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FISCAL IMPACT REPORT

ORIGINAL DATE 3/15/15

SPONSOR SJC LAST UPDATED _____ HB _____

SHORT TITLE Children’s Code Relative Placement Preference SB 23/SJC

ANALYST Klundt

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	TBD	TBD	TBD			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Children, Youth and Families Department (CYFD)

SUMMARY

SJC substitute for Senate Bill 23 amends both the Families in Need of Services and the Abuse and Neglect sections of the Children’s Code by requiring CYFD to give placement preference to relatives of children in custody, provided that the placement with a relative is in the best interest of the child. Additionally, the substitute requires a relative to sign a sworn statement not allowing unsupervised visits with the child’s parent, guardian or custodian unless allowed by CYFD or the court. In addition, the relative must start the process to become a licensed foster parent within five days of placement.

FISCAL IMPLICATIONS

The committee substitute addresses previous concerns from CYFD regarding the placement of children in non-licensed homes, which can place Title IV-E reimbursement in jeopardy. CYFD states that nothing in the SJC substitute for SB 23 would prevent CYFD from continuing its current practice of completing a provisional relative foster license upon placement of the child. However, the agency did report that if a relative waits the five days to start the licensure process, there may be a minimal fiscal impact on CYFD which could prevent the agency from continuing its current practice of completing a provisional relative foster license upon placement. The agency did not provide an estimate of this fiscal implication.

Currently, CYFD has \$45 million budgeted in FY15 for care and support of children in protective custody including \$19.5 million in general fund, \$23.6 million in federal funds and almost \$2 million in other revenues.

SIGNIFICANT ISSUES

In previous analysis the AOC stated any delay in processing placements could conceivably delay permanency, and licensing inevitably delays discovery of potential factors that might lead placement staff to ultimately deny a license. However, an extended deadline seems a reasonable accommodation to retaining relative foster care providers. Other potential foster care providers do not face this issue since applications are complete before commencing fostering responsibilities.

Additionally, the AODA also stated in previous analysis that requiring relatives to sign a sworn statement rather than submit a sworn statement to a court recognizes that the decision regarding child placement happens at a point when a court may not yet be involved, and may happen on very short notice such that requiring submission to a court may not be practical.

However, CYFD states the committee substitute for SB23 codifies CYFD's current practice of placing with relatives when appropriate, but did note concern regarding the five day period for a relative to apply for licensure.

Previously, the AOC reported, under the directive of the Children's Court Improvement Commission, a group of stakeholders have been collaborating on drafting and recommending proposed language and changes to the Children's Code. The workgroup is comprised of representatives from CYFD, the AOC, Children's Court judges, Tribal judges, contract attorneys, and other community stakeholders. The group only reached consensus on changes to only two Articles, Article 1 and Article 4. Article 3B was not reviewed by the committee. Additionally, the AOC reported Article 3B in its current iteration is so rarely filed in the courts that it is not even an available case type in the Odyssey case management system.

Finally, the AOC reported subsection B uses the term "reasonable efforts" with regard to the Department's obligation to locate suitable relatives for placement. However, the Fostering Connections Act places the "reasonable efforts" obligation for locating relatives under the notice section. SB 23 places the obligation under the section regarding locating suitable relatives for placement. Placing the obligation under relative placement and not under notice seems to significantly increase the burden on the department. Without further definition, or additional factors, the department might be at risk for increased litigation.

ADMINISTRATIVE IMPLICATIONS

CYFD previously stated that the agency already gives preference to relatives whenever feasible under applicable licensing standards and provides the same reimbursement rate to all foster families who are fully licensed or provisionally licensed.

RELATIONSHIP

HB 23 removes a list of enumerated professionals specifically described as mandatory reporters; thereby, clarifying that every person is required to report knowledge or reasonable suspicion of child abuse and/or neglect.

HB 51 establishes a definition for “relative” and requires the Children, Youth and Families Department (CYFD) to notify a relative when the agency will be filing for custody of a child under Families in need of court ordered services (FINCOS) or the Abuse and Neglect Act; and requires CYFD to give placement preference to relatives that meet all child protection standards.

HB 118 broadens the definition of “family in need of court-ordered services” by adding the category of families wherein the child was found by credible evidence to have been abused or neglected. CYFD reported this bill provides the opportunity to enforce the engagement of families in need of services who are unwilling to do so voluntarily. Additionally, the agency stated this bill ensures family involvement in services designed to help meet their needs and strengthen their family unit without the necessity for an abuse and neglect petition and/or removal of the children.

OTHE SUBSTANTIVE ISSUES

The maintenance rates for foster families are paid on levels based on the child’s needs. These rates vary by level and age. For example, CYFD pays on three levels broken down by the age of the child. Levels 1, 2, and 3 with age distribution of 0 to 5, 6 to 12 and 13 or older. Level 1 payments range from \$331.00/month to \$617.00/month; level 2 payments range from \$737.00/month to \$795.00/month; level 3 ranges from 331.00/month to 621.00/month.

KK/bb