

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 52** SLS 26RS 236
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 24, 2026 5:11 PM	Author: CATHEY
Dept./Agy.: DCFS and LA. Dept. of Health	
Subject: Public Benefits Household, Children in DCFS Custody	Analyst: Patrice Thomas

CHILDREN/FAMILY SERVICES DEPT OR INCREASE GF EX See Note Page 1 of 2
 Provides relative to public assistance benefits for children. (8/1/26)

Proposed law requires the Dept. of Children and Family Services (DCFS) to report identifying information to the LA Dept. of Health (LDH) within 72 hours (3 days) of a child being placed in its custody. Proposed law requires LDH to determine the required information to identify the child and their household. Upon receipt of information, proposed law requires LDH to immediately: (1) review whether the child’s parents are receiving any public assistance benefits; (2) adjust any SNAP, WIC, or FITAP benefits for the parents’ household; and (3) issue a new Medicaid managed care insurance card for the child at the child’s new residence. If a child is under the age of 18, proposed law requires DCFS to report to LDH when the child is returned to the custody of the parent. Proposed law requires LDH to conduct an assessment to determine where the child resides if it receives an application for a child included in another household, and adjust benefits. Proposed law requires LDH to report an individual to the fraud detection unit for investigation and recovery of benefits if it is determined that the individual failed to report a child no longer living in the household.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Department of Children and Family Services (DCFS) - DCFS reports that proposed law will increase expenditures by \$565,997 (\$396,198 SGF and \$169,799 Federal) and nine (9) T.O. positions in FY 27 with a 4% increase in salaries for market rate adjustments and related benefits in future fiscal years due to the reporting, within 72 hours, when children enter and exit its custody. Proposed law requires DCFS to report identifying information on children who enter and exit its custody to the LA Department of Health (LDH). Currently, DCFS maintains and reports child placement data. Based on historical averages, 6,465 children annually enter and exit the foster care system. To report data on 6,465 children to LDH within 72 hours as mandated by the proposed law, DCFS reports it will need one additional clerical position for each of its nine child welfare regions to ensure placement data is updated in the TIPS system when a child enters or exits its custody, and that notification is transmitted to LDH. See the expenditure table on Page 2. Also, DCFS reports that the proposed law will require technology updates to the TIPS system to support the mandated reporting requirements. The cost of these updates is indeterminable, but possibly significant.

LA Dept of Health (LDH) - Proposed law is anticipated to result in an indeterminable increase in expenditures for LDH related to reviewing, assessing, and reporting public benefit cases of parents whose children are entering and exiting DCFS custody. Proposed law requires LDH to determine the necessary information from DCFS to identify the child in custody and the child's household. After receiving the information, LDH shall review whether the child's parents are receiving public benefits (SNAP, WIC, FITAP, and Medicaid) and adjust these benefits to reflect a change in the parents' household size, depending on whether the child has entered and exited DCFS custody. If the child is part of a new household, LDH is required to adjust the public benefit for that household.

LDH reports that the SNAP, WIC, FITAP, and Medicaid programs would have to assess costs related to their IT systems to incorporate new data collection fields or new integrated queries to verify household status. Therefore, the impact of the proposed law is indeterminable as the department has not performed complete review of IT systems. Until such time as a review is completed, LDH is unable to provide the impact of this measure on expenditures associated with its public benefit programs. The cost of updates to the corresponding IT systems are possibly significant.

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REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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CONTINUED EXPLANATION from page one:

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EXPENDITURE EXPLANATION Continued

DCFS estimates the need for nine (9) new Administrative Coordinator 3 positions with salaries (\$38,854) and related benefits (\$28,382). Other recurring costs include supplies (\$500) and one-time expenditures in FY 27 and FY 31 for computer equipment and IT related costs (\$1,200). In subsequent fiscal years, the fiscal note presumes a 4% increase in salaries for market rate adjustments and related benefits as the LFO presumes positions will be classified.

Expenditures	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	Total
Salaries	\$320,546	\$363,673	\$378,220	\$393,349	\$409,083	\$1,864,872
Related Benefits	<u>\$234,152</u>	<u>\$265,656</u>	<u>\$276,282</u>	<u>\$287,333</u>	<u>\$298,826</u>	<u>\$1,362,248</u>
Sub-total	\$554,697	\$629,329	\$654,502	\$680,682	\$707,909	\$3,227,120
Supplies	\$500	\$500	\$500	\$500	\$500	\$2,500
IT/Equipment	<u>\$10,800</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$10,800</u>	<u>\$21,600</u>
Total	\$565,997	\$629,829	\$655,002	\$681,182	\$719,209	\$3,251,220

The LFO cannot corroborate the increased workload predicted by the department. To the extent the additional workload is less than what DCFS anticipates, the additional workload may be absorbable, either wholly or partially, using existing staff and resources, or may be achievable with fewer than nine positions. To the extent these procedures could possibly be integrated into intake and exit processes, either by Child Welfare Specialists facilitating the transition or by a new IT solution, the need for additional staff may be mitigated.

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