



VERMONT LEGISLATIVE
Joint Fiscal Office

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Fiscal Note

3/11/2022

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S.72 – An act relating to the interstate compact on the Placement of Children

As introduced and passed by the Senate Committee on Health and Welfare

<https://legislature.vermont.gov/Documents/2022/Docs/BILLS/S-0072/S-0072%20As%20Introduced.pdf>

Bill Summary

The bill proposes to adopt the most recent version of the uniform Interstate Compact on the Placement of Children, which provides the legal framework for timely placement of children across state lines, suitability of prospective families, and the provision of support services to those children and families.

- Under the new compact, member states would be required to pay annual dues estimated to be between \$9,000 and \$14,000. These dues would supplant the annual dues of \$6,500 paid under the current compact.
- The compact and the dues would not take effect until 18 months after the adoption of the new compact by at least 35 states. It is unknown if/when this could occur.
- **No fiscal impact in FY 2023. Potential out-year impacts are expected to be nominal.**

Bill Summary

The Interstate Compact on the Placement of Children (ICPC) regulates the placement of all child welfare-involved and domestic private adoption placements of children across state lines.¹ The ICPC applies to foster care, kinship care, parental care, conditional custody orders, residential care, and both private and public adoptions. The existing ICPC was adopted in 1960. The new compact aims to update its governing processes and structures.

Secs. 1 & 2

The language in the bill will be standard across all the participating states. Under this language, the member states would establish the “Interstate Commission for the Placement of Children” to administer the operations and activities of the interstate compact as specified in the bill. It would also be able to levy and collect an annual assessment (dues) from each member state to cover its operating budget. The aggregate assessment would be allocated based upon a formula to be determined by the Commission.

It is estimated that the work to organize and operate the Commission the first year would be

¹ 33 V.S.A. § 5901 to 5927

approximately \$500,000. If dues were allocated equally among states, assuming participation by a minimum of 35 and maximum of 54 jurisdictions, the estimated cost per state would be between \$9,000 and \$14,000.² Annual dues for the current ICPC are \$6,500. Dues for the new compact would supplant the current dues. As such, the incremental increase is expected to be nominal.

Secs. 3

Sec. 3 specifies an effective date that would take effect 18 months from the date on which the new compact is enacted into law by 35 states. Currently there 13 states that have adopted the new compact. At this time, it is unknown when 35 states might adopt the compact.

Fiscal Summary

No fiscal impact in FY 2023. Potential out-year impacts are expected to be nominal.

² Based on information provided by Patricia Casanova, Deputy Compact Administrator for the Family Services Division of the Department for Children & Families.