



Colorado Legislative Council Staff Fiscal Note
LOCAL
FISCAL IMPACT

Drafting Number: LLS 12-0504
Prime Sponsor(s): Rep. Kefalas
 Sen. Newell

Date: January 20, 2012
Bill Status: House Health and Environment
Fiscal Analyst: Bill Zepernick (303-866-4777)

TITLE: CONCERNING THE WAIVER OF NON-SAFETY LICENSING STANDARDS FOR KINSHIP FOSTER CARE.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures		
FTE Position Change		
Effective Date: August 7, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2012-2013: None required.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

The bill allows county directors of social services to waive certain non-safety licensing standards for kinship foster care. Kinship foster care is foster care provided by family members or other close relations of children who are removed from their homes.

Waiver requests must be submitted in writing to the county director and not compromise the safety and well-being of the child or children in care. When approving such a waiver, the county director may limit or restrict the license issued to the kinship foster care home. The State Board of Human Services is required to promulgate rules on the types of non-safety licensing standards that may be waived and circumstances when waivers do not apply, as well as the definition of "kinship foster care."

Current law allows the state Department of Human Services (DHS) to waive certain licensing standards for kinship foster care homes. However, in recent years this authority has seldom been used (9 waivers granted in 2009), as children who are removed from their homes often require immediate placement and there is not time to seek a waiver prior to placing a child. This bill shifts this waiver authority to the counties.

State Revenue and Expenditures

The bill is not expected to impact state revenue or expenditures for any state agency. The DHS can accomplish the required rulemaking within existing appropriations.

Local Government Impact

Allowing counties to grant waivers of non-safety licensing standards increases county flexibility in approving kinship foster care homes. The granting of waivers is optional and at the discretion of the counties. Currently, about 75 percent of children placed in kinship foster homes are in unlicensed homes, which are not eligible for foster parent reimbursement and payments using federal IV-E funding. Some counties have used county funds and county TANF block grant funding to provide support to unlicensed kinship foster care homes and to the extent that more homes are licensed under the waiver, this bill could allow for increased federal reimbursement and limit the need for counties to use other funds to support kinship foster care homes.

Departments Contacted

Human Services Judicial Law Counties