

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website ([www.nmlegis.gov](http://www.nmlegis.gov)) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 03/03/17

SPONSOR Ruiloba LAST UPDATED \_\_\_\_\_ HB 422

SHORT TITLE CYFD Referrals for Runaway Children SB \_\_\_\_\_

ANALYST Daly

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		>\$5,400.0	>\$5,400.0	\$10,800.0	Recurring	General

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Children, Youth and Families Department (CYFD)  
Administrative Office of the Courts (AOC)

### SUMMARY

#### Synopsis of Bill

House Bill 422 enacts the Runaway Child Information and Reporting Act, and amends existing statute governing law enforcement along to create new procedures for dealing with runaway children. Specifically, the bill mandates:

- immediate notification to the Children, Youth and Families Department (CYFD) when a child is a runaway;
- more contact between CYFD and the child/child's family in cases of a runaway child who returns home voluntarily, including the requirement that CYFD meet with the child and the child's parents to assess whether the family is in need of services (e.g., referrals to services such as school-based health services or other appropriate services); and
- immediate notification of CYFD when a law enforcement locates the runaway; and
- return of the child to the child's parent, guardian or custodian unless safety concerns are present, in which case the officer must take the child into protective custody. Additionally, if no safety concerns are present, the officer may hold the child for up to six hours if the parent, guardian or custodian cannot be located, after which time HB 422 requires the officer consult with CYFD before taking the child into protective custody.

## FISCAL IMPLICATIONS

There is no appropriation included in this bill, however CYFD believes it may have significant fiscal implications regarding caseloads due to the bill's directive that the Department investigate the family of a runaway child who returns homes voluntarily. At the national level, it is believed that as many as one in seven youth will run away at some point between seventh and twelfth grades (up to age 18). Although on average only 21 percent of these youth are reported to authorities for the purpose of locating the child, given that approximately 8 percent of New Mexico's current census-estimated population of 2,081,015 falls within that age range (166,500 youth), and assuming that only one-fifth of these runaways will be reported, this bill could still result in at least 5,000 additional investigations by CYFD per year. Based on FY 14 data (the latest available), the average cost to investigate a maltreatment case is \$900. Using CYFD's estimated figure of 5,000 additional investigations, LFC staff estimates an approximate \$4.5 million increase in CYFD costs under HB 422. Additionally, those costs will be even higher if CYFD receives more reports than is estimated.

AOC reports there will be a minimal administrative cost for statewide update, distribution and documentation of statutory changes. Any additional fiscal impact on the judiciary would be proportional to the enforcement of this law and commenced hearings. New laws, amendments to existing laws and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase. That unknown increase is reflected in the operating budget impact by the ">" sign.

## SIGNIFICANT ISSUES

The bill requires that CYFD be notified by law enforcement of every report of a runaway child. Historically, notification of CYFD in such circumstances would be in the form of a referral, which is accepted for investigation only if there was reasonable suspicion of neglect or abuse by the parent, guardian, or custodian. Absent a reasonable suspicion of that nature, CYFD advises, its Protective Services program currently does not have authority to investigate.

This bill includes additional authority and responsibility for CYFD to investigate runaway children. Specifically, it requires the department contact the child and the parent, guardian or custodian to determine whether the child and family are in need of services when a child returns home voluntarily. CYFD expresses concern whether that duty to contact and assess for services, in the absence of suspicion of abuse or neglect, would be proper under the Families in Need of Court Ordered Services Act.

However, AOC notes that the interagency communication and information sharing required by HB 422 gives the Department a chance to intervene with a child and family sooner, allowing the family and child to engage in services and address underlying issues. These types of interventions are more preventative than reactive, and can help restore family and child stability before court intervention is necessary.

AOC further suggests that without defining a time frame for determining a runaway youth there may be confusion between law enforcement, CYFD, and parents. HB 244 simply defines runaway youth as "a minor who has left the child's lawfully prescribed home without permission of the parent, guardian or custodian." While there is no federally adopted definition of a runaway youth, the Family and Youth Services Bureau in the US Department of Health and

Human Services administers The Runaway and Homeless Youth Program, which defines a runaway youth as an individual under age 18 who absents themselves from their home or legal residence *at least overnight* without the permission of their parents or legal guardians. See Congressional Research Service: Runaway and Homeless Youth: Demographics and Programs, RL33785. For full report: <https://fas.org/sgp/crs/misc/RL33785.pdf>

### **PERFORMANCE IMPLICATIONS**

CYFD notes it has performance measures concerning the speedy investigation of reports. An increase of 5,000 investigations per year would have significant effects on efficiency for both Protective Services and Juvenile Justice Divisions.

### **TECHNICAL ISSUES**

Given the fiscal impact on the state, this bill should be assigned to the House Appropriations and Finance Committee.

### **OTHER SUBSTANTIVE ISSUES**

The Protective Services program conducts child abuse and neglect investigations and offers services such as in-home services, treatment, and foster and adoptive placements. As of November 2016, the average monthly caseload is 21.8 for permanency planners and 19.7 for investigators. In FY16, the agency reported an increase in the number of children subjected to repeat maltreatment. An LFC evaluation found that 36 percent of children who are the victim of a substantiated case of maltreatment will be abused or neglected again before they are 18. The report found CYFD dedicated little resources for preventative services to reduce repeat maltreatment.

AOC notes the inability of families to access support and guidance during a crisis situation contributes to the long-term impact on youth and families and may impact the incidence of child maltreatment and juvenile delinquency. See Texas Department of Family and Protective Services (2012) Request for proposals for services to at-risk youth. Procurement Number: 530-13-0004, Austin, TX., p.15. For full text: <http://www.theotx.org/wp-content/uploads/2016/10/TX-STAR-Program.pdf> Additionally, the National Council of State Legislatures reports youth ages 12 to 17 are more at risk of homelessness than adults. And 75 percent of homeless or runaway youth have dropped out or will drop out of school. <http://www.ncsl.org/research/human-services/homeless-and-runaway-youth.aspx>

MD/sb