



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: SB0147: Generally revise Montana Indian child welfare laws

Primary Sponsor: Jonathan Windy Boy 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 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
Expenditures				
General Fund (01)	\$210,641	\$210,641	\$210,641	\$210,641
Federal Special Revenue (03)	\$90,275	\$90,275	\$90,275	\$90,275
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$90,275	\$90,275	\$90,275	\$90,275
Net Impact	<u>(\$210,641)</u>	<u>(\$210,641)</u>	<u>(\$210,641)</u>	<u>(\$210,641)</u>
General Fund Balance	<u>(\$210,641)</u>	<u>(\$210,641)</u>	<u>(\$210,641)</u>	<u>(\$210,641)</u>

Description of fiscal impact

SB 147 revises the Montana Indian Child Welfare to require a status hearing no less than every 30 days to review the efforts of the Department of Public Health and Human Services (DPHHS) to place an Indian child in a preferred placement. SB 147 requires cultural compacts, provides clarification and additional protections regarding the State's removal and placement of Indian children alleged to have been abused or neglected. Overtime costs for DPHHS staff are approximately \$310,000 per year.

FISCAL ANALYSIS

Assumptions

Department of Public Health and Human Services

- SB 147 amends 41-3-1329, MCA to hold a status hearing no less than every 30 days to review the department's efforts to place an Indian child in a preferred placement. Indian children that are in a non-preferred placements remain in the placement for longer than one year, requiring 12 status hearings a year with the passage of SB 147. Each status hearing will require two child protection specialist (CPS) hours for a total of 24 hours a year for each Indian child placed in a non-preferred placement. The additional CPS time will be overtime for current positions. During FY 2024, there were 308 Indian children in a non-preferred placement determined by license type of "Kinship", "Relative", "Tribal License", or "Relationship Being Determined Preferred". The CPS overtime rate is \$40.71 per hour. CPS overtime rate of \$40.71 per hour times 24 hours per case is \$977 of overtime cost per case. Overtime cost of \$977 per case for 308 cases per year will be \$300,928 of overtime cost per year. Child and Family Services Division is funded at 70% general funds and 30% federal special funds.

Additional Hearing Time (Hours)	2			
Months in Non-Preferred Placement	12			
Additional Hours per Case	24			
CPS Overtime Hourly Rate	\$ 40.71			
Additional Overtime Cost per Case	977			
State Fiscal Year	FY 2026	FY 2027	FY 2028	FY 2029
Additional Overtime Cost per Case	\$ 977	\$ 977	\$ 977	\$ 977
Number of Indian Cases in Non-Preferred Placement	308	308	308	308
Additional Staff Cost	\$ 300,916	\$ 300,916	\$ 300,916	\$ 300,916
General Fund = 70%	\$ 210,641	\$ 210,641	\$ 210,641	\$ 210,641
Federal Fund = 30%	\$ 90,275	\$ 90,275	\$ 90,275	\$ 90,275

- SB 147 amends 41-3-1329, MCA to provide a written notice at least two business days prior to a change in placement to the child's tribe, parents, Indian custodian, guardian ad litem and counsel for the child. The assumption is that a "written notice" includes email notices and will not create an additional fiscal impact.

Judiciary

- SB 147 would create a new section to Title 41, chapter 3 , where as the court shall require a cultural compact if an Indian child is placed for adoption or guardianship in a home that does not include a member of the indian's child's tribe.
- The cultural compact must become part of the court record, be enforced by the court and be included in the adoption or guardian ship decree.
- SB 147 adds hearings to the district courts when there is reason to know that the Federal Indian Child Welfare Act or Montana Indian Child Welfare Act applies to situations involving placement of children.
- The Judicial Branch is unable to estimate the impact of this legislation on judicial workload or the fiscal impact. The cumulative impact of such legislation may over time require additional judicial resources because generally court dockets are full throughout the state.

Secretary of State's Office

- This bill requires the Office of the Secretary of State to notify each federally recognized tribal government in Montana. While there may be a minimal fiscal impact, the Office of the Secretary of State will absorb the costs associated with implementing this bill within its existing operating budget.

Public Defender

- OPD assumes the additional procedural requirements SB 147 would impose would not substantially change the number of abuse and neglect cases to which OPD is appointed nor alter OPD's estimated case weight hours for such cases.

Fiscal Analysis Table

	<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>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Personal Services	\$300,916	\$300,916	\$300,916	\$300,916
TOTAL Expenditures	\$300,916	\$300,916	\$300,916	\$300,916
<u>Funding of Expenditures</u>				
General Fund (01)	\$210,641	\$210,641	\$210,641	\$210,641
Federal Special Revenue (03)	\$90,275	\$90,275	\$90,275	\$90,275
TOTAL Funding of Expenditures	\$300,916	\$300,916	\$300,916	\$300,916
<u>Revenues</u>				
Federal Special Revenue (03)	\$90,275	\$90,275	\$90,275	\$90,275
TOTAL Revenues	\$90,275	\$90,275	\$90,275	\$90,275
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	(\$210,641)	(\$210,641)	(\$210,641)	(\$210,641)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

NO SPONSOR SIGNATURE

Sponsor's Initials

Date



Budget Director's Initials

1/23/2025

Date