

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 40-201 Permanency Services – Prevention, Foster Care, Adoption, and Independent Living
Department of Social Services
Town Hall Action/Stage: 4885/8202
June 5, 2018

Summary of the Proposed Amendments to Regulation

The State Board of Social Services (Board) proposes to incorporate three recent legislative changes into the regulation: Chapters 187, 200, and 203 of the 2017 Acts of Assembly.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

This permanency regulation provides standards for Local Departments of Social Services (LDSS) for prevention, foster care, adoption, and independent living services. The proposed action incorporates three recent legislative changes as they apply to such services.

Chapter 187 of the 2017 Acts of Assembly¹ mandated that youth aging out of foster care (e.g. youth turning 18) be given the opportunity to participate in a survey to provide feedback regarding his or her experience while in foster care. In a given year, there are approximately 500 youth in foster care that turn 18. Of the 500, how many may choose to participate in the survey is not known, but the Virginia Department of Social Services (VDSS) considers more than a 30%

¹ <http://lis.virginia.gov/cgi-bin/legp604.exe?171+ful+CHAP0187>

response rate as unlikely. VDSS plans to have about 30 questions on the survey. The purpose of the survey is to receive feedback from the youth, identify areas for improvement, and improve experiences while in foster care. VDSS estimates that one-half of a full time position to analyze the survey results on an ongoing basis would be needed. However, the additional staff support needed to analyze the survey data will be absorbed within existing resources.

Additionally, Chapter 200 of the 2017 Acts of Assembly² changed the name of the Putative Father Registry to Virginia Birth Father Registry and added new language on what is considered to be a timely registration. The Board proposes to replace all instances of “Putative Father Registry” with “Virginia Birth Father Registry” in the regulation and add new language to incorporate what is considered a timely registration. The consistency between the regulation and the legislation should be beneficial.

Finally, Chapter 203 of the 2017 Acts of Assembly³ requires youth who turn 18 years old in foster care to be enrolled in Medicaid. When the adolescents in foster care transition to adulthood, they lose Medicaid eligibility as children, but continue to be eligible under other categories. The legislation requires the LDSS to ensure that such youth are enrolled in Medicaid, unless they object or are otherwise ineligible for Medicaid services. The main impact of this change is to increase the likelihood of continued Medicaid coverage of such youth in foster care.

Businesses and Entities Affected

There are approximately 500 youth in foster or adoptive care that turn 18 in a given year. There are 2,411 individuals who are currently registered in the Virginia Birth Father Registry.

Localities Particularly Affected

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

Projected Impact on Employment

The proposed survey requirement is estimated to require one-half of full time position on an ongoing basis but will be absorbed by the existing employees. The other proposed amendments should not have any significant effect on employment.

² <http://lis.virginia.gov/cgi-bin/legp604.exe?171+ful+CHAP0200>

³ <http://lis.virginia.gov/cgi-bin/legp604.exe?171+ful+CHAP0203>

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 amendments do 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.