OFFICE OF FISCAL ANALYSIS

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sSB-1311
AN ACT CONCERNING THE RECOMMENDATIONS OF THE DEPARTMENT OF CHILDREN AND FAMILIES.
As Amended by Senate "A" (LCO 7744)
Senate Calendar No.: 100

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 $	FY 27 $
Children & Families, Dept.	GF - Cost	See Below	See Below
Children & Families, Dept.	GF - Revenue Gain	250,000	250,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill makes various changes to statutes concerning the Department of Children and Families (DCF), which have fiscal impacts as described below.

Section 1 clarifies the mandatory protocols to be followed when a child is placed by DCF in the home of a relative or fictive kin caregiver, when such home is not actively licensed by DCF nor approved by a licensed child placing agency. The proposed statutory revisions are necessary to ensure DCF's ongoing access to the Federal Bureau of Investigations' (FBI) criminal history data. These revisions are consistent with current practice and result in no fiscal impact to DCF or the Department of Emergency Services and Public Protection.

Section 2 results in an annual General Fund revenue gain from federal funding of approximately $250,000 beginning in FY 26. The section establishes a process whereby the juvenile court may determine

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that reentry to DCF's Services Post Majority (SPM) program is in the best interest of a youth who declined to voluntarily remain under the DCF commissioner's care upon their 18th birthday and now wishes to reenter care. The court decree will allow for federal Title IV-E reimbursement to be claimed against the cost of services provided to eligible youth.

The annual revenue gain estimate is based on FY 24 data, which reflects aggregate claimable Title IV-E costs for 37 youth that reentered care of $1.8 million, a Title IV-E eligibility rate[1] of 28.7% and federal financial participation (ffp) at 50%.

The court system disposes of over 250,000 cases annually and the number of cases is not anticipated to be great enough to need additional resources.

Section 3 results in no fiscal impact from expanding access to DCF records to: (1) allow the Department of Developmental Services to investigate a report of alleged abuse or neglect of a person with intellectual disability; and (2) allow the Office of Policy and Management to conduct a labor relations investigation on behalf of DCF.

Section 4 will lead to a DCF workload decrease from no longer having to process a request to waive licensure standards from a child-care facility seeking to serve a person over age 21, who requires special education, until the end of the school year during which such person reaches age 22. On average, the department processes slightly over 100 such waiver requests annually. The workload decrease will not be sufficient to result in savings.

Section 5 requires DCF to develop a foster parent bill of rights, in consultation with caregivers, and incorporate the same within the agency's policy. Fiscal impacts, if any, resulting from practice changes

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[1] States can claim reimbursement only for title IV-E eligible children, i.e., children whose biological families would have qualified for the AFDC program under 1996 income standards, not adjusted for inflation.

that might ensue cannot be determined in advance as the bill does not define the specific rights to be afforded to foster parents.

Section 6 enacts the revised Interstate Compact on the Placement of Children (ICPC), effective upon its enactment by 35 states. If the revised ICPC is enacted by the required states, a minimal annual cost and potentially additional fiscal impacts will result. Current statute enacting the predecessor ICPC, of which Connecticut is a member, would be repealed upon the same effective date. The final revised ICPC was issued in 2009. To date, it has been adopted by 18 states.

The revised ICPC would create an Interstate Commission for the Placement of Children. The Commission would be empowered to levy and collect an annual assessment from each member state to cover the cost of its operations and activities, in an amount sufficient to cover an approved annual budget. The assessment shall be calculated in accordance with a formula to be determined by the Commission. Member states (through their voting representative) would approve actual annual budgets and the assessment methodology.

An interim budget projection[2] was shared for planning purposes when the revised ICPC was issued. A first-year cost of approximately $500,000 was estimated, resulting in a per state cost of $9,000 - $14,000, assuming participation by a minimum of 35 and a maximum of 54 jurisdictions. Using this budget projection as a basis, the aggregate cost would approximate $750,000 in 2025, resulting in a per state cost of $14,000 - $21,500, after adjusting for inflation.

Other fiscal provisions set forth in the revised Compact include: (1) a defaulting member state, by majority vote of member states, could be subject to injunctive relief and damages; (2) if a state is not the prevailing party to a judicial enforcement under the Compact, it would be liable for costs of litigation, including reasonable attorney's fees; and (3) the Interstate Commission would be authorized to promulgate an emergency rule, upon determination by the majority of member states,

[2] *https://aphsa.org/wp-content/uploads/2024/09/FISCAL-NOTE.pdf*

to protect covered children from imminent threat, or if required to prevent loss of federal or state funds.

The revised Compact requires the establishment of a central state compact office. This is not anticipated to result in a fiscal impact. DCF currently operates an ICPC Office within its Office of Foster Care and Adoption Services. Similarly, it is anticipated that an advisory council/board to coordinate the different branches of state government involved with the ICPC could be accommodated within the routinely budgeted resources of DCF and the Judicial Department. Other practice changes that would result from adoption of the revised Compact are not anticipated to substantively impact the budgets or operations of the involved agencies.

Senate "A" modified the underlying bill by extending the time period in which a youth may seek reentry into DCF care and expediting the filing of a motion for court review. This potentially increases the revenue gain associated with the underlying bill to the extent that additional cases are deemed eligible for federal reimbursement and/or the court determination needed to claim such reimbursement is made at an earlier date.

The Out Years

Section 2: The annualized ongoing fiscal impact identified above would continue into the future subject to inflation. Additionally, Title IV-E eligibility rates would be expected to decline gradually as incomes rise.

Section 6: As discussed above, impacts would first be experienced following the enactment of the revised ICPC by the requisite minimum 35 states. Future assessments paid by the state would depend upon the approved budgets of the Interstate Commission in respective fiscal years.

Sources: *American Public Human Services Association - Association of Administrators of the ICPC*
Bureau of Labor Statistics - CPI for All Urban Consumers