

Date of Hearing: April 24, 2024

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1952 (Dixon) – As Introduced January 29, 2024

Policy Committee: Human Services Vote: 7 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

**SUMMARY:**

This bill increases the additional rate paid to cover the cost of care and supervision of a child of a foster youth by an additional \$517.24 per month, subject to an appropriation in the annual budget act. The bill also requires this rate, known as the infant supplement, be adjusted annually according to the California Necessities Index (CNI).

**FISCAL EFFECT:**

- 1) Estimated General Fund (GF) costs of approximately \$2 million in fiscal year (FY) 2024-25, and \$4 million in FY 2025-26, increasing annually thereafter dependent on the CNI, to provide the infant supplement increases to parenting foster youth. This estimate assumes a caseload of 690.
- 2) Estimated GF costs of approximately \$150,000 in FY 2024-25 and \$300,000 in FY 2025-26 and ongoing for additional county administrative workload, until automation updates are completed. Although these are state-mandated costs, they are not reimbursable, but instead must be funded by the state pursuant to Proposition 30 (2012), which requires legislation that increases costs already borne by a local agency for programs or levels of service mandated by realignment (including child welfare services and foster care) to apply to local agencies only to the extent the state provides annual funding for the cost increase.
- 3) Estimated one-time GF costs of approximately \$172,000 in FY 2024-25 to automate payment increases in the California Statewide Automated Welfare System (CalSAWS). Once the automation update is complete, ongoing maintenance costs for payment changes due to the CNI increase are estimated to be about \$70,000 annually.

Increases to the infant supplement are typically done through the budget process. The author has submitted a budget request associated with this bill for a one-time allocation of \$4.3 million from the General Fund.

According to the Legislative Analyst's Office, the General Fund faces a structural deficit in the tens of billions of dollars over the next several fiscal years.

**COMMENTS:**

- 1) **Purpose.** To better support parenting foster youth, the author seeks to increase the infant supplement rate to account for inflation since 2016, and to provide for automatic annual adjustments going forward. According to the author:

We have a responsibility to support the parenting foster youth in California through continuing to secure sufficient resources relevant to their specialized situations. These young parents are facing immense challenges as they are working towards the prosperity of not only themselves, but their child or children. We need to continue to fight against the traumatic stressors presented to these vulnerable communities as they enter the challenging world of parenthood.

- 2) **Background.** Existing law establishes the Aid to Families with Dependent Children-Foster Care (AFDC-FC) program, under which counties provide payments to foster care providers on behalf of qualified children in foster care. Existing law also establishes the Kinship Guardianship Assistance Payment Program (Kin-GAP), which provides aid on behalf of eligible children who have a kinship guardianship, and the Approved Relative Caregiver Funding Program (ARC), which provides payments to approved relative caregivers who are caring for children and non-minor dependents who are ineligible for AFDC-FC payments.

Existing law requires, when a child is living with a parent who receives AFDC-FC or Kin-GAP benefits, or ARC payments, the rate paid to the foster care provider on behalf of the parent include an additional amount, known as an infant supplement, for the care and supervision of the child. CDSS estimates approximately 690 foster youth received the infant supplement in 2023.

Existing regulations require the infant supplement be used only for the care and supervision of the child of the eligible parent. The rate is expected to cover the cost of all of the baby's needs, including childcare, clothing, diapers, formula, food, and transportation to all medical visits for the baby. The infant supplement rate varies based on the placement type of the foster youth. The rate was last adjusted in 2016, when it was raised by \$489 per month. This adjustment brought the total supplement rate to \$900 per month for those in foster family homes and similar settings, and \$1,379 per month for foster youth in group home settings (AB 1603, Committee on Budget, Chapter 25, Statutes of 2016).

The infant supplement payment is one of the few foster care rates not automatically increased each year by a CNI-based cost-of-living adjustment. This bill increases the infant supplement by an additional \$517.24 per month, to match the rate of inflation since 2016, and requires the amount be adjusted annually thereafter according to the CNI.

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