SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 1606

SPONSOR: Senator Mitchell

SUBJECT: Foster Family Incentives

DATE: March 21, 2001 REVISED: ______ ______ ______ ______

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Whiddon	Whiddon	CF	Favorable
2.			GO	
3.			AHS	
4.			AP	
5.				
6.				

I. Summary:

SB 1606 provides the following:

- For the establishment of a foster parent mentoring program within resources specifically appropriated for that purpose;
- For $500 to be paid annually into a tax-sheltered retirement account for certain foster parents who have been in the state's child protection system for a minimum of 1 year;
- For an additional $500 to be paid annually for foster parents who become mentors; and
- For $500 to be paid annually into a master trust for foster children who are at least 13 years of age and have been in foster care at least 6 months payable when the child reaches the age of majority or leaves foster care, whichever is later.

This bill substantially amends section 409.1753 of the Florida Statutes:

II. Present Situation:

Foster Parents

Foster care is one of the critical pieces of the child protection system that is designed to identify and protect children who are abused, neglected or abandoned and to move these children to permanency. Foster parents are the backbone of the system, and while being a foster parent can be a rewarding experience, it is also an increasingly difficult one.

- The number of children in foster care increased by 28.8 percent between June 1996 and June 2000 while the number of family foster homes remained fairly static.

- According to the Child Welfare League of America, children in foster care are three to six times more likely than other children to have emotional, behavioral and developmental problems including conduct disorders, depression, difficulties in school and impaired social relationships.
- Although the 2000 Legislature approved a 5 percent increase in foster home board rates, the reimbursement rate is below the actual cost of caring for a child, according to statistics compiled by the U.S. Department of Agriculture. Foster parents often make up the difference out of their own pockets.
- Foster parents often report that they receive sporadic and inadequate support from case workers assigned to the children in their care.

The Department of Children and Family Services and private lead agencies invest a great deal of time and other resources in the recruitment, training and licensure of foster parents and foster homes, an investment that is lost when a foster parent leaves the system. National research indicates that the initial period of foster parenting is often the most difficult resulting in as many as 40 percent of foster parents quitting by the end of their first year.

In an effort to help with the retention of foster parents, the 2000 Legislature provided $4,226,100 to the department to establish a foster parent mentoring and recruitment program. The mentoring program, currently in early stages of implementation, will provide additional training and stipends to experienced foster parents who will provide support for new and inexperienced foster parents. Although the appropriated funds enabled the department to establish the mentoring program, it has not been authorized in statute.

Foster Children

The number of adolescents in foster care has increased over the past several years. Adolescents comprise approximately one-third of the foster care population, and each year, several hundred youth "age out" of the foster care program having grown up in care. Being in foster care is unsettling for a child of any age but presents particular challenges for adolescents which are only partially addressed through the foster care system:

- Florida law provides a continuum of independent living services to assist adolescents in foster care in the development of skills that will contribute to a successful transition to adulthood (s. 409.165, F.S.).
- Florida law also provides that foster children are exempt from college and vocational student fees (ss. 239.117, 240.35, and 240.235).
- The recently adopted federal Foster Care Independence Act provides funds to states to assist adolescents to make the transition from foster care to independent living. Although this legislation is expected to make a contribution to the ability of foster children to become successful adults, Florida has only just received authorization to begin to implement its provisions.

In spite of these efforts, foster children find the transition to adulthood to be difficult and lonely. Florida has not conducted a study on children after leaving foster care. However, a 2-year University of Wisconsin-Madison study of these young people found that:

- 37 percent had not completed high school.
- 66 percent did not have a drivers license.
- 12 percent reported being homeless.
- 32 percent received some kind of public assistance.
- 51 percent had no insurance coverage.

III. Effect of Proposed Changes:

SB 1606 provides statutory authority for the department to establish a foster parent mentoring program within resources specifically appropriated for that purpose. Intended to enhance foster parent recruitment and retention, the program will match specially trained, experienced foster parents with new and inexperienced foster parents for the purpose of providing guidance and support. The department is directed to adopt by rule selection criteria, compensation guidelines, competency-based training for mentors and a standardized method for evaluation.

The legislation also provides:

- For $500 to be paid annually into a tax-sheltered retirement account for foster parents who have been in the state's child protection system for a minimum of 1 year, are not licensed to care for any particular child and have cared for at least 1 child during each year a payment is made;
- For an additional $500 to be paid annually for foster parents who participate in the foster parent mentor program; and
- For $500 to be paid annually into a master trust for each foster child who is 13 years of age or older and has been in foster care or residential group care for at least 6 months. The funds are payable to the child upon reaching the age of majority or termination from foster care, whichever is later.

The department is directed to apply for any federal or other grants that could expand the pool of monetary resources for the benefits program.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Foster parents who meet the eligibility criteria for the benefits provided in this legislation would receive those accumulated financial benefits at retirement. Upon leaving foster care, eligible foster children would receive a "nest egg" which would vary in amount depending on how long the individual had been in the system.

C. Government Sector Impact:

The mentor program, established in the legislation within a specific appropriation, was funded by the 2000 Legislature. This bill would create no additional fiscal impact for the mentor program.

The benefits created for foster parents and foster children would have an estimated annual fiscal impact of $4,501,000 if implemented fully, which breaks down as follows:

- For foster parents with at least 1year service: $1,620,500 ($500 multiplied by 3,241 parents).
- For foster parents serving as mentors: $400,000 ($500 multiplied by 800 mentors).
- For eligible foster children: $1,620,500 ($500 multiplied by 4,961 children).

The benefit for mentors would not likely be fully obligated for some time as the mentor program is at an early stage of implementation.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.