

## Title IV-E Waiver Demonstration Project Draft Legislation

Title: Concerning creating a Title IV-E Waiver Demonstration Project in the department of human services

| Statutory Section                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Annotation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| <p><b>26-5-105.4 State Department Title IV-E Waiver Demonstration Project – county performance agreements – authorized – Title IV-E waiver cash fund created – repeal.</b></p> <p>(1) There is hereby created the state department Title IV-E waiver demonstration project. In administering the state department Title IV-E waiver demonstration project, the state department shall develop, by rule, a process by which counties or groups of counties will participate in the project. Individual counties or groups of counties shall participate in the Title IV-E waiver demonstration project for the delivery of child welfare services. Any such funds provided to individual counties or groups of counties through the performance agreement may be awarded to the counties separate from and in addition to the capped or targeted allocation received through section 26-5-104(4)(a).</p> | <p>This section creates the Title IV-E Waiver Demonstration Project in statute and distributes the project funds through the “performance agreement.” While counties will be required to enter into a performance agreement, if the county is not actually ready to implement any of the waiver interventions, the performance agreement will indicate that.</p> <p>The last sentence in the section is intended to not rule out the possibility that the waiver funds may, at some point, be allocated through the normal child welfare allocation process, in whole or in part.</p> |
| <p>(2) The state department is hereby authorized to enter into performance agreements with individual counties or groups of counties. A county that enters into a performance agreement with the state department shall be exempt from rules of the state department and state board governing the delivery of child welfare services, as such exemptions are identified in the performance agreement, provided that such exemptions do not impact child safety.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                    | <p>This section expands on the purpose of the performance agreements.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p>(3) Any county that has entered into a performance agreement with the state department shall be required to participate in the evaluation of the Title IV-E waiver demonstration project.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <p>This section requires a county that delivers services through waiver interventions participate in the evaluation of the IV-E waiver, as required by the state’s waiver agreement with ACF.</p>                                                                                                                                                                                                                                                                                                                                                                                     |
| <p>(4) (a) Any county that has entered into a performance agreement with the state department and underspends in any state fiscal year the Title</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <p>This section explains how county savings resulting from the waiver funds awarded to counties will be handled. Effectively, 50% of the</p>                                                                                                                                                                                                                                                                                                                                                                                                                                          |

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| <p>IV-E portion of its capped or targeted allocation, or the funds awarded the county through the Title IV-E waiver demonstration project, shall use fifty percent of the underspent funds for additional child welfare services as defined in section 26-5-101(3) and in a manner and timeframe as described in the performance agreement. The balance of such underspent county Title IV-E funds shall be transmitted to the state treasurer, who shall credit the same to the Title IV-E waiver cash fund, which is hereby created and referred to in this sub-paragraph as the "fund." Moneys credited to the fund shall be subject to annual appropriation by the general assembly to the state department for allocation to counties to help defray the costs of performing functions related to the implementation of the Title IV-E waiver demonstration project. Any moneys in the fund not expended for the purposes specified in this subsection (5) may be invested by the state treasurer as provided by law. All interest and income derived from the investment and deposit of moneys in the fund shall be credited to the fund. Any unexpended and unencumbered monies remaining in the fund at the end of a fiscal year shall remain in the fund and shall not be credited or transferred or revert to the general fund or another fund.</p> <p>(b) The general fund portion of the capped or targeted allocation of any county that has entered into a performance agreement with the state department and underspends shall continue to be distributed in accordance with sections 26-5-104(7), Close-out process for county allocation; section 26-5-105.5, State department integrated care management program; and section 24-1.9-102(h), Reinvestment of moneys saved to serve additional children and families. However, general fund savings distributed in accordance with either section 26-5-105.5 or section 24-1.9-102(h) shall be reinvested in child welfare services as stipulated in the performance agreement.</p> | <p>federal Title IV-E funds that remain unspent at the end of the fiscal year will be retained by the county and used on child welfare services (the performance agreement will spell this out in more detail). The other 50% of the unspent Title IV-E funds will revert to the state, which will be distributed to counties with the purpose of expanding the waiver interventions.</p> <p>This section goes on to explain that the state share of unexpended funds will continue to be handled as they are presently – no changes to current practice.</p> |
| <p>(5) Section 26-5-105.4(3) shall supersede the requirements as found in section 26-1-111(d)(ii)(A) concerning federal revenues earned by the state pursuant to Title IV-E which exceed the amount necessary to fully fund program, training, and administrative costs.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <p>This section suspends the Excess IV-E Cash Fund, as it doesn't make sense in a capped allocation environment – we can't earn excess IV-E because we no longer earn it in any case (other than for adoptions).</p>                                                                                                                                                                                                                                                                                                                                          |

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| <p>(6) The state department is authorized to contract for an external evaluation of the Title IV-E waiver demonstration project, including the project activities completed by the counties that have entered into performance agreements with the department.</p> | <p>This section puts into statute the authorization aligning to the federal requirement that an evaluation of the project activities be completed.</p>  |
| <p>(7) This section 26-5-105(4) is repealed on the date the executive director of the state department notifies the revisor of statutes that the state is no longer participating in the Title IV-E waiver demonstration project.</p>                              | <p>This section allows for the repeal of the entire waiver statutory section if, at such time in the future, the waiver demonstration project ends.</p> |
| <p>(8) The state board shall promulgate rules necessary to implement the Title IV-E waiver demonstration project.</p>                                                                                                                                              | <p>This section requires the state board to adopt whatever rules may be necessary.</p>                                                                  |