

**FINAL REPORT
OF THE
SELECT COMMITTEE ON
REORGANIZATION OF CHILD SERVICES**



**Indiana Legislative Services Agency
200 W. Washington Street, Suite 301
Indianapolis, Indiana 46204**

November, 2005

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2005

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Karen Firestone
Fiscal Analyst for the Committee

Sarah Brooks
Fiscal Analyst for the Committee

A copy of this report is available on the Internet. Reports, minutes, and notices are organized by committee. This report and other documents for this Committee can be accessed from the General Assembly Homepage at <http://www.in.gov/legislative/>.

I. STATUTORY AND LEGISLATIVE COUNCIL DIRECTIVES

The Indiana General Assembly enacted Public Law 234-2005 directing the Committee to do the following:

- (1) Study and make recommendations concerning the means in which the Department of Child Services and the Office of the Secretary of Family and Social Services shall cooperate in providing child services.
- (2) Study and make recommendations concerning the determination of the proper agency:
 - (A) to administer specific child service programs; and
 - (B) to employ the individuals providing child services.
- (3) Study and make recommendations concerning the proper organization of the Department of Child Services established to deliver services for children on a statewide basis.
- (4) Study any other matter the Committee determines is relevant to the reorganization of child services in Indiana.
- (5) Study the efficient provision of administrative functions used by more than one agency providing child services.

II. INTRODUCTION

The Committee met four times during the 2005 interim to study the reorganization of child services in Indiana and the newly created Department of Child Services ("DCS").

III. SUMMARY OF WORK PROGRAM

The following is a summary of the Committee's work. The minutes of each meeting of the Committee are available at www.in.gov/legislative/interim/committee/sccs.html.

The first meeting was held at the State House on September 14, 2005. The Committee discussed different aspects of DCS, including:

- (1) Staffing.
- (2) Regionalization.
- (3) DCS's information management system.
- (4) Child support.
- (5) DCS's pitfalls.
- (6) County child services budgets.

The second meeting was held at the State House on October 21, 2005. The Committee discussed county child services budgets and child services providers.

The third meeting was held at the State House on November 8, 2005. The Committee discussed child care.

The fourth meeting was held at the State House on November 28, 2005. The Committee heard testimony regarding the implementation of Senate Bill 481 (2005). The Committee also approved legislation concerning DCS and approved the final report in a roll call vote.

IV. SUMMARY OF TESTIMONY

Department of Child Services

James Payne, the director of DCS, gave testimony to the Committee regarding different aspects of DCS, including the following:

- (1) DCS is hiring case managers.
- (2) DCS is creating 18 regions. Each region will coordinate services for the counties in the region and will develop relationships between DCS and each court in the region.
- (3) DCS is improving its information management system to comply with federal standards and to be more user friendly.
- (4) DCS has some challenges, including staff being scattered around the state, attorney management, shortage of workspace and support staff, and complicated contracting.

County Child Services Budgets

Testimony was given that most counties approved budgets requested by DCS, but some counties did not approve the requested budgets. Members of several county councils testified that their council did not approve the requested budget amount because it was too much money, DCS did not justify why they needed a budget increase, counties were frustrated that the counties had no input into how child service budgets are spent, and there is no accountability to the counties.

Service Providers

Testimony was given that some child services providers have gone out of business in the last couple of years due to under-utilization or have been adversely affected due to late payments for services.

Child Care

Jim Robertson, Director of the Division of Family Resources ("Division"), testified about the Division's initiatives concerning child care, including:

- (1) Updating home child care rules.
- (2) Expanding the Pathways to Quality Program statewide.
- (3) Examining child care ministries.

Testimony was also given that DCS should regulate child care in Indiana.

SB 481 (2005)

Jean LaBrecque, Director of Health Policy and Medicaid at the Family and Social Services Administration, testified that the state Medicaid plan will be amended to allow Medicaid services to be extended to a child who received foster care when the child becomes 18 years old or is emancipated.

V. COMMITTEE FINDINGS AND RECOMMENDATIONS

The Committee did not make any findings of fact.

The Committee made the following recommendations:

The Committee voted in a roll call vote, 8-0, to recommend that if the responsibility to regulate child care is removed from the Family and Social Services Administration, DCS should be the agency responsible for regulating child care in Indiana.

The Committee also recommended the following legislative drafts:

PD 3523, Department of Child Services License Suspension

This draft removes DCS' power to suspend certain licenses. The Committee approved this draft in a roll call vote, 8-0.

PD 3528, Adoption Petitions

This draft deletes the requirement that a county clerk forward a copy of an adoption petition to DCS. The Committee approved this draft in a roll call vote, 8-0.

PD 3529, Foster Care Probationary License Status

This draft replaces the issuance of probationary licenses with probationary status periods for:

- (1) child caring institutions;
- (2) foster homes;
- (3) group homes; and
- (4) child placing agencies.

The Committee approved this draft in a roll call vote, 8-0.

PD 3534, Child in Need of Services and Delinquency Dispositional Decrees

This draft provides that a juvenile court may incorporate a finding or conclusion from a predispositional report as a written finding or conclusion upon the record in a court's dispositional decree for a child in need of services (CHINS) or delinquency hearing. The Committee approved this draft in a roll call vote, 8-0.

PD 3592, Child Abuse or Neglect Reports

This draft changes the definition of "substantiated" when used in reference to a child abuse or neglect report. The Committee approved this draft in a roll call vote, 8-0.

PD 3594, State Central Collection Unit Liability

Provides that the state central collection unit (unit) is not liable for certain errors in the disbursement and collection of child support payments. The Committee approved this draft in a roll call vote, 8-0.

PD 3595, Automated Child Protection System

This draft requires that child welfare caseworkers, investigators, and managers must have access to certain information under the automated child protection system regardless of security requirements for confidentiality. The Committee approved this draft in a roll call vote, 8-0.

PD 3617, Paternity Affidavits

This draft requires certain persons who attend a child's birth to explain to the birth mother and putative father the legal consequences of executing a paternity affidavit. These legal consequences include:

- (1) a child support order may be obtained that requires health care coverage;
- (2) the rights and responsibilities of the putative father include reasonable parenting time; and
- (3) DCS may file the paternity affidavit with a court.

The Committee approved this draft in a roll call vote, 8-0.

PD 3627, Child Support Arrearage Collection Fees

This draft provides that a collection agency that contracts with the child support bureau or a prosecuting attorney may assess and collect from an obligor all fees, charges, costs and other expenses provided under the contract. The Committee approved this draft in a roll call vote, 8-0.

PD 3638, Correction of 2005 Child Services Legislation

This draft makes technical corrections as directed by Senate Enrolled Act 529 (2005). The draft also relocates provisions concerning DCS into Title 31. Additionally, this draft provides that:

- (1) certain licenses may be denied or revoked if an employee or volunteer of a licensee or applicant has certain criminal convictions; and
- (2) a person may not operate a child caring institution, or a child placing agency may not operate a foster family home, if the number of the children exceeds the number authorized by the license or if the children are maintained in a place not designated by the license.

The Committee approved this draft in a roll call vote, 8-0.

PD 3644, Genetic Testing and Paternity Affidavits

This draft provides that:

- (1) a paternity affidavit may not be rescinded more than 60 days after the affidavit is executed unless a court has ordered a genetic test at the request of the man who executed the affidavit;
- (2) a court may not set aside an affidavit unless a genetic test excludes the man who executed the affidavit as the child's father; and
- (3) if a man executed a paternity affidavit, a court may not require any further proceedings to establish the child's paternity unless the man who executed the paternity affidavit requests a genetic test.

The Committee approved this draft in a roll call vote, 8-0.

PD 3645, Emergency Placement of Children

This draft expands the definition of "emergency placement" for purposes of criminal history record checks to include any out-of-home placement for temporary care and custody of a child at or after the time of initial removal or transfer of custody of the child from the child's parent, guardian, or custodian. The Committee approved this draft in a roll call vote, 8-0.

PD 3660, Income Withholding Orders

This draft makes changes to income withholding orders in enforcing dissolution of marriage, legal separation, and child support decrees. The Committee approved this draft in a roll call vote, 8-0.

PD 3664, State Central Collection Unit

This draft establishes the unit to collect and process noncash child support payments. This draft also requires the clerks of court to collect and process cash child support payments. The Committee approved this draft in a roll call vote, 8-0.

PD 3678, Hearings in Juvenile Matters

This draft requires a court to complete certain hearings in juvenile matters within specified periods of time, including:

- (1) a factfinding hearing not more than 30 days after a petition is filed alleging that a child is a CHINS;
- (2) a dispositional hearing not more than 45 days after the date the court finds that a child is a CHINS; and
- (3) a hearing on a petition to terminate a parent-child relationship not more than 180 days after the petition is filed.

This draft also requires each CHINS case to be reviewed every three months and allows DCS to request that a judgment on a CHINS petition be entered not later than 30 days after the request. The Committee approved this draft in a roll call vote, 8-0.

PD 3684, Annual Child Support Fee

This draft requires a person who is ordered to pay child support through income withholding to also pay the annual child support fee through income withholding. The draft also changes the support and maintenance fee to \$26 a year. The Committee approved this draft in a roll call vote, 8-0.

PDOC 20061719.004, Reports for Foster Parents

This draft requires a report prepared by the state in a dispositional decree to be made available to the child's foster parents under certain circumstances. The Committee approved this draft in a roll call vote, 8-0.

PDOC 20061721.002, Caseworker Definition

This draft defines "caseworker" for purposes of juvenile law and for certain criminal history background checks. The Committee approved this draft in a roll call vote, 8-0.

WITNESS LIST

James Payne, Department of Child Services

David Bottorff, Association of Indiana Counties

Richard Pflum, Fayette County

Dale Thomas, Fayette County

Greg Bowes, Indianapolis and Marion County City-County Council

Tammy Grubbs, Shelby County Council

Cathy Graham, Indiana Association of Residential Child Care Agencies

Candace Shelton, Children's Coalition of Indiana

Sharon Pierce, The Villages of Indiana

Jim Robertson, Division of Family Resources, Family and Social Services
Administration

Jean LaBrecque, Family and Social Services Administration