

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

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ORIGINAL

Bill Number: HB 1964

Patron: Tata

Bill Title: Bright Futures program

Bill Summary: The proposed legislation establishes the Bright Futures program to provide services and support to individuals aged 21 through 23 who were in foster care as a minor and are transitioning to full adulthood and self-sufficiency.

Budget Amendment Necessary: Yes

Items Impacted: 326

Explanation: This proposal would require addition funding in the Local Staff and Operations (46010) service area.

Fiscal Summary: The proposed legislation will require expenditures for which the agency is not currently appropriated. See table and fiscal analysis below.

General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
DSS (765)	-	4,543,137	8,798,625	13,324,232	13,324,232	13,324,232

* For FY 2026, FY 2027, and FY 2028 and each year thereafter, a local match of \$327,801, \$602,838 and \$927,425 is needed. These figures are not included in the summary costs above.

Fiscal Analysis: This legislation increases the age limit for extended foster care services from 21 through 23. In FY 2024, 221 young adults departed Fostering Futures at the age of 21. It is assumed that the full population exiting from Fostering Futures would continue to participate in the Bright Futures program, as the young adults who are still in Fostering Futures at age 21 are usually stable, already meeting the required criteria, and would value the financial and other supports. As such, after the first year, the 221 young adults already in the program would be joined by the next 221 cohort for a total of 442 participants. And then a new 221-person cohort would begin in year three for a total of 663 people. The number of Bright Futures participants would level out after year three with 663 young adults in the program, as the first cohort would age out of the program.

As the federal Fostering Futures program ends at age 21 and individuals in Bright Futures would be served through age 23, Virginia would not be eligible for title IV-E federal funding. Therefore, all costs related to this legislation must be funded through state general fund and/or local funds. Basic maintenance costs would be entirely supported with general fund dollars and local staffing costs would be funded through 84.5 percent general fund and 15.5 percent local funds.

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Basic Maintenance Costs

The Bright Futures program would allow participants to receive a monthly basic maintenance payment. The estimated annual cost of maintenance payments for Fostering Futures youth is \$12,471. The table below illustrates the total maintenance costs for the first three years of the program. The funding need would level off at the \$8.27 million amount in FY 2028 and thereafter with the ongoing 663 participant level.

DSS Costs attributed to HB1964 Bright Futures

				FY 2026	FY 2027	FY 2028
				100% DSS GFs	100% DSS GFs	100% DSS GFs
Basic Maintenance	Annual cost	Young Adults	Total			
	\$ 12,471	221	\$ 2,756,091	2,756,091		
	\$ 12,471	442	\$ 5,512,182		5,512,182	
	\$ 12,471	663	\$ 8,268,273			8,268,273
				2,756,091	5,512,182	8,268,273

Staffing Costs

Implementation of the legislation would require the local departments of social services (LDSS) staff to provide case management activities for this new population of young adults. Staffing costs include salary, benefits, and non-personal position costs (such as phone and computer charges) and average \$98,362 for a family services specialist (FSS) and \$131,788 for a supervisor, exclusive of first year onboarding costs of \$5,163 for each position. LDSS staff caseload is estimated to be capped at 15 foster care cases per worker. This equates to a need of 15 FSSs (221/15) in FY 2026, 29 FSSs (442/15) in FY 2027, and 44 FSSs (663/15) in subsequent years. The total funding need for the FSSs is \$1.6 million (\$1.3 million general fund) in FY 2026, \$2.9 million (\$2.4 million general fund) in FY 2027, and \$4.6 million (\$3.9 million general fund) in FY 2028 and ongoing. In FY 2024 average span of control for FSSs was 4.22 FSSs to one FSS supervisor. This equates to four new supervisors in FY 2026 (15 FSSs/4.22), seven in FY 2027 (29 FSSs/4.22), and ten (44 FSSs/4.22) in subsequent years. The estimated funding need for the supervisors is \$0.5 million (\$0.4 million general fund) in FY 2026, \$0.9 million (\$0.8million general fund) in FY 2027, and \$1.3 million (\$1.1 million general fund)2.8 in FY 2028.

The increased program eligibility would require minimal changes to the On-line Automated Services Information System (OASIS), the child welfare information system that DSS uses, so no additional cost is estimated.

Other: None