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FISCAL IMPACT REPORT

SPONSOR Padilla **ORIGINAL DATE** 1/23/17
LAST UPDATED 2/01/17 **HB** _____

SHORT TITLE Foster Care by Other Family Members **SB** 19/aSJC

ANALYST Klundt

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total			Unknown		Recurring	Federal

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Attorney General’s Office (AGO)

Children, Youth and Families Department (CYFD)

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of SJC Amendment

The Senate Judiciary Committee (SJC) amendment to SB 19 requires a relative available to provide foster care to complete an application form for licensure to operate a foster home pursuant to the Children’s Code within three days of accepting custody of the child. The original bill set a five day deadline.

Synopsis of Bill

Senate bill 19 directs the Children, Youth and Families Department (CYFD) to give preference to relatives when placing children who come into the custody of CYFD provided that it is in the best interest of the child and that the relative signs a sworn statement not allowing unsupervised visits with the child’s parent, guardian or custodian unless allowed by CYFD or the court. In addition, the relative must start the process to become a licensed foster home within 5 days of placement.

FISCAL IMPLICATIONS

There is no appropriation contained in this bill and CYFD reported a minimal fiscal impact on the agency if a family waits 5 days to start the licensure practice. Current practice is for foster families to begin the process *immediately* upon placement. A wait period of 5 days could jeopardize Title IV-E reimbursement because CYFD cannot seek reimbursement for placement in a non-licensed home.

SIGNIFICANT ISSUES

SJC Amendment

The SJC amendment makes a reduction in the amount of time a relative has to complete an application form for licensure to operate a foster home. The AOC highlighted there is a hope that the reduced timeline will not deter or disqualify relative foster care providers.

Original Bill

This bill codifies CYFD's current practice of placing with relatives when appropriate. However, the agency noted concerns regarding the proposed delay in processing placements by 5 days. CYFD believes this delay may result in the discovery of potentially disqualifying factors of the family which would result in an unnecessary placement change for the child that would likely be avoided without the 5 day delay.

CYFD has discretion to place children with suitable identified relatives if it is in the best interest of the child at the time of custody; and placement with a relative is one of several options CYFD has when children enter into the custody of CYFD. There are occasions when the child's relatives live outside New Mexico where the Interstate Compact on the Placement of Children process must be followed as CYFD will not place in an unlicensed home and without the approval and oversight of another jurisdiction. The agency also believes it is possible this bill's requirements may affect such placements.

PERFORMANCE IMPLICATIONS

CYFD has performance measures related to the stability of placements which may be affected by this bill.

OTHER SUBSTANTIVE ISSUES

The Attorney General's Office (AGO) reported the Child Placement Agency Licensing Act, NMSA 1978, Chapter 40, Art. 7A, establishes licensing requirements for foster homes and other agencies allowed to accept a child removed from the child's original home. The licensing process involves inquiry into the health, education and safety standards of the placement as well as into the character, suitability and qualifications of the applicant for a license. See NMSA 1978, Section 40-7A-4, for the licensure process. A family member who accepts a child under conditions provided in this bill must initiate the licensing process while the child is living with the family member, whereas a foster home has already undergone investigation and certification prior to the placement of a child.