



HF 2158 – Foster Children, Preparation for Adult Living (LSB 5266HH)
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Fiscal Note Version – New
Requested by Representative Chuck Soderberg

Description

House File 2158 relates to the Preparation for Adult Living (PAL) Program under the purview of the Department of Human Services (DHS). The Bill expands eligibility to include adopted persons that received foster care paid for by the State at some point during the 48-month period (ages 14 to 18) before becoming age 18. A person is not eligible for the Program if adoption subsidy payments are still being made on behalf of the person.

Background

The PAL Program serves young persons that leave State paid foster care at the age of 18 or older, are no longer eligible for voluntary foster care, and are engaged full-time in one or some combination of employment or enrollment in a postsecondary educational training program or work training.

Currently, if a youth is adopted they are not eligible for the PAL Program since they are no longer receiving State paid foster care services. They will be eligible for adoption subsidies until the age of 18 or until the age of 21 if they have been diagnosed with a physical, mental, or emotional disability.

This Bill affects families with children that qualify to continue receiving a subsidy payment past the age of 18. It is estimated that approximately 50.0% of families are currently eligible. These families have the option of continuing to receive adoption subsidy payments or enrolling in the PAL Program to receive those services.

NOTE: The Department requested \$900,000 of new State General Fund money for FY 2011 to avoid a waiting list. For the past three fiscal years, the Department has seen a significant increase in enrollment since the Program's inception in FY 2007. State funding has remained status quo and the Department has been able to divert federal John H. Chafee Foster Care Independence Grant funding to cover the increases. However, the federal government is requiring the Department to create a database that would track foster care children as they age out of eligibility for services. As a result of this enforcement, the federal funding for the PAL Program will no longer be available since it must be used for the new database. The Governor did not recommend funding the Department's request. Unless the General Assembly appropriates the additional \$893,000, the Department will need to begin a waiting list starting July 1, 2010. Youth that enroll in the PAL Program as a result of this Bill will be placed on the waiting list, in addition to others, on a first come, first serve basis and will not receive services in FY 2011.

Assumptions

- A total of 47 youth receiving an adoption subsidy were adopted at age 14 or older and will be eligible for the PAL Program in FY 2011.
- A total of 24 of the 47 will continue receiving the adoption subsidy past the age of 18.
- A total of six to 12 of the 24 will enroll in the PAL Program instead of continuing to receive an adoption subsidy.
- There will be a savings of \$22,000 to \$44,000 to the State General Fund for the Adoption Subsidy Program annually.
- Expenditures for the PAL Program will increase by \$64,000 to \$128,000.
- For FY 2012, six to 12 additional youth will enroll in the PAL Program as a result of this Bill. The initial six to 12 will continue to be enrolled.

Fiscal Impact

The fiscal impact of this Bill for FY 2011 is a net increase to General Fund expenditures of \$42,000 to \$84,000. For FY 2012, the fiscal impact range is a net increase to General Fund expenditures of \$84,000 to \$168,000.

Source

Department of Human Services

/s/ Holly M. Lyons

February 22, 2010

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#). Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
