

Legislative Analysis



RELATIVE FOSTER CARE PLACEMENTS

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House Bill 4735 without amendment
Sponsor: Rep. Gino Polidori
Committee: Families and Children's Services

First Analysis (6-6-07)

BRIEF SUMMARY: The bill would amend the Foster Care and Adoption Services Act to require a supervising agency, before determining placement of a child in its care, to give special consideration and preference to the child's relatives. The bill would require the supervising agency to give special consideration and preference to the child's relative before determining placement of a child in its care.

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 APPARENT PROBLEM:

Currently, the Foster Care and Adoption Services Act requires a supervising agency to identify, locate, and consult with relatives of a child being removed from a home to determine if it is possible to place the child with a fit and appropriate relative who would meet the child's developmental, emotional, and physical needs as an alternative to foster care. Although the department offers first consideration to the family, this procedure is not mandatory or required under the act.

According to committee testimony, Michigan's foster care system has changed a great deal in recent years while the law has lagged behind. Michigan's foster care system relies heavily on relatives who want to be caregivers for children in need of homes, and there are record numbers of grandparents, aunts, uncles, and other relatives caring for children. Legislation has been introduced to improve Michigan's foster care system to require preference be given to placing a child entering foster care with a relative if that relative is fit and willing.

THE CONTENT OF THE BILL:

The bill would amend the Foster Care and Adoption Services Act to require a supervising agency, before determining placement of a child in its care, to 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, and is fit to do so, 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.

(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.)

FISCAL INFORMATION:

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.

Finally, the Executive-recommendation FY 2008 Department of Human Services budget includes new state funding for a Subsidized Guardianship program which would provide a new legal guardianship status for relatives. If the child were placed with a legal relative guardian, the guardian would, under the Executive budget proposal, receive the same foster care rate noted above paid to a licensed foster family. However, the payments would be 100% state funded. Thus, state costs would rise under this scenario when compared to other placement options. Note, however, that under separate legislation (Senate Bill 170), a relative guardian assistance program is established that pays the relative a rate equal to 66% of the rate paid under a licensed placement. If this legislation were enacted, the state cost increase would be more limited.

ARGUMENTS:

For:

Supporters believe the experience of leaving one family and joining another can be detrimental to children and create a very stressful situation. The legislation would help to

ease the transition for a child placed in foster care and at the same time respect the traditions in which he or she is raised in the early years. Placing a child in a relative placement preserves ethnicity practices, eliminates language barriers, and offers a culturally-friendly outcome. This legislation aptly puts "the best interest of the child" requirement in proper perspective.

Response:

Although the legislation may help to preserve cultural norms, the Department of Human Services should place children in a situation that best fits the needs of the child. Being "fit and willing" may not go far enough. A person that is "fit and willing" to assume foster care may not provide the home that is in the best interest of the child.

POSITIONS:

The Department of Human Services, Office of Children and Adult Licensing, testified in general support of the bill but is recommending changes to the bill as currently written. (5-30-07)

Children Need Both Parents, Inc. testified in support of the bill. (5-30-07)

Michigan State University Kinship Care Resource Center supports the bill. (5-30-07)

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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.