

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 FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 02/04/11

SPONSOR Garcia, M.J. LAST UPDATED _____ HB _____

SHORT TITLE Delay Leaving State Foster Care SB 214

ANALYST Peery-Galon

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$1,400.0	\$1,400.0	\$2,800.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Attorney General's Office (AGO)

Children, Youth and Families Department (CYFD)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 214 would require that the Children, Youth and Families Department notify children in foster care and attending high school that when they attain the age of 17, they have an option to stay in state care after they reach the age of 18 until they graduate from high school. The Children, Youth and Families Department would provide services, housing, education and medical care to the same degree that it did prior to the child's 18th birthday. The services continue until the child receives a high school diploma or until the child reaches the age of 21, whichever comes first.

FISCAL IMPLICATIONS

CYFD reported the proposed legislation has significant fiscal implication for the department. Compliance with provisions within the proposed legislation could result in a minimum of a \$1.4 million increase in CYFD's care and support budget. The estimated amount is based upon the following:

- Annually, 80 to 100 children emancipate from foster care at age 18.
- The number of children between the ages of 18 and 21 who have emancipated from foster care is 240 to 300.

- The average annual maintenance cost for a child in foster care is approximately \$14,000.
- CYFD estimates that a third of its population would elect to remain in foster care.

CYFD noted that providing services at the same level as prior to the youth's 18th birthday would increase caseloads for existing workers or require a minimum of 8 additional FTE at \$55 thousand per year for each FTE totaling \$440 thousand. There would also be an increase in cost for the Administrative Office of Courts to provide for the additional attorney representation for the youth and for additional court time for judicial review.

AGO stated it would seem that during a year when the state is facing a budget shortfall, the proposed legislation would negatively impact the budget by adding three years of state care for any child pursuing a high school diploma.

SIGNIFICANT ISSUES

The proposed legislation would extend foster care until the youth earns their high school diploma or turns 21 years of age, whichever occurs first and requires that CYFD provide services, housing, education and medical care to the same degree that it did prior to the youth turning 18 years of age. CYFD reported the New Mexico Children's Code, Section 32A-1-1 NMSA 1978, does not allow for a person over the age of 18 to remain in foster care and in the custody of the state. The code does allow for the courts to retain jurisdiction under limited circumstances until the youth turns 19 years of age. As the code does not allow for continuation in foster care, the state would not be able to claim costs to Title VI-E to seek partial federal reimbursement as allowed by the federal Fostering Connections to Success Act of 2008.

CYFD reported that currently the Protective Services Program operates the youth services for youth who emancipate from foster care. The program provides for a monthly stipend payment to assist the youth with living expenses and limited case management services which include access to educational, vocational and other independent and transitional living services. Youth who have earned either a GED or high school diploma are also eligible to receive federally supported education and training vouchers to assist in achievement of post-secondary educational/vocational goals. Youth who emancipate from the foster care system are eligible to receive Medicaid until age 21. A description of the benefits of the youth services are provided to the youth and youth's attorney as required by Sections 32A-4-25.2 NMSA 1978 of the Children's Code.

PED noted that according to the Adoption and Foster Care Analysis and Reporting System report published in 2010 the following key findings were revealed:

- On September 30, 2008, there were an estimated 463,000 children in foster care.
- Almost a quarter (24 percent) were in relatives' homes, and nearly half (47 percent) were in nonrelatives' foster homes.
- Almost half (49 percent) had a case goal of reunification with their families.
- The majority of children left the system to be reunited with their families (52 percent).
- Close to half of the children (46 percent) who left foster care in FY08 were in care for less than one year.

PED reported according to the *Facts about Children in Foster Care in New Mexico*, 2,127 children were in the foster care system on September 30, 2003. Most children are placed

temporarily in foster care due to parental abuse or neglect. The following are the age distributions of these children: <1 year – 6 percent, 1 to 5 years – 32 percent, 6 to 10 years – 22 percent, 11 to 15 years – 28 percent, and 16 to 18 years – 13 percent.

PERFORMANCE IMPLICATIONS

CYFD reported the increase in caseloads could potentially detract caseworker's efforts to meet the department's protective services performance measures. The following are performance measures CYFD has regarding foster care:

- Percent of children who are not subject of substantiated maltreatment while in foster care. The performance measure's FY10 actual was 99.67 percent.
- Percent of children reentering foster care in less than twelve months.
- Percent of children reunified with their natural families in less than twelve months of entry into care. The performance measure's FY10 actual was 71.5 percent.
- Percent of children in foster care for twelve months with no more than two placements. The performance measure's FY10 actual was 77 percent.
- Percent of children adopted within twenty-four months from entry into foster care. The performance measures' FY10 actual was 23.4 percent.

PED reported the proposed legislation may relate to the following department goals to ensure students are ready to learn:

- Having a safe, inviting and caring learning environment; and
- Keeping students ready to learn by providing access to health care, healthy foods and physical fitness.

ADMINISTRATIVE IMPLICATIONS

CYFD reported that without additional FTE, there will be an increase in workload for existing staff.

OTHER SUBSTANTIVE ISSUES

CYFD noted the proposed legislation does not account for those youth who elect to pursue a certificate of general education diploma (GED).

RPG/mew