

## Department of Planning and Budget 2022 Fiscal Impact Statement

1. **Bill Number:** HB653

**House of Origin**     Introduced     Substitute     Engrossed

**Second House**     In Committee     Substitute     Enrolled

2. **Patron:** Wampler

3. **Committee:** Health, Welfare and Institutions

4. **Title:** Foster care; local boards of social services; collaborative placement program.

5. **Summary:** Directs the Department of Social Services to establish and implement a collaborative local board placement program to increase kinship placements and the number of locally approved foster homes. The bill provides that such program shall require local boards of social services (local boards) to enter into partnership agreements with other local boards to work collaboratively to (i) facilitate approval of kinship foster parents through engagement, assessment, and training; (ii) increase the capacity of local boards to recruit, train, and develop foster parents; and (iii) expand the pool of available foster homes within and across the localities of such local boards. The bill also requires local boards, when placing a child, to seek placement with a foster family within the locality of the local board or a nearby locality through the collaborative local board placement program.

6. **Budget Amendment Necessary:** Yes

7. **Fiscal Impact Estimates:** Preliminary. See Item 8.

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2023	\$288,222	2.5	General Fund
	\$293,898	2.5	Nongeneral Funds
2024	\$274,537	2.5	General Fund
	\$281,768	2.5	Nongeneral Funds
2025	\$274,537	2.5	General Fund
	\$281,768	2.5	Nongeneral Funds
2026	\$274,537	2.5	General Fund
	\$281,768	2.5	Nongeneral Funds
2027	\$274,537	2.5	General Fund
	\$281,768	2.5	Nongeneral Funds
2028	\$274,537	2.5	General Fund
	\$281,768	2.5	Nongeneral Funds
2029	\$274,537	2.5	General Fund
	\$281,768	2.5	Nongeneral Funds

8. **Fiscal Implications:** This legislation establishes a collaborative local board placement program to support the development of collaborative partnerships between local departments

of social services (LDSS) to increase capacity to approve kinship caregivers and recruit, train and develop locally approved foster parents. It is assumed, with the support of state Department of Social Services (DSS) staff, that the LDSS would combine existing resources to expand the pool of available foster homes within and across the localities participating in the collaborative partnerships. Therefore, it is estimated that no new LDSS positions or funding are required to support this legislation.

However, DSS estimates the need for an additional five positions to facilitate the implementation of this legislation. These positions would work with collaborating local departments to facilitate the approval of kinship foster parents through engagement, assessment and training of relatives when children enter foster care. These positions will also facilitate the development of collaborative partnerships between local boards and oversee the practice.

Position cost estimates for state effort are based on full-time equivalent (FTE) positions and are assumed to have 1,500 productive work hours annually. Average position costs include salary, fringe benefits, non-personal position costs (such as a phone and computer charges), as well as a one-time onboarding cost of \$5,163 in fiscal year (FY) 2023. The annual cost of one state position is estimate to be \$116,424 in FY 2023 and \$111,261 in FY 2024 and each year thereafter. The cost estimates for an addition of five positions are \$582,120 ( $\$116,424 \times 5$ ) in FY 2023 and \$556,305 ( $\$111,261 \times 5$ ) in FY 2024 and thereafter.

These costs are subject to a fund split of 50 percent general fund and 50 percent federal Title IV-E funds through September 30, 2022. After that, the fund split changes due to a federal change to the Federal Medical Assistance Percentage (FMAP). Beginning October 1, 2022, the fund split will be 49.35 percent general fund and 50.65 federal Title IV-E funds. Total cost estimates for five positions are \$582,120 (\$288,222 general fund and \$293,898 nongeneral funds) in FY 2023 and \$556,305 (\$274,537 general fund and \$281,768 nongeneral funds) in FY 2024 and thereafter.

**9. Specific Agency or Political Subdivisions Affected:** Department of Social Services, local departments of social services

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None