

Fiscal Note & Local Impact Statement

122nd General Assembly of Ohio

BILL: H.B. 585 DATE: February 10, 1998
STATUS: As Introduced SPONSOR: Rep. Grendell
LOCAL IMPACT STATEMENT REQUIRED: Yes
CONTENTS: Denies cash assistance to Ohio Works First recipients who have had parental rights permanently terminated due to abuse or neglect or are found guilty of abuse or neglect that resulted in a child's death.

State Fiscal Highlights

STATE FUND	FY 1998	FY 1999	FUTURE YEARS
General Revenue Fund			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Potential indeterminate net increase	Potential indeterminate net increase	Potential indeterminate net increase

- This bill denies cash assistance under the Ohio Works First Program to those individuals who have had their parental rights permanently terminated due to abuse or neglect or are found guilty of abuse or neglect that resulted in a child's death. Since, under OWF provisions, only those custodial parents who have a minor child residing with them are eligible for cash assistance, this bill would affect only those individuals who retain parental rights over other children.
- There would be an indeterminate savings in benefit payments to those individuals who would otherwise qualify. If, because of the loss of the cash benefit the custodial parent is no longer able to care for the other children over whom parental rights are retained, this savings would be more than offset by an increase in expenditures for more expensive forms of assistance such as foster care placements.

Local Fiscal Highlights

LOCAL GOVERNMENT	FY 1998	FY 1999	FUTURE YEARS
Counties			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Potential indeterminate increase	Potential indeterminate increase	Potential indeterminate increase

- If, because of the loss of the cash benefit the custodial parent is no longer able to care for the other children over whom parental rights are retained, counties would be required to pay for more expensive forms of assistance such as foster care.



- Although the bill is silent on the reporting of a termination of parental rights that would be required for effective implementation, LBO assumes there would be a minimal increase in administrative costs for juvenile courts to carry out the reporting function.
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Detailed Fiscal Analysis

Under existing law (ORC 5107.10), as one of the conditions to be eligible to participate in Ohio Works First (OWF) the assistance group must include a minor child who, with certain exceptions, must reside with a custodial parent, legal guardian, or specified relative caring for the child. If, however, the minor children are removed from the assistance group's home by a Public Children Services Agency (PCSA) due to abuse or neglect, the assistance group may continue to participate in OWF if (1) the PCSA notifies the County Department of Human Services at the time the children are removed that it believes the children will be able to return to the assistance group within three months, and (2) if the PCSA informs the county department at the end of both of the first two months after the children have been removed that the parent or other custodial caregiver is cooperating with the case plans prepared for the children and that the agency is making reasonable efforts to return the children to the assistance group. An assistance group may continue to participate in OWF for not more than three payment months when the children have been removed.

Removal of children by a PCSA is the first step in a process that can result in the permanent termination of parental rights. This process may take a year or more to reach such a result. Those individuals who have had children removed from their custody by a PCSA will therefore lose OWF eligibility prior to a permanent termination of their parental rights. However, if those individuals retain parental rights over other children, they would not be disqualified for a cash benefit. Individuals who have had parental rights permanently terminated may re-qualify to participate in OWF, if subsequently, they have additional children.

This bill would affect only those individuals who retain parental rights over other children, or, subsequently, have additional children and re-qualify to participate in OWF. There would be an indeterminate savings to the state in denying benefit payments to those individuals. If, however, because of the loss of the cash benefit, the custodial parent is no longer able to care for the other children over whom parental rights are retained, this savings would be more than offset by an increase in expenditures for more expensive forms of assistance, such as foster care placements. Such a circumstance would also require an increase of expenditures by counties.

How many such cases are likely is impossible to determine. According to information provided by the Office of Family and Children Services, there are approximately 1700 children put up for adoption each year. About half of these children come from families that receive assistance under OWF. On the assumption that these children come from family units which average about 1.7 children, there would be approximately 500 cases per year of permanent termination of parental rights where the parent(s) are OWF recipients. It is impossible to determine how many of these parents retain custody over other children or subsequently have additional children and also qualify for assistance under OWF.

At the present, juvenile courts do not report termination of parental rights to County Departments of Human Services. Although the bill is silent on the matter, LBO assumes effective implementation would require a minimal increase in administrative costs for juvenile courts to report the termination of parental rights.

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