LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 2232

STATE OF NEW JERSEY
222nd LEGISLATURE

DATED: OCTOBER 29, 2026

SUMMARY

Synopsis:	Expands responsibilities of Child Advocacy Center-Multidisciplinary Team Advisory Board and establishes Problematic Sexual Behavior Program.
Type of Impact:	Annual State expenditure increase; potential increase in State revenues.
Agencies Affected:	Department of Children and Families.

Office of Legislative Services Estimate

Fiscal Impact	Annual
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) determines that annual State costs may increase for the Department of Children and Families to provide ongoing care coordination services, at no cost, to youth who perpetrate or are affected by problematic sexual behavior and the youths' families

- According to the department's response to an OLS FY2024 Discussion Point, resources in the existing Child Treatment Assistance Fund are currently used to provide medical and behavioral health services for affected youth and their families who are uninsured, underinsured, or whose insurance plan does not cover the intensity or duration of necessary services.

- The OLS also determines there may be an annual State cost increase for travel-related costs for three additional members of the Child Advocacy Center-Multidisciplinary Team Advisory Board to attend six board meetings per year.

- State revenues may increase by an indeterminate amount under a provision directing the Child Advocacy Center-Multidisciplinary Team Advisory Board to apply for, accept, and newly deposit into the Child Treatment Assistance Fund, or the existing Child Advocacy Center-

Multidisciplinary Team Fund, any grants from State, federal or other sources to establish, expand, or improve child advocacy centers or multidisciplinary teams.

BILL DESCRIPTION

The bill codifies the Department of Children and Families' existing Problematic Sexual Behavior Response Framework, established in 2023 to ensure a coordinated Statewide response to these cases. The bill establishes the Problematic Sexual Behavior Program, to be administered by the New Jersey Children's Alliance and funded by the department, to institute a consistent Statewide response to, and address the medical and mental health care service needs of, youth engaging in or impacted by problematic sexual behavior and their families. Affected youth and their families may receive care coordination services from department-contracted care management organizations at no cost to the family until all requested services have been engaged, the family declines services, or attempts to contact the youth's family are unsuccessful. The bill establishes the Child Treatment Assistance Fund in the department to be the repository for appropriations for specialized medical and mental health services provided by the program for impacted youth and their families.

The bill expands membership on the State's Child Advocacy Center-Multidisciplinary Team Advisory Board by three, to 17 members, to include representatives of entities that assist youth affected by problematic sexual behavior and the Director of the Problematic Sexual Behavior Program. The board will establish a 12-member Problematic Sexual Behavior Subcommittee to oversee the State's response to these cases, recommend improvements to existing services, and evaluate the need for new or expanded services.

The board is newly authorized to deposit any State and federal grant funds, or funding from other sources available to establish, improve, or expand child advocacy centers or multidisciplinary teams, into the Child Treatment Assistance Fund, in addition to the existing Child Advocacy Center-Multidisciplinary Team Fund. The board, in coordination with the department, will administer the Child Treatment Assistance Fund.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that the bill's requirement that a care coordinator be assigned to coordinate services, at no cost, for youth affected by problematic sexual behavior and their families may increase State costs by an indeterminate amount annually, when compared to current department practices. Under the bill, care coordination services would be provided on an ongoing basis until the youth and the youth's family have engaged in all requested services, or the youth's family refuses services or cannot be reached. According to the department's response to an OLS FY2024 Discussion Point, resources in the Child Treatment Assistance Fund are used to provide medical and behavioral health services for affected youth and their families who are uninsured, underinsured, or whose insurance plan does not cover the intensity or duration of necessary services. The bill, by contrast, provides that care coordination services will be provided at no cost to affected youth and their families. The OLS notes that fund expenditures have been trending

below appropriations levels; however, also notes that as community members and professionals who work with children and youth are further educated on the issue of problematic sexual behavior, demand for services reimbursed via the fund may increase.

For reference, in each year since FY2024, the Legislature has appropriated $5.0 million to the fund. In FY2024, $650,000 of the $5.0 million appropriation was expended by the end of the fiscal year. In FY2025, $1.2 million of the fund's $5.0 million appropriation was expended, a 76.9 percent increase over FY 2024 spending levels. Of the FY2026 appropriation, $1.7 million was expended. As of October 26, 2026, $1.7 million of the fund's $5.0 million appropriation has been expended or obligated; $1.6 million of these expenditures to date have been for the State's annual contract with the New Jersey Children's Alliance.

In response to an OLS FY2027 Discussion Point, the department reported that in the first 12 months of the Problematic Sexual Behavior Program's operations, 1,157 youth were referred to the program, and 794 were successfully reached by the program's specialized care coordinators. Receipt of specialized problematic sexual behavior medical and mental health services is voluntary, since the affected children and their families are generally not involved in the child welfare or juvenile justice systems. The department believes that as more law enforcement personnel, medical and behavioral health providers, and educators are informed about, and trained on responding to, problematic sexual behaviors, more children and families will be referred to related services.

The OLS also determines that annual State costs may increase to expand membership on the Child Advocacy Center-Multidisciplinary Team Advisory Board by three members. Under current statute, members of the board are uncompensated, but may be reimbursed for travel and other expenses related to the performance of their official duties. The OLS assumes that the increased costs will be to provide reimbursement to the three additional board members for expenditures on gas and tolls to travel to Trenton for six board meetings annually, and for other travel related to their official board duties. The notice for the board's 2024 meeting dates, previously available on the Department of Children and Families' website, stated that board meetings would be held virtually until further notice. Given that the board's page on the department's website does not list upcoming meeting dates for 2026, it is unclear whether the board continues to meet virtually to conduct business, in which case State costs will be unlikely to increase despite the expansion of the board membership.

The OLS concludes that a provision of the bill that establishes a Problematic Sexual Behavior Subcommittee, which will operate under the board, will not increase State expenditures, since the subcommittee would largely assume the responsibilities of the department's existing Problematic Sexual Behavior Work Group, which has operated since 2022.

State revenues may increase, albeit by an indeterminate amount, under a provision directing the board to apply for, accept, and newly deposit into the Child Treatment Assistance Fund, or the existing Child Advocacy Center-Multidisciplinary Team Fund, any grants from State, federal or other sources to establish, expand, or improve child advocacy centers or multidisciplinary teams.

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).