



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 403 Introduced on February 14, 2017
Author: Davis
Subject: Vulnerable Adults
Requestor: Senate Judiciary
RFA Analyst(s): Shuford and Gardner
Impact Date: April 25, 2017

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19
State Expenditure		
General Fund	\$157,145	\$0
Other and Federal	\$283,654	\$0
Full-Time Equivalent Position(s)	4.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill would increase General Fund expenditures by \$157,145 and Federal Funds expenditures by \$283,654 in FY 2017-18 for four FTEs and other operating expenditures at the Department of Social Services.

This bill would not have an expenditure impact on the General Fund, Other Funds, or Federal Funds for the Attorney General’s Office, the Lieutenant Governor’s Office, the South Carolina Law Enforcement Division, and the Judicial Department.

Explanation of Fiscal Impact

State Expenditure

This bill amends the Omnibus Adult Protection Act of 1993 to allow a vulnerable adult, or an authorized representative, to file a civil action against a person who financially exploits the vulnerable adult. Damages for the financial exploitation of a vulnerable adult are treble the amount exploited plus attorney fees and court costs. This civil action is available regardless of whether the defendant has been charged or convicted of exploitation under current statutes.

Four state agencies have various investigative responsibilities regarding vulnerable adults. The Vulnerable Adults Investigative Unit of the South Carolina Law Enforcement Division coordinates all reports of alleged abuse and exploitation of vulnerable adults in facilities owned or contracted through the Department of Mental Health (DMH) or the Department of Disabilities and Special Needs (DDSN). The Long Term Care Ombudsman Program of the Lieutenant Governor’s Office investigates reports of noncriminal abuse and exploitation in the DMH and

DDSN facilities. The Adult Protective Services Program of the Department of Social Services (DSS) investigates noncriminal reports of abuse or exploitation of vulnerable adults occurring in all settings other than DMH and DDSN facilities. The Medicaid Fraud Control Unit of the Office of the Attorney General is responsible for Medicaid fraud investigations and may bring actions against a person or facility for failure to exercise reasonable care.

Attorney General's Office. The department indicates that any additional investigative or legal expenditures can be managed within existing resources. Therefore, implementation of this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds.

South Carolina Law Enforcement Division. The department indicates that any additional investigative expenditures can be managed within existing resources. Therefore, implementation of this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds.

Lieutenant Governor's Office. The office indicates that any additional expenditures to the Long Term Care Ombudsman Program and the Vulnerable Adult Guardian ad Litem Program can be managed within existing resources. Therefore, implementation of this bill will have no expenditure impact on the General Fund, Other Funds, or Federal Funds.

Department of Social Services. Pursuant to Section 43-35-87(A) as added by this bill, DSS may be included as a person legally authorized to bring legal action on behalf of a vulnerable adult. Of the over 7,000 vulnerable adults served by DSS Adult Protective Services Program, 141 reports of exploitation were substantiated by DSS in FY 2015-16. Based on this number of substantiated reports, DSS anticipates that litigating cases and cooperating with other actions filed on behalf of exploited adults will require additional expenditures of \$440,799 in FY 2017-18 for three attorneys, one paralegal, and outside forensic financial auditing services. Salary, employer fringe, and other operating expenses for the three attorneys and paralegal constitute \$335,049 of the \$440,799. The anticipated allocation of these additional costs between the General Fund and Federal Funds are \$119,445 and \$215,604, respectively. Anticipated expenditures for outside forensic financial auditing services is expected to total \$105,750, allocated between the General Fund and Federal Funds in the amounts of \$37,700 and \$68,050, respectively. In summary, this bill would increase General Fund expenditures by \$157,145 and Federal Funds expenditures by \$283,654 in FY 2017-18.

Judicial Department. This bill provides for the right of a vulnerable adult, or an authorized representative of a vulnerable adult, to file a civil action for financial exploitation of the vulnerable adult. Hearings and trials for this cause of action would be heard in common pleas court. As the bill creates a new civil cause of action related to vulnerable adults, there is no information available to estimate the additional number of hearings or trials which may be held. However, the department expects to manage any additional costs associated with an increase in caseloads within current resources. Should this legislation result in a significant number of additional hearings and trials in common pleas court, it could result in an increased backlog for the court as a whole.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



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