CHAPTER.....

AN ACT relating to protection of children; revising provisions governing the corrective actions that are required when an agency which provides child welfare services is not in compliance with certain laws, plans or policies; providing for the Division of Child and Family Services of the Department of Health and Human Services to award block grants, categorical grants and to administer a program to award incentive payments to an agency which provides child welfare services in larger counties; requiring the Division to submit an annual report to the Governor and the Legislature concerning the program to award incentive payments; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law the Division of Child and Family Services of the Department of Health and Human Services provides child welfare services directly or arranges for the provision of such services in smaller counties. The Division further administers all federal money granted to the State for child welfare services and coordinates and monitors the delivery of child welfare services in this State. The Division further evaluates all child welfare services provided throughout the State and is required to ensure that agencies which provide child welfare services carry out corrective actions when the agencies are not in compliance with the law or with statewide plans or policies. (NRS 432B.180) Section 2 of this bill requires an agency which provides child welfare services to carry out such corrective actions or develop and submit a corrective action plan to the Division within 60 days. Section 2 further requires the agency which provides child welfare services to carry out the corrective action plan within 90 days after it is approved. If it is not carried out within that time, the agency which provides child welfare services is subject to certain actions by the Division, which may include having money withheld.

Section 3 of this bill requires each agency which provides child welfare services to submit an improvement plan to the Division of Child and Family Services. The improvement plan submitted by the agency which provides child welfare services must cover a period of 2 years and include specific performance targets for improving the services provided to children in the care of the agency. Each year, the agency which provides child welfare services is required to submit data to the Division demonstrating the progress made toward meeting the specific performance targets.

Section 4 of this bill requires the Division of Child and Family Services to administer a program to award incentive payments to an agency which provides child welfare services in larger counties and sets forth the requirements for any agency to apply for and the Division to award such incentive payments. Sections 5 and 6 of this bill provide the manner in which an agency which provides child welfare services may apply for incentive payments for the fiscal years following an award of an incentive payment and provides that the amount of such subsequent incentive payments will be determined based upon whether the agency achieved the goal for which the incentive payment was made and, if not, the percentage of the



goal that was achieved. **Section 8.5** of this bill provides for a different amount for the incentive payments awarded in Fiscal Years 2012-2013 and 2013-2014.

Section 7 of this bill requires the Division of Child and Family Services to prepare and submit a report concerning the improvements plans and the program for incentive payments to the Governor and the Legislature on or before January 31 of each year.

Section 7.5 of this bill requires the Division of Child and Family Services to award a block grant for each fiscal year to each agency which provides child welfare services in larger counties to the extent that money has been appropriated in an amount which is based on the amount appropriated for the previous biennium. An agency which provides child welfare services that receives a block grant is authorized to use the money without restriction, and any money remaining at the end of the fiscal year does not revert to the State General Fund. The amount of the block grant will be reduced if the county appropriates an amount less than the amount granted to the agency which provides child welfare services for the fiscal year beginning on July 1, 2010.

Section 7.7 of this bill requires the Division of Child and Family Services to provide a categorical grant to each agency which provides child welfare services for each fiscal year for its adoption assistance program to the extent that money is available for that purpose.

EXPLANATION - Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 432B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.

Sec. 2. 1. When the Division of Child and Family Services determines pursuant to subsection 7 of NRS 432B.180 that corrective action by an agency which provides child welfare services is necessary, the Division shall notify the agency which provides child welfare services of the specific areas in which the agency is in noncompliance with the federal or state laws, regulations adopted pursuant to such laws or statewide plans or policies and inform the agency which provides child welfare services that it must, within 60 days, carry out the corrective action or develop a corrective action plan.

2. The Division of Child and Family Services shall determine whether to approve a corrective action plan submitted pursuant to subsection 1 within 30 days after receipt. If the Division of Child and Family Services does not approve the plan, the Division of Child and Family Services must notify the agency which provides child welfare services of the deficiencies and allow the agency which provides child welfare services 30 days in which to submit a revised corrective action plan for reconsideration. If a revised



corrective action plan is not resubmitted within 30 days, the Division may take any of the actions set forth in subsection 4.

3. After the Division of Child and Family Services approves a corrective action plan, the agency which provides child welfare services must carry out the plan within 90 days.

4. If the agency which provides child welfare services fails to take corrective action or to carry out a corrective action plan within the required period, the Division of Child and Family Services may take one or more of the following actions:

(a) Withhold money from the agency which provides child welfare services;

(b) Impose an administrative fine against the agency which provides child welfare services;

(c) Provide the agency which provides child welfare services with direct supervision and recover the cost and expenses incurred by the Division in providing such supervision; and

(d) Require the agency which provides child welfare services to determine whether it is necessary to impose disciplinary action that is consistent with the personnel rules of the agency which provides child welfare services against an employee who substantially contributed to the noncompliance of the agency which provides child welfare services with the federal or state laws, regulations adopted pursuant to such laws or statewide plans or policies, including, without limitation, suspension of the employee without pay, if appropriate.

5. The Division of Child and Family Services shall adopt regulations to carry out the provisions of this section, including, without limitation, regulations which prescribe the circumstances under which action must be taken against an agency which provides child welfare services for failure to take corrective action and which specify that any such action by the Division must not impede the provision of child welfare services.

6. The Division of Child and Family Services shall deposit any money received from the administrative fines imposed pursuant to this section with the State Treasurer for credit to the State General Fund. The State Treasurer shall account separately for the money deposited pursuant to this subsection. The money in the account may only be used by the Division to improve the provision of child welfare services in this State, including, without limitation:

(a) To pay the costs associated with providing training and technical assistance and conducting quality improvement activities for an agency which provides child welfare services to assist the



agency in any area in which the agency has failed to take corrective action; and

(b) Hiring a qualified consultant to conduct such training, technical assistance and quality improvement activities.

Sec. 3. 1. Each agency which provides child welfare services shall submit an improvement plan to the Division of Child and Family Services on or before January 1 of each oddnumbered year.

2. Before submitting an improvement plan pursuant to subsection 1, the agency must solicit public input regarding the proposed improvement plan. The agency which provides child welfare services shall submit with the improvement plan an explanation of the manner in which the agency solicited such public input and a summary of any input received.

3. The improvement plan must cover a period of 2 years and include, without limitation:

(a) Specific performance targets for improving the safety, permanency and well-being of the children in the care of the agency which provides child welfare services; and

(b) The approach that the agency which provides child welfare services will take to achieve the specific performance targets, including, without limitation, specific strategies that will be used.

4. On or before December 31 of each year, the agency which provides child welfare services must submit to the Division of Child and Family Services data demonstrating the progress that the agency which provides child welfare services has made towards meeting the specific performance targets set forth in the improvement plan submitted pursuant to subsection 1.

Sec. 4. *I.* The Division of Child and Family Services shall administer a program to award incentive payments to an agency which provides child welfare services in a county whose population is 100,000 or more.

2. On or before May 1 of each year, an agency which provides child welfare services may submit an application to the Division of Child and Family Services for an incentive payment.

3. The application for an incentive payment must include, without limitation:

(a) A description of the specific goal that the agency which provides child welfare services agrees to achieve by June 30 of the following year if the incentive payment is awarded;

(b) Baseline data to support the need to achieve the specific goal and which will provide a manner in which to measure



whether the goal is achieved or to determine the percentage of the goal that is achieved; and

(c) The amount requested by the agency which provides child welfare services as an incentive payment.

4. If the Division of Child and Family Services does not approve the application, the Division must notify the agency which provides child welfare services of the specific deficiencies in the application and allow the agency to resubmit the application within 30 days.

5. If the Division of Child and Family Services approves the application, the Division of Child and Family Services shall, to the extent that money is available for that purpose, award an incentive payment to the agency which provides child welfare services for the fiscal year beginning on July 1 of the year in which the application is submitted.

Sec. 5. 1. Each year following the award of an incentive payment pursuant to section 4 of this act, the agency which provides child welfare services may submit an application on or before May 1 for an incentive payment to be awarded for the next fiscal year beginning on July 1 following approval of the application.

2. The agency which provides child welfare services shall submit the application in the manner set forth in section 4 of this act and must, in addition to the information required pursuant to section 4 of this act, include an estimate of the percentage of the goals established in the prior application that will be achieved by the agency which provides child welfare services by June 30.

3. If the Division of Child and Family Services approves the application, the Division shall, to the extent that money has been made available for that purpose, award an incentive payment to the agency which provides child welfare services for the fiscal year beginning on July 1 of the year in which the application is submitted in an amount not to exceed a percentage of the amount awarded for the current fiscal year as determined pursuant to subsection 4.

4. The amount of an incentive payment that may be awarded for the next fiscal year pursuant to this section must be determined by multiplying the amount awarded for the current fiscal year by the percentage point of completion of the goal established for the current fiscal year, up to a maximum of 100 percent of the amount of the incentive payment awarded for the current fiscal year.

Sec. 6. 1. On or before September 1 of the year following the year in which an agency which provides child welfare services



is awarded an incentive payment from the program established pursuant to section 4 of this act, the agency which provides child welfare services shall submit to the Division of Child and Family Services a report which demonstrates whether the goal established pursuant to section 4 of this act was achieved and, if not, the percentage of the goal that was achieved by June 30 of the fiscal year in which the incentive payment was awarded.

2. If the report submitted pursuant to subsection 1 demonstrates that the agency which provides child welfare services achieved:

(a) A greater percentage of the goal than estimated pursuant to section 5 of this act, the Division of Child and Family Services shall increase the incentive payment to the agency which provides child welfare services by an amount equal to the additional amount that should have been awarded pursuant to subsection 4 of section 5 of this act; or

(b) A lower percentage of the goal than estimated pursuant to section 5 of this act, the agency which provides child welfare services shall reimburse to the Division an amount equal to the additional amount that should not have been awarded pursuant to subsection 4 of section 5 of this act.

Sec. 7. On or before January 31 of each year, the Division of Child and Family Services shall prepare and submit a report to the Governor and the Legislature which includes, without limitation, information concerning:

1. The progress made by each agency which provides child welfare services in a county whose population is 100,000 or more toward achieving the specific performance targets set forth in an improvement plan submitted by the agency pursuant to section 3 of this act; and

2. Whether the agency which provides child welfare services in a county whose population is 100,000 or more achieved the specific goal established pursuant to section 4 of this act during the previous fiscal year and, if not, the percentage of the goal that was achieved.

Sec. 7.5. 1. The Division of Child and Family Services shall award a block grant to each agency which provides child welfare services in a county whose population is 100,000 or more for each fiscal year to the extent that money has been appropriated to the Division for that purpose. The amount of the appropriation to the Division of Child and Family Services must be based on the amount appropriated for the previous biennium. The amount of



the block grant must be determined for 2 years beginning on July 1 of each odd-numbered year and allocated each fiscal year.

2. An agency which provides child welfare services that receives a block grant pursuant to subsection 1 may use the money allocated for any costs of providing child welfare services without restriction, the agency which provides child welfare services is not required to return any money remaining from that allocation at the end of the fiscal year, and the money does not revert to the State General Fund.

3. If the board of county commissioners of a county whose population is 100,000 or more appropriates to the agency which provides child welfare services for the county an amount less than the amount appropriated to the agency for the fiscal year beginning on July 1, 2010, the Division of Child and Family Services must reduce the amount of the block grant awarded pursuant to subsection 1 by an equal amount.

Sec. 7.7. 1. The Division of Child and Family Services shall provide a categorical grant to each agency which provides child welfare services for each fiscal year for its adoption assistance program to the extent that money has been appropriated to the Division for that purpose. The amount of the grant must be based upon the estimated cost of the projected growth in the adoption assistance program.

2. The amount of the grant awarded pursuant to subsection 1 must be determined for 2 years beginning on July 1 of each odd-numbered year and allocated each fiscal year.

3. An agency which provides child welfare services that receives a grant pursuant to subsection 1 must use the money allocated only for costs associated with the adoption assistance program. Any money from the grant awarded pursuant to subsection 1 that has not been used or committed for expenditure by the agency which provides child welfare services by the end of the fiscal year reverts to the State General Fund.

Sec. 8. NRS 432B.180 is hereby amended to read as follows:

432B.180 The Division of Child and Family Services shall:

1. Administer any money granted to the State by the Federal Government.

2. [Plan, coordinate and monitor the delivery of child welfare services provided throughout the State.] Request appropriations from the Legislature in amounts sufficient to:

(a) Provide block grants to an agency which provides child welfare services in a county whose population is 100,000 or more pursuant to section 7.5 of this act; and



(b) Administer a program to provide additional incentive payments to such an agency pursuant to section 4 of this act.

3. Monitor the performance of an agency which provides child welfare services in a county whose population is 100,000 or more through data collection, evaluation of services and the review and approval of agency improvement plans pursuant to section 4 of this act.

4. Provide child welfare services directly or arrange for the provision of those services in a county whose population is less than 100,000.

[4.] 5. Coordinate its activities with and assist the efforts of any law enforcement agency, a court of competent jurisdiction, an agency which provides child welfare services and any public or private organization which provides social services for the prevention, identification and treatment of abuse or neglect of children and for permanent placement of children.

[5.] 6. Involve communities in the improvement of child welfare services.

[6.] 7. Evaluate all child welfare services provided throughout the State and, if an agency which provides child welfare services is not **[complying]** *in substantial compliance* with any federal or state law relating to the provision of child welfare services, regulations adopted pursuant to those laws or statewide plans or policies relating to the provision of child welfare services, require corrective action of the agency which provides child welfare services.

[7. If an agency which provides child welfare services fails to take corrective action required pursuant to subsection 6 within a reasonable period, take one or more of the following actions against the agency which provides child welfare services:

(a) Withhold money from the agency which provides child welfare services;

(b) Impose an administrative fine against the agency which provides child welfare services;

(c) Provide the agency which provides child welfare services with direct supervision and recover the cost and expenses incurred by the Division in providing such supervision; and

(d) Require the agency which provides child welfare services to determine whether it is necessary to impose disciplinary action that is consistent with the personnel rules of the agency which provides child welfare services against an employee who substantially contributes to the noncompliance of the agency which provides child welfare services with the federal or state laws, regulations adopted pursuant to such laws or statewide plans or policies,



including, without limitation, suspension of the employee without pay, if appropriate.

The Division shall adopt regulations to carry out the provisions of this subsection, including, without limitation, regulations which prescribe the circumstances under which action must be taken against an agency which provides child welfare services for failure to take corrective action and which specify that any such action by the Division must not impede the provision of child welfare services.

<u>8. In consultation with each agency which provides child</u> welfare services, request sufficient money for the provision of child welfare services throughout this State.

9. Deposit any money received from the administrative fines imposed pursuant to this section with the State Treasurer for credit to the State General Fund. The State Treasurer shall account separately for the money deposited pursuant to this subsection. The money in the account may only be used by the Division to improve the provision of child welfare services in this State, including, without limitation:

(a) To pay the costs associated with providing training and technical assistance and conducting quality improvement activities for an agency which provides child welfare services to assist the agency in any area in which the agency has failed to take corrective action; and

(b) Hiring a qualified consultant to conduct such training, technical assistance and quality improvement activities.

<u>10.]</u> 8. Coordinate with and assist:

(a) Each agency which provides child welfare services in recruiting, training and licensing providers of family foster care as defined in NRS 424.017;

(b) Each foster care agency licensed pursuant to NRS 424.093 to 424.097, inclusive, in screening, recruiting, licensing and training providers of family foster care as defined in NRS 424.017; and

(c) A nonprofit or community-based organization in recruiting and training providers of family foster care as defined in NRS 424.017 if the Division determines that the organization provides a level of training that is equivalent to the level of training provided by an agency which provides child welfare services.

Sec. 8.5. Notwithstanding the provisions of section 5 of this act, the amount of the incentive payment awarded for:

1. Fiscal Year 2012-2013 must equal the amount awarded for Fiscal Year 2011-2012 regardless of the percentage point of completion of the goal established for Fiscal Year 2012-2013.



2. Fiscal Year 2013-2014 must equal 150 percent of the percentage point of completion of the goal established for Fiscal Year 2012-2013, up to a maximum of 100 percent of the amount of the incentive payment awarded for Fiscal Year 2012-2013. **Sec. 9.** This act becomes effective on July 1, 2011.

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