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Revised Fiscal Note

(replaces fiscal note dated March 11, 2021)

Drafting Number: LLS 21-0645 **Date:** April 14, 2021
Prime Sponsors: Rep. Daugherty; Van Beber **Bill Status:** House Appropriations
 Sen. Zenzinger; Rankin **Fiscal Analyst:** Will Clark | 303-866-4720
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Bill Topic: FOSTER YOUTH IN TRANSITION PROGRAM

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill establishes two programs — the Foster Youth in Transition Program and the Foster Youth Successful Transition to Adulthood Grant Program — in the Department of Human Services. The bill increases state and local expenditures on an ongoing basis.

Appropriation Summary: For FY 2021-22, the bill requires an appropriation of \$940,430 to multiple state agencies.

Fiscal Note Status: This revised fiscal note reflects the introduced bill, as amended by the House Public and Behavioral Health and Human Services Committee.

Table 1
State Fiscal Impacts Under HB 21-1094

		Budget Year FY 2021-22	Out Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-	-
Expenditures	General Fund	\$460,889	\$1,163,595	\$1,585,254
	Cash Funds ¹	\$102,125	\$102,125	\$102,125
	Federal Funds	\$377,416	\$377,416	\$377,416
	Centrally Appropriated	\$8,337	\$8,641	\$8,641
	Total	\$948,767	\$1,651,777	\$2,073,436
	Total FTE	0.5 FTE	0.5 FTE	0.5 FTE
Transfers		-	-	-
TABOR Refund		-	-	-

¹ Cash funds represent local matching funds

Summary of Legislation

This bill establishes two new programs in the Department of Human Services (DHS) to serve older foster youth: the Foster Youth in Transition Program and the Foster Youth Successful Transition to Adulthood Grant Program. These programs are described in more detail below.

Foster Youth in Transition Program. The bill requires county departments of human or social services to provide extended foster care services to eligible youth ages 18 to 21 on a voluntary basis. The bill establishes eligibility and enrollment criteria for the program, as well as the process to bring program participants under the jurisdiction of the juvenile court. The DHS is responsible for supervising the programs and establishing rules for the new transition program.

The bill specifies the services and supports that counties must provide to eligible foster youth in their transition to adulthood, including assistance related to:

- Medicaid enrollment;
- housing;
- case management;
- employment; education;
- acquisition of driver's licenses and identification documents;
- acquisition of health and education records;
- record expungement;
- maintaining supportive relationships;
- locating relatives; and,
- referral for publicly provided counsel.

Many of these services are already provided by counties to youth currently enrolled in foster care. However, this bill will allow youth who left foster care during the Covid-19 pandemic to re-enter foster care, as required by federal Supporting Foster Youth and Families through the Pandemic Act enacted in December 2020.

Participating youth who apply for publicly provided counsel to represent them as allowed by the program will be assigned an attorney by the Office of the Child's Representative (OCR) or by the juvenile court from a list of attorneys approved by the OCR.

Youth Successful Transition to Adulthood Grant Program. In addition, the bill establishes the Youth Successful Transition to Adulthood Grant Program (grant program) and an associated advisory board to serve youth age 18 to 23 who are making the transition to independence and adulthood. Services are to be provided throughout the state by county departments and other entities that are awarded program grants. The bill also creates the Colorado Foster Youth Successful Transition to Adulthood Grant Program Fund to pay for related services, which will consist of any money appropriated to the fund by the General Assembly. The bill allows DHS to use money awarded through the Federal Social Security Act for the purposes of the grant program.

State Expenditures

This bill increases expenditures by \$948,767 and 0.5 FTE in FY 2021-22, \$1,651,777 and 0.5 FTE in FY 2022-23 and \$2,073,436 and 0.5 FTE in FY 2023-24 and future years in DHS and the OCR. It will also increase workload in the Judicial Department. These impacts are summarized in Table 2 and described below.

**Table 2
 Expenditures Under HB 21-1094**

Cost Components	FY 2021-22	FY 2022-23	FY 2023-24
Department of Human Services			
Foster Youth in Transition Program	\$888,038	\$888,038	\$888,038
Youth Transition Services Grant Program	-	\$712,950	\$1,134,609
DHS Subtotal	\$888,038	\$1,600,988	\$2,022,647
Office of the Child's Representative			
Personal Services	\$38,017	\$41,473	\$41,473
Operating Expenses	\$675	\$675	\$675
Capital Outlay Costs	\$6,200	-	-
Computer Programming	\$7,500	-	-
Centrally Appropriated Costs ¹	\$8,337	\$8,641	\$8,641
FTE – Personal Services	0.5 FTE	0.5 FTE	0.5 FTE
OCR Subtotal	\$60,729	\$50,789	\$50,789
Total	\$948,767	\$1,651,777	\$2,073,436
Total FTE	0.5 FTE	0.5 FTE	0.5 FTE

¹Centrally appropriated costs are not included in the bill's appropriation.

Department of Human Services. Expenditures in the DHS are for the Foster Youth in Transition Program beginning in FY 2021-22 and the grant program beginning in FY 2022-23, as described below.

Foster Youth in Transition Program. Services for youth who reenter foster care are estimated to cost \$888,038 per year. This fiscal note assumes per-participant costs for the Foster Youth in Transition Program are \$15,311 and that 58 additional youth statewide will be served by the program each year. Program participants are assumed to be youth that left foster care during the Covid-19 pandemic and will be allowed to return to foster care as a result of this bill. Average participant costs are based on an assumption of \$8,525 for housing, \$4,786 for county staff time and \$2,000 for additional core services. Funding for the program is assumed to include \$408,498 from the General Fund, \$102,125 from local matching funds and \$377,416 from federal funds.

Grant program. This fiscal note assumes that per-participant costs for the grant program are \$2,037 and that 350 youth will be served by the grant program starting in FY 2022-23, and 557 youth will be served in the out years. Costs for the program will be paid from the General Fund, with actual grant distribution determined by the DHS. The DHS will also support the advisory board established in the bill to make recommendations on the grant program.

Office of the Child’s Representative. Starting in FY 2021-22, General Fund expenditures will increase for the OCR by \$60,729 and 0.5 FTE in FY 2021 and \$50,789 and 0.5 FTE in FY 2022-23 and future years, as described below.

Assignment of counsel. OCR will require a new process for appointing counsel from their office to participants of the Foster Youth in Transition program. This will require a one-time cost of \$7,500 to make changes to CARES, their online case management system, as well as 0.5 FTE to manage and coordinate the new process.

Caseload increase. OCR could see an increased caseload of up to 58 new cases per year, which will increase costs for contract guardians ad litem. The OCR will also be required to update its rules and procedures concerning appointments in voluntary foster care cases. Additionally, the OCR will need to provide training to all guardians ad litem, which can be addressed within current appropriations. If caseload and costs are higher than discussed in this fiscal note, it is assumed that additional funding, if needed, will be addressed through the annual budget process.

Judicial Department. The bill increases workload and costs by a minimal amount in the Judicial Department. The bill will increase hearing volume for the trial courts for youth 18 to 21 years old seeking voluntary foster care services, and will increase the duration of existing hearings for youth approaching adulthood. It will also increase related judicial officer work outside of court hearings. Although the bill will increase trial court and judicial officer workload, the impact is expected to be addressed within existing appropriations given the relatively small number of cases involved. The bill will also require updates to the Department’s case management system and reporting database, which is also absorbable within existing resources.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$8,337 in FY 2021 22 and \$8,641 in FY 2022-23 and FY 2023-24.

Local Government

The bill requires county departments of social or human services to offer certain services to eligible foster youth. The amount of additional services provided will vary by county and depend on the number of eligible foster youth in the county who seek out services. Based on the fiscal note estimate in the State Expenditure section above, it is assumed that each voluntary foster youth case will result in costs of about \$15,300 per youth. It is assumed that counties will be allocated funding from the DHS through the existing Child Welfare Allocation Committee process.

In addition, counties that seek out grant funding through the Youth Successful Transition to Adulthood Grant Program will have additional workload to apply for grants, and, if approved, will have additional revenue and costs to provide services to eligible youth.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2021-22, the bill requires appropriations of \$940,430 as follows:

- \$888,038 to the Department of Human Services, of which \$408,498 is from the General Fund, \$102,125 from local matching funds; and \$377,416 is from federal funds; and
- \$52,392 General Fund and 0.5 FTE to the Office of the Child’s Representative.

State and Local Government Contacts

Counties	Education	Health Care Policy and Financing
Human Services	Information Technology	Judicial
Law	Local Affairs	Public Health and Environment