



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: **HB0754.01: Revise laws related to child abuse and neglect**

Primary Sponsor: **Lukas Schubert**

Status: **As Introduced**

☐ Included in the Executive Budget

☐ Needs to be included in HB 2

☐ Significant Local Gov Impact

☐ Significant Long-Term Impacts

☐ Technical Concerns

☐ Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
Expenditures				
General Fund (01)	\$0	\$0	\$0	\$0
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
Net Impact	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Description of fiscal impact

HB 754 revises Montana law related to child abuse and neglect. The bill prohibits considering a parent's opposition to a child's gender transition as grounds for an action in child abuse and neglect proceedings. It also requires the emergency removal of a child who is transitioning gender with the support of a parent or guardian. State agencies are unable to determine how many children HB 754 would affect, however, the Department of Public Health and Human Services and the Office of the State Public Defender both include information regarding potential costs, including those associated with placing a child in a foster home, and hourly rates and estimated hours per case.

FISCAL ANALYSIS

Assumptions

Department of Public Health and Human Services

1. Per Annie E Casey, Kids Count Data Center as of 2023, Montana has approximately 178,077 children age 5-17 (93,133 age 5-11; 84,944 age 12-17) living in the state. The department assumes approximately 1,780 children (.01 x 178,077) may be impacted by the requirements of this bill. The department is unable to estimate how many of these children live in homes with supportive or oppositional parents. Furthermore, the department is unable to estimate how many families would be reported to the department for investigation.
2. The department investigated 6,544 reports in SFY 2024. The department assumes additional child protection specialists will be needed for the rise in reports to the department that require investigation. Based on assumption 1, the department is unable to determine how many additional hours of investigation time are needed.
3. The department had 2,183 children in care as of end of SFY 2024. The department assumes additional staff will be needed due to a rising caseload of children removed from homes. Based on assumption 1, the

department is unable to determine how many additional child protection specialists would be needed at a caseload size of twenty-five children per child protection specialist and no more than five child protection specialists per supervisor.

4. HB 754 indicates that children reported would be considered in immediate or apparent danger of harm. This may require the department to remove the child from the household. The cost of a removal and placement is impacted by the type of placement utilized for a child. Family Foster Care costs an average of \$5,588 per child per year (\$8,192,730 SFY 2024 Family Foster Care placement costs / 1,466 SFY 2024 children in placement setting = \$5,588 per child per year), In-state Congregate Care costs an average of \$12,276 per child per year (\$3,204,119 SFY 2024 In-state Congregate Care placement costs / 261 SFY 2024 children in placement setting = \$12,276 per child per year), and Out of State Congregate care costs an average of \$30,397 per child per year (\$4,772,395 SFY 2024 Out of State Congregate care costs / 157 SFY children in placement setting = \$30,397 per child per year). Due to a shortage of family foster families and limited bed capacity in-state, high utilization of out of state congregate care would be likely. In addition, acuity of the child's mental health needs based on being removed from supportive parents would likely indicate a higher use of intensive congregate care.

	SFY 2024 Expenses	SFY 2024 Children	Average Cost per
Family Foster Care	\$8,192,730	1,466	\$5,588
In-state Residential	\$3,204,119	261	\$12,276
Out of State Residential	\$4,772,395	157	\$30,397

5. The potential for a significant increase in caseload will also increase costs for administrative and support functions within the division.

Judiciary

6. HB 754 amends 41-3-135 to prohibit opposition to a child's gender transition as grounds for action in abuse and neglect proceeding.
7. There is no fiscal impact to the Judicial Branch

Office of the State Public Defender (OPD)

8. HB 754 would both expand and restrict the conduct that could support removal of children from their parents.
9. OPD assumes that any such additional or reduced appointments to abuse and neglect cases with emergency protective services hearings would be weighted at 23 case weight hours for each party represented (children, first parent, second parent, etc.).
10. Because OPD's FTE staff is already working at capacity and overflowing cases to contractors, OPD assumes any marginal change in the number of cases to which OPD is appointed would affect the number of OPD's contract public defender assignments.
11. OPD assumes the cost of representation by contract public defenders would be \$97.50 per hour (\$90 per hour professional services rate plus average travel expenses of \$7.50 per case hour).
12. OPD assumes the total impact of this bill on OPD would be the net change in new abuse and neglect appointments (unknown) times 23 hours per case times \$97.50 per hour.
13. OPD does not have data regarding the prevalence of parental opposition or support of gender transition and, thus, cannot determine whether HB 754 would change the number of abuse and neglect cases to which OPD is appointed.

LS

Sponsor's Initials

3/3/2025

Date

RD

Budget Director's Initials

3/3/2025

Date