

**NORTH CAROLINA GENERAL ASSEMBLY**

**(DRAFT) LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** House Bill 286

**SHORT TITLE:** Adoption Records and Registry

**SPONSOR(S):** Representative Beverly Earle

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 1999-00</u></b>	<b><u>FY 2000-01</u></b>	<b><u>FY 2001-02</u></b>	<b><u>FY 2002-03</u></b>	<b><u>FY 2003-04</u></b>
<b>REVENUES</b>	<b>\$19,960</b>	<b>\$45,920</b>	<b>\$52,800</b>	<b>\$60,720</b>	<b>\$69,840</b>
<b>EXPENDITURES</b>	<b>\$186,720</b>	<b>\$205,218</b>	<b>\$219,156</b>	<b>\$237,044</b>	<b>\$275,877</b>
<b>NET FUNDS</b>	<b>\$166,760</b>	<b>\$159,298</b>	<b>\$166,356</b>	<b>\$176,324</b>	<b>\$206,037</b>
<b>POSITIONS:</b>	<b>3.50</b>	<b>4.0</b>	<b>4.5</b>	<b>5.0</b>	<b>6.0</b>
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Department of Health and Human Services, Division of Social Services					
<b>EFFECTIVE DATE:</b> January 1, 2000 (Except Section 3 which includes an appropriation and is effective July 1, 1999)					

**BILL SUMMARY:** Amends G.S. 48-11-101 by adding a new Article to establish and maintain a voluntary adoption registry to facilitate voluntary contact between mutually consenting adopted individuals and their biological families.

**ASSUMPTIONS AND METHODOLOGY:**North Carolina general statutes currently allow the state and other retrieval, the following information is based on other states' experiences and data as well as the North Carolina's best estimate on the resources needed to meet the mandates in the bill:

**DEPARTMENT OF HEALTH AND HUMAN SERVICES:**

The following assumptions were used to estimate the cost of implementation of HB 286:

- (1) 750 estimated adoption inquiries were received during FY97/98;
- (2) 33% projected growth in inquiries during FY99/00 due to creation of registry and public awareness campaign;
- (3) 998 adoption inquiries are projected for FY99/00 (six months of operation of the adoption registry);
- (4) Growth in inquiries will level off in years two through five to 15% each year;
- (5) Processing time for one completed registry consent form is estimated at 3.5 hours (pre-1984 adoption data may be labor intensive due to the manner of data storage);
- (6) DHHS, Division of Information Resources Management estimates that approximately \$8,000 is needed to develop an automated adoption registry tracking system and \$5,000 is needed to maintain the system annually;
- (7) DHHS estimates that \$50,000 is needed for the public awareness campaign mandated in the bill (assumes notification to general public and private adoption agencies; advertisement in various news media, public service announcements and maintenance of a toll free telephone number);
- (8) \$50.00 fee will generate approximately \$19,960 in revenue to offset the cost of operation during the first six months of operation (bill is effective for six months during FY99/00)  
(499 x \$50/inquiry = \$24,950; estimated 20% of users will verify inability to pay \$50 fee  
(\$24,950 - 4,990 = \$19,960);
- (9) 31,952 adoptions were finalized in North Carolina from FY85/86 to FY96/97; and
- (10) No federal revenues are available to offset the cost of this proposed service.

The following chart details projected costs and revenues over a five-year period:

Item	Year 1	Year 2	Year 3	Year 4	Year 5
1.0 Social Work Consultant <sup>1</sup>	\$33,184	\$49,776	\$49,776	\$49,776	\$49,776
1.0 Social Work Consultant	16,592	49,776	49,776	49,776	49,776
1.0 Social Work Consultant	0	0	24,888	49,776	49,776
1.0 Clerk V	0	0	0	0	30,333
1.0 Clerk V <sup>1</sup>	20,222	30,333	30,333	30,333	30,333
1.0 Clerk V <sup>1</sup>	20,222	30,333	30,333	30,333	30,333
Office Supplies	15,000	15,000	22,050	22,050	23,550
Computer	12,000	0	4,000	0	4,000
Office Furniture	9,000	0	3,000	0	3,000
Adoption Registry System	8,000	0	0	0	0
System Maintenance	2,500	5,000	5,000	5,000	5,000
Public Awareness Campaign	50,000	25,000	0	0	0
<b>TOTAL</b>	<b>\$186,720</b>	<b>\$205,218</b>	<b>\$219,156</b>	<b>\$237,044</b>	<b>\$275,877</b>

Revenue Projections	Year 1	Year 2	Year 3	Year 4	Year 5
User's Fees <sup>2</sup>	24,950	57,400	66,000	75,900	87,300
Less 20% Waived Fees	-4,990	-11,480	-13,200	-15,180	-17,460
Net Revenue/Fees	19,960	45,920	52,800	60,720	69,840

<b>NET APPROPRIATIONS</b>	<b>\$166,760</b>	<b>\$159,298</b>	<b>\$166,356</b>	<b>\$176,324</b>	<b>\$206,037</b>
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**NOTE:**

<sup>1</sup>Year 1 staff costs are projected for 8 months.

<sup>2</sup>Effective date of HB 286 is 1/1/00; thus Year 1 revenue projections are projected for 6 months.

**JUDICIAL DEPARTMENT:**

HB 286 amends G.S. 48-11-101 to add a new section which makes it a Class I felony for individuals convicted of possessing or disseminating unauthorized information contained in the Adoption Registry. Due to the small numbers of cases and the limited access to data, no fiscal impact is anticipated.

**TECHNICAL CONSIDERATIONS:** None.

**FISCAL RESEARCH DIVISION 733-4910**

**PREPARED BY:** Karen Hammonds-Blanks, Senior Fiscal Analyst

**APPROVED BY:** Tom Covington

**DATE:** Tuesday, April 20, 1999



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