

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. Bill Number: HB1313

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

2. Patron: Tata

3. Committee: Health and Human Services

4. Title: Fostering Futures program; eligibility; age limit.

5. Summary: Increases from 21 to 23 the age at which an individual may no longer participate in the Fostering Futures program.

6. Budget Amendment Necessary: Yes. Items 268 (Office of Children's Services costs) and 326 (DSS local department costs)

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

7a. Expenditure Impact:

Department of Social Services:

<i>Fiscal Year</i>	<i>Dollars*</i>	<i>Positions</i>	<i>Fund</i>
2025	\$1,937,545	-	General fund
2026	\$5,044,630	-	General fund
2027	\$5,044,630	-	General fund
2028	\$5,044,630	-	General fund
2029	\$5,044,630	-	General fund
2030	\$5,044,630	-	General fund

*These totals do not include the 15.5 percent local match of \$335,407 in FY 2025 and \$925,346 in FY 2026 and thereafter for the local positions.

Office of Children's Services:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2025	\$6,389,664	-	General fund
2026	\$12,827,601	-	General fund
2027	\$12,827,601	-	General fund
2028	\$12,827,601	-	General fund
2029	\$12,827,601	-	General fund
2030	\$12,827,601	-	General fund

*These totals do not include the 34 percent local match of \$3.3 million in FY 2025 and \$6.6 million in FY 26 and thereafter.

8. Fiscal Implications: This legislation increases the age limit for extended foster care services from 21 to 23. Because the federal Fostering Futures program ends at age 21, any youth

served until age 23 in Virginia would not be eligible for federal Title IV-E funding, which provides roughly a 50/50 match rate. Therefore, the estimated costs for the placement and care of youth served between the ages of 21 and 23 under this legislation would need to be funded fully by the state and localities.

Department of Social Services (DSS) Costs:

In fiscal year (FY) 2023, 346 youths exited the Fostering Futures program at the age of 21. Implementation of the legislation will require the local departments of social services (LDSS) staff to provide case management activities for this new population of youth. It is estimated that each Family Services Specialist (specialist) can oversee approximately 15 cases at a time. It is assumed that this bill would only provide an additional two years of services and youths would age out on their twenty-third birthdays; therefore, the program would experience growth in the first and second years, then even off in the out years.

Extending the Fostering Futures program to include 21 to 23-year-olds would require an additional 23 Family Services Specialists (346 cases/15 cases) in FY 2025 and 46 Family Services Specialists (692 cases/15 cases) in FY 2026. Staffing costs include salary, benefits, and nonpersonal position costs. The estimated costs are split 84.5 percent general fund and 15.5 percent local match. This fund split equates to approximately \$1,507,034 general fund and \$276,438 local match in FY 2025 and \$3,918,415 general fund and \$718,762 local match in FY 2026 and each year thereafter. FY 2025 costs include one-time onboarding costs and are based on 75 percent of the full estimated number of new positions, as it will take time to hire.

In addition, more Family Services Specialists supervisors will need to be hired. One supervisor can manage approximately 4.4 Family Services Specialists. This equates to approximately five new supervisors in FY 2025 and 10 new supervisors in FY 2026 and beyond. Costs are split 84.5 percent general fund and 15.5 percent local match and are estimated to be \$430,511 general fund and \$78,969 local match in FY 2025 and \$1,126,215 general fund and \$206,584 local match in FY 2026 and each year thereafter. FY 2025 costs include one-time onboarding costs and are based on 75 percent of the full estimated number of new positions, as it will take time to hire.

Office of Children's Services (OCS) Costs:

Because the population created by the bill is not eligible for federal funding, OCS will be responsible for the full costs it will incur for 21 to 23-year-olds in the program. OCS costs are funded by approximately 66 percent state general fund and 34 percent local match.

The estimated annual cost of maintenance payments per Fostering Future youth is \$12,471. In FY 2025, 346 eligible youths are estimated to cost a total of \$2,847,878 general fund and \$1,467,088 local match. In FY 2026 and each year thereafter, 692 eligible youths are estimated to cost a total of \$5,695,755 general fund and \$2,934,177 local match.

In FY 2023, the average annual cost for Therapeutic Foster Care (TFC) services was \$18,286 for one youth. In FY 2025, it is anticipated that 50 youths would continue to receive these services and 104 youths would receive these services in FY 2026 and thereafter. Costs are

estimated to be \$603,438 general fund and \$310,862 local match in FY 2025 and \$1,255,151 general fund and \$646,593 local match in FY 2026 and thereafter.

In FY 2023, the annual average cost for other community-based services (not including TFC) was \$15,143 per youth. It is estimated that 85 percent of the 21 to 23-year-olds would still use these services; therefore, costs are estimated to be \$2,938,348 general fund and \$1,513,694 local match in FY 2025 and \$5,876,695 general fund and \$3,027,389 local match in FY 2026 and thereafter.

9. Specific Agency or Political Subdivisions Affected: Department of Social Services, local departments of social services, Office of Children's Services

10. Technical Amendment Necessary: No.

11. Other Comments: None.