

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**Revision 1**

**May 22, 2003**

**TO:** Honorable Carlos Uresti, Chair, House Committee on Human Services

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: SB58** by Zaffirini (Relating to the creation of a relative caregiver placement pilot program for certain children for whom the Department of Protective and Regulatory Services is appointed managing conservator.), **As Engrossed**

**No significant fiscal implication to the State is anticipated.**

The bill would require the Texas Department of Protective and Regulatory Services (PRS) to develop a formal kinship care pilot program for one year. The formal kinship care pilot program would be created within the Child Protective System for the placement of children in PRS conservatorship in relative families. The bill would provide PRS with the ability to establish eligibility requirements by policy. PRS would also be required to investigate the relative prior to any placement to determine if the placement is in the best interest of the child.

The bill would require PRS to enter into an assistance agreement with each relative caregiver that may include (1) a one-time cash payment of not more than \$1,000 on initial placement of a child or sibling group (2) reimbursement for all child-care expenses while the child is in PRS managing conservatorship and up to 50 percent child care expenses when the relative is appointed permanent managing conservator (3) reimbursement for other expenses not to exceed \$500 per year for each group of related children and (4) up to two years of family counseling not covered by Medicaid.

The bill would take effect on September 1, 2003.

PRS would be required to implement the proposed relative caregiver pilot program for one year in Region 11 not later than March 1, 2004. It is assumed that kinship care is TANF allowable. PRS indicated the provisions of the bill could have a potential impact on the PRS CAPS/IMPACT System, but the cost to modify CAPS/IMPACT could be absorbed within existing agency resources.

According to PRS, the establishment a kinship care program could prevent the majority of children identified in this fiscal analysis from entering foster care. The agency assumed it would experience a significant foster care savings that would off set the costs associated with the bill. PRS indicated that the implementation of the one-year pilot program in Region 11 could be accomplished using existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 530 Department of Protective and Regulatory Services

**LBB Staff:** JK, EB, NM, KF