



## **Economic Impact Analysis Virginia Department of Planning and Budget**

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### **22 VAC 40-220 – State Board of Social Services Agency Placement Adoptions-Guiding Principles October 11, 2002**

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The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.G of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.G requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. The analysis presented below represents DPB's best estimate of these economic impacts.

### **Summary of the Proposed Regulation**

The proposed changes will repeal from the regulations the guiding principles that must be followed by the local departments of social services during adoption placements.

### **Estimated Economic Impact**

These regulations contain 13 guiding principles to be followed when the local departments of social services provide adoption services. These principles do not establish any specific requirements, but merely contain statements enunciating the desired practices. For example, the first principle states, "legal adoption offers a child greater permanence and security than foster care." The remaining principles contain similar statements on desired practices about other aspects of the adoption process. The Board of State Social Services proposes to repeal these guiding principles from its regulations.

Among these principles one is already obsolete due to passage of federal Multi-Ethnic Placement Act in 1994. The language in the regulation suggests that the preferred adoptive

parent is one with the same race and ethnic and cultural background of that of the child. The Department of Social Services (the agency) believes that this principle was reflective of the paradigm at the national level and may have caused some delay in placements of African American children as the number of these children available for adoption greatly exceeds the number of available adoptive parents with the same ethnic background. According to the agency, there has been a shift away from this approach at the national level. In the mean time, Multi-Ethnic Placement Act prohibited payments from federal funds to entities that delay or deny placement of a child on the basis of race, color, and national origin in 1994. Following this change in federal law, the agency no longer considers the relevant language in the regulations as a guiding principle and compliance with it is currently not expected and not enforced. Since, this particular guiding principle has been obsolete in practice since 1994, its proposed repeal is not expected to create any significant economic effects.

All of the remaining 12 guiding principles are currently contained in the agency's guidance documents and will be accessible to members of the public as well as to the local departments of social services.<sup>1</sup> Thus, the proposed repeal of the remaining guiding principles from regulations is unlikely to create significant economic effects, as there will be no change in current agency practices. Despite their presence in the agency guidance documents, these principles will no longer be a part of the agency's regulations upon promulgation of the proposed amendments. As a result it will be easier for the agency to revise its guiding principles if needed while members of the public may no longer be afforded the chance to provide comments on these principles.

## **Businesses and Entities Affected**

The proposed regulations apply to 120 local departments of social services. Additionally, the agency places approximately 500 children with adoptive parents annually. These regulations also apply to these adoptive parents.

## **Localities Particularly Affected**

The proposed regulations apply throughout Virginia.

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<sup>1</sup> Among these, the guiding principle that adult adoptees have full access to their records except that would reveal the identity of their family or the origin is now also a statutory requirement and mandated in §63.2-1246 of the Code of Virginia.

## **Projected Impact on Employment**

The proposed repeal of these regulations is unlikely to create any significant effect on employment.

## **Effects on the Use and Value of Private Property**

No significant effect on the use and value of private property is expected.