

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2024 REGULAR SESSION**

MEASURE

2024 BR NUMBER 171

HOUSE BILL NUMBER 105

TITLE AN ACT relating to families and children and making an appropriation therefor.

SPONSOR Representative Deanna Frazier Gordon

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: Department for Community Based Services; Department for Income Support

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2023-2024	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES		\$6.2 million to \$13.3 million	\$5.5 million to \$12.6 million	\$5 million to \$12.1 million
NET EFFECT		(\$6.2 million to \$13.3 million)	(\$5.5 million to \$12.6 million)	(\$5 million to \$12.1 million)

() indicates a decrease/negative

PURPOSE OF MEASURE: The purpose of this measure is to establish a monthly subsidy for students participating in the foster and adopted child public postsecondary tuition waiver program within the Cabinet for Health and Family Services (CHFS); to establish the Mentor for At-Risk Male Students Grant Program; to establish the promotion of father engagement activities as part of the Health Access Nurturing Development Services Program; to establish the Responsible Fatherhood Initiative Grant Program; and to appropriate \$500,000 in fiscal year 2025 and fiscal year 2026 to support the two grant programs.

In addition, this measure requires the Department for Juvenile Justice (DJJ) and CHFS to work collaboratively to identify children that are dually involved in both systems of care and to provide a report of actions taken to the General Assembly annually.

FISCAL EXPLANATION: This legislation includes a \$500,000 appropriation in fiscal years 2025 and 2026 specifically to support, the Mentor for At-Risk Male Students Grant Program and the Responsible Fatherhood Initiative Grant Program within the Department for Community Based Services (DCBS).

Section 1 of this legislation requires any student meeting the specified eligibility requirements shall receive a \$1,727 monthly stipend from DCBS for the time he or she is eligible for the tuition waiver. In 2023, DCBS processed 684 eligible tuition waivers, of those 411 youth were determined to be eligible due to adoption and 273 youth were determined to be eligible due to being in the custody of the Cabinet. If payments were provided to every youth eligible for the tuition waiver, the Cabinet would be responsible for paying \$11.8 million in General Fund annually, which is 684 youths x \$1,727 per month x 10 months = \$11,812,680. If the intent of this legislation is to only provide the stipend to youth in custody of the Cabinet, the payment would be \$4.7 million in General Fund annually, which is 273 youths x \$1,727 per month x 10 months = \$4,714,710.

Section 6 of the legislation requires enhancements to data systems to capture data on dually committed children and the services provided. The data enhancements are estimated to cost approximately \$500,000 in one-time General Fund dollars for DCBS.

In addition, DCBS will need at least 2 Social Service Workers to support the administrative oversight of this legislation. This cost is estimated to be \$260,000 for salary and fringe annually.

The Department for Income Support estimates a cost of \$190,000 to develop a batch interface and reporting system for the requirements in Sections 4 and 5 of this legislation. This would be one-time General Fund dollars.

The total cost to the Cabinet is estimated to be \$6.2 million to \$13.3 million in General Fund in fiscal year 2025, \$5.5 million to \$12.6 million in General Fund in fiscal year 2026, and \$5 million to \$12.1 million in General Fund at full implementation.

DATA SOURCE(S): Cabinet for Health and Family Services; LRC Staff

PREPARER: Kevin Newton; Zach Ireland; Ethan Williams **NOTE NUMBER:** 75 **REVIEW:** JB

DATE: 2/26/2024