

HOUSE BILL REPORT

HB 1619

As Reported By House Committee On:
Children & Family Services
Appropriations

Title: An act relating to foster parents.

Brief Description: Changing the liability insurance of foster parents.

Sponsors: Representatives McDonald, Kagi, Boldt, Lovick, Tokuda, Wood, Clements, Carrell, D. Schmidt, Linville, Dickerson, O'Brien, Mielke, Kenney and Haigh.

Brief History:

Committee Activity:

Children & Family Services: 2/11/99, 2/25/99 [DPA];
Appropriations: 3/4/99, 3/6/99 [DPS(APP)].

Brief Summary of Substitute Bill

- Foster parents will be reimbursed for the replacement value of items damaged or destroyed by foster children.
- The Department of Social and Health Services will establish a maximum reimbursement amount per occurrence.
- If the damaged property is covered and reimbursed under an insurance policy, the department will reimburse foster parents for the deductible.

HOUSE COMMITTEE ON CHILDREN & FAMILY SERVICES

Majority Report: Do pass as amended. Signed by 10 members: Representatives D. Sommers, Republican Co-Chair; Tokuda, Democratic Co-Chair; Boldt, Republican Vice Chair; Kagi, Democratic Vice Chair; Campbell; Carrell; Dickerson; Eickmeyer; Kastama and Pflug.

Staff: David Knutson (786-7146).

Background:

The Department of Social and Health Services provides liability insurance to licensed foster parents. The liability coverage includes liability, injury and property damage claims filed against foster parents. The total amount that may be expended on liability insurance claims cannot exceed \$500,000 per biennium.

Summary of Amended Bill:

The Department of Social and Health Services will reimburse foster parents for damage caused by foster children. The department will reimburse foster parents for the replacement value of the item damaged or destroyed.

Amended Bill Compared to Original Bill: The original bill modified the liability insurance coverage that protects foster parents from claims by third parties to provide coverage for damage caused by foster children. The substitute bill establishes a reimbursement policy based on the replacement value of the item damaged or destroyed.

Appropriation: The sum of \$290,000.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill contains an emergency clause and takes effect July 1, 1999.

Testimony For: (Original bill) The Department of Social and Health Services does not reimbursement foster parents for the replacement value of items damaged or destroyed by foster children. This is an unfair financial burden for foster parents.

Testimony Against: None.

Testified: (In support) Representative Joyce McDonald (prime sponsor); Darlene Flowers, Foster Parents Association of Washington State; Robert Ott, Foster Parents Association of Washington State; Ann Webster, Children's Home Society of Washington State; Laurie Lippold, Children's Home Society; and Tina Davis.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Appropriations be substituted therefor and the substitute bill do pass. Signed by 31 members: Representatives Huff, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Alexander, Republican Vice Chair; Doumit, Democratic Vice Chair; D. Schmidt, Republican

Vice Chair; Barlean; Benson; Boldt; Carlson; Clements; Cody; Crouse; Gombosky; Grant; Kagi; Keiser; Kenney; Lambert; Linville; Lisk; Mastin; McIntire; McMorris; Mulliken; Parlette; Regala; Rockefeller; Ruderman; Sullivan; Tokuda and Wensman.

Staff: Julie Salvi (786-7349).

New Background Information: The Department of Social and Health Services' foster parent reimbursement plan limits property damage reimbursements to \$5,000 per occurrence. Reimbursements are based on the depreciated value of the damaged or destroyed property.

Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Children & Family Services: The reimbursement of damaged property at replacement value is limited to a maximum payment to be established by the department. If the value of damaged property is reimbursed through an insurance policy, the department will reimburse foster parents for the deductible associated with the claim. The appropriation is removed from the bill. If funding for the bill is not provided by June 30, 1999, in the omnibus appropriations act, the bill is null and void.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on March 8, 1999.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect July 1, 1999. However, the bill is null and void unless funded in the budget.

Testimony For: (Amended bill) In Washington, the number of foster parents is decreasing while the number of foster children is increasing. If reimbursements of damaged property are based on the replacement value of the property, the financial burden on foster parents would ease. This change is expected to have a positive effect on foster parent recruitment and retention. Please pass this bill with the appropriation.

Testimony Against: None.

Testified: Barb Fenster, Families for Kids; and Darlene Flowers, Foster Parents Association of Washington.