

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: SB 156

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Favola, Barbara A.

3. Committee: Rehabilitation and Social Services

4. Title: Adoption; increases age at which assistance for children with special needs terminates

5. Summary: The proposed legislation increases, from 18 years to 21 years, the age at which adoption assistance for children with special needs terminates.

6. Budget Amendment Necessary: Yes

7. Fiscal Impact Estimates: Preliminary

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2012	-	-	-
2013	\$1,651,320	-	General Fund
2014	\$3,302,640	-	General Fund
2015	\$4,953,960	-	General Fund
2016	\$4,953,960	-	General Fund
2017	\$4,953,960	-	General Fund
2018	\$4,953,960	-	General Fund

8. Fiscal Implications: The proposal would extend the age (from 18 to 21) at which adoption subsidy payments for adoptive special needs children ends. Currently, adoption assistance is available to support families with children they adopt who have special needs under specified state criteria. Federal dollars support fifty percent of adoption subsidies for those children that qualify for Title IV-E funding; the remaining children's subsidies are supported entirely with general fund dollars. In 2011, the average monthly caseload of children receiving an adoption subsidy was 5,981. Of the 5,981 children, 4,633 (77 percent) children received a Title IV-E adoption subsidy, while 1,348 (23 percent) children were receiving state supported adoption subsidies. Currently, adoption subsidies end when the child turns 18 unless they are receiving a Title IV-E subsidy and meet certain criteria. In those cases, the state and federally supported subsidies would continue until age 21. This bill would extend the age limit for all subsidy children to age 21.

The Department of Social Services estimates that 179 children (approximately three percent) currently receiving an adoption subsidy will be 18 in FY 2012. Of these 179 children, the department further assumes that 50 percent would be eligible to continue to receive adoption

subsidies until age 21 as provided under current law. There will, however, be an additional cost to provide adoption subsidies for the remaining special needs children that do not currently receive subsidies until age 21. The average adoption assistance payment is \$1,251 per month (\$15,012 per year). Assuming the same number of children receiving adoption subsidies (179) turns 18 each year and the percentage of Title IV-E eligible children over 18 remains constant, it would cost an additional \$1,651,320 general fund in the first year; \$3,302,640 general fund in the second year and \$4,953,960 each year thereafter to provide adoption assistance to all special needs children between the ages of 18 and 21, who would not have been otherwise Title IV-E eligible. The tables below detail the breakdown of children estimated to receive adoption subsidies immediately before and after turning 18.

9. Specific Agency or Political Subdivisions Affected: Department of Social Services

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 1/26/12

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