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FISCAL IMPACT REPORT

SPONSOR Begaye **ORIGINAL DATE** 01/31/11 **LAST UPDATED** _____ **HJM** 8
SHORT TITLE Support Navajo Foster Care Program **SB** _____
ANALYST Baca

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Children, Youth & Families Department CYFD

SUMMARY

Synopsis of Bill

House Joint Memorial 8 memorial requests the Children, Youth & Families Department, Human Services Department and the Indian Affairs Department provide technical assistance and support to the Navajo Nation in developing a foster care and subsidized adoption program plan eligible for federal reimbursement; and further requests the Department of Finance and Administration to study the fiscal impact of implementing said plan.

FISCAL IMPLICATIONS

HJM 8 carries no appropriation and no fiscal impact is anticipated. The agencies involved may carry out the request using existing resources.

SIGNIFICANT ISSUES

CYFD submitted the following information:

The federal Fostering Connections to Success and Increasing Adoptions Act of 2008 provided federally recognized Indian tribes with the option to seek federal reimbursement for the operation of a foster care and subsidized adoption program. Prior to this, tribes could only seek Title IV-E funding that flowed through the state when the tribe had an agreement with the state. This funding did not provide for any administrative and training costs. CYFD has been providing

technical assistance and support to the Navajo Nation as the Nation develops a plan that complies with all the mandatory federal requirement, including: compliance with reasonable efforts requirements; title IV-E eligibility determinations; case plan and case review requirements; mandatory federal reporting of data; Medicaid eligibility; approved cost allocation plan; and funding match requirements, etc. The federal Department of Health and Human Services Administration for Children and Families, Children’s Bureau has the authority to approve the foster care and subsidized adoption program plan. When the Navajo Nation has an approved plan, the Nation will be able to seek reimbursement for foster care maintenance and administrative costs and for adoption subsidy and adoption administrative cost. The Navajo Nation has also indicated their intent to provide for subsidized guardianship for children existing their foster care system as it is responsive to their cultural needs. This is an option currently not available to children in State’s custody but is allowable under the Fostering Connections to Success and Increasing Adoptions Act of 2008.

Navajo Nation will be required to provide a non-federal matching requirement. Unlike the CYFD Title IV-E program which requires a direct cash match through legislative appropriations, Navajo Nation may use in-kind expenditures from certain third party sources such as Tribal funds and/or federal P.L. 93-638, the Indian Self Determination and Education Assistance Act, grants and contract funds. Navajo Nation has indicated that the New Mexico TANF program has provided matching resources through the NM Legislature for a State administered Navajo Nation TANF program. Navajo Nation might request a New Mexico legislative appropriation to match a portion of their matching requirement which is the reason for DFA participation.

ADMINISTRATIVE IMPLICATIONS

Staff from the CYFD are currently providing technical assistance and support to the Navajo Nation and therefore anticipates no additional fiscal implacts to CYFD as a result of complying with this memorial. Whether DFA is currently providing technical assistance to the project is not known.

lrb/bym