

Fiscal Note

BILL # SB 1325

TITLE: independent living program; stipend

SPONSOR: Shope

STATUS: Senate Engrossed

PREPARED BY: Alexis Sammon

Description

SB 1325 sets the minimum rate for children placed in the Independent Living program at the Department of Child Safety (DCS) at no less than \$1,200 per month. This would replace the current monthly cap which is equal to the average monthly cost of purchased services for the child in the 3 months immediately preceding placement in the Independent Living program.

Estimated Impact

The JLBC Staff estimates that SB 1325 will cost an additional \$2.6 million annually in General Fund monies starting in FY 2023.

Analysis

The Independent Living program provides a subsidy to foster youth aged 17-20 who have aged out, or are likely to age out, of the foster care system. DCS reports that 768 youth are currently being served by the Independent Living program. Currently, youth in the program receive a subsidy of \$715 per month when they join, and the amount decreases every 6 months to a minimum of \$365 per month as they approach age 21. For the current subsidy structure, the department reports an average monthly cost of \$649.42 per child for a total annual cost of \$5.98 million.

SB 1325 would increase the minimum Independent Living subsidy to \$1,200 per month.

DCS data show average annual caseload growth of 3.4% from FY 2015-FY 2021. Assuming this continues through FY 2023, an average of 794 youth would be served in FY 2023 for an annual cost of \$11.4 million. This is an increase of \$5.4 million over the current expenditure level.

The state has federal matching funds available for qualifying youth in the program, which would lower the overall cost to the state General Fund. Assuming current federal matching rates and eligibility for the matching funds, DCS will draw down \$2.8 million in matching Federal Funds, resulting in an increase of \$2.6 million from the General Fund annually starting in FY 2023.

Analysis for a prior version of the bill used an eligibility rate of 44% to determine the availability of federal matching funds. Updated data from DCS suggests that the rate is 74% and that higher rate is reflected above.

Local Government Impact

None

3/11/22

