

SHB 2263 - S COMM AMD

By Committee on Human Services & Corrections

ADOPTED 03/01/2012

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that the federal
4 child and family services improvement and innovation act provides an
5 important new opportunity for Washington state to flexibly use federal
6 funding, traditionally limited to foster care, to achieve the following
7 outcomes: Increase permanency for all infants, children, and youth by
8 reducing the time spent in foster care placements when possible and
9 promoting a successful transition to adulthood for older youth;
10 increase the positive outcomes for infants, children, youth, and
11 families in their homes and communities, including tribal communities;
12 improve the safety and well-being of infants, children, and youth; and
13 prevent child abuse and neglect and the reentry of infants, children,
14 and youth into foster care.

15 (2) The legislature finds that the licensed out-of-home foster care
16 caseload has declined by eighteen percent from fiscal year 2008 to
17 fiscal year 2011. The legislature further finds that under the current
18 system, as caseloads decline, fewer state and federal funds are
19 available in the child welfare budget for prevention and reunification
20 services to continue improving outcomes.

21 (3) The legislature recognizes the need to reinvest savings related
22 to foster care caseload reductions into effective efforts that improve
23 outcomes. The legislature intends to maximize limited resources by
24 continuing to focus on efforts to improve child safety, child
25 permanency, and child well-being in Washington state.

26 NEW SECTION. **Sec. 2.** A new section is added to chapter 74.13 RCW
27 to read as follows:

28 (1) The child and family reinvestment account is created in the
29 state treasury. Moneys in the account may be spent only after

1 appropriation. Moneys in the account may be expended solely for
2 improving outcomes related to: (a) Safely reducing entry into the
3 foster care system and preventing reentry; (b) safely increasing
4 reunifications; (c) achieving permanency for children unable to be
5 reunified; and (d) improving outcomes for youth who will age out of the
6 foster care system. Moneys may be expended for shared savings under
7 performance-based contracts.

8 (2) Revenues to the child and family reinvestment account consist
9 of: (a) Savings to the state general fund resulting from reductions in
10 foster care caseloads and per capita costs, as calculated and
11 transferred into the account under this section; and (b) any other
12 public or private funds appropriated to or deposited in the account.

13 (3)(a) The department of social and health services, in
14 collaboration with the office of financial management and the caseload
15 forecast council, shall develop a methodology for calculating the
16 savings under this section. The methodology must be used for the 2013-
17 2015 fiscal biennium, and for each biennium thereafter. The
18 methodology must establish a baseline for calculating savings. In
19 developing the methodology, the department of social and health
20 services shall incorporate the relevant requirements of any
21 demonstration waiver granted to the state under P.L. 112-34. The
22 savings must be based on actual caseload and per capita expenditures.
23 By December 1, 2012, the department of social and health services shall
24 submit the proposed methodology to the governor and the appropriate
25 committees of the legislature. The methodology is deemed approved
26 unless the legislature enacts legislation to modify or reject the
27 methodology.

28 (b) The department of social and health services shall use the
29 methodology established in (a) of this subsection to calculate savings
30 to the state general fund for transfer into the child and family
31 reinvestment account in fiscal year 2014 and each fiscal year
32 thereafter. Savings calculated by the department under this section
33 are not subject to RCW 43.79.460. The department shall report the
34 amount of the state general fund savings achieved to the office of
35 financial management and the fiscal committees of the legislature at
36 the end of each fiscal year. The office of financial management shall
37 provide notice to the state treasurer of the amount of state general

1 fund savings, as calculated by the department of social and health
2 services, for transfer into the child and family reinvestment account.

3 (c) Nothing in this section prohibits (i) the caseload forecast
4 council from forecasting the foster care caseload under RCW 43.88C.010
5 or (ii) the department from including maintenance funding in its budget
6 submittal for caseload costs that exceed the baseline established in
7 (a) of this subsection.

8 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.135 RCW
9 to read as follows:

10 RCW 43.135.034(4) does not apply to the transfer established under
11 section 2 of this act.

12 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.131 RCW
13 to read as follows:

14 The child and family reinvestment account and methodology for
15 calculating savings as established under this act shall be terminated
16 on June 30, 2018, as provided in section 5 of this act.

17 NEW SECTION. **Sec. 5.** A new section is added to chapter 43.131 RCW
18 to read as follows:

19 The following acts or parts of acts, as now existing or hereafter
20 amended, are each repealed, effective June 30, 2019:

- 21 (1) Section 1 of this act;
22 (2) Section 2 of this act; and
23 (3) Section 3 of this act."

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24 On page 1, line 2 of the title, after "system;" strike the
25 remainder of the title and insert "adding a new section to chapter
26 74.13 RCW; adding a new section to chapter 43.135 RCW; adding new
27 sections to chapter 43.131 RCW; creating a new section; and providing

1 an effective date."

EFFECT: Removes the language requiring the department to use the 2013 fiscal year foster care appropriation as a baseline if the department does not receive the demonstration waiver.

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