

Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



Virginia Department of Planning and Budget Economic Impact Analysis

22 VAC 40-211 Resource, Foster and Adoptive Family Home Approval Standards
Department of Social Services
Town Hall Action/Stage: 4886/8198
June 1, 2018

Summary of the Proposed Amendments to Regulation

The State Board of Social Services (Board) proposes to incorporate into the regulation three recent legislative changes: Chapter 631 of the 2016 Acts of Assembly and Chapters 193 and 194 of the 2017 Acts of Assembly.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

This regulation addresses standards for foster and adoptive homes approved by Local Departments of Social Services (LDSS). The proposed action incorporates three recent legislative changes as they apply to such homes.

Chapter 631 of the 2016 Acts of Assembly¹ mandated normalcy training as a part of the pre-service training for prospective foster and adoptive providers. The purpose of the normalcy training is to encourage age and developmentally appropriate childhood activities, such as extracurricular activities, social activities in and out of school, and employment opportunities by educating foster and adoptive parents. The Virginia Department of Social Services (VDSS) has already developed online training, which is available to prospective parents free of charge. The

¹ <http://lis.virginia.gov/cgi-bin/legp604.exe?161+ful+CHAP0631>

training takes about one hour to complete. There are approximately 1,900 already approved adoptive and foster parents who will be required to complete this training. In a given year, there are about 700-800 new applicants wishing to be an adoptive or foster parent who will be required to complete this training. The normalcy training will likely improve the skills and knowledge of existing and new providers and will make it more likely that youth in foster care have similar opportunities as children who are not in foster care.

Additionally, Chapter 193 of the 2017 Acts of Assembly² mandated LDSS to use the Mutual Family Assessment home study template developed by VDSS when approving foster and adoptive homes. Prior to this legislative mandate, LDSS used mostly similar but unidentical assessments to make approval decisions. The proposed change conforms to the legislative mandate and requires all LDSS to use the same template. VDSS already developed the template without any significant costs and it is currently being used. As mentioned above, there are about 700-800 new applicants wishing to be an adoptive or foster parent in a given year. This change will likely improve consistency among numerous localities without imposing any significant costs.

Lastly, Chapter 194 of the 2017 Acts of Assembly³ established that background checks conducted for youth over 18 years old in the Fostering Futures program be used only for the sole purpose of determining whether other children should be placed or remain in the same foster home, and not as a basis for terminating or suspending the approval of the foster home. Generally, foster care ends when the youth reaches the age of 18, the legal age of adulthood. Fostering Futures however is Virginia's program that extends foster care maintenance and services (and adoption assistance) to age 21. When a youth in the program turns 18, a background check must be conducted under the current law. There are approximately 500 individuals that turn 18 in foster or adoptive care annually. In some of these cases, such a background check may reveal a past criminal record. The legislation clarifies that background of a youth turning 18 (e.g. discovery of a criminal record) should not be used as a basis to terminate or suspend the approval of the foster home. According to VDSS, discovery of a criminal record of a youth may be useful consideration for arrangements for other children, but should not have a

² <http://lis.virginia.gov/cgi-bin/legp604.exe?171+ful+CHAP0193>

³ <http://lis.virginia.gov/cgi-bin/legp604.exe?171+ful+CHAP0194>

bearing on the safety of the foster home. This is a clarifying change and is not expected to create any significant economic effect other than improving the clarity of the regulatory language.

Businesses and Entities Affected

Currently, there are approximately 1,900 approved individual foster and adoptive parents. Approximately 700-800 new applications to become a foster or adoptive parent are received in a typical year. Lastly, approximately 500 youth in foster or adoptive care turn 18 per year.

Localities Particularly Affected

The proposed amendments do not affect any particular locality more than others.

Projected Impact on Employment

The proposed amendments should not have any significant effect on employment.

Effects on the Use and Value of Private Property

The proposed amendments should not have any significant effect on the use and value of private property.

Real Estate Development Costs

No impact on real estate development costs is expected.

Small Businesses:

Definition

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

Costs and Other Effects

The proposed amendments do not affect small businesses.

Alternative Method that Minimizes Adverse Impact

The proposed amendment does not have adverse effects on small businesses.

Adverse Impacts:

Businesses:

The proposed amendments do not have adverse impacts on businesses.

Localities:

The proposed amendments will not adversely affect localities.

Other Entities:

The proposed amendments will not adversely affect other entities.

Legal Mandates

General: The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

Adverse impacts: Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.