

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

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ORIGINAL

Bill Number: SB 773 ES1 **Patron:** Favola
Bill Title: Foster care; housing services, housing plan, report

Bill Summary: The amended bill requires local departments of social services (LDSS) to develop housing plans for individuals leaving foster care due to age that includes a description of housing options being pursued. The bill requires the Commissioner of Social Services to provide reports to the Governor and General Assembly on housing services for individuals aging out of foster care on or before October 1 of each year. The bill provides the Department of Social Services (DSS) with the authority to enter into a memorandum of understanding (MOU) with local public housing authorities or housing programs to facilitate access to grant dollars for the Foster Youth to Independence Initiative under the Family Unification Program Housing Choice Vouchers.

In addition, LDSS must collaborate with local housing authorities to secure Family Unification Program Housing Choice Vouchers for youth who are eligible for such vouchers and who meet certain criteria. The bill also directs local public housing authorities and LDSS to administer the Foster Youth to Independence Initiative.

Budget Amendment Necessary: Yes **Items Impacted:** 324, 326, 334

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)	-	\$479,665	\$474,503	\$474,503	\$474,503	\$474,503

Fiscal Analysis: Prior to a youth leaving foster care, LDSS currently assists them with developing a plan for housing as part of their 90-day transitional living plan. As such, the legislation's requirement to create a housing plan is not expected to generate additional work for the LDSS staff.

This legislation requires DSS to generate an annual report on housing services for individuals aging out of foster care including: 1) the number of individuals discharged from foster care due to age in the preceding fiscal year; 2) the number and percentage of individuals discharged from foster care due to age in the preceding fiscal year who were homeless upon being discharged; 3) the number and percentage of individuals discharged from foster care due to age in the preceding five fiscal years who were homeless at both six months after discharge from foster care and upon their twenty-sixth birthday; 4) housing options available to individuals aging out of foster care and the process for accessing each housing option; 5) the processes by which the local department matches individuals aging out of foster care with housing resources and a description of the considerations, qualifications, or other relevant factors that the local department relies on when making such matches; and 6) any barriers faced by the local department in successfully matching individuals aging out of foster care with housing resources and the local department's mitigation of those barriers. DSS does not have the data or resources needed to produce the required report. The department proposes hiring a contractor to capture the necessary information on housing services for individuals aging out

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of foster care. Based on the agency's historical experience, DSS estimates that \$250,000 general fund would be needed each year.

Currently, LDSS enter into MOUs with local housing authorities. Under the provisions of this bill, DSS would have the authority to enter into MOUs with local public housing authorities or housing programs to facilitate access to Foster Youth to Independence Initiative grant dollars. DSS would require additional resources to handle the expected workload associated with developing and implementing the specified MOUs. The agency indicates that adding this work would necessitate an additional procurement officer to develop, implement and manage the MOUs with public housing authorities. The cost of this position is estimated to be \$146,549 general fund (including salary, benefits, operational expenses, and \$5,162 for on-boarding) in FY 2026 and \$141,387 each year thereafter. While the bill's language is permissive regarding this provision, the expenditure impact assumes that DSS would enter into the authorized MOUs as such action appears to be the intent of the bill. However, the expenditure impact could be discounted by the cost of the procurement officer if the agency is not expected to exercise the added authority.

DSS indicates that the bill would require LDSS to secure supportive services for eligible youth, which is expected to add costs to local operations. In FY 2024, 487 youth ages 18-21 exited Fostering Futures. LDSS often utilize community providers for supportive services, and consequently, DSS estimates that 80 percent of the youth could be served through the community partners at no additional cost. Therefore, the remaining 20 percent, or 97 ($487 \times .20$) youth, are likely to need services through LDSS. It would take the LDSS staff approximately twelve hours per participant to provide supportive services to a youth for a total of 1,169 hours ($12 \text{ hours} \times 97 \text{ youth}$) of staff time per year. Position cost estimates for local effort are based on full-time equivalent positions and 1,500 productive work hours annually. The LDSS would need funding for the equivalent of one full-time family services specialist position at a cost of \$98,362 (including salary, benefits, and operational needs). The cost of this position would be split 84.5 percent general fund (\$83,116) and a 15.5 percent local match (\$15,246).

Other: None