

STATE OF KANSAS



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GOVERNOR JEFF COLYER, M.D.
LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

March 5, 2018

The Honorable John Barker, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 285-N
Topeka, Kansas 66612

Dear Representative Barker:

SUBJECT: Fiscal Note for HB 2754 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2754 is respectfully submitted to your committee.

HB 2754 would establish the Guardianship Assistance Program as administered by the Department for Children and Families (DCF). DCF would be directed to enter into agreements with kinship care providers to become a part of the Guardianship Assistance Program. Kinship care is defined in KSA 38-2202. DCF would be directed to set a maximum monthly benefit for membership in the Guardianship Assistance Program. However, monthly benefits could not exceed the monthly benefit paid to foster care homes. Kinship care providers would also be eligible for reimbursement of expenses related to obtaining permanency of a child up until the child's 18th birthday. Some exemptions would be allowed to the 18th birthday rule in certain circumstances described in the bill. Reimbursement for expenses related to obtaining permanency would be capped at \$2,000 per kinship care provider.

Estimated State Fiscal Effect				
	FY 2018 SGF	FY 2018 All Funds	FY 2019 SGF	FY 2019 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$12,214,725	\$12,214,725
FTE Pos.	--	--	--	--

DCF estimates enactment of HB 2754 would increase agency expenditures by \$12.2 million, all from the State General Fund, in FY 2019 and beyond. DCF notes child placements under the bill would be classified as unlicensed placements and such placements would not qualify

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for federal funding. The bill would increase the rates being paid to relative placements to rates being paid to foster home placements. DCF estimates 2,231 children being placed with unlicensed relatives in FY 2019. Raising relative placement rates would increase payments by \$15 a day, resulting in a \$33,465 daily rate increase ($2,231 \times \$15 = \$33,465$). Annualized, this would increase agency expenditures by \$12.2 million ($365 \text{ days} \times \$33,465 = \$12,214,725$). Expenditures would grow in out-years relative to case load increases. Any fiscal effect associated with HB 2754 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Campbell", written in a cursive style.

Larry L. Campbell
Chief Budget Officer

cc: Jackie Aubert, Children & Families