

Child Welfare and Child Care Assistance Bill House File 2671

Last Action:
House Appropriations
Committee
March 19, 2024

An Act relating to aid, processes, services, and support staff for children in, adopted from, or in need of foster care, including the establishment of a legal representation for juvenile cases interim study committee, and making appropriations.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available online at www.legis.iowa.gov/publications/information/appropriationBillAnalysis

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EXECUTIVE SUMMARY

HOUSE FILE 2671

CHILD WELFARE AND CHILD CARE ASSISTANCE BILL

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Appropriates \$2.6 million to the Department of Health and Human Services (HHS) in FY 2025 to be used to lower the required ratio of supervisors to social workers from one supervisor for every six and one-half social workers to one supervisor for every five social workers. This appropriation does not revert at the close of the fiscal year.

Page 3, Line 18

Appropriates \$618,000 to the HHS in FY 2025 to increase reimbursement rates paid to foster parents for foster care provided to a child, or when the State is otherwise obligated to pay for a child's foster care, 10.0% higher than the rates in effect for FY 2024. This appropriation does not revert at the close of the fiscal year.

Page 3, Line 32

Requires the HHS to amend its administrative rules to increase the adoption subsidy 10.0% higher than the rates in effect for FY 2024.

Page 4, Line 10

CHANGES TO PRIOR APPROPRIATIONS

Provides for a \$3.0 million supplemental FY 2024 appropriation for Child and Family Services from the federal Temporary Assistance for Needy Families Block Grant. The Bill requires up to \$3.0 million of the appropriation to be used for the kinship caregiver stipend program and renames the appropriation Child Protective Services.

Page 3, Line 10

STUDIES AND INTENT

Requires the HHS to establish a Legal Representation for Juvenile Cases Interim Study Committee for the 2024 Legislative Interim to investigate, study, and propose legislation relating to client-directed representation for children in juvenile court cases. The Committee shall submit a report to the General Assembly by January 10, 2025.

Page 4, Line 18

SIGNIFICANT CODE CHANGES

Allows a juvenile court to adjudicate a child in need of assistance when the child requires treatment to cure or alleviate a serious chemical dependency or mental or behavioral health disorder that compromises the child's safety or causes untoward aggressive behavior toward others in the household, and the child's parent, guardian, or custodian is unwilling or unable to provide such treatment successfully.

Page 1, Line 1

Eliminates certain circumstances when a child may be adjudicated as a child in need of assistance.

Page 1, Line 13

EXECUTIVE SUMMARY

CHILD WELFARE AND CHILD CARE ASSISTANCE BILL

HOUSE FILE 2671

Removes the requirement that certain reimbursements to foster parents must be based on 65.0% of the United States Department of Agriculture estimate of the cost to raise a child in the calendar year immediately preceding the fiscal year and removes the additional stipend for special needs children. Requires the HHS to review reimbursement payment rates paid to foster parents at least once every three years. Directs the HHS to adopt administrative rules to implement this Section.

Page 1, Line 15

States that Iowa Code section [234.39\(2\)](#) shall not apply when a child is placed with a relative or fictive kin who is not licensed under Iowa Code chapter [237](#) to provide child foster care.

Page 1, Line 30

Requires the HHS to reimburse an adoption petitioner for the costs of the preplacement and postplacement investigations related to the adoption up to a maximum amount of \$2,000 per investigation. The HHS is prohibited from making such reimbursements until the person performing the preplacement background check approves the adoption petitioner's initial required background checks.

Page 2, Line 30

EFFECTIVE DATE

Provides that Section 6 of the Bill is effective upon enactment.

Page 5, Line 9

House File 2671 provides for the following changes to the Code of Iowa.

| Page # | Line # | Bill Section | Action | Code Section |
|---------------|---------------|---------------------|---------------|---------------------|
| 1 | 1 | 1 | Amend | 232.96A.6 |
| 1 | 13 | 2 | Strike | 232.96A.11,12,13 |
| 1 | 15 | 3 | Amend | 234.38 |
| 1 | 30 | 4 | Amend | 234.39.2 |
| 2 | 30 | 5 | Amend | 600.8.3 |

1 1 Section 1. Section 232.96A, subsection 6, Code 2024, is
 1 2 amended to read as follows:
 1 3 6. The child is in need of treatment to cure or alleviate a
 1 4 serious chemical dependency or mental illness or disorder, or
 1 5 ~~emotional damage as evidenced by severe anxiety, depression,~~
 1 6 ~~withdrawal, or behavioral health disorder that compromises~~
 1 7 the child's safety or causes untoward aggressive behavior
 1 8 ~~toward the child's self or others in the household, and the~~
 1 9 child's parent, guardian, or custodian is unwilling to provide
 1 10 such treatment or the parent's, guardian's, or custodian's
 1 11 efforts to secure needed treatment have been exhausted and
 1 12 unsuccessful.

CODE: Allows a juvenile court to adjudicate a child in need of assistance when the child requires treatment to cure or alleviate a serious chemical dependency or mental or behavioral health disorder that compromises the child's safety or causes untoward aggressive behavior toward others in the household, and the child's parent, guardian, or custodian is unwilling or unable to provide such treatment successfully.

1 13 Sec. 2. Section 232.96A, subsections 11, 12, and 13, Code
 1 14 2024, are amended by striking the subsections.

CODE: Eliminates certain circumstances when a child may be adjudicated as a child in need of assistance.

1 15 Sec. 3. Section 234.38, Code 2024, is amended to read as
 1 16 follows:
 1 17 234.38 FOSTER CARE REIMBURSEMENT RATES.
 1 18 The department shall make reimbursement payments directly
 1 19 to foster parents for services provided to children pursuant
 1 20 to section 234.6, subsection 1, paragraph "e", subparagraph
 1 21 (2), or section 234.35. ~~In any fiscal year, the reimbursement~~
 1 22 ~~rate shall be based upon sixty-five percent of the United~~
 1 23 ~~States department of agriculture estimate of the cost to raise~~
 1 24 ~~a child in the calendar year immediately preceding the fiscal~~
 1 25 ~~year. The department may pay an additional stipend for a child~~
 1 26 ~~with special needs. The department shall review reimbursement~~
 1 27 payment rates paid to foster parents under this section no less
 1 28 than once every three years. The department shall adopt rules
 1 29 to implement this section.

CODE: Removes the requirement that certain reimbursements to foster parents must be based on 65.00% of the United States Department of Agriculture estimate of the cost to raise a child in the calendar year immediately preceding the fiscal year and removes the additional stipend for special needs children. Requires the Department of Health and Human Services (HHS) to review reimbursement payment rates paid to foster parents at least once every three years. Directs the HHS to adopt administrative rules to implement this Section.

1 30 Sec. 4. Section 234.39, subsection 2, Code 2024, is amended
 1 31 to read as follows:

1 32 2. a. A person entitled to periodic support payments
 1 33 pursuant to an order or judgment entered in any action for
 1 34 support, who also is or has a child receiving foster care
 1 35 services, is deemed to have assigned to the department
 2 1 current and accruing support payments attributable to the
 2 2 child effective as of the date the child enters foster care

CODE: States that Iowa Code section [234.39\(2\)](#) shall not apply when a child is placed with a relative or fictive kin who is not licensed under Iowa Code chapter [237](#) to provide child foster care.

2 3 placement, to the extent of expenditure of foster care funds.
 2 4 The department shall notify the clerk of the district court
 2 5 when a child entitled to support payments is receiving foster
 2 6 care services pursuant to chapter 234. Upon notification
 2 7 by the department that a child entitled to periodic support
 2 8 payments is receiving foster care services, the clerk of
 2 9 the district court shall make a notation of the automatic
 2 10 assignment in the judgment docket and lien index. The notation
 2 11 constitutes constructive notice of assignment. The clerk of
 2 12 court shall furnish the department with copies of all orders
 2 13 and decrees awarding support when the child is receiving
 2 14 foster care services. At the time the child ceases to receive
 2 15 foster care services, the assignment of support shall be
 2 16 automatically terminated. Unpaid support accrued under the
 2 17 assignment of support rights during the time that the child was
 2 18 in foster care remains due to the department up to the amount
 2 19 of unreimbursed foster care funds expended. The department
 2 20 shall notify the clerk of court of the automatic termination
 2 21 of the assignment. Unless otherwise specified in the support
 2 22 order, an equal and proportionate share of any child support
 2 23 awarded shall be presumed to be payable on behalf of each child
 2 24 subject to the order or judgment for purposes of an assignment
 2 25 under this section.

2 26 b. This subsection shall not apply when a child is placed
 2 27 with a relative or fictive kin as those terms are defined in
 2 28 section 232.2, who is not licensed under chapter 237 to provide
 2 29 child foster care.

2 30 Sec. 5. Section 600.8, subsection 3, Code 2024, is amended
 2 31 to read as follows:

2 32 3. a. The department, an agency, or a certified adoption
 2 33 investigator shall conduct all investigations and reports
 2 34 required under subsection 2.

2 35 b. The department shall pay the costs of the preplacement
 3 1 investigation and the postplacement investigation under
 3 2 subsection 2, up to a maximum of two thousand dollars for the
 3 3 preplacement investigation and up to a maximum of two thousand
 3 4 dollars for the postplacement investigation.

3 5 c. The department shall not pay the costs of the
 3 6 preplacement investigation or the postplacement investigation
 3 7 as required under paragraph "b" until a prospective adoption
 3 8 petitioner has been approved under subsection 1, paragraph "a",

CODE: Requires the HHS to reimburse an adoption petitioner for the costs of the preplacement and postplacement investigations related to the adoption up to a maximum amount of \$2,000 per investigation. The HHS is prohibited from making such reimbursements until the person performing the preplacement background check approves the adoption petitioner's initial required background checks.

DETAIL: The HHS currently reimburses the costs of preplacement and postplacement investigations for public adoptions, but not private adoptions. The HHS estimates that, in Iowa, there are approximately 725 private adoptions per year and 86 preplacement investigations that do not end in adoption.

FISCAL IMPACT: Preplacement and postplacement investigation

3 9 subparagraph (3), by the person making the investigation.

reimbursements for private adoptions are estimated to cost the State \$3,072,000 per year.

3 10 Sec. 6. 2023 Iowa Acts, chapter 112, section 7, subsection
3 11 7, is amended to read as follows:

Provides a \$3,000,000 FY 2024 supplemental appropriation for Child and Family Services from the federal Temporary Assistance for Needy Families Block Grant. The Bill also renames the appropriation Child Protective Services, and requires up to \$3,000,000 of the appropriation to be used for the kinship caregiver stipend program.

3 12 7. For child ~~and family~~ protective services:
3 13 \$ ~~32,380,654~~
3 14 35,380,654

3 15 Of the funds appropriated in this subsection, up to
3 16 \$3,000,000 shall be used for the kinship caregiver stipend
3 17 program.

3 18 Sec. 7. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
3 19 SUPERVISOR TO SOCIAL WORKER RATIO REDUCTION. There is
3 20 appropriated from the general fund of the state to the
3 21 department of health and human services for the fiscal year
3 22 beginning July 1, 2024, and ending June 30, 2025, the following
3 23 amount, or so much thereof as is necessary, to be used for the
3 24 purposes designated:

General Fund appropriation to the Department of Health and Human Services (HHS) for FY 2025 in the amount of \$2,623,748 to be used to lower the required ratio of supervisors to social workers from one supervisor for every six and one-half social workers to one supervisor for every five social workers. This appropriation does not revert at the close of the fiscal year.

3 25 To lower the required ratio of supervisors to social workers
3 26 from one supervisor for every six and one-half social workers
3 27 to one supervisor for every five social workers:
3 28 \$ 2,623,748

DETAIL: The HHS intends to use the appropriation to fund 25.00 new full-time equivalent (FTE) positions.

3 29 Notwithstanding section 8.33, moneys appropriated under this
3 30 section shall not revert at the close of the fiscal year, but
3 31 shall remain available for the purposes designated.

3 32 Sec. 8. DEPARTMENT OF HEALTH AND HUMAN SERVICES — FOSTER
3 33 FAMILY CARE PER DIEM RATE INCREASE. There is appropriated from
3 34 the general fund of the state to the department of health and
3 35 human services for the fiscal year beginning July 1, 2024, and
4 1 ending June 30, 2025, the following amount, or so much thereof
4 2 as is necessary, to be used for the purposes designated:

General Fund appropriation to the HHS for FY 2025 in the amount of \$617,530 to increase reimbursement rates paid to foster parents for foster care provided to a child, or when the State is otherwise obligated to pay for a child's foster care, 10.00% higher than the rates in effect for FY 2024. This appropriation does not revert at the close of the fiscal year.

4 3 To increase foster care reimbursement rates paid pursuant
4 4 to section 234.38, ten percent higher than the rates in effect
4 5 on June 30, 2024:
4 6 \$ 617,530

DETAIL: The HHS estimates a total cost of \$880,856 per year to increase foster care reimbursement rates. The State share is estimated to be \$617,530 and the federal share is estimated to be \$263,326.

4 7 Notwithstanding section 8.33, moneys appropriated under this
4 8 section shall not revert at the close of the fiscal year, but
4 9 shall remain available for the purposes designated.

| | |
|--|--|
| <p>4 10 Sec. 9. DEPARTMENT OF HEALTH AND HUMAN SERVICES — ADOPTION 4 11 SUBSIDY RATE INCREASE. The department of health and human 4 12 services shall amend its administrative rules pursuant to 4 13 chapter 17A to increase the adoption subsidy paid to persons 4 14 pursuant to section 600.17 ten percent higher than the rates 4 15 in effect on June 30, 2024, provided that the person qualified 4 16 for the payments by adopting a child on or after the effective 4 17 date of this Act.</p> | <p>Requires the HHS to amend its administrative rules to increase the adoption subsidy 10.00% higher than the rates in effect for FY 2024.</p> <p>DETAIL: There are approximately 950 children that move from foster care to the adoption subsidy each year, which is approximately 10.00% of the total adoption subsidy population. The total cost of the adoption subsidy increase will be realized in 2034.</p> <p>FISCAL IMPACT: Increasing adoption subsidy rates by 10.00% is estimated to cost \$663,814 in FY 2025 and \$1,327,629 in FY 2026. The State share will be \$296,463 in FY 2025 and \$592,926 in FY 2026. The federal share will be \$367,352 in FY 2025 and \$734,703 in FY 2026.</p> |
| <p>4 18 Sec. 10. DEPARTMENT OF HEALTH AND HUMAN SERVICES — LEGAL 4 19 REPRESENTATION FOR JUVENILE CASES INTERIM STUDY COMMITTEE. 4 20 1. The department of health and human services shall 4 21 establish a legal representation for juvenile cases interim 4 22 study committee for the 2024 interim to investigate, study, and 4 23 propose legislation relating to client-directed representation 4 24 for children in juvenile court cases. 4 25 2. The committee shall consist of the following voting 4 26 members: 4 27 a. Two members of the house of representatives, one 4 28 of whom shall be appointed by the speaker of the house of 4 29 representatives and one of whom shall be appointed by the 4 30 minority leader of the house of representatives. 4 31 b. Two members of the senate, one of whom shall be appointed 4 32 by the majority leader of the senate and one of whom shall be 4 33 appointed by the minority leader of the senate. 4 34 3. The committee shall also following ex officio, nonvoting 4 35 members: 5 1 a. The state public defender. 5 2 b. A person who works for an organization providing advocacy 5 3 for kids, appointed by the governor. 5 4 c. A juvenile court judge, appointed by the judicial branch. 5 5 d. A county attorney working in juvenile courts, appointed 5 6 by the Iowa county attorneys association. 5 7 4. The committee shall submit a report to the general 5 8 assembly by January 10, 2025.</p> | <p>Requires the HHS to establish a Legal Representation for Juvenile Cases Interim Study Committee for the 2024 Legislative Interim to investigate, study, and propose legislation relating to client-directed representation for children in juvenile court cases. The Committee shall submit a report to the General Assembly by January 10, 2025.</p> <p>DETAIL: According to the HHS, costs associated with the Committee can be absorbed by existing staff and funds.</p> |
| <p>5 9 Sec. 11. EFFECTIVE DATE. The section of this Act amending</p> | <p>Provides that Section 6 of the Bill is effective upon enactment.</p> |

5 10 2023 Iowa Acts, chapter 112, section 7, subsection 7, being
5 11 deemed of immediate importance, takes effect upon enactment.

Health and Human Services

General Fund

| | Actual FY 2023 (1) | Estimated FY 2024 (2) | House Approp FY 2025 (4) |
|---|--------------------------|-----------------------------|--------------------------------|
| <u>Health and Human Services, Department of</u> | | | |
| HHS - Human Services | | | |
| Supervisor Ratio Reduction | \$ 0 | \$ 0 | \$ 2,623,748 |
| Foster Care Per Diem Rate Increase | 0 | 0 | 617,530 |
| Total Health and Human Services, Department of | \$ 0 | \$ 0 | \$ 3,241,278 |
| Total Health and Human Services | \$ 0 | \$ 0 | \$ 3,241,278 |

Health and Human Services

Other Funds

| | Actual FY 2023 (1) | Estimated FY 2024 (2) | Supp-House Appr FY 2024 (3) | Estimated Net FY 2024 (4) |
|---|--------------------------|-----------------------------|-----------------------------------|---------------------------------|
| <u>Health and Human Services, Department of</u> | | | | |
| HHS - Human Services | | | | |
| Child & Family Services - TANF | \$ 31,192,889 | \$ 32,501,575 | \$ 0 | \$ 32,501,575 |
| Child & Family Serv. (Supplemental) - TANF | 0 | 0 | 3,000,000 | 3,000,000 |
| Total Health and Human Services, Department of | \$ 31,192,889 | \$ 32,501,575 | \$ 3,000,000 | \$ 35,501,575 |
| Total Health and Human Services | \$ 31,192,889 | \$ 32,501,575 | \$ 3,000,000 | \$ 35,501,575 |