

SENATE BILL REPORT

SB 5890

As Reported by Senate Committee On:
Ways & Means, March 20, 2017

Title: An act relating to foster care and adoption support.

Brief Description: Concerning foster care and adoption support.

Sponsors: Senators O'Ban, Braun and Rolfes.

Brief History:

Committee Activity: Ways & Means: 3/16/17, 3/20/17 [DPS, w/oRec].

Brief Summary of Substitute Bill

- Expands respite care for foster parents to include case aides who provide temporary assistance to foster parents as needed to support the parental efforts of foster parents, subject to funding appropriated specifically for this purpose.
- Requires the Washington State Institute for Public Policy to assess the impact of this respite care on the retention of foster homes, the number of placements a foster child receives, and the return on investment to the state—a preliminary report is due December 1, 2018, with a final report due June 30, 2020, subject to funding appropriated specifically for this purpose.
- Requires DSHS, in consultation with stakeholders, to identify a system of support services to be provided to foster parents to assist in their efforts with foster children to be implemented statewide and to submit a plan to the Legislature no later than January 15, 2018, that includes estimated costs to implement these support services and recommendations for implementing them in a phased-in manner.
- Establishes a process whereby foster homes that had a license and have been in good standing with DSHS within the last five years can obtain a probationary license while awaiting license renewal.
- Requires DSHS to establish a Case Review Panel to review all foster care cases where, after the effective date of this legislation, permanency is not achieved within 12 months after being placed in foster care, within existing appropriation levels.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

- Increases the cap for adoption support maintenance payments for children five years of age and older.
- Extends eligibility in the College Bound Scholarship Program to include individuals who were adopted between the ages of 14 and 18 and allows foster youth and individuals adopted between the ages of 14 and 18 to remain eligible for the scholarship if they have received a high school equivalency certificate.
- Repeals the income eligibility rules for nonparental caregivers receiving a Temporary Assistance for Needy Families grant on behalf of a child who is living with the caregiver.
- Creates the Child Welfare System Improvement Account in the State Treasury to be used for foster home licensing, achieving permanency for children, support and assistance to foster parents, and improving and increasing placement options.
- Repeals the Child and Family Reinvestment Account on June 30, 2017, and transfers residual balances to the State General Fund on July 1, 2017.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5890 be substituted therefor, and the substitute bill do pass.

Signed by Senators Braun, Chair; Brown, Vice Chair; Rossi, Vice Chair; Honeyford, Vice Chair, Capital Budget ; Bailey, Becker, Fain, Miloscia, Padden, Rivers, Schoesler, Warnick and Zeiger.

Minority Report: That it be referred without recommendation.

Signed by Senators Ranker, Ranking Minority Member; Rolfes, Assistant Ranking Minority Member, Operating Budget; Billig, Carlyle, Conway, Darneille, Hasegawa, Keiser and Pedersen.

Staff: Maria Hovde (786-7474)

Background: Foster Care Respite Care. The Department of Social and Health Services (DSHS) offers a program of respite care to provide temporary, short-term relief to foster parents who care for foster children with emotional, mental, or physical handicaps. Respite care is designed to minimize disruption to the foster child.

Dependency Review/Permanency Planning Hearings. Current law requires that the status of all children in foster care is to be reviewed by the court at least every six months. The purpose of the hearing is to review the progress of the parties and determine whether court supervision should continue.

A permanency planning hearing is to review the permanency plan for a child in foster care, to inquire into the welfare of the child and progress of the case, and to reach decisions regarding the permanent placement of the child. Current law requires that a permanency planning

hearing must be held 12 months after a child has been placed in foster care in all cases where the child has remained in foster care for at least nine months and an adoption decree, guardianship order, or permanent custody order has not previously been entered.

Adoption Support Maintenance Payments. Statute requires that DSHS, when establishing maintenance payments for children who are adopted, consider the size of the family, including the adoptive child; the usual living expenses of the family; the special needs of any family member including education needs; the family income; the family resources and plan for savings; the medical and hospitalization needs of the family; the family's means of purchasing or otherwise receiving such care; and any other expenses likely to be needed by the child to be adopted. Currently, adoption support maintenance payments are capped at no more than 80 percent of the foster care maintenance payment for that child had the child remained in a foster family home during the same period.

College Bound Scholarship Program. The College Bound Scholarship Program (CBSP) was established in 2007 and provides financial aid to cover the remaining cost of tuition at the rates of public institutions of higher education after subtracting other forms of aid and a \$500 book allowance. Students must sign up in the seventh or eighth grade, graduate from high school with a C or better average, be without a felony conviction, and successfully apply to a state higher education institution.

To be eligible to sign up for the CBSP, students must either qualify for free or reduced lunch or be in foster care. Students in foster care must be in grades seven through twelve or be between the ages of 18 and 21 and have not graduated from high school. In order to remain eligible for the CBSP when they graduate from high school, students must have a family income below 65 percent of the median family income and they must successfully enroll in postsecondary education.

Shared Leave. In 1989, the Legislature established a leave sharing program for state and school district employees. The leave sharing program allows employees who have exhausted their accrued leave to use additional paid leave donated by their colleagues under certain qualifying circumstances. In order to qualify for the leave program, the employee must be likely to go on leave-without-pay status or termination of employment as a result of a qualifying circumstance. The amount of shared leave an employee may receive is determined by the agency head and may not exceed the requested amount, up to 522 days unless extraordinary circumstances apply.

Child and Family Reinvestment Account. The Child and Family Reinvestment Account (CFRA) was created in 2012 to improve outcomes related to: safely reducing entry into the foster care system and preventing reentry, safely increasing reunifications, achieving permanency for children unable to be reunified, and improving outcomes for youth who will age out of the foster care system. Revenues to the CFRA consist of savings to the state General Fund resulting from reductions in foster care caseloads and per capita costs and any other public or private funds appropriated to or deposited into the account.

Washington State Institute for Public Policy (WSIPP). The Legislature created WSIPP in 1983 to conduct non-partisan research at the direction of the Legislature or the WSIPP's

Board of Directors. The WSIPP produces reports on a variety of topics of interest to the state and estimates benefit-cost analyses for a variety of state programs.

Temporary Assistance for Needy Families (TANF). TANF is a federal block grant that provides temporary cash assistance, subsidized childcare, and work programs for families. States use TANF block grants to operate their own programs. State programs differ, but operate in accordance with the following purposes set forth in federal law:

- to provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;
- to end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
- to prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and
- to encourage the formation and maintenance of two-parent families.

In 2011, legislation was enacted that required the DSHS to establish income eligibility rules for nonparental caregivers receiving a TANF grant on behalf of a child, other than a foster child, who is living with the caregiver. A caregiver with an income above 300 percent of the federal poverty level (FPL) is not eligible for child-only TANF benefits. Nonparental caregivers with incomes above 200 percent but less than 300 percent of the FPL may receive a reduced TANF grant according to a sliding scale.

Office of the Family and Children's Ombuds (OFCO). In 1996, the Legislature established OFCO. OFCO investigates complaints about agency actions or inactions, specifically complaints that involve a child at risk of abuse, neglect, or other harm or a child or parent involved with child protection or child welfare services. OFCO collaborates with DSHS and the Children's Administration to conduct child fatality or near-fatality reviews when the cause of the fatality is suspected to involve child abuse or neglect of a minor in the care of the DSHS or a supervising agency. OFCO prepares an annual report regarding its work and includes recommendations.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (First Substitute): Foster Care Respite Care. Subject to funding appropriated specifically for this purpose, respite care is expanded to include case aides who provide temporary assistance to foster parents as needed with the overall goal of supporting the parental efforts of the foster parents except that this assistance must not include overnight assistance. DSHS is required to contract with community-based organizations (CBO) in each region to establish a statewide pool of individuals to provide this respite care, competitive procurement process, and contract provision expressly mandated by the Legislature. These individuals must be hired by the CBO and must have the appropriate training, background checks, and qualifications as determined by DSHS. At the request of the foster parent or as offered by a CBO, respite care must be available to all licensed foster parents in the state as funding is available and must be phased in by geographic region. If the requests for respite care exceed the funding available, the CBO must have discretion to determine the assignment of case aides. The CBO must report all respite care provided to DSHS and costs associated with the case aides providing this respite care must not be included in the forecast.

Subject to funding appropriated specifically for this purpose, WSIPP must prepare an outcome evaluation of this respite care. The evaluation will, to the maximum extent possible, assess the impact of this respite care service on the retention of foster homes and the number of placements a foster child receives as well as the return on investment to the state. A preliminary report is due to the appropriate committees of the Legislature and the Governor by December 1, 2018, that describes the initial implementation of these respite care services and the families utilizing these services. A final report must be submitted by June 30, 2020. DSHS must provide to WSIPP, at no cost, all data necessary to discharge this duty.

Support Services. No later than December 31, 2017, DSHS, in consultation with stakeholders, including child placing agencies and foster care advocates, must identify a system of support services to be provided to foster parents to assist foster parents in their efforts with foster children and a plan to implement these support services statewide, which may include contracts with CBOs. Support services are defined for this purpose to include, but are not limited to, counseling, educational assistance, and hands-on assistance for children with high-risk behaviors.

No later than January 15, 2018, DSHS must submit a final plan, which must include estimated costs to implement these support services and recommendations for implementing these support services in a phased-in manner to the appropriate committees of the Legislature.

Foster Home Licensing. DSHS may issue a probationary license to a foster home licensee who had a license and was in good standing with DSHS within the last five years but whose license was not renewed and is now seeking to renew their license. Probationary licenses for this purpose must be issued immediately upon satisfactory completion of a criminal background check and any in-service training that would have been required during the time frame that the license was not active.

A licensee who has been granted a probationary license for this purpose may immediately apply for license renewal. DSHS must ensure that the licensee complete all required and necessary training and background check requirements prior to issuing the renewal. DSHS must make reasonable allowances for the consideration of a licensee's prior experience as a foster parent, including all training previously received, when determining the requirements that are necessary to be completed to grant a license renewal.

Case Review Panel (Panel). Within existing appropriation levels, DSHS is required to establish a Panel for the purpose of reviewing foster care cases where permanency has not been achieved within 12 months after being placed in foster care. The Panel must be comprised of, at a minimum, the Secretary of the Children's Administration of DSHS; a lead social worker; the Family and Children's Ombuds; and one child advocate.

Beginning September 1, 2017, the Panel must review all foster care cases where, after the effective date of this legislation, a child reaches 12 months in foster care and has not achieved permanency. This review must occur by the child's 13th month in foster care. At each case review, the Panel must develop a plan of action, including recommended next steps for DSHS to take, to achieve permanency.

DSHS is encouraged to convene the Panel regularly to review other foster care cases as needed to ensure stability and permanency are achieved and the length of stay for children in foster care is reduced.

DSHS is encouraged to maximize the use of existing staffings such as permanency roundtables, family team decision meetings, and case conferences to conduct these case reviews.

Dependency Review/Permanency Planning Hearings. The court is required to weigh the importance of establishing permanency for a child when considering a request for continuance of a review hearing or a permanency planning hearing and must only grant the continuance after making a finding that the continuance is in the best interest of the child.

Adoption Support Maintenance Payments. Effective July 1, 2017, adoption support maintenance payments must be no more than the following for a child had the child remained in a foster family home during the same period:

- for a child under the age of 5, no more than 80 percent of the foster care maintenance payment;
- for a child aged 5 through 9, no more than 85 percent of the foster care maintenance payment;
- for a child aged 10 through 13, no more than 90 percent of the foster care maintenance payment; and
- for a child aged 14 through 18, no more than 95 percent of the foster care maintenance payment.

To encourage adoption of children between the ages of 14 and 18, and in particular those children who are hard to place for adoption, DSHS is authorized to include as part of any new negotiated agreement executed after the effective date of this legislation continued eligibility for the CBSP.

College Bound Scholarship Program. Eligibility for the CBSP is expanded to include foster youth and individuals who were adopted between the ages of 14 and 18 with a negotiated adoption agreement who have received a high school equivalency certificate.

Foster Parent Shared Leave Pool. The Foster Parent Shared Leave Pool (pool) is created and will be administered by DSHS, in consultation with the Office of Financial Management, to allow state employees to donate leave to be used by any state employee who is a licensed foster parent to care for or prepare to accept a foster child into their home. Participation in the pool is voluntary, any leave paid out of the pool must not exceed the level of the employee's state monthly salary, and leave under the pool may not be granted unless the pool has a sufficient balance to fund the requested shared leave.

Foster Parent Recognition. Within existing appropriation levels, the Office of the Governor (Office) must regularly acknowledge the contributions of foster parents to the state of Washington with, at a minimum, a letter signed by the Governor. DSHS must provide to the Office all data necessary to discharge this duty.

Child Welfare System Improvement Account. The Child Welfare System Improvement Account (CWSIA) is created in the State Treasury. Monies in the account may be spent only after appropriation and are solely for foster home licensing; achieving permanency for children; support and assistance provided to foster parents in order to improve foster home retention and stability of placements; and improving and increasing placement options for youth in foster care. Revenues in CWSIA consist of legislative appropriations and any other public or private funds appropriated to or deposited in the account.

Child and Family Reinvestment Account. The Child and Family Reinvestment Account is repealed June 30, 2017, and any residual balance of funds remaining must be transferred to the State General Fund on July 1, 2017. The sunset review of the Child and Family Reinvestment Account is also repealed.

Temporary Assistance for Needy Families. The income eligibility rules for nonparental caregivers receiving a TANF grant on behalf of a child, other than a foster child, who is living with the caregiver are repealed.

Statutory References. References to recodified sections of the Revised Code of Washington are corrected.

Conflict with State and Federal Requirements. If any provision of the act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

If any part of the act is found to be in conflict with the federal Indian Child Welfare Act of 1978 or federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements of the Indian Child Welfare Act of 1978 and federal requirements that are a necessary condition to the receipt of federal funds by the state.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (First Substitute):

- Clarifies that the respite care does not include overnight assistance.
- Clarifies that DSHS must contract with CBOs in each region rather than one CBO in each region.
- Clarifies that the training, background checks, and qualifications of individuals delivering the respite care will be determined by DSHS.
- Clarifies that the performance-based contracting that is expressly mandated is for the respite care established in the bill.
- Requires DSHS no later than December 31, 2017, to work with stakeholders, including child placing agencies and foster care advocates, to identify a system of support services to be provided to foster parents to assist them in their efforts with foster children and plan to implement these support services statewide, which may include contracts with CBOs.

- Clarifies that support services include, but must not be limited to, counseling, educational assistance, and hands-on assistance for children with high-risk behaviors.
- Requires that the final plan must be submitted to the appropriate committees of the Legislature no later than January 15, 2018, and must include estimated costs to implement these support services and recommendations for implementing these support services in a phase-in manner.
- Establishes a process whereby a foster parent who had a license and was in good standing with DSHS within the last five years but whose license is not current to obtain a probationary license immediately upon satisfactory completion of a criminal background check and any in-service training that would have been required during the time frame that the license was not active.
- Allows a licensee who has been granted a probationary license as a result of this process to immediately apply for license renewal.
- Requires that DSHS must ensure that the licensee complete all necessary training and background check requirements prior to issuing the renewal.
- Requires that DSHS must make reasonable allowances for the consideration of the licensee’s prior experience as a foster parent, including training previously received, when determining the requirements that are necessary to be completed to grant a license renewal.
- Requires DSHS to establish a Case Review Panel (Panel) to review foster care cases where permanency has not been achieved within 12 months after the effective date of this legislation, within existing appropriation levels. The following applies to DSHS and the Panel:
 - the Panel must be comprised of, at a minimum, (1) the Secretary of the Children’s Administration, (2) a lead social worker, (3) the Family and Children Ombuds, and (4) one child advocate;
 - beginning September 1, 2017, the Panel must review all foster care cases where, after the effective date of the legislation, a child reaches 12 months in out-of-home placement and has not achieved permanency—this review must occur by the child’s 13th month in out-of-home placement;
 - at each case review, the Panel must develop a plan of action, including recommended next steps for DSHS to take, to achieve permanency;
 - DSHS is encouraged to convene the Panel regularly to review other foster care cases as needed to ensure stability and permanency are achieved and length of stay for children in foster care is reduced;
 - DSHS is encouraged to maximize the use of existing permanency roundtables, family team decision meetings, and case conferences to conduct these case reviews; and
 - DSHS is encouraged to maximize the use of existing staffings such as permanency roundtables, family team decision meetings, and case conferences to conduct these case reviews.
- Removes language requiring children adopted between the ages of 14 and 18 to submit a signed pledge within one year of adoption finalization to be eligible for the College Bound Scholarship Program.
- Adds language to repeal the sunset review that is required to be conducted by the Joint Legislative Audit and Review Committee of the Child and Family Reinvestment Account.

- Corrects the effective date of the repeal of the Child and Family Reinvestment Account to be effective June 30, 2017, rather than 90 days after adjournment of the session in which the bill is passed.
- Adds language that if any provision of the act or its application to any person or circumstance is held invalid, the remainder is not affected.
- Adds language that if any part of the act is found to be in conflict with the federal Indian Child Welfare Act or federal requirements that are a prescribed condition to the allocation of federal funds to the state that the conflicting part is inoperative.
- Adds language requiring that rules adopted under the act must meet federal requirements of the federal Indian Child Welfare Act and federal requirements that are a necessary condition to the receipt of federal funds by the state.

Appropriation: None.

Fiscal Note: Requested on March 16, 2017.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains several effective dates. Please refer to the bill.

Staff Summary of Public Testimony on Proposed Substitute: *The committee recommended a different version of the bill than what was heard.* PRO: We have a crisis in keeping and recruiting foster homes. We don't have enough homes for children and that is unacceptable. Foster parents have become discouraged and once they are discouraged enough they will leave the system. Foster families feel they have a lack of voice and respect in the system and experience an overall lack of support for the difficult work they do. Respite care provides the help foster families need. The need for foster parents to have respite support is critical and this could also lead to a reduction in the multiple placements some children experience. We need to encourage the adoption of children and particularly the older children. Increasing adoption support will help families with the support needed to care for these kids. It also eases the financial cost of moving foster families to adopted families by making those children eligible for CBSP. Eliminating means testing for kinship care providers eases a financial burden and encourages family members to raise these children if they cannot be raised by their biological parents.

OTHER: We do not want to eliminate the Child and Family Reinvestment Account. Family Assessment Response has been a really good option for Child Protective Services and the hope was that we would see a reduction in foster care as a result. Although we have not seen this reduction, it is probably due to a variety of reasons. Nationwide foster care caseloads are increasing and the increase in heroin use may also be a big contributor to increases in the caseload. Respite case aides is a significant step in supporting foster homes. While respite care is available currently in theory, the onus falls on the foster parents to arrange it on their own. Providing additional respite care will prevent children from escalating out of regular foster care and into the Behavioral Rehabilitative System and experiencing multiple placements. This will also go a long way toward maintaining and recruiting foster parents. The respite care in this bill creates an entirely new service delivery model with all of the associated costs and risks when we already have the infrastructure to deliver these services. The problem is that we are not funding these services. Although the intent of the review

panels have a lot of merit, additional work may be needed in how this is implemented. Currently, 75 percent of kids are beyond 12 months. Elimination of means testing for kinship caregivers is a good addition. The language regarding continuances may be too restrictive as written but is conceptually a good idea.

Persons Testifying: PRO: Senator Steve O'Ban, Prime Sponsor; Jeff Clare, Olive Crest Program Director South Sound.

OTHER: Laurie Lippold, Partners for Our Children; Patrick Dowd, Washington State Office of the Family & Children's Ombuds; Dennis Eagle, WA Federation of State Employees.

Persons Signed In To Testify But Not Testifying: No one.