

February 29, 2012

The Honorable Lance Kinzer, Chairperson
House Committee on Judiciary
Statehouse, Room 165-W
Topeka, Kansas 66612

Dear Representative Kinzer:

SUBJECT: Fiscal Note for HB 2536 by House Committee on Children and Families

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2536 is respectfully submitted to your committee.

HB 2536 would make several changes to the Child in Need of Care code by providing specific rights to grandparents, as follows:

1. Add a grandparent's right to presentation in a Child in Need of Care (CINC) hearing;
2. Authorize the disclosure of confidential CINC records held by SRS or law enforcement to the child's grandparents and allows the House Committee on Children and Families to receive confidential records if acting in its official capacity and in closed or executive meeting;
3. Authorize the child to be placed in temporary custody with grandparents;
4. Require the parents to provide contact information for the child's grandparents and other relatives;
5. Authorize the child to be placed not only with the parents but also the grandparents during protective or temporary custody hearings;
6. Include grandparents and relatives in predisposal conferences;
7. Allow a grandparent to stipulate to the allegations contained in a petition;
8. Authorize the court to place the child with a grandparent when a child is removed from the home;
9. Require the Department of Social and Rehabilitation Services (SRS) to provide written notification to the grandparent's attorney and grandparents when a child is moved from a foster home or shelter after six months;
10. Add the grandparents' home as an emergency placement;

11. Add the grandparents as a party to be notified for evidentiary hearings;
12. Require that permanency hearings consider the child's placement with a grandparent as a permanency option;
13. Require the court to give first preference in placing the child in the custody of the grandparent prior to adoption;
14. Require the court to give first preference to a grandparent for permanent custodianship; and
15. Allow the legal fees for the guardian ad litem and grandparents to be paid by the county.

Estimated State Fiscal Effect				
	FY 2012 SGF	FY 2012 All Funds	FY 2013 SGF	FY 2013 All Funds
Revenue	--	--	--	(\$126,782,750)
Expenditure	--	--	\$126,782,750	--
FTE Pos.	--	--	--	--

Both state and federal law assign the responsibility for placement decisions to the Secretary of SRS. State law requires the Secretary to consider the recommendations of the court; however, the authority for placement decisions is assigned to the Secretary. HB 2536 would authorize the court to make out-of-home placements directly with the grandparents. As a result, Kansas would no longer comply with federal law and would be unable to claim federal financial participation for Title IV-E foster care maintenance payments. For FY 2013, Title IV-E funding of \$24,851,689 would be lost. In addition, because the Temporary Assistance for Needy Families (TANF) Block Grant is conditioned on the state operating an approved Title IV-E state plan, the TANF Block Grant would also be at risk. Kansas' annual TANF Block Grant is \$101,931,061. Therefore, HB 2536 would result in the loss of \$126,782,750 in federal funds in FY 2013 and State General Fund expenditures would increase by the same amount.

In addition to the loss of federal funding for state expenditures, HB 2536 would increase costs for counties that would be required to pay guardian ad litem fees. Any fiscal effect associated with HB 2536 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Jackie Aubert, SRS
Mary Rinehart, Judiciary