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FISCAL IMPACT REPORT

ORIGINAL DATE 1/27/19

SPONSOR Gould **LAST UPDATED** _____ **HB** _____

SHORT TITLE Payment for Child Out-of-Home Placement **SB** 130

ANALYST Klundt

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
	\$150.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Significant, See Fiscal Implications	Significant, See Fiscal Implications		Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Children, Youth and Families Department (CYFD)

SUMMARY

Senate Bill 130 (SB130) appropriates \$150 thousand from the general fund to the Children, Youth and Families Department (CYFD) for the purpose of funding driver education, motor vehicle driver's licensure and motor vehicle insurance for children in out-of-home placement.

FISCAL IMPLICATIONS

The appropriation of \$150 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY20 shall revert to the general fund.

CYFD reported concerns this bill does not establish priorities for service population. The agency questioned if this bill is intended to reach every child in the state that is in a placement with

someone other than their parent, yet not in the legal custody of CYFD, it will necessarily include those in family-arranged placements, treatment foster care placements, residential treatment centers, and other types of out of home placements. The agency also stated that as CYFD doesn't monitors all of those types of placements, nor necessarily exercise any statutory authority over the child in the placement, the bill could have a significant fiscal impact

In addition, CYFD reported youth committed to secure juvenile facilities, CYFD does have a licensed drivers education instructor for its Albuquerque secure facilities that can teach the classroom portion of the course. Therefore, the agency would either have to hire an FTE or contract with a external entity to provide the service.

SIGNIFICANT ISSUES

CYFD reported "It is unclear if the bill is intended to cover all children in an out of home placement, or only those children in the legal custody of CYFD, as out of home placement is not defined. Either way, the amount of funds appropriated will be exhausted quickly. While the bill's intention aligns closely with CYFD and federal law requirements to normalize life for children in foster care life, the lack of a definition for out of home placement includes children not in foster care, and children not even involved with CYFD. Additionally, the bill doesn't address contingencies that may arise (e.g., in the event that the child is in a motor vehicle accident, who becomes responsible for the deductible costs or other costs associated?).

While payment shall be made to eligible recipients in the order of eligibility until funds are exhausted, the bill but does not set forth specific eligibility criteria. As such, it will be necessary to establish criteria, which requires staff time, planning, and stakeholder involvement where appropriate.

The lack of a definition in the bill for out-of-home placement makes eligible the majority of the youth that are housed in secure juvenile commitment facilities. Although CYFD has an instructor to teach the classroom portion of the course, there is no existing process to complete the driving portion of the course. Of particular effect on children in the facility, is the language in the bill which establishes an eligibility cut-off of 6 months following the child turning 18. This may result in a youth receiving the classroom portion of the driver's education while in a secure CYFD commitment facility, but being ineligible for the completion of the driving portion or the license due to length of commitment."

ADMINISTRATIVE IMPLICATIONS

Creation of policy and procedure, development of criteria for eligibility, reimbursement methodology, and methodology for identifying eligible youth involved with or in CYFD care or custody.

TECHNICAL ISSUES

CYFD requests clarification of the target population to assist in determining final fiscal and administrative implications.

KK/gb