

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS  
FISCAL IMPACT STATEMENT**

**LS 7148**

**BILL NUMBER:** HB 1248

**NOTE PREPARED:** Mar 17, 2025

**BILL AMENDED:** Mar 17, 2025

**SUBJECT:** Child Care and Development Fund.

**FIRST AUTHOR:** Rep. Rowray

**FIRST SPONSOR:** Sen. Brown L

**BILL STATUS:** 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
X FEDERAL

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill provides that a household is eligible for assistance under the Child Care and Development Fund (CCDF) program if the household includes a foster parent at the time of the Office of the Secretary of Family and Social Services' initial determination regarding the household's CCDF eligibility. It also requires the Office of the Secretary of Family and Social Services to allocate 200 CCDF vouchers to be used for a child who is placed with a licensed foster parent.

**Effective Date:** July 1, 2025.

**Explanation of State Expenditures:** (Revised) The bill could minimally increase workload for the Office of the Secretary of Family and Social Services (FSSA) within its routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

(Revised) **Additional Information:** There is currently a waiting list for CCDF vouchers and the requirements of the bill could extend the time that non-foster care children are on the waiting list. Additionally, On My Way PreK limited eligibility families receive grants from 20% of the amount appropriated if there is a waiting list for funds under the CCDF, and 40% if there is not.

In grant year 2024, Indiana received \$260.7 M in federal CCDF funding and contributed \$101 M in state funding for a total of \$361.7 M. The federal funds are allocated to the states by several formulas based on historic federal spending, as well as demographic and economic characteristics of the state. The states are required to provide matching and maintenance of effort funds, and have discretion to transfer funds from the Temporary Assistance to Needy Families block grant (TANF). The following table provides the source of funding.

<b>CCDF Funding Allocations</b>	<b>Grant Year 2024</b>
Federal Mandatory Funds	\$26 M
Federal Matching Funds	\$47 M
Federal Discretionary Funds	\$188 M
State Maintenance of Effort	\$24 M
State Matching Funds	\$15 M
TANF Block Grant Transfer	\$62 M

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Office of the Secretary of Family and Social Services.

**Local Agencies Affected:**

**Information Sources:**

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