

**Department of Planning and Budget  
2026 General Assembly Session  
State Fiscal Impact Statement**

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## ORIGINAL

**Bill Number:** HB1174 **Patron:** Carroll  
**Bill Title:** Department of Social Services; children in foster care; supplemental clothing allowance rate increase.

**Bill Summary:** Directs the Virginia Department of Social Services to increase the supplemental clothing allowance rate for children in foster care by 30 percent.

**Budget Amendment Necessary:** Yes      **Items Impacted:** Item 271, Item 333

**Explanation:** The Children's Services Act and the Department of Social Services will need additional general and nongeneral fund appropriation to comply with the provisions of this legislation, attributable to Item 271 (Protective Services) and Item 333 (Child Welfare Services).

**Fiscal Summary:** This legislation will require new general and nongeneral fund expenditures in the Children's Services Act (CSA) program and at the Department of Social Services (DSS). See tables and fiscal analysis below.

## General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DSS (765)	-	\$194,643	\$194,643	\$194,643	\$194,643	\$194,643
CSA (200)	-	\$489,776	\$489,776	\$489,776	\$489,776	\$489,776
<b>TOTAL</b>	-	<b>\$684,419</b>	<b>\$684,419</b>	<b>\$684,419</b>	<b>\$684,419</b>	<b>\$684,419</b>

## **Nongeneral Fund Expenditure Impact:**

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DSS (765)	-	\$194,643	\$194,643	\$194,643	\$194,643	\$194,643
<b>TOTAL</b>	<b>-</b>	<b>\$194,643</b>	<b>\$194,643</b>	<b>\$194,643</b>	<b>\$194,643</b>	<b>\$194,643</b>

**Fiscal Analysis:** This legislation requires the Department of Social Services (DSS) to amend its regulations to increase the supplemental clothing allowance rate for children in foster care by 30 percent. The chart below identifies the current supplemental clothing allowance rate for children in foster care by age group and the projected supplemental clothing allowance rate pursuant to the legislation:

	<b>Children 0-4</b>	<b>Children 5-12</b>	<b>Children 13 and up</b>
<b>Current Rate</b>	\$376 per child	\$471 per child	\$564 per child
<b>HB1174 Rate (30% increase)</b>	\$489 per child	\$612 per child	\$733 per child
<b>Net Increase</b>	\$113 per child	\$141 per child	\$169 per child

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DSS reports that 2,746 children were in IV-E foster care in FY 2025. This total includes 925 children ages 0-4, 821 children ages 5-12, and 1000 children age 13 and up. IV-E foster care children are supported by general fund and federal IV-E funds at a state match rate of 50 percent.

State funding for non-IV-E foster care children is provided under the Children's Services Act (CSA) and administered by the Office of Children's Services. In FY 2025, a total of 4,985 non-IV-E foster care children were supported by CSA funds, including 1,061 children ages 0-4, 1,463 children ages 5-12, and 2,461 children age 13 and up. Foster care services provided under CSA are supported by a combination of GF and local funds at a state match rate of 66 percent.

The chart below applies the net increase in supplemental clothing allowance rates to the IV-E and non-IV-E foster care children by age group:

	<b>IV-E (DSS)</b>	<b>Non-IV-E (CSA)</b>
<b>Children 0-4</b>	$925 \times \$113 = \$104,525$	$1,061 \times \$113 = \$119,893$
<b>Children 5-12</b>	$821 \times \$141 = \$115,761$	$1,463 \times \$141 = \$206,283$
<b>Children 13 and up</b>	$1000 \times \$169 = \$169,000$	$2,461 \times \$169 = \$415,909$
<b>Total Cost</b>	<b>\$389,286</b>	<b>\$742,085</b>

When applying the DSS IV-E match rate to the DSS total, the fund split is \$194,643 GF and \$194,643 federal funds. When applying the CSA match rate to the CSA total, the fund split is \$489,776 GF and \$252,309 local funds.

Any cost or workload impacts to DSS associated with amending regulations are expected to be minimal and absorbable within existing resources.

**Other:** n/a