



[HF 2252](#) — State Child Care Assistance (LSB5235HV.1)
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Fiscal Note Version – Final Action

Description

[House File 2252](#) relates to programs and services under the purview of the Department of Human Services (DHS). The Bill has four divisions. Division I eliminates the time limit on the period that a family can qualify for child care assistance (CCA) when a parent's absence is due to hospitalization, physical illness, or mental illness, or when the parent is present but unable to care for the child as verified by a physician. Division II extends the age limits for which children are eligible to remain in foster care to include adults age 18, 19, or 20 under specified circumstances. Division III creates a path for persons who were adopted as a result of their parents losing parental rights through involuntary termination to access birth and health records, as well as information regarding any siblings who may have been placed separately from the person seeking the information. Division IV authorizes the DHS and financial institutions to communicate with each other when the DHS receives an allegation of dependent adult abuse.

As only Division I and Division II have appreciable fiscal impacts, the remainder of this ***Fiscal Note*** will focus on those divisions.

Background

Division I: Under current law, a family is eligible to receive CCA payments as a result of a child's parent or guardian being unable to care for a child as a result of being absent for a limited period of time due to hospitalization, physical illness, or mental illness, or being present but unable to care for the child for a limited period of time. House File 2252 strikes the language limiting the time period, but maintains that the illness or inability to care for the child must be verified by a physician. This change allows for families with a permanently ill or disabled parent or guardian to remain eligible for CCA payments.

Division II: Under current law, a child ages out of foster care upon turning 18 years of age or upon graduating from high school. House File 2252 would allow for children currently in foster care who are about to age out to voluntarily remain in foster care through the age of 21.

Assumptions

Division I: The DHS estimates that three families per year will not be disenrolled from the CCA Program as a result of permitting families with permanently disabled parents to receive CCA payments.

Division II: The DHS found that during the past six months while foster care eligibility was expanded as a result of the pandemic, there were a total of four youths who would have otherwise aged out of foster care who remained in supervised apartment living (SAL), and three youths who would have otherwise aged out who remained with foster care families. Based on these numbers, the DHS estimates that approximately 14 youths per year will choose to remain in foster care past the age of 18. The DHS also estimates an average extended stay of 6 months.

Fiscal Impact

Division I: According to the DHS, the average cost per family receiving CCA payments is approximately \$10,000 per year. At an estimated three families per year remaining enrolled in the CCA Program, the Bill would result in an annual total cost increase of \$30,000 per year, which is anticipated to accumulate for at least the first five years for an estimated ongoing annual cost of approximately \$150,000 per year before families begin to leave the Program. The Department reports that the additional expenditures can be absorbed into the existing budget with the balance of the Child Care Development Funds for the foreseeable future.

Division II: The DHS indicates that the average cost for a child in SAL is approximately \$22,000 per year. The average cost for a child in family foster care is approximately \$7,000 per year. Based on the assumptions above, the Bill would result in an increase of approximately \$88,000 in SAL expenditures and increased expenditures of approximately \$21,000 for family foster care for a total annual increase of \$109,000 in the first year. The DHS anticipates this would increase to \$129,000 for the second year and all following years as up to five youth would carry over from the previous year, accounting for 15 months of service in each subsequent fiscal year. The DHS reports that the additional expenditures can be absorbed into the existing Child and Family Services budget for the foreseeable future.

Source

Department of Human Services

/s/ Holly M. Lyons

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

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