

SB 102 STAFF MEASURE SUMMARY

Senate Committee On Human Services

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/15, 4/3

WHAT THE MEASURE DOES:

Creates Adoption Applicable Child Savings Fund, separate from General Fund, for deposit of adoption applicable child savings for later use in accordance with federal funds spending rules. Requires deposited funds to supplement child welfare programs. Declares emergency, effective on passage.

FISCAL: May Have Fiscal Impact, But No Statement Yet Issued

REVENUE: May Have Revenue Impact, But No Statement Yet Issued

ISSUES DISCUSSED:

- Operation of current program
- Federal rules for use of federal adoption assistance money and general fund savings
- Allocation of adoption assistance funds and savings
- Effect of measure

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Both Oregon and federal law provide for adoption assistance funding to the Department of Human Services (DHS). The Adoption Assistance Applicable Child Savings Program (adoption assistance program) is a federal and state funded program that adds financial support to families that are unable to meet their child's needs without assistance. It serves as a subsidy to help with out-of-pocket expenses like court costs, attorney fees, medical and surgical expenses, and other care incidental to the training and education of a child with special needs. Federal adoption assistance funds have specific rules on how they are spent, including a rule that the funds can only supplement (and not replace) state funding of child services programs. The acceptance of these federal funds results in state adoption applicable child General Fund savings (adoption assistance savings), which must still be spent on new child welfare services. Unspent adoption assistance savings currently revert back to the General Fund at the end of each biennium. Because federal adoption assistance dollars are not allowed to displace state funding, DHS must request unspent adoption assistance savings back from the General Fund or risk losing federal adoption assistance funding.

Senate Bill 102 creates an Adoption Applicable Child Savings Fund that is separate from the General Fund. This fund allows DHS to carry over unspent adoption assistance General Fund savings between biennia. The measure requires that the Fund will be used in the next biennium to supplement existing child welfare services as required by federal law.