

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0134-01
Bill No.: SB 139
Subject: Children and Minors; Elderly; Family Services Division; Social Services
 Department
Type: Original
Date: January 21, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
	(\$4,372,653)	(\$5,632,973)	(\$6,081,419)
Total Estimated Net Effect on General Revenue Fund	(\$4,372,653)	(\$5,632,973)	(\$6,081,419)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Division of Family Services (DFS) state as a result of this proposal, the Grandparents as Foster Parent (GAFP) program would no longer be subject to appropriation, but would become an entitlement program. Total Costs associated with this proposal would come from General Revenue, as all TANF funds are obligated.

DFS states the proposed legislation would return GAFP benefits to the increased amounts paid before the changes in SB 236 (2001 session). By removing the percentage of poverty level requirement, a grandparent's income would not be taken into consideration in determining eligibility.

DFS states August, 2001 was the last month of benefits paid before the reduction in the number of eligible children due to SB 236. The children receiving GAFP in August, 2001 totaled 2,938. 41 children returned to the Children's Services programs. DFS anticipates they will remain in the Foster Care and Subsidized Guardianship programs.

DFS projects that the number of children would have continued to grow, less the 41 children that moved to Children's Services programs. Projections are based on a continual growth in the

number of children that would have been eligible under the regulations in effect in August, 2001, ASSUMPTION (continued)

less the 41 children that went into a program administered by Children's Services. (2,938 children as of 08/01/01 - 41 children moving to Children's Services = 2,897 children).

The child growth rate had been declining at a rate of 0.1% per month prior to implementation of SB 236 (2001). The growth rate at the time of the change was at 1.7% in August, 2001. DFS anticipates that the growth rate would have continued to decline at a rate of 0.1% each month until it stabilized at 0.5% in August 2002.

As of September, 2003, the average cost per child would be \$297.77, based on the average cost per child in the twelve months prior to the reduction in benefits as a result of SB 2. The cost includes the monthly grant, support services and child care. The cost would not be expected to change through FY 2006.

Officials computed monthly costs by multiplying the projected number of children by the average cost per child. Increased costs would be the difference between projected monthly costs before and after the proposal.

There would be savings to TANF because some children (414) moved to TANF aid after the implementation of SB 236.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
GENERAL REVENUE FUND			
<u>Savings - TANF</u>	\$484,380	\$581,256	\$581,256
<u>Cost - Increased GAFP Payments</u>	<u>(\$4,857,033)</u>	<u>(\$6,214,229)</u>	<u>(\$6,662,675)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$4,372,653)</u>	<u>(\$5,632,973)</u>	<u>(\$6,081,419)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal modifies the Grandparents as Foster Parents Program. This proposal returns the Program to that which was passed in SB 837 in 1999.

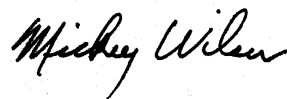
Section 453.325, RSMo, requires the Division of Family Services to establish the "Grandparents as Foster Parents" Program. A grandparent, who is age 50 or older, may participate if he or she is the legal guardian of a grandchild and if he or she participates in the training available through the Division. If all of the requirements are satisfied, the Program will provide the following benefits: Reimbursement based on the current foster care payment schedule; Foster parent training, parenting skills training, childhood immunizations, and other similar health screens; Continuing counseling for the child and the grandparent; Support services, including respite care, child care, and transportation assistance; Medicaid services to the child; and Ancillary services, such as child care, respite care, transportation assistance, clothing allowances, but not direct financial payments to the participants.

Grandparents who are either under 50 years of age or who choose not to participate in the training for the Program may apply to the Division of Family Services for foster care reimbursement and assistance.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services



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