



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 25-1097: PLACEMENT TRANSITION PLANS FOR CHILDREN

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**Prime Sponsors:**

Rep. Gilchrist; Froelich

Sen. Michaelson Jenet; Daugherty

**Fiscal Analyst:**

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**Published for:** House Health & Human Services

**Drafting number:** LLS 25-0475

**Version:** Initial Fiscal Note

**Date:** February 6, 2025

**Fiscal note status:** The fiscal note reflects the introduced bill.

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### Summary Information

**Overview.** The bill requires county caseworkers to develop placement transition plans for children moving between different out-of-home placements or back to the child's home.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- State Expenditures
- Local Government

**Appropriations.** For FY 2025-26, the bill requires an appropriation of \$50,421 to the Department of Human Services.

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**Table 1**  
**State Fiscal Impacts**

<b>Type of Impact</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
State Revenue	\$0	\$0
State Expenditures	\$60,320	\$50,196
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.5 FTE	0.5 FTE

**Table 1A  
State Expenditures**

<b>Fund Source</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
General Fund	\$43,866	\$35,058
Cash Funds	\$0	\$0
Federal Funds	\$6,555	\$5,239
Centrally Appropriated	\$9,899	\$9,899
<b>Total Expenditures</b>	<b>\$60,320</b>	<b>\$50,196</b>
<b>Total FTE</b>	<b>0.5 FTE</b>	<b>0.5 FTE</b>

### Summary of Legislation

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The bill requires county departments of human services to develop placement transition plans for a child any time a decision has been made by the county or the courts to move the child to a new placement. This includes placements between foster care homes, kinship foster care homes, and non-certified kinship care homes, as well as placements back to the child’s home. Each plan must include certain information on the logistics, communication frameworks, and timelines for child placements.

The Department of Human Services (CDHS) must create a template for the placement plans by July 1, 2026, and a training on the placement transition plan process, which county caseworkers must complete within their first year of employment and every three years after. Foster care parents or non-certified kinship care providers may also access and complete the training.

### State Expenditures

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The bill increases state expenditures in the Department of Human Services by \$60,000 in FY 2025-26 and \$50,000 in FY 2026-27 and ongoing. These costs, paid from the General Fund and federal funds, are summarized in Table 2 and discussed below. The bill also minimally affects workload in the Judicial Department and other judicial agencies.

**Table 2**  
**State Expenditures**  
**Department of Human Services**

<b>Cost Component</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
Personal Services	\$39,657	\$39,657
Operating Expenses	\$640	\$640
Capital Outlay Costs	\$6,670	\$0
TRAILS Modification	\$3,454	\$0
Centrally Appropriated Costs	\$9,899	\$9,899
<b>Total Costs</b>	<b>\$60,320</b>	<b>\$50,196</b>
<b>Total FTE</b>	<b>0.5 FTE</b>	<b>0.5 FTE</b>

## Department of Human Services

### Staff

CDHS requires 0.5 FTE annually to develop the caseworker training, develop the template for placement plans, and monitor caseworker compliance with the new requirements for the development of placement plans. Costs assume a 13% federal match, resulting in a General Fund impact of \$40,860.

### TRAILS Modification

CDHS requires \$3,500 in one-time costs to modify the state's child welfare data system (TRAILS) to include the new placement plan template, allow county caseworkers to enter placement plan information using the template, and allow the department to monitor county departments compliance with the new regulations. Costs include 22 hours of a contracted work at a rate of \$157 per hour. Costs assume a 13% federal match, resulting in a General Fund impact of \$3,000.

### Child Welfare Block Grant Funding to Counties

Beginning in FY 2026-27, to the extent that county spending on child welfare services increases to develop new transition plans, the state share of spending for child welfare will increase. It is assumed that the impacts will be addressed through the annual budget process based on actual county spending. See Local Government section.

## **Judicial Department**

Workload will minimally increase to review transition plans during out-of-home placement hearings. If interested parties object to the transition plan, placement hearings may take longer; However, some hearings may be shorter due to the wide scope of required information in the transition plans, which would leave fewer elements of the transition in dispute. Overall, these impacts are expected to be minimal and can be absorbed within existing resources.

## **Other Judicial Agencies**

Workload will increase for Office of the Child’s Representative (OCR) and Office of Respondents Parent Council (ORPC) to work with county caseworkers as necessary to complete transition plans for each placement. To the extent that parties object contents of the transition plan, there may be increased workload for litigation, research, attending hearings, and potential appeals. The fiscal note assumes legal representatives are currently involved in all placement planning and any additional workload impacts are minimal and can be accommodated within existing appropriations.

## **Centrally Appropriated Costs**

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which may include employee insurance, supplemental employee retirement payments, leased space, and indirect cost assessments, are shown in the expenditure table(s) above.

## **Local Government**

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Currently, when a child is determined by courts to need an out-of-home placement, county caseworkers develop a placement plan based on the child’s needs and available placement options, considering several factors and involving relevant stakeholders in the process. The plan and any relevant information is documented in TRAILS. However, the placement and transition process currently varies by county and by caseworker, and beyond the initial planning, there is no standardized requirement for what information must be collected when a child moves between placements.

Beginning in FY 2026-27, the bill requires that county departments of human services develop placement transition plans according to the CDHS template whenever a child is moved to a new placement. According to the [CDHS data](#), there were approximately 3,400 children in out-of-home placements in the state in from January 2024 through September 2024 with each child experiencing an average of 1.3 placement changes per year ([based on federal placement stability data](#)). While each transition currently requires a caseworker to facilitate the move, there is no formal requirement for a structured transition plan. The bill will increase the workload for county caseworkers to create detailed transition plans for each movement, including those

between foster homes, kinship care, and returns to the child's family, which are currently not required. The extent of the impact will vary by county depending on the number of children requiring out-of-home placements, the number of transitions experienced, and the hourly rates for caseworkers. Assuming it takes up to 4 hours to develop a required transition plan, and an average rate of \$42 per hour for a case worker, this would increase county costs on a statewide basis by \$742,560 annually.

## Effective Date

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The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## State Appropriations

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For FY 2025-26, the bill requires an appropriation of \$50,421 to the Department of Human Services, and 0.5 FTE. This appropriation includes:

- \$43,866 in General Fund; and
- \$6,555 in federal funds.

## Departmental Difference

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The ORPC estimates that additional attorney time and litigation will be required for children in out-of-home placements requiring a transition plan under the bill, increasing its costs by around \$390,000 per year. The fiscal note does not include this cost, as it is assumed that parents and their legal representatives at ORPC are currently engaged in the child's transition to different out-of-home placements. In most cases, it is assumed that additional transition planning under the bill will not require more attorney time beyond what is currently needed to monitor a child in, or moving between, out-of-home placement.

## State and Local Government Contacts

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Child Welfare  
Counties

Human Services  
Judicial

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).