

Department of Planning and Budget 2009 Fiscal Impact Statement

1. Bill Number: HB 2500

House of Origin X Introduced Substitute Engrossed
 Second House In Committee Substitute Enrolled

2. Patron: Ward, Jeion A.

3. Committee: Health, Welfare and Institutions

4. Title: Foster care; each child to be equipped with luggage

5. Summary: The proposed legislation requires each local department to ensure that each child placed in foster care is equipped with luggage that shall become the property of the child and that shall remain the property of the child throughout the period during which the child remains in foster care.

6. Fiscal impact estimates are preliminary.

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars*</i>	<i>Positions</i>	<i>Fund</i>
2009	-	-	-
2010	\$277,253	-	General
	\$100,851	-	Federal
2011	\$99,754	-	General
	\$36,286	-	Federal
2012	\$99,754	-	General
	\$36,286	-	Federal
2013	\$99,754	-	General
	\$36,286	-	Federal
2014	\$99,754	-	General
	\$36,286	-	Federal
2015	\$99,754	-	General
	\$36,286	-	Federal

* The above costs do not include local funds (see item 8)

7. Budget Amendment Necessary: Yes, Items 283 and 342.

8. Fiscal Implications: Passage of this legislation will have a fiscal impact on the Department of Social Services (the Department) as well as the Office of Comprehensive Services (OCS). This fiscal impact statement assumes that luggage must be provided to both existing and new foster care children without luggage; however the bill could be interpreted to exclude existing children or to equip all children (no matter if they already have luggage). The Department can claim the cost of luggage for Title IV-E Foster Care children as part of IV-E maintenance which has a federal reimbursement rate of 50 percent. Luggage for all non IV-E foster care children would be funded by OCS. The purchase of luggage would be considered a community based service which requires a local match of 18 percent.

In FY 2008 there were 10,292 children served in foster care and approximately 48.39 percent of these children were eligible for IV-E Foster Care. Assuming the average cost of a single piece of luggage (i.e. large duffel bag) is \$45 and 90 percent of these children would need luggage, then the cost would be as follows:

		<u>DSS</u>		<u>OCS</u>		<u>Total</u>
FY 2010	\$	201,702	\$	215,124	\$	416,826
General Fund	\$	100,851	\$	176,402	\$	277,253
Nongeneral Fund	\$	100,851	\$	-	\$	100,851
Local Fund	\$	-	\$	38,722	\$	38,722

After the initial purchase of luggage for all children in foster care the Department and OCS would only need to provide luggage to those new kids entering foster care. Based on a three year average there are 3,703 children coming into care on an annual basis, if 48.39 percent were eligible for IV-E Foster Care and 90 percent of the children would need luggage, the cost for FY 2011 and each year thereafter would be:

		<u>DSS</u>		<u>OCS</u>		<u>Total</u>
FY 2011 - FY 2015	\$	72,571	\$	77,400	\$	149,972
General Fund	\$	36,286	\$	63,468	\$	99,754
Nongeneral Fund	\$	36,286	\$	-	\$	36,286
Local Fund	\$	-	\$	13,932	\$	13,932

9. Specific Agency or Political Subdivisions Affected:

Department of Social Services
Local departments of social services
Office of the Comprehensive Services Act

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 1/23/2009

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