



## Fiscal Estimate Narratives

DCF 1/2/2014

LRB Number	<b>13-3776/1</b>	Introduction Number	<b>SB-451</b>	Estimate Type	<b>Original</b>
<b>Description</b> Extended out-of-home care to 21 years of age for children with individualized education programs, providing an exemption from emergency rule procedures, providing an exemption from rule-making procedures, and granting rule-making authority					

### Assumptions Used in Arriving at Fiscal Estimate

This bill permits a child placed in out-of-home care who is a full-time student at a secondary school or its vocational or technical equivalent and for whom an individualized education program (IEP) is in effect to continue in out-of-home care until the child earns a high school or high school equivalency diploma or reaches age 21, whichever occurs first. The out-of-home placement could be under an extended dispositional order of the juvenile court or a newly created voluntary transition-to-independent living agreement between the child or the child's guardian and the agency primarily responsible for providing services to the child under the dispositional order.

Under the bill, if a child requests to be discharged from out-of-home care on termination of the dispositional or termination of parental rights (TPR) agency guardianship order, the agency must request the juvenile court hold a transition-to-independent living discharge hearing. At the hearing the juvenile court must review with the child the options of being discharged from out-of-home care, including termination of the dispositional or TPR agency guardianship order, continuing in out-of-home care under an extension of the dispositional order, or continuing in out-of-home care under a voluntary agreement.

The bill permits a child with an IEP, or his or her guardian, to terminate a voluntary transition-to-independent living agreement at any time by notifying the agency in writing. This bill also allows a child who terminates a voluntary transition-to-independent living agreement to enter into a new agreement at any time before he or she graduates from high school, receives a high school equivalency diploma, or reaches age 21, whichever occurs first; as long as he or she is a full-time student at a secondary school or its vocational or technical equivalent and the IEP remains in effect.

Several assumptions were made in calculating the cost of this expansion contained in this bill. First, the bill assumes that the total caseload of children aging out of out-of-home care is 438. This represents an average of the number of children who aged out of out-of-home care in CY 2011 (462) and CY 2012 (413). Second, based on analysis done by DCF of Wisconsin K-12 data, this bill assumes that 43% of these children have an IEP in effect. Third, the bill assumes that the average out-of-home care payment is \$2,461 per month. The cost of an out-of-home care placement was calculated using a weighted average of the placement settings for the children who aged out of care in CY 2012. Fourth, based on data from the Wisconsin Department of Public Instruction, it was assumed that 40% of students with an IEP in effect at age 18 remain in school until age 19, 60% of students with an IEP in effect at age 19 remain in school until age 20, and 10% of students with an IEP at age 20 remain in school until age 21. The expansion was assumed to begin on July 1, 2014.

Under these assumptions, the bill would cost \$1,205,000 all funds (\$907,100 GPR) in the first year of implementation (SFY 2015), \$2,947,500 all funds (\$2,218,900 GPR) in the second year of implementation (SFY 2016), \$3,620,400 all funds (\$2,725,400 GPR) in the third year of implementation (SFY 2017), and \$3,681,600 all funds (\$2,771,500 GPR) in fourth year (SFY 2018) and each fiscal year thereafter.

2013 Wisconsin Act 20 placed \$945,700 GPR in the Joint Committee on Finance's General Purpose Revenue Supplemental Program appropriation and created a nonstatutory provision specifying that these funds could only be used if separate legislation is enacted regarding the extension of out-of-home care up to age 21 for youth who have an IEP. This legislation fulfills the nonstatutory requirement from 2013 Wisconsin Act 20, enabling the release of the earmarked funding in the Joint Finance Committee appropriation, which meets the funding need the first year of implementation (SFY 2015).

### Long-Range Fiscal Implications

See the assumptions described above for the long-range fiscal implications.