

REAUTHORIZED FEDERAL CHILD WELFARE RELATED PROGRAMS



AN ISSUE BRIEF FROM LEGISLATIVE BUDGET BOARD STAFF

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OBJECTIVE

The Child Care and Development Block Grant Act of 2014 (CCDBG Act) and the Preventing Sex Trafficking and Strengthening Families Act (PSTSF Act) provide several new federal requirements for state child welfare programs.

KEY FACTS

- ◆ The CCDBG Act of 2014 includes new licensing and background check requirements for Child Care and Development Fund state plans.
- ◆ The PSTSF Act establishes new requirements for identifying and serving children at risk of human trafficking for Title IV–E Foster Care and Adoption Assistance Programs.
- ◆ The Texas Department of Family and Protective Services (DFPS) and the Texas Workforce Commission have taken steps to meet the requirements of the two new laws.

BUDGETARY IMPACT

DFPS was appropriated \$16.3 million in All Funds for the 2016–17 biennium to meet the requirements of the new laws.

STATUTORY REFERENCES

The Child Care and Development Block Grant Act of 2014, U.S. Public Law 113–186.

The Preventing Sex Trafficking and Strengthening Families Act, 2014, U.S. Public Law 113–183.

In 2014, the U.S. Congress enacted the Child Care and Development Block Grant Act of 2014 (CCDBG Act) and the Preventing Sex Trafficking and Strengthening Families Act (PSTSF Act). These two laws provide several new regulatory and programmatic requirements for states pursuant to the U.S. Social Security Act, Title IV, Part E, Foster Care and Adoption Assistance programs. The Texas Workforce Commission (TWC) is affected by the CCDBG Act, as it is the agency that administers the Child Care and Development Fund (CCDF). The Department of Family and Protective Services is affected by both acts, as it administers Title IV–E Foster Care and Adoption Assistance. The Eighty-fourth Legislature, General Appropriations Act, 2016–17 Biennium, includes appropriations to the DFPS to meet these requirements. TWC has taken several actions to comply with CCDBG.

Figure 1 shows the national and state funding levels for the federal programs affected by these two acts.

CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT OF 2014: NEW FEDERAL REQUIREMENTS

The CCDBG Act reauthorized the CCDF and provided funding through federal fiscal year 2020. Although the CCDF’s authorization had expired, it has been funded annually through the congressional appropriations process.

The CCDF is a combination of the Child Care and Development Block Grant and the Child Care Entitlement – Mandatory and Matching Funds. The CCDF is the primary source of federal funding for child care subsidies. These funds may also be used to improve the quality of child care and expand child development programs.

The CCDBG Act includes several new federal requirements for Title IV–E Foster Care and Adoption Assistance programs. The most extensive new requirements relate to licensing

enforcement and criminal background checks. This statute prescribes certain requirements of licensing inspectors and inspections, including at least one unannounced inspection

**FIGURE 1
NATIONAL AND STATE SHARE OF FUNDING FOR PROGRAMS
AFFECTED BY CCDBG ACT AND PSTSF ACT
FEDERAL FISCAL YEAR 2016**

(IN MILLIONS)

PROGRAM	NATIONAL FUNDING	TEXAS FUNDING
Title IV–E Foster Care	\$4,775.1	\$211.9
Adoption Assistance	\$2,563.0	\$119.3
Child Care and Development Block Grant	\$2,761.0	\$285.7
Child Care Entitlement – Mandatory and Matching	\$2,917.0	\$223.0

NOTES:

- (1) CCDBG= Child Care and Development Block Grant; PSTSF= Preventing Sex Trafficking and Strengthening Families Act; Title IV–E=the U.S. Social Security Act, Title IV, Part E.
- (2) Fiscal year 2016 amounts for Texas are estimated awards.

SOURCES: Legislative Budget Board; Federal Funds Information for States.

of state child care providers annually. States are required to conduct criminal background checks on child care staff and prospective staff of child care providers. The background checks must utilize certain registries. These registries include the state criminal and sex offender registry, the state child abuse and neglect registry, and the U.S. Department of Justice National Sex Offender Public Website. The background checks are required for all child care providers licensed, regulated, or registered by the state, not only CCDF providers.

PREVENTING SEX TRAFFICKING AND STRENGTHENING FAMILIES ACT: NEW FEDERAL REQUIREMENTS

The PSTSF Act was signed into law on September 29, 2014. The PSTSF Act amends Title IV, Part E, of the Social Security Act. This statute requires certain policies and procedures to be in place regarding children in the care of the state.

The PSTSF Act imposes new requirements on state agencies who administer Title IV–E Foster Care and Adoption Assistance programs. States are required to develop policies and procedures identifying and providing services to children at risk of human trafficking. The statute also adds requirements to the state plan for locating and responding to children who have run away from foster care. State agencies must also report immediately information on missing or abducted youth to law enforcement authorities for entry into certain national databases. The PSTSF Act lowers the age at which agencies must begin planning a child’s foster care transition. Transition planning must begin at age 14 instead of age 16.

The PSTSF Act requires states to implement a reasonable and prudent parent standard for foster care parental decisions. States must require foster family homes and child care institutions to use this standard. Contracts must designate an official to apply the standard. Texas passed this standard into law in the Eighty-fourth Legislative Session, 2015.

ACTIONS TAKEN BY THE TEXAS LEGISLATURE TO COMPLY WITH FEDERAL REQUIREMENTS

The Texas Legislature passed two laws to address the new federal requirements. House Bill 418, Eighty-fourth Legislature, 2015, authorizes courts to place a child in a secure agency foster home if the court finds that the child is a victim of human trafficking. Senate Bill 1496, Eighty-fourth Legislature, 2015, modified the Texas Human Resources Code, Chapter 42, to bring it into compliance with the federal laws.

TWC has taken several measures to comply with the new federal requirements of the CCDBG Act. TWC has implemented several of the licensing requirements of the federal statute. TWC has implemented policies and practices that ensure that individuals hired as licensing inspectors have adequate qualifications and training. TWC has indicated that DFPS uses historical data to maintain an appropriate ratio of inspectors to child care providers and facilities. According to TWC, the requirements for licensed CCDF providers will be met by November 1, 2016. TWC plans to implement the required criminal background checks by September 30, 2017.

The Texas Legislature appropriated \$7.8 million in General Revenue Funds and \$9.0 million in All Funds for the 2016–17 biennium to DFPS to meet the new requirements of the CCDBG Act. DFPS has reported that the new requirements will significantly affect the Child Care Licensing (CCL) Division and the Centralized Background Check Unit (CBCU). CCL is the division of DFPS that permits and monitors operations and agencies for compliance with state licensing standards, rules, and laws. CBCU is a division of DFPS that conducts background checks and risk evaluations for the various divisions of DFPS. To meet the new requirements, DFPS reported that it will have to conduct an estimated additional 800 inspections annually.

The Texas Legislature appropriated \$3.2 million in General Revenue Funds and \$7.3 million in All Funds for the 2016–17 biennium to DFPS to meet the new requirements of the PSTSF Act. DFPS reports that information technology modifications are necessary to track sex trafficking data and outcomes in Information Management Protecting Adults and Children in Texas (IMPACT), DFPS’ main casework system. DFPS has reported that the lowering of the age of transition planning would increase the number of children beginning transition. DFPS must develop transition plans for children that address the important issues for the youths as they leave or age out of foster care.

DFPS made several changes to the Child Protective Services Handbook in response to PSTSF Act. These revisions affect several policy areas including the rights of children in foster care, permanency hearings, and notification of child removal.

USEFUL REFERENCES

- National Conference of State Legislatures: Preventing Sex Trafficking and Strengthening Families Act of 2014: www.ncsl.org/research/human-services/preventing-sex-trafficking-and-strengthening-families-act-of-2014.aspx
- CCDF Reauthorization Frequently Asked Questions: www.acf.hhs.gov/programs/occ/resource/ccdf-reauthorization-faq

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