

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: June 28, 2002

SUBJECT: Fiscal Impact Statement: "Improved Child Abuse
Investigations Amendment Act of 2002"

REFERENCE: Bill Number 14-372 as Introduced

Conclusion

Funds are sufficient in the FY 2002 and FY 2003 budget, but are insufficient in the FY 2004 and FY 2005 financial plan to implement the proposed legislation because of the delayed effective date contained in the legislation. **The proposed legislation would result in between \$3.3 million and \$6.6 million additional expenditures for the District in FY 2004 and FY 2005.**

Anti-deficiency laws, 31-USCA § 1341 (2000), prohibit District officers and employees from exceeding agency appropriations in any fiscal year. Should Child and Family Services Agency (CFSA) determine that funding is available to absorb the additional costs in FY 2004, then the net impact would be zero for that year. For subsequent years, the additional expenditure would need to be included as budgeted expenditures.

Background

The proposed legislation would require multidisciplinary teams to investigate certain reports of child abuse under broader definitions of child abuse and neglect. It also would alter the circumstances under which child abuse reports can be expunged from the Child Protection Register. Several states including Arizona, Illinois, Iowa, Michigan, and Utah have similar investigation requirements. This proposed legislation would not become effective until October 1, 2003 (FY 2004).

Financial Plan Impact

The proposed legislation could result in unbudgeted expenditures for the District of between \$3.3 and \$6.6 million each fiscal year starting in FY 2004. The basis of the range provided is described below.

There are over 7,000 births estimated in the District each year. A national survey found that between 5 and 20 percent of the women giving birth have used either illicit drugs or consumed alcohol while pregnant. Some portion of these mothers are expected to be referred for investigation under the new statute that would not have been under current law. Child and Family Services Agency (CFSA) estimates that between 10 and 25 percent of the child abuse investigations they undertake starting in FY 2004 will result from this proposed legislation.

As a result, most direct costs would be to Child and Family Services Agency (CFSA). These costs would result from the hiring of additional social workers, social work supervisors and social service assistants to perform the required investigations, monitor the new cases, place children in protected care, and manage the database. There would also be related costs such as room and board and day care. These costs are estimated to range between \$3.3 million to \$6.6 million per year.

Unbudgeted costs may also be borne by the Metropolitan Police Department (MPD) and the Office of Corporation Counsel (OCC) because each agency must be represented on the multidisciplinary investigation team for child abuse. The amount of such costs to MPD and OCC cannot be estimated at this time.

Estimated Fiscal Impact to the Financial Plan				
	FY 2002	FY 2003	FY 2004	FY 2005
Net Annual Impact	\$0	\$0	\$3.3-6.6 million	\$3.3-6.6 million