



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2025 Biennium

**Bill information:**

HB0657 - Generally revise laws related to child and family ombudsman (Parry, Gary )

**Status:** As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns   |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<b>Expenditures:</b>				
General Fund	\$229,901	\$221,101	\$224,687	\$227,784
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	(\$229,901)	(\$221,101)	(\$224,687)	(\$227,784)

**Description of fiscal impact:** HB 657 requires the Department of Justice (DoJ) to create a new section within the current organization and hire 2.00 FTE to investigate and enforce alleged retaliation on a citizen by the state and Child and Family Services Division and its employees.

### FISCAL ANALYSIS

**Assumptions:**

**Department of Justice (DoJ)**

1. The proposed 41-3-1211(3), MCA, change would transition the ombudsman office into an investigative agency. This section, in combination with the proposed addition of 41-3-1212(3)(d), MCA, effectively creates a new section of the Department of Justice which is responsible for investigation and enforcement of cases involving a child who is the subject of abuse and neglect. To address any false allegations, an investigation will need to be conducted.
2. The department would hire 2.00 FTE compliance specialists at a total cost of \$187,026 in FY 2024 and FY 2025.
3. The estimated startup operating costs for the FTE is \$8,800 one-time-only in FY 2024 and includes office furniture, computer package, and other install costs.

**Fiscal Note Request – As Introduced**

(continued)

4. The investigations resulting from implementation of this bill could not be conducted through an electronic records review and therefore, would require in-state travel for thorough investigative practices to be obtained.
5. The ongoing operating costs necessary in conducting this activity are estimated at \$34,075 per year and include fixed costs, travel, and other necessary programmatic expenses.
6. A 1.5% inflationary increase is included in FY 2026 and FY 2027.

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<b><u>Fiscal Impact:</u></b>				
FTE	2.00	2.00	2.00	2.00
<b><u>Expenditures:</u></b>				
Personal Services	\$187,026	\$187,026	\$189,831	\$192,679
Operating Expenses	\$42,875	\$34,075	\$34,856	\$35,105
<b>TOTAL Expenditures</b>	<u>\$229,901</u>	<u>\$221,101</u>	<u>\$224,687</u>	<u>\$227,784</u>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$229,901	\$221,101	\$224,687	\$227,784
<b>TOTAL Funding of Exp.</b>	<u>\$229,901</u>	<u>\$221,101</u>	<u>\$224,687</u>	<u>\$227,784</u>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$229,901)	(\$221,101)	(\$224,687)	(\$227,784)

**Technical Notes:**

1. The United States Ombudsman Association best practices for law and policy governing Ombudsman programs is to provide legal privilege or immunity in state law. The new language conflicts with the privilege which was adopted by the 2015 Legislature.
2. Section 41-3-1212(3)(d)(iv), MCA, criminalizes reports made in bad faith, maliciously, or falsely, but 41-13-1213, MCA, states that the ombudsman may not be compelled to testify, causing potential difficulty in producing witnesses to prove such allegations. If child protection workers or any other member of the original action reviewed by the ombudsman is engaged in regular practice with the local county attorney's office, there would be a conflict-of-interest issue and the Department of Justice would likely need its own attorney position to prosecute these violations across the state.

 _____ Sponsor's Initials	<u>3/15/23</u> _____ Date	 _____ Budget Director's Initials	<u>3-14-23</u> _____ Date
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