

STORAGE NAME: h2233.cf

DATE: April 11, 2000

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
CHILDREN & FAMILIES
ANALYSIS**

BILL #: HB 2233

RELATING TO: Relative Caregiving

SPONSOR(S): Representatives Wilson, Bradley and others

TIED BILL(S): SB 1838 (S), HB 2305 (C)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) CHILDREN & FAMILIES
 - (2) FAMILY LAW & CHILDREN
 - (3) EDUCATION APPROPRIATIONS
 - (4)
 - (5)
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I. SUMMARY:

House Bill 2233 amends s. 39.5085, F.S., relating to the Relative Caregiver Program, to expand financial assistance and support services to relatives who are caring for children who are siblings of children placed with them as a result of a court order by any court of competent jurisdiction, including family and probate court.

The bill requires entitlement to benefits under the program to be the date of authorization of payment, or the 30th day after submission of an application, whichever is first. It provides the child is eligible for retroactive benefits if the application is not acted on within 30 days.

The bill provides for transfer of Temporary Assistance to Needy Families, TANF, funds to the Title XX Social Service Block Grant to fund the Relative Caregiver Program.

The bill amends s. 239.117, F.S., relating to workforce development, postsecondary student fees, to extend exemption from tuition and fees to siblings cared for by relatives under the expanded provisions of this bill.

The Department of Children and Family Services estimates a significant fiscal impact from this bill from the expansion of eligible children, including increased cash assistance and workload for eligibility determination, and other costs. The department estimates \$433,870,740 first year recurring costs, including \$361,729,001 for cash assistance and \$50,568,529 for salaries. There would be an additional \$18,905,191 non-recurring, first year start-up effects, for office furniture, computers, etc. The department estimates second year recurring costs for cash assistance and employees would be \$756,806,210.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|---|--|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

This bill significantly expands the existing Relative Caregivers Program of the Department of Children and Families by broadly expanding the children eligible for cash assistance from 11,123 under current statute, to potentially 219,876, in FY 2000-2001. The department estimates 2,087 additional staff would be needed to determine eligibility and administer the program.

B. PRESENT SITUATION:

Section 39.5085, F.S., offers cash and medical assistance for a child placed with a relative, within a fifth degree of relationship, by the dependency court pursuant to Chapter 39. Cash assistance is offered to a relative who could not otherwise afford to take the child into their home, thereby avoiding having to place the child in a shelter or foster home. There are certain requirements for qualifying for the benefits. An approved home study and a finding of abuse or neglect by the court are needed, as well as other eligibility factors consistent with the Temporary Cash Assistance Program, TANF, under the WAGES Act. A child who receives Supplemental Security Income (SSI) is not eligible for the cash or medical assistance offered under the Relative Caregiver Program.

Currently, a sibling to a child in a relative placement, who is not related to the caregiver, is placed in the same home, whenever possible, in order to maintain the sibling relationship.

Temporary Assistance for Needy Families (TANF) block grant funds are authorized for use for the financial assistance payment provided under the Relative Caregiver Program. Children eligible under the Relative Caregiver Program must meet the same eligibility criteria as a child receiving temporary cash assistance under the WAGES Act. The date of entitlement for the financial assistance is the date of the authorization or 30 days from the receipt of a signed and dated application form, whichever is earlier. Eligibility focuses on the income and assets of the child only, in addition to a finding of abuse, neglect or abandonment and court ordered custody to a relative. Other, technical requirements for the child only include furnishing a social security number, age, citizenship or qualified non-citizen, Florida residency, specified degree of relationship, cooperation with child support enforcement, school attendance, and immunizations. The child's eligibility for benefits is currently re-determined annually.

Currently, a student who is in long-term foster care or who is adopted from the Department after May 5, 1997 and qualifies for a post secondary education is exempted from payment

of certain undergraduate fees when attending a state university or vocational-preparatory school.

C. EFFECT OF PROPOSED CHANGES:

The purpose of the bill is to expand coverage of the Relative Caregiver Program to provide cash assistance to relatives to care for a child and the child's siblings whom they may not be related to, thereby keep the sibling group together and avoiding placement in a shelter or licensed foster home.

D. SECTION-BY-SECTION ANALYSIS:

Section 1. Amends paragraph (c) of subsection (1) and subsection (2) of section 39.5085, Florida Statutes, related to the Relative Caregiver Program.

The bill broadens the population of potentially eligible children to include unrelated siblings and children who have not been adjudicated dependent under ch. 39, F.S., such as private guardianship cases under ch. 744, F.S., kinship care cases under ch. 751, F.S. and other state courts. It provides cash and medical assistance under the Relative Caregiver Program for a child who is placed into long-term relative custody, guardianship, or relative adoption by a court of competent jurisdiction.

The bill creates s. 39.5085(2)(f) & (h), F.S., that de-link the financial assistance under the Relative Caregiver Program from ch. 414, F.S., Family Self-Sufficiency (WAGES Act). The de-linking of eligibility from the WAGES Act removes many of the eligibility requirements related to a child's well-being, such as school attendance and up-to-date immunizations. The new language defines the date of entitlement for financial benefits under the Relative Caregiver Program and requires the department to make retroactive payment to the date of entitlement if the signed and dated application is not acted upon by the 30th day.

The bill allows the department to transfer additional TANF dollars to the Social Services Block Grant (SSBG).

The proposed language also prescribes that a child's eligibility for benefits under the Relative Caregiver Program must be re-determined annually. This is consistent with current departmental policy.

Section 2. Amends paragraph (c) of subsection (4) of section 239.117, F.S., relating to workforce development postsecondary student fees.

The bill expands the waiver of post-secondary tuition and fees to include a student living with a relative caregiver who is receiving a relative caregiver payment.

Section 3. Establishes that the department shall establish a pilot-project with a privatized, community-based organization for the operation of the Relative Caregiver Program in one urban district. The pilot would consist of conducting home studies, determining eligibility, and the processing of payments.

Section 4. Establishes that the act take effect July 1, 2000.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

N/A

2. Expenditures:

The Department of Children and Family Services estimates a significant fiscal impact from this bill from the expansion of eligible children, including increased cash assistance and workload for eligibility determination, and other costs. The department estimates \$433,870,740 first year recurring costs, including \$361,729,001 for cash assistance and \$50,568,529 for salaries. There would be an additional \$18,905,191 non-recurring, first year start-up effects, for office furniture, computers, etc. The department estimates second year recurring costs for cash assistance and employees would be \$756,806,210.

The department estimates that under the current Relative Caregiver program 11,123 children will receive an average of \$230 per month of financial assistance in FY 2000-2001. Under the provisions of this bill, the department estimates potentially 219,876 additional children would be eligible for assistance, that would total \$361,729,001 in the first year.

To handle the increased workload, the department estimates an additional 2,087 FTE employees are needed, including public assistance specialists, supervisors and support staff. This estimate is based on a ratio of one senior public assistance specialist to 125 children plus supervisors and support. Salaries and benefits for FY 2000-2001 are estimated to be \$50,568,529. There are additional costs for office rental, furniture, computer workstations, printers, and ongoing communication costs.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

N/A

2. Expenditures:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

N/A

D. FISCAL COMMENTS:

The bill broadens the population of potentially eligible children to include unrelated siblings and children who have not been adjudicated dependent under ch. 39, F.S., such as private guardianship cases under ch. 744, F.S., kinship care cases under ch. 751, F.S., and other state courts. According to the department, this would have a significant fiscal impact, which would require new funding for both the financial assistance and the staff needed to determine and re-determine eligibility. According to the department, TANF funds can not be used to provide cash and medical assistance for unrelated siblings as a specified degree of relationship is a federal requirement for monthly cash assistance. Other funding sources would have to be considered for the unrelated siblings.

According to the department the de-linking of financial assistance under the Relative Caregiver Program from ch. 414, F.S., Family Self-Sufficiency (WAGES Act) removes many of the eligibility requirements, including requirement of a relative to cooperate with child support enforcement, that would relieve the parent(s) of financial responsibility toward their child.

Federal law prohibits the transfer of TANF to the Social Services Block Grant provided for in the bill except as provided in federal law. For federal fiscal year 2000, the maximum that can be transferred cannot exceed 10% of the TANF award. The maximum transfer is reduced beginning October 1, 2000 to 4.25%. According to the department, the state is currently transferring the maximum amount allowed for the state fiscal year 1999-2000. No additional transfers could be made pursuant to this provision. In addition, the purpose of Title XX Social Services Block Grant (SSBG) is for services to families such as child care, transportation, counseling, etc., specifically designed to meet the special needs of children. Federal law prohibits the use of SSBG funds for cash assistance.

There is an undetermined fiscal impact of waiver of tuition and fees on the state's university and community college system.

According to the department the pilot project appears to be based on the TANF funds being transferred to the Social Services Block Grant. Federal and state authority for a non-department entity to establish and conduct Title IV-A and Title XIX eligibility may be necessary. According to the department the fiscal impact cannot be determined because of the unknown factors such as the pilot site and caseload size.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

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C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON CHILDREN & FAMILIES:

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