

Fiscal Note

BILL # SB 1539

TITLE: kinship foster care stipend

SPONSOR: Alston

STATUS: As Introduced

PREPARED BY: Nicole Lovato

CORRECTED

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

We estimate the \$250 stipend would generate a General Fund cost increase of at least \$14.2 million annually.

DCS also estimates a net fiscal impact of about \$14 million based on similar assumptions.

Analysis

An FY 2021 General Appropriation Act footnote authorizes DCS to offer a kinship stipend of \$75 per child per month to all unlicensed kinship caregivers and permits such caregivers to receive the stipend without filing an application. Kinship caregivers may include relatives of the child or non-relatives that have a significant relationship with the child. The FY 2021 budget includes a General Fund appropriation of \$5.0 million for kinship stipends.

The bill would convert the kinship stipend into a statutory requirement and would increase the stipend level to \$250/month. We assume there would be average monthly enrollment of 6,393 in the stipend program based on recent caseload trends. Consistent with DCS' current policy, our analysis assumes that kinship caregivers who become licensed would not be eligible for the stipend.

At a current caseload of 6,393 enrollees, a \$250 stipend would generate annual costs of \$19.2 million ($6,393 \times 250 \times 12 = \$19,179,000$) which exceeds the General Fund appropriation for the kinship stipend by \$14.2 million. The cost of the bill could be higher if the out-of-home population increases relative to current levels.

Local Government Impact

None

2/15/21

JLBC