

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 3020 – SB 2974

March 1, 2010

SUMMARY OF AMENDMENT (014648): Requires the Department of Children's Services to give each juvenile court judge a semi-annual report that includes the number of commitments to state custody for dependent and neglected children, unruly children, and delinquent children for the previous 12 month, and the statewide average commitment rate per thousand youth based on the latest county population data. Authorizes the Department to initiate a collaborative planning process when a county's commitment rate may exceed 200 percent of the state average. Requires DCS to report to the Select Committee on Children and Youth, the previous year's county commitment data and a description of any collaborative efforts undertaken on or before February 1, each year. Repeals provisions in current law requiring the state to pay for a county's commitment rates up to 300 percent of the statewide average, for the county to pay for commitments that exceed 300 percent of the statewide average, and this section's sunset on June 30, 2011.

FISCAL IMPACT OF ORIGINAL BILL:

(CORRECTED)

Other Fiscal Impact – Public Chapter 531 of 2009 authorized DCS to pay counties based only on the county's child population for commitments up to 300 percent of the state average commitment in FY09-10 and FY10-11. It was estimated that state expenditures would be reduced by \$3,033,000 and local expenditures would be increased by \$3,033,000 in each fiscal year. Repealing this provision will result in an increase in state expenditures of \$3,033,000 and a decrease in local expenditures of \$3,033,000 in FY10-11. Under Public Chapter 531, state expenditures would have increased and local expenditures would have decreased by this amount in FY11-12 and subsequent years due to a sunset provision in Public Chapter 531.

A more precise cost estimate is not possible because the Department of Children's Services has not provided information to assist in the preparation of this fiscal note.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – \$3,501,200

(Funding for this bill in the amount of \$3,600,000 is included in the Governor's FY10-11 Recommended Budget.)

Assumptions applied to amendment:

- According to the Department of Finance and Administration, the FY10-11 base budget included funding for counties below 200 percent of the statewide commitment average. The Governor's proposed FY10-11 budget contains an improvement in the amount of \$3,600,000 to pay for counties that are between 200 and 300 percent of the statewide commitment average (page B-204). For this purpose, DCS estimates an increase in state expenditures of \$2,957,872.65 for dependent and neglected children and \$543,366.78 for delinquent children. This is a total cost of \$3,501,239.43.
- Currently, there are no counties that are above 300 percent of the statewide commitment average and it is not anticipated that any county will reach that level. No increase in state expenditures to pay for counties above 300 percent.
- Any increase in state expenditures for collaboration with local governments and to submit a report is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/msg