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FISCAL IMPACT REPORT

	ORIGINAL DATE 2-2-06		
SPONSOR	Vaughn	LAST UPDATED	HB 315
	18-21 YEAR-OLD FOSTER CHILD HOUSING		
SHORT TITLE	SERVICES	SB	
		ANALYST	Lucero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$50.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB410 18-21 YEAR-OLD FOSTER CARE LIAISON
 Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)
 Children, Youth and Families Department (CYFD)

SUMMARY

Synopsis of Bill

House Bill 315 appropriates \$50.0 from the general fund to Children, Youth and Families Department for the purpose of providing financial assistance to foster children eighteen to twenty-one years of age who are seeking adequate housing.

FISCAL IMPLICATIONS

Federal Chaffee funds are used to support foster children transitioning into independent living. This bill does not place the same limitations on use of the funds as the federal Chafee grant stipulations, and would only be limited by the state procurement code, thereby allowing for more latitude in application of the funds. This bill would allow CYFD to supplement Chafee funding to youth when needed.

The appropriation of \$50.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

The appropriation is not in the department budget request and is not part of the executive recommendation

SIGNIFICANT ISSUES

HB 315 requests an appropriation to CYFD for financial assistance to former foster children to secure adequate housing. The assistance would aid young adults who have aged out of the foster care system after turning 18 without being adopted or achieving permanent placement.

Although the bill has no direct impact to the judiciary, the AOC's Court Improvement Project (CIP) has recognized the importance of the issue of youth aging out of the foster care system without having achieved permanent placement before reaching the age of majority who have little support provided and few services available to them. After reaching the age of 18, former foster children are no longer under court-supervised state custody, but the CIP is concerned that they often transition to adulthood and independence with few connections, no familial ties or support, little state assistance, and next to no means or resources of their own. The CIP has adopted work on this problem to be an initiative in its strategic plan, and, in general, supports efforts to improve the situation and assist youth who are transitioning from and young adults who have aged out of the foster care system.

ADMINISTRATIVE IMPLICATIONS

CYFD will absorb any additional administrative services for developing and monitoring the cost of the program.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to SB410 18-21 YEAR-OLD FOSTER CARE LIAISON

TECHNICAL ISSUES

The appropriation may not be sufficient for a statewide program. The bill does not specify if this appropriation is for a pilot in a certain region of the state, or if this is for pilot statewide program.

The appropriation does not specify the length of time a participant may qualify for benefits.

The appropriation should specify that the state funds are to fill in the gaps where federal funds are not available or are limited. Priority should be federal funding for housing, then state funded programs.

OTHER SUBSTANTIVE ISSUES

Foster care is a temporary haven for children living in unsafe conditions but one-quarter of the 500,000 children in foster care in the U.S. age out of the system. Many of them have a very hard time making ends meet financially. They don't leave the foster care system with much in the way of human capital, many don't go on to college, don't have a high school diploma, and have mental and health problems. They have very unstable living arrangements. Many of the aged out foster children move around a lot, experience very high rates of homelessness, and many end up getting involved with the criminal justice authorities or arrested or incarcerated. Nationwide, an

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estimated 30,000 adolescents age out of the foster care system each year. According to the Child Welfare League of America, 25 percent become homeless, 56 percent are unemployed, and 27 percent of male children end up in jail.

The bill would assist CYFD to meet its mandate to serve youth aging out of foster care.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo.

DL/mt