | 2023-25 | 2025-27 |
|-----------------|---------------|---------------|-----------|-----------|-------------|-------------|-------------|
| 001-1 | General Fund | State | 711,000 | 848,000 | 1,559,000 | 1,695,000 | 1,695,000 |
| 001-7 | General Fund | Private/Local | (711,000) | (848,000) | (1,559,000) | (1,695,000) | (1,695,000) |
| Total \$ | | | 0 | 0 | 0 | 0 | 0 |

III. B - Expenditures by Object Or Purpose

NONE

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*

NONE

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

IV. D - Capital FTE Detail: *List FTEs by classification and corresponding annual compensation . Totals need to agree with total FTEs in Part IVB*

NONE

None

Part V: New Rule Making Required

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 2050 S HB

Title: Parent pay/child detention

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities:
- Counties: Indeterminate county costs for staff to clear debts from juvenile rehabilitation "parent pay" cases; counties currently receiving "parent pay" payments would experience an indeterminate revenue loss resulting from canceling all "parent pay" debts
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to: Number of counties that receive "parent pay" payments varies

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time: Number of cases with "parent pay" debt; number of cases that will pay off "parent pay" debt before the bill becomes effective; number of counties that have current or previous juvenile rehabilitation "parent pay" cases

Estimated revenue impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

| | | |
|---------------------------------------|-----------------------|------------------|
| Fiscal Note Analyst: Kate Fernald | Phone: 564-200-3519 | Date: 02/15/2022 |
| Leg. Committee Contact: Yvonne Walker | Phone: 360-786-7841 | Date: 02/09/2022 |
| Agency Approval: Alice Zillah | Phone: 360-725-5035 | Date: 02/15/2022 |
| OFM Review: Cynthia Hollimon | Phone: (360) 810-1979 | Date: 02/15/2022 |

Part IV: Analysis

A. SUMMARY OF BILL

Provide a clear, succinct description of the bill with an emphasis on how it impacts local government .

CHANGES BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

The substitute bill adds a null and void clause. If specific funding for the purposes of this act is not provided by June 30, 2022 in the Omnibus Appropriations Act, this act is null and void.

SUMMARY OF CURRENT BILL:

Sec. 1 creates a new section that states the purpose of the bill is to repeal RCW 13.40.220 and 13.16.085. The bill removes “parent pay” statutes, which require parents, or other legally obligated persons, to pay a percentage of their gross income for the cost of their child’s support, treatment, and confinement.

Sec. 2 creates a new section. The statute repeals a court’s ability to order parents, guardian, or other persons with custody of a child placed in detention to pay or contribute to the payment of the cost of the detention. The statute repeals all or part of the following acts: RCW 13.16.085 (Financial responsibility for the cost of detention) and 1955 c 369 s 1; and RCW 13.40.220 (Costs of support, treatment, and confinement - Order – Contempt of court) and 2021 c 206 s 6, 2017 3rd sp.s. c 6 s 610, 1995 c 300 s 1, 1994 sp.s. c 7 s 529, 1993 c 466 s 1, & 1977 ex.s. c 291 s 76.

Sec. 3 amends RCW 43.20B.095 and 2019 c 470 s 10. The Department of Social and Health Services (DSHS) is authorized to establish and recover debts for the Department of Children, Youth and Families (DCYF) under this chapter pursuant to a contract between DCYF and the department that is entered into in compliance with the interlocal cooperation act, chapter 39.34 RCW.

Sec. 4 creates a new section. (1) Any money collected from a parent or other person legally obligated to care for and support a child before this bill's effective date will not be refunded to that person. Any money paid to the DCYF or the courts prior to this bill's effective date is not affected.

Sec. 4 (2) (a) All pending actions or proceedings to recover debt owed by a parent or other person legally obligated to care for and support a child must be terminated with prejudice including, but not limited to, tax refund intercepts, federal and state benefit intercepts, wage garnishments, payment plans, and automatic bank account deductions.

Sec. 4 (2) (b): All outstanding debts or other obligations including, but not limited to, interest charges owed by a parent or other person legally obligated to care for and support a child must be canceled with prejudice, rendered null and void, and considered paid in full.

Sec. 4 (2) (c): Any assignment of collection authority for debt owed that was reported to a collection agency, whether in or out of state, must be recalled and terminated, and any outstanding debt must be rendered null and void and considered paid in full.

Sec. 4 (3): This does not create a cause of action against Washington state.

Sec. 5 adds a new section. If specific funding for the purposes of this act are not provided by June 30, 2022 in the Omnibus Appropriations Act, this act is null and void.

B. SUMMARY OF EXPENDITURE IMPACTS

Briefly describe and quantify the expenditure impacts of the legislation on local governments , identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.

CHANGES IN IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

The substitute version of this bill does not change the indeterminate expenditure impact this bill would have on local governments.

EXPENDITURE IMPACTS OF CURRENT BILL:

Counties would experience increased costs due to staff time required to identify and eliminate all juvenile rehabilitation “parent pay” debts for current and past cases. However, the number of cases with current and outstanding “parent pay” debt is not known and cannot be estimated.

For illustrative purposes only, Chelan County estimates it would take approximately one hour of county clerk staff time (\$25) per juvenile rehabilitation case to check for “parent payment” debts, remove the debts when necessary, and pass the case on to the prosecutor’s office for further approval. Once approved, the county clerk staff would complete a minimal amount of work to scan and file the case (5 minutes or fewer). Because “parent pay” statutes were enacted almost 30 years ago, Chelan County anticipates all counties would be required to check almost 30 years of juvenile rehabilitation cases for current or outstanding “parent pay” debts if the legislation passes. The number of cases is not known and cannot be estimated.

C. SUMMARY OF REVENUE IMPACTS

Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.

CHANGES IN REVENUE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

The substitute bill provides a null and void clause that states if specific funding for the purposes of this act is not provided by June 30, 2022 in the Omnibus Appropriations Act, this act is null and void.

REVENUE IMPACTS OF CURRENT BILL:

As provided in this substitute bill, some local jurisdictions will experience a net decrease in revenue resulting from the bill’s provision to cancel “parent pay” debts. If funds are not appropriated and the act is null and void, there will be no impact to local governments’ revenue.

The substitute bill would cancel all current and outstanding “parent pay” debts, which currently require parents, or other legally obligated persons, to pay a percentage of their gross income for the cost of their child’s rehabilitation. Consequently, any counties currently receiving “parent pay” payments would experience decreased revenue due to canceling all “parent pay” debts including current and outstanding. The number of parents or other legally obligated persons who would make future payments to counties for their child’s current or previous detention is not known and cannot be estimated. Therefore the annual revenue loss related to canceling “parent pay” debts cannot be estimated and is indeterminate.

For illustrative purposes only, one of the 20 county-run juvenile rehabilitation facilities regularly imposes “parent pay” (Chelan); one county rarely participates in “parent pay” (Mason); and no other counties participate in “parent pay” according to the Washington Association of Juvenile Court Administrators.

Chelan’s past “parent pay” revenues are described below to demonstrate potential revenue impacts. Chelan County Clerk’s Office noted that the total “parent pay” revenue collected each year has steadily decreased since 2011.

2011: \$22,000

2019: \$14,257

2020: \$11,831

2021: \$8,703

In addition to Chelan’s “parent pay” revenues, one small, one medium and one large county were each sampled for “parent pay” revenues (Benton, Spokane, King). Although they do not currently participate in “parent pay,” there was potential for counties to currently accept “parent pay” payments from past “parent pay” debts; however, neither Benton, Spokane nor King county collect revenue for any “parent pay” cases, neither current nor past. Because they do not participate in “parent pay,” and because they do not collect revenue from any “parent pay” cases including any that may have been billed in the past, the legislation would have no impact on current revenue in Benton, Spokane and King Counties.

SOURCES:

Association of Washington Cities' Salary Survey
Benton County Clerk's Office
Chelan County Clerk's Office
Juvenile Court Administrator, Douglas County
Juvenile Court Administrator, Mason County
King County Department of Adult and Juvenile Detention
Spokane County Clerk's Office
Spokane County's Superior Court Clerk's Office
Washington Association of Juvenile Court Administrators
Washington State Department of Children, Youth and Families