

Fiscal Note

State of Alaska
2026 Legislative Session

Bill Version: HB 157
 Fiscal Note Number: _____
 () Publish Date: _____

Identifier: HB157-FCS-FCBR-3-27-26
 Title: EFFECT OF ADOPTION DECREE ON SIBLINGS
 Sponsor: GRAY
 Requester: (H) HSS

Department: Department of Family and Community Services
 Appropriation: Children's Services
 Allocation: Foster Care Base Rate
 OMB Component Number: 3315

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2027	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2027 Request	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
OPERATING EXPENDITURES	FY 2027	FY 2027					
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	***	0.0	***	***	***	***	***

Fund Source (Operating Only)

None							
Total	***	0.0	***	***	***	***	***

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2026) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2027) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Initial version

Prepared By: <u>Bruce Downes, Community Relations Manager</u>	Phone: <u>(907)465-3548</u>
Division: <u>Children's Services</u>	Date: <u>03/27/2026 12:00 AM</u>
Approved By: <u>Kyle Scherrer, Division Operations Manager</u>	Date: <u>03/27/26</u>
Agency: <u>Department of Family and Community Services</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2026 LEGISLATIVE SESSION

BILL NO. HB 157

Analysis

HB 57 allows siblings adopted into separate families to maintain court-ordered contact when it is determined to be in their best interests. The bill expands the responsibilities of the Office of Children’s Services (OCS) and the Alaska Court System by formally incorporating preservation of sibling relationships into permanency planning and adoption proceedings.

The legislation also defines adoptive parents as “adult family members” under AS 47.14.100(e). As a result, adoptive parents would be entitled to receive notice when a child enters state custody, be informed of how to request placement, and receive a hearing if their placement request is denied—rights that currently apply to extended relatives.

While these provisions would have minimal operational impact when adoptive parents are relatives, they could increase workload and litigation risk in cases where adoptive parents are not related to the child and contest placement decisions. The bill would also require consideration of qualified experts to assess children’s best interests regarding permanency and ongoing sibling contact.

OCS anticipates the need for additional funding due to potential delays in permanency and increased litigation associated with placement-denial hearings. Recent data shows OCS finalized 257 adoptions and 70 guardianships in FY2024, and 225 adoptions with 75 guardianships in FY2025. More than 50 percent of children in the Department’s custody achieve permanency through relative placements.

Due to the broad definition of “sibling,” OCS cannot determine the number of hearings that may result; however, it offers the following figures as potential outcomes.

Contested hearings could delay permanency by an estimated three to six months. During that time, children remaining in OCS custody would continue to accrue foster care maintenance costs. At the average base foster care rate of \$37.79 per day, a six-month delay (180 days) would cost an additional \$6,802 per child.

If 10% of these cases were contested in court this would amount to approximately \$108,835.20 in annual additional costs. (16 children x \$6802)

If 20% of these cases were contested in court this would amount to approximately \$217,670.40 in annual additional costs. (32 children x \$6802)

If 30% of these cases were contested in court this would amount to approximately \$326,505.6 in annual additional costs. (48 children x \$6802)

If 40% of these cases were contested in court this would amount to approximately \$435,340.80 in annual additional costs. (64 children x \$6802)

The division will continue to monitor the impacts of this bill and determine at what level additional resources will be needed to implement this legislation should it become law.