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FISCAL IMPACT REPORT

ORIGINAL DATE 3/5/19

SPONSOR Lopez LAST UPDATED _____ HB _____

SHORT TITLE “Children’s Code Reform Task Force” SJM 18

ANALYST Chilton

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI	NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Response Received From
Department of Public Safety (DPS)

SUMMARY

Synopsis of Joint Memorial

Noting the importance of the Children’s Code, Senate Joint Memorial 18 would direct the chair of the New Mexico Children’s Cabinet (which is within the office of the governor) to convene a task force to study ways in which the Children’s Code can be updated to accommodate what the bill declares to have been transformative child development research, understanding of the effects of adverse childhood experiences, racial and ethnic disparities, and the rich culture and strength of New Mexico families. The memorial cites recent US Congressional legislation providing monetary incentives for states to update their laws regarding children. The task force would meet in the interim between the 2019 and 2020 legislative sessions and report its recommendations to the governor and Legislature, the Legislative Health and Human Services interim committee and the Legislative Finance Committee.

Invited agencies and stakeholders would include

- 1) Legislators
- 2) Children’s Court judges
- 3) Eight Cabinet-level departments (HSD, CYFD, DOH, PED, DWS, DPS, NMCD, EDD)
- 4) Administrative Office of the Courts

- 5) Children’s Court Improvement Commission
- 6) Local law enforcement agencies
- 7) Legislative Finance Committee (LFC)
- 8) Public Defender Department Juvenile Division
- 9) NM district attorneys’ association
- 10) Tribal governments
- 11) NM tribal-state judicial consortium
- 12) Substitute Care Advisory Council
- 13) NM Court Appointed Special Advocates
- 14) Children’s Court mediation program
- 15) UNM School of Law center for child and family justice
- 16) NM tribal Indian children welfare system
- 17) Parents’, children’s and youths’ attorneys
- 18) Mental health service providers
- 19) Former foster youth
- 20) Parents involved in systems serving children
- 21) NM Voices for Children
- 22) NM Child Advocacy Network, an organization serving former foster children
- 23) NM Appleseed, an organization dealing with child and family poverty
- 24) UNM Department of Pediatrics
- 25) UNM Department of Psychiatry
- 26) UNM Department of Family and Community Medicine
- 27) Legal firm serving foster children and their relatives
- 28) Non-profit organization providing family counseling and social programs
- 29) National Council of Juvenile and Family Court Judges
- 30) Other stakeholders

SIGNIFICANT ISSUES

The memorial refers to federal legislation that supports states’ updating their laws regarding children. The federal act probably referred to, which offers states incentives to modernize their children’s codes, is the Family First Prevention Services Act, passed in 2018, a summary of which is attached to this FIR.

FISCAL IMPLICATIONS

There is no appropriation. Agencies and other stakeholders attending task force meetings would have to bear personnel time, travel, and per diem costs.

ALTERNATIVES

The very large group to be assembled as indicated in the bill may find it more efficient to conduct work as subcommittees or identify a subset of the group to develop recommendations in the short time allotted for the task force’s existence.

The Family First Prevention Services Act was signed into law as part of the Bipartisan Budget Act on February 9, 2018. This act reforms the federal child welfare financing streams, Title IV-E and Title IV-B of the Social Security Act, to provide services to families who are at risk of entering the child welfare system. The bill aims to prevent children from entering foster care by allowing federal reimbursement for mental health services, substance use treatment, and in-home parenting skill training. It also seeks to improve the well-being of children already in foster by incentivizing states to reduce placement of children in congregate care.

Part I. – Prevention Activities under Title IV-E

(Section. 50711)

- States may use title IV-E to provide up to 12 months of mental health services, substance abuse treatment, and in-home parenting training to families at risk of entry of the child welfare system
- Qualified candidates include children identified as safe to remain safely at home or in kinship placement with receipt of services, children in foster care who are parenting, or parents or caregivers where services are needed to prevent entry into care.
- States must maintain a prevention plan for the child to remain safely at home or live with a kin caregiver that lists the services or programs to be provided.
- Services must be trauma-informed and should be promising, supported, well-supported practices as modeled by the California Evidence Based Clearinghouse for child welfare
- HHS to issue guidance on practice criteria and pre-approved services no later than October 1, 2018

Part II. - Enhanced Support Under Title IV-B:

(Sections 50721, 50722, 50723)

- Eliminates time limit for family reunification services
- Requires states to implement electronic interstate case processing system to expedite placement of children in foster care by FY 2027
- Provides \$5 million in grants to states to assist with implementation of processing system
- Reauthorizes Regional Partnership Grants through FY 2021

Part III Miscellaneous

(Sections. 50731, 50732, 50733)

- HHS to establish model licensing standards for placement in a relative foster family home by October 1, 2018
- States to develop a statewide plan to prevent child abuse and neglect fatalities

Part IV – Ensuring the Necessity of a Placement that is not in a Foster Family Home

(Sections 50741, 50742, 50743, 50744, 50745, 50746)

- Title IV-E reimbursement for group homes will only be available for two weeks unless the child is in a qualified residential treatment program (QRTP), a setting that specializes in prenatal or parenting support, or supervised independent living for youth over 18.
- A QRTP must include a trauma-informed treatment model designed to meet the emotional and behavioral needs of children as identified by an assessment within 30 days of the child’s placement.
- States may delay the congregate care provisions for up to two years while forfeiting reimbursement for prevention services.

Part V. – Continuing Support for Child and Family Services

(Sections 50751, 50752, 50753)

- 8 million dollars to be appropriated for competitive grants to support recruitment and retention of high quality foster families
- Reauthorizes the Stephanie Tubbs Jones child welfare services program, the Court Improvement program, and the John H. Chafee Foster Care Independence Program
- Expands until 23 Chafee supports for states that elected to extend eligibility for foster care to 21, and expands use of education and training vouchers for youth until 26

Part VI. – Continuing Incentives to States to Promote Adoption and Legal Guardianship

(Section 50761)

- Reauthorizes Adoption and Legal Guardianship Incentive Payment Program

Part VII. Technical Corrections

(Section 50771, 50772)

- Amends state plan requirement under Title IV-B to describe ways to reduce length of time to permanency for children under the age of 5 and to address developmental needs of all vulnerable children under the age of 5 who receive IV-E or IV-B services

Part VIII. Ensuring States Reinvest Savings Resulting from Increases in Adoption Assistance.

(Section 50781, 50782)

- Delays Fostering Connections implementation of federal assistance for adoption of special needs children
- Children with special needs under 2 years old will be eligible for assistance if they meet existing requirements
- Requires GAO study on state reinvestment of these savings as a result of this delay