

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT

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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number: S. 0415 Introduced on March 4, 2025

Subject: Kin-Specific Licensing Standards Requestor: Senate Family and Veterans Services

RFA Analyst(s): Boggs

Impact Date: March 18, 2025

Fiscal Impact Summary

This bill allows the Department of Social Services (DSS) to license relatives and fictive kin using standards that differ from standards applied to unrelated applicants. Additionally, this bill lowers the age requirement of a kinship foster parent from 21 or older to 18 or older. Further, this bill specifies that the adoption requirements under 63-9-1110 apply for children in the custody and guardianship of DSS who are placed with relatives or fictive kin for the purpose of adoption.

This bill may impact family court caseloads by allowing for judicial waiver of different adoption requirements for children who are placed with relatives or fictive kin for adoption. Judicial anticipates that the potential change in caseload can be managed within existing staff and appropriations. However, if this bill results in a significant increase in the caseload, Judicial anticipates an increase in General Fund appropriations may be requested.

This bill allows DSS to license relatives and fictive kin using standards that differ from standards applied to unrelated applicants. This would allow a new classification of applicable caregivers who are already caring for children in DSS custody to receive a monthly maintenance payment. DSS estimates this new classification would apply to caregivers of approximately 470 children. This would result in an increase in recurring expenses of approximately \$3,885,000 in General Funds and \$588,000 in Federal Funds beginning in FY 2025-26. DSS will request General Fund appropriations for this additional expense.

Explanation of Fiscal Impact

Introduced on March 4, 2025 State Expenditure

This bill allows DSS to license relatives and fictive kin using standards that differ from standards applied to unrelated applicants and adds a definition for licensed. Additionally, this bill lowers the age requirement of a kinship foster parent from 21 or older to 18 or older. Further, this bill allows for the adoption requirements under 63-9-1110 to apply for children in the custody and guardianship of DSS who are placed with relatives or fictive kin for the purpose of adoption.

Judicial. This bill may impact family court caseloads by allowing for judicial waiver of different adoption requirements for children who are placed with relatives or fictive kin for adoption. The potential change in caseloads will depend upon the number of family court cases impacted by

this bill. For information, 1,584 adoptions were filed in South Carolina family courts in FY 2023-24. This represented roughly 2.7 percent of all family court cases filed during FY 2023-24. Judicial anticipates that any potential change in caseload can be managed within existing staff and appropriations. However, if this bill results in a significant increase in the caseload, Judicial anticipates an increase in General Fund appropriations may be requested.

Department of Social Services. This bill allows DSS to license relatives and fictive kin using standards that differ from standards applied to unrelated applicants. This would allow a new classification of applicable caregivers who are already caring for children in DSS custody to receive a monthly maintenance payment. The federal government allows agencies to claim Title IV-E funding under these circumstances. However, Title IV-E funding can only be used for a portion of the maintenance payment, and only for those children that are Title IV-E eligible. General Funds would need to be used to fund all payments for children that are not Title IV-E eligible, and the State match for the payments that are Title IV-E eligible.

DSS estimates this new classification would apply to caregivers of approximately 470 children. This would result in an increase in recurring expenses of approximately \$3,885,000 in General Funds and \$588,00 in Federal Funds beginning in FY 2025-26. DSS will request General Fund appropriations for this additional expense.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director