

NOTICE OF INTENT

**Department of Children and Family Services
Licensing Section**

**Child Welfare Home Certification - Child Placing Agencies
(LAC 67:V.7316)**

In accordance with the provisions of the Administrative Procedure Act R.S. 49:950 et seq., the Department of Children and Family Services (DCFS) proposes to adopt LAC 67:V, Subpart 8, Chapter 73, Child Placing Agencies, Section 7316, DCFS Certified Relative/Kinship Foster Homes.

The department proposes to adopt Section 7316 as pursuant to federal register 88 FR 66700, Title IV-E agencies may claim federal reimbursement for an eligible child who is placed in a relative or kinship licensed or approved foster family home when the agency uses different licensing standards for relative or kinship foster family homes.

Title 67

SOCIAL SERVICES

Part V. Child Welfare

Subpart 8. Residential Licensing

Chapter 73. Child Placing Agencies

§7316. DCFS Certified Relative/Kinship Foster Homes

A. Pursuant to federal register 88 FR 66700, Sections 7315.A.1-10, 7315.A.12-14, 7315.B.-C., 7315.E.1.k, 7315.E.4-5, 7315.F.12, 7315.G.1-4, 7315.G.10-15, 7315.N, 7315.P.-R. shall not apply to relative/kinship family homes as defined by child welfare policy and certified by DCFS for foster placement. These homes shall only be required to follow the certification standards detailed in child welfare policy.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:477 and R.S. 46:1401 et seq.

HISTORICAL NOTE: Promulgated by the Department of Children and Family Services, Licensing Section, LR 50:

Family Impact Statement

The proposed rule is not anticipated to have an impact on family formation, stability, and autonomy as described in R.S. 49:972.

Poverty Impact Statement

The proposed rule is not anticipated to have an impact on poverty as defined by R.S. 49:973.

Small Business Statement

The proposed rule is not anticipated to have an adverse impact on small businesses as defined in the Regulatory Flexibility Act.

Provider Impact Statement

The proposed rule is not anticipated to have an impact on providers of services funded by the state as described in HCR 170 of the 2014 Regular Legislative Session.

Public Comments

All interested persons may submit written comments to Joy Legaux, Licensing Program Director, Department of Children and Family Services, P.O. Box 3776, Baton Rouge, LA 70821 or by email to DCFSPublicHearings@la.gov. The deadline for submitting written comments is at 4:30 p.m. on August 27, 2024.

Public Hearing

A public hearing on the proposed Rule will be held on August 27, 2024, at DCFS, Iberville Building, 627 North Fourth Street, Room 1-134, Baton Rouge, LA beginning at 9:00 a.m. All interested persons will be afforded an opportunity to submit data, views, or arguments, orally or in writing, at said hearing. Individuals with disabilities who require special services should contact the DCFS Appeals Unit at least seven

working days in advance of the hearing. For assistance, call
(225) 342-4120 (voice and TDD).

David Matlock

7/10/24

David Matlock
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

Person Preparing Statement:	<u>Joy Legaux / Elizabeth Green</u>	Dept.:	<u>Children and Family Services</u>
Phone:	<u>(225) 620-6702/318-366-0468</u>	Office:	<u>Office of Secretary</u>
Return Address:	<u>627 N 4th St, P.O. Box 3078</u> <u>Baton Rouge, LA 70821</u>	Rule Title:	<u>Child Welfare Home Certification -</u> <u>Child Placing Agencies</u>
		Date Rule Takes Effect:	<u>November 1, 2024</u>

SUMMARY
(Use complete sentences)

In accordance with Section 961 of Title 49 of the Louisiana Revised Statutes, there is hereby submitted a fiscal and economic impact statement on the rule proposed for adoption, repeal or amendment. THE FOLLOWING STATEMENTS SUMMARIZE ATTACHED WORKSHEETS, I THROUGH IV AND WILL BE PUBLISHED IN THE LOUISIANA REGISTER WITH THE PROPOSED AGENCY RULE.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule will increase cost within the Department of Children and Family Services (DCFS) by \$6,612,508 annually. The department proposes to adopt LAC 67: V, Subpart 8, Chapter 73, Child Placing Agencies, Section 7316 to allow DCFS, that receives Title IV-E funding, to claim federal reimbursement for an eligible child who is placed in a relative or kinship licensed or approved foster family home as the department no longer requires child placing agencies such as relative or kinship family homes to follow certain residential licensing standards, relating to income verification, criminal background checks, health statements, training, and transportation, pursuant to federal registry 88 FR 66700.

The maintenance payments to relative or kinship certified caregivers who are providing care for a child in foster care are estimated at \$6,612,508 (\$4,351,714 State General Funds and \$2,260,794 Federal Funds), annually. The number of children in care and the number of relative or kinship caregivers that are certified annually varies from year to year. This estimate is based on the average number of 954 children placed in non-certified homes over the past 3 years. An estimate of 482 out of 954 children will be eligible for Title IV-E reimbursement. The department did not receive a specific appropriation for these payments, and \$4.3 M SGF is needed for the maintenance of effort to support the federal draw of IV-E funds. The budgeted amount of funding for FY 25 is not sufficient to support the total estimated amount needed to support the cost annually; therefore, the agency will have to request supplemental funding. Additionally, there will be cost of publishing rulemaking which is estimated to be approximately \$852 (\$639 State General Funds and \$213 Federal Funds) in FY 24-25. This is a one-time cost that is routinely included in the department's annual operating budget.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule will increase revenue by \$2.2 M annually. Due to the increased number of maintenance payments that DCFS will be providing to relative or kinship certified caregivers who are providing care for a child in foster care, the department will be eligible to receive federal IV-E funding in the estimated amount of \$2,260,794 annually (482 children x \$18.99 average daily board rate x 365 days x 67.67% Federal Match Rate). This funding will be used to provide maintenance payments to the applicable caregivers.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

The relative or kinship certified caregivers will receive maintenance payments (daily rate) to assist in their care of the foster child while placed in their home.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no anticipated effect on competition and employment.

Toby Comeaux

Signature of Head or Designee

Patrice Jones

Legislative Fiscal Officer or Designee

Toby Comeaux, Deputy Secretary

Typed Name & Title of Agency Head or Designee

7/3/24

Date of Signature

7/09/2024

Date of Signature

DocuSigned by:

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DCFS Undersecretary

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES

The following information is required in order to assist the Legislative Fiscal Office in its review of the fiscal and economic impact statement and to assist the appropriate legislative oversight subcommittee in its deliberation on the proposed rule.

- A. Provide a brief summary of the content of the rule (if proposed for adoption, or repeal) or a brief summary of the change in the rule (if proposed for amendment). Attach a copy of the notice of intent and a copy of the rule proposed for initial adoption or repeal (or, in the case of a rule change, copies of both the current and proposed rules with amended portions indicated).

The department proposes to adopt LAC 67: V, Subpart 8, Chapter 73, Child Placing Agencies, Section 7316 to allow the Department of Children and Family Services, who receives Title IV-E funding, to claim federal reimbursement for an eligible child who is placed in a relative or kinship licensed or approved foster family home when the department uses different licensing standards, pursuant to federal registry 88 FR 66700.

The proposed rule no longer requires child placing agencies such as relative or kinship family homes to follow certain residential licensing standards, relating to income verification, criminal background checks, health statements, training, and transportation (Sections 7315.A 1-10, 7315.A.12-14, 7315.B.-C., 7315.E.1.k, 7315.E.4-5, 7315.F.12, 7315.G.1-4, 7315.G.10-15, 7315.N, and 7315.P.-R.). However, these homes are required to follow licensing standards detailed in the child welfare policy to receive foster care maintenance payments, which are payments made to the household to cover the cost of food, clothes, and shelter for the foster child. Prior to this proposed rule, children placed in relative or kinship family homes were eligible to receive monthly maintenance payments if the relative was certified as a foster parent. The foster homes are not required to pay any fees to receive this certification. The proposed rule lessens the licensing requirements for these relative or kinship foster homes and further streamlines the process for them to become certified and eligible for maintenance payments compared to unrelated foster homes.

Maintenance payments to relative or kinship certified caregivers who are providing care for a child in foster care are estimated at \$6,612,508 (\$4,351,714 State General Funds and \$2,260,794 Federal Funds), annually. The number of children in care and the number of relative or kinship caregivers that are certified annually varies from year to year. This estimate is based on the average number of 954 children placed in non-certified homes over the past 3 years. The number was then multiplied by the average daily board rate of \$18.99 and by 365 days, which totals to a \$6.6 M estimated cost. There are 482 out of the 954 children placed in non-certified homes considered to be eligible for Title IV-E reimbursement, and those eligible children will be receiving \$3.3 M in maintenance payments, which includes a federal match rate of 67.67%. The department did not receive a specific appropriation for these payments, and \$4.3 M SGF is needed for the maintenance of effort to support the federal draw of IV-E funds.

Additionally, there will be cost of publishing rulemaking which is estimated to be approximately \$852 (\$639 State General Funds and \$213 Federal Funds) in FY 24-25. This is a one-time cost that is routinely included in the department's annual operating budget.

- B. Summarize the circumstances, which require this action. If the Action is required by federal regulation, attach a copy of the applicable regulation.

The proposed rule is necessary to be in accordance with federal registry 88 FR 66700.

- C. Compliance with Act 11 of the 1986 First Extraordinary Session

- (1) Will the proposed rule change result in any increase in the expenditure of funds? If so, specify amount and source of funding.

The proposed rule will increase cost within DCFS by \$6.6 M annually. Due to the increased number of maintenance payments that DCFS will be providing to relative or kinship certified caregivers who are providing care for a child in foster care, the department will be eligible to receive federal IV-E funding in the estimated amount of \$2,260,794 annually. The department did not receive a specific appropriation for these payments, and \$4.3 M SGF is needed for the maintenance of effort to support the federal draw of IV-E funds.

(2) If the answer to (1) above is yes, has the Legislature specifically appropriated the funds necessary for the associated expenditure increase?

(a) _____ YES. If yes, attach documentation.

(b) X NO. If no, provide justification as to why this rule change should be published at this time

The rule should be published to allow the agency, who receives Title IV-E funding, to claim federal reimbursements for an eligible child who is placed in a relative, or a kinship, or an approved foster family home.

**FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET**

I. A. COSTS OR SAVINGS TO STATE AGENCIES RESULTING FROM THE ACTION PROPOSED

1. What is the anticipated increase (decrease) in costs to implement the proposed action?

COSTS	FY 25	FY 26	FY 27
PERSONAL SERVICES	\$0	\$0	\$0
OPERATING EXPENSES	\$852 (Rulemaking)	\$0	\$0
PROFESSIONAL SERVICES	\$0	\$0	\$0
OTHER CHARGES	\$6,612,508	\$6,612,508	\$6,612,508
EQUIPMENT	\$0	\$0	\$0
MAJOR REPAIR & CONSTR.	\$0	\$0	\$0
TOTAL	\$6,613,360	\$6,612,508	\$6,612,508
POSITIONS (#)	0	0	0

2. Provide a narrative explanation of the costs or savings shown in "A. 1.," including the increase or reduction in workload or additional paperwork (number of new forms, additional documentation, etc.) anticipated as a result of the implementation of the proposed action. Describe all data, assumptions, and methods used in calculating these costs.

Maintenance payments to relative or kinship certified caregivers who are providing care for a child in foster care are estimated in the amount of \$6,612,508 (\$4,351,714 State General Funds and \$2,260,794 Federal Funds), annually. The number of children in care and the number of relative or kinship caregivers that are certified annually varies from year to year. This estimate is based on the average number of 954 children placed in non-certified homes over the past 3 years. Additionally, there will be cost of publishing rulemaking which is estimated to be approximately \$852 (\$639 State General Funds and \$213 Federal Funds) in FY 24-25. This is a one-time cost that is routinely included in the department's annual operating budget.

3. Sources of funding for implementing the proposed rule or rule change.

SOURCE	FY 25	FY 26	FY 27
STATE GENERAL FUND	\$4,352,353	\$4,351,714	\$4,351,714
AGENCY SELF-GENERATED	\$0	\$0	\$0
DEDICATED	\$0	\$0	\$0
FEDERAL FUNDS	\$2,261,007	\$2,260,794	\$2,260,794
OTHER (Specify)	\$0	\$0	\$0
TOTAL	\$6,613,360	\$6,612,508	\$6,612,508

4. Does your agency currently have sufficient funds to implement the proposed action? If not, how and when do you anticipate obtaining such funds?

Due to the increased number of maintenance payments that DCFS will be providing to relative or kinship certified caregivers who are providing care for a child in foster care, the department will be eligible to receive federal IV-E funding in the estimated amount of \$2,260,794. The department did not receive a specific appropriation for these payments, and \$4.3 M SGF is needed for the maintenance of effort to support the federal draw of IV-E funds. The budgeted amount of funding for FY 25 is not sufficient to support the total estimated amount needed to support the cost annually; therefore, the agency will have to request supplemental funding.

B. COST OR SAVINGS TO LOCAL GOVERNMENTAL UNITS RESULTING FROM THE ACTION PROPOSED.

1. Provide an estimate of the anticipated impact of the proposed action on local governmental units, including adjustments in workload and paperwork requirements. Describe all data, assumptions and methods used in calculating this impact.

This proposed rule will have no impact on the local governmental units.

2. Indicate the sources of funding of the local governmental unit, which will be affected by these costs or savings.

This proposed rule will have no impact on the sources of funding of the local governmental units.

FISCAL AND ECONOMIC IMPACT STATEMENT
WORKSHEET

II. EFFECT ON REVENUE COLLECTIONS OF STATE AND LOCAL GOVERNMENTAL UNITS

A. What increase (decrease) in revenues can be anticipated from the proposed action?

REVENUE INCREASE/DECREASE	FY 25	FY 26	FY 27
STATE GENERAL FUND	\$0	\$0	\$0
AGENCY SELF-GENERATED	\$0	\$0	\$0
DEDICATED	\$0	\$0	\$0
FEDERAL FUNDS	\$2,260,794	\$2,260,794	\$2,260,794
LOCAL FUNDS	\$0	\$0	\$0
TOTAL	\$2,260,794	\$2,260,794	\$2,260,794

*Specify the particular fund being impacted.

B. Provide a narrative explanation of each increase or decrease in revenues shown in "A." Describe all data, assumptions, and methods used in calculating these increases or decreases.

Due to the increased number of maintenance payments that DCFS will be providing to relative or kinship certified caregivers who are providing care for a child in foster care, the department will be eligible to receive federal IV-E funding in the estimated amount of \$2,260,794 annually starting in FY 24-25. This funding will be used to provide maintenance payments to the applicable caregivers. The department did not receive a specific appropriation for these payments, and \$4.3 M SGF is needed for the maintenance of effort to support the federal draw of IV-E funds.