

RELATIVE FOSTER CARE PLACEMENT

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House Bill 4118 (Substitute H-1)

Sponsor: Rep. Gino Polidori

Committee: Families and Children's Services

Complete to 3-26-09

A SUMMARY OF HOUSE BILL 4118 AS REPORTED FROM COMMITTEE ON 3-25-09

The bill would amend the Foster Care and Adoption Services Act to require that, before determining placement of a child in its care, a supervising agency give special consideration and preference to the child's relatives. If a supervising agency determines a child's relative is willing to care for the child, is fit to do so, and would meet the child's developmental, emotional, and physical needs, the child would have to be placed in that relative's home unless placement is determined to be clearly not in the child's best interest. The department and the supervising agency would be required to implement this provision in compliance with a consent decree in force on the bill's effective date.

Currently, the act requires a supervising agency to identify, locate, and consult with relatives of a child being removed from a home to determine placement with a fit and appropriate relative who would meet the child's developmental, emotional, and physical needs as an alternative to foster care. The bill also would require a supervising agency to "notify" relatives to determine placement.

The notification of relatives would need to do all of the following; (a) specify that the child has been removed from the custody of the child's parent; (b) explain the options the relative has to participate in the care and placement of the child, including any option that may be lost by failing to respond to the notification; (c) describe the requirements and benefits, including the amount of monetary benefits, of becoming a licensed foster family home; and (d) describe how the relative may subsequently enter into an agreement with the department for guardianship assistance.

MCL 722.954a

FISCAL IMPACT:

The bill would largely codify existing DHS policy regarding relative placements into the Foster Care and Adoption Services Act. To that extent, the bill would have little fiscal impact as the DHS is already looking closely at placing children with relatives whenever a suitable relative placement exists.

The policy itself of placing children with relatives can have a mixed effect on overall foster care costs and state-funded foster care costs. The impact largely depends on the type of relative placement that is eventually established.

If the relative of a child becomes a licensed foster care parent, the costs of the placement would be the same as that of other types of general family foster care placements. Unless the child had special needs, the relative would be paid an average of around \$450 to \$550 per month in foster care payments depending on the child's age. The state would incur up to half of the costs of this placement with the remaining share to be met by either the federal government or the county of origin for the child. If suitable relative placements were found in lieu of more expensive institutional placements, the state could achieve savings from the relative placement.

If the relative remains unlicensed, state support would be provided through the Family Independence Program (FIP). Under FIP, the relative would receive \$157 per month for one child. These costs would be incurred entirely by the state. However, they would fall below the state costs for a licensed placement.

It should be noted that the settlement of the lawsuit brought against the state by the non-profit group Children's Rights mandates that the state attempt to license all relative caregivers as foster parents, but provides an exemption for 10% of these cases.

POSITIONS:

Department of Human Services testified in support of the bill. (3-25-09)

Legislative Analyst: E. Best
Fiscal Analyst: Bob Schneider
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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.