

Fiscal Note

BILL # SB 1391

TITLE: kinship foster care stipend

SPONSOR: Alston

STATUS: As Introduced

PREPARED BY: Patrick Moran

Description

The bill would require the Department of Child Safety (DCS) to provide a stipend of \$250 per month to kinship foster care parents.

Estimated Impact

At a caseload level of 5,600 children in unlicensed kinship care per month, the \$250 stipend would generate total General Fund costs of \$16.8 million annually. Given the FY 2019 appropriation for the kinship stipend of \$2.0 million, the costs generated by the bill are \$14.8 million above the FY 2019 appropriation.

DCS estimates a cost of \$15.0 million (\$13.0 million above the FY 2019 budget) based on current kinship enrollment of 5,000. The department's estimate could be low if the out-of-home population increases above current levels, as the bill creates a statutory requirement for DCS to pay the stipend regardless of the caseload level.

Analysis

An FY 2019 General Appropriation Act footnote authorizes DCS to offer a kinship stipend of \$75 per child per month to kinship caregivers with incomes at or below 200% of the Federal Poverty level. Kinship caregivers may include relatives of the child or non-relatives that have a significant relationship with the child. The FY 2019 budget includes a General Fund appropriation of \$2.0 million for kinship stipends, which is sufficient to serve a monthly caseload of 2,222 enrollees.

The bill would convert the kinship stipend into a statutory requirement, remove income eligibility requirements, and would increase the stipend level to \$250/month. The JLBC Staff assumes there would be average monthly enrollment of 5,600 in the stipend program, which is equivalent to the June 2018 caseload level of unlicensed kinship caregivers. Consistent with DCS' current policy, our analysis assumes that kinship caregivers who become licensed would not be eligible for the stipend.

At an average monthly caseload of 5,600 enrollees, a \$250 stipend would generate annual costs of \$16.8 million, which exceeds the General Fund appropriation for the kinship stipend by \$14.8 million. DCS estimates a lower cost of \$13.0 million above the current appropriation, based on the current unlicensed kinship caseload of 5,000 children.

DCS' estimate could be low if the out-of-home population increases relative to current levels. The bill creates a statutory requirement for DCS to pay the stipend regardless of the overall caseload level. While DCS' out-of-home population has been declining since 2016, kinship caseloads prior to that time exceeded 7,000 children per month.

Local Government Impact

None

2/15/19

JLBC