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

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#### ENGROSSED

Bill Number:SB801Patron:FavolaBill Title:Children's Services Act; state pool of funds.

Bill Summary: Makes a number of changes to the Children's Services Act state pool of funds for the provision of public or private nonresidential or residential services for troubled youth and families, including (i) removing the requirement that the Office of Children's Services consult with private special education services providers in developing the standard reporting template for tuition rates; (ii) removing from the purpose of the state pool of funds the consolidation of categorical agency funding and the institution of community responsibility for the provision of services; (iii) removing language specifying that references to funding sources and current placement authority for the target population served by the state pool of funds are for the purpose of accounting for the funds and should not be intended to categorize children and youth into funding streams in order to access services; (iv) modifying the target population served by the state pool of funds by (a) removing references to the Department of Education's private tuition assistance and the Interagency Assistance Fund for Noneducational Placement for Handicapped Children and (b) adding children and youth who are determined to be a child in need of services, as such term is defined in relevant law; (v) removing the requirement that the financial and legal responsibility for certain special education services remains with the placing jurisdiction, unless the placing jurisdiction has transitioned all appropriate services; (vi) requiring that the uniform assessment instrument used to determine eligibility for funding through the state pool of funds be approved by the State Executive Council for Children's Services; and (vii) modifying the eligibility criteria for funding through the state pool of funds by adding language that (a) specifies that the child or youth's emotional or behavioral problems have resulted in the child or youth, or place the child or youth at imminent risk of, entering purchased residential care and (b) includes the determination by a court that the child or youth is a child in need of services, as such term is defined in relevant law. The bill also includes technical changes. This bill is a recommendation of the Virginia Commission on Youth.

## Budget Amendment Necessary: No Items Impacted: 268

**Explanation:** This legislation makes technical changes to Code for children and youth served through the Children's Services Act, (CSA) particularly in clarifying Code related to children determined to be in need of services through a juvenile court. The legislation also removes outdated references to programs in operation when the CSA program was originally authorized. The engrossed version of the bill does not change the fiscal impact.

**Fiscal Summary:** Because these changes align with existing policy established in 2007, there is no anticipated fiscal impact associated with this legislation.

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**General Fund Expenditure Impact:** None. Additional funding of \$105.4 million was included in the governor's introduced budget to fund projected caseload and expenditure growth through the biennium based on current policies and procedures, which are not altered by this legislation.

**Fiscal Analysis:** This legislation is not anticipated to have an impact on the projected costs of the Children's Services Act (CSA). The current policy related to children in need of services was developed pursuant to an opinion provided by Attorney General Robert F. McDonnell in December 2006. This legislation would clarify the population served pursuant to this policy as a mandated population under CSA Code.

**Other:** The state has historically provided all necessary general fund appropriation to reimburse localities for services provided pursuant to the Children's Services Act. This legislation eliminates, in paragraph A of § 2.2-5211, the phrase "as made available by the General Assembly". While eliminating this phrase does not impact the cost of programs, nor represent any change in policy or current practice of the General Assembly to provide adequate funding for this program, it is possible the change could be interpreted as creating an entitlement that is not subject to appropriation.

This legislation is a companion to HB2282.