

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB 2457

Patron: Glass

Bill Title:

Bill Summary: The proposed legislation directs the State Board of Social Services to amend its regulations by January 1, 2026, to (i) require local departments of social services (LDSS) to apply for federal benefits on behalf of children in foster care that they may be eligible for, (ii) prohibit the use of military survivor benefits to pay for the care and support of children in foster care that the Commonwealth is otherwise obligated to pay for, and (iii) require local departments of social services that are representative payees for children in foster care to conserve such military survivor benefits in an appropriate trust instrument or protected account that is exempt from federal asset and resource limits.

Budget Amendment Necessary: No

Items Impacted: None

Fiscal Summary: The bill is expected to have minimal fiscal impact on impacted agencies.

Fiscal Analysis: Section 22 VAC 40-201-201 of the Code of Virginia requires LDSS to establish a foster child's eligibility for federal, state, or other funding sources and make required payments from such sources. Therefore, the bill's provision to apply for federal benefits on behalf of foster children should have no fiscal impact.

In calendar year 2024, of the 4,605 children ages 0-17 in foster care, 14 had someone in their case affiliated with the military. The LDSS serves as the payee for youth who receive military survivor benefits. Under this legislation, the LDSS would be required to preserve the funds in a trust or protected account and prohibit the benefits from being used to offset the cost of care and support of youth during their time in foster care. With only 14 known cases of military affiliation, passage of this legislation is expected to have a minimal impact, if any, on the DSS or LDSS. However, for every child that this applies to, the LDSS is estimated to spend approximately \$3,000 in one-time attorney trust work and the state/LDSS will need to offset the portion of foster care maintenance costs (average of \$1,184 for the full monthly payment) that would otherwise be funded through survivor benefits for the duration of the child's time spent in foster care.

Other: None