

SENATE BILL REPORT

SB 5230

As of February 20, 2023

Title: An act relating to the provision of extended foster care services to youth and young adults ages 18 through 25.

Brief Description: Concerning extended foster care services.

Sponsors: Senators Wilson, C., Kauffman, Billig, Dhingra, Frame, Hasegawa, Hunt, Lovelett, Nguyen and Valdez.

Brief History:

Committee Activity: Human Services: 1/23/23, 1/31/23 [DPS-WM, DNP, w/oRec].
Ways & Means: 2/20/23.

Brief Summary of First Substitute Bill

- Creates a Postextended Foster Care Program in the Department of Children, Youth and Families (DCYF) to provide a financial subsidy for youth and young adults ages 21 through 25 who were in out-of-home care on their 18th birthday.
- Directs DCYF to make a number of changes to the Extended Foster Care Program, including changing the eligibility requirements so that a youth no longer has to meet federal eligibility requirements to be eligible for extended foster care.

SENATE COMMITTEE ON HUMAN SERVICES

Majority Report: That Substitute Senate Bill No. 5230 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Wilson, C., Chair; Kauffman, Vice Chair; Frame and Nguyen.

Minority Report: Do not pass.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Signed by Senator Warnick.

Minority Report: That it be referred without recommendation.

Signed by Senators Boehnke, Ranking Member; Wilson, J..

Staff: Alison Mendiola (786-7488)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Joshua Hinman (786-7281)

Background: Extended Foster Care. Extended Foster Care (EFC) in the Department of Children, Youth and Families (DCYF) provides an opportunity for young adults who were a dependent of Washington State at age 18, to voluntarily agree to continue receiving foster care services, including placement services, while working on their goals towards independence. The dependency action will continue if the eligible youth elects to participate in the program on their 18th birthday. Eligible youth who do not elect to participate in EFC on their 18th birthday will have until their 21st birthday to voluntarily request to participate in EFC. Eligible youth may enter and exit the program as needed between the ages of 18-21 years old.

Services may include foster care placement or supervised independent living setting placement, medical, dental, case management by DCYF, and referrals to community resources.

To be eligible for the EFC, youth must meet the following criteria on their 18th birthday:

- be dependent and enrolled in high school or a high school equivalency program;
- enrolled, applied for, or can show intent to timely enroll in a post-secondary academic or post-secondary vocational certification program;
- participating in a program or activity designed to promote or remove barriers to employment, including part-time employment;
- employed 80 hours or more a month; or
- unable to engage in any of the above activities due to a documented medical condition.

Youth can transition between categories. Currently, there are just under 800 youth enrolled in EFC with an average subsidy of \$851 per month.

Subsidy Rates for Foster Care. Licensed care givers receive a monthly subsidy for children in their care. The subsidy rate is based on the child's age and level of care needed, with level I being the basic rate, and level IV being the highest subsidy rate due to a child's physical, developmental, behavioral, or mental health conditions that require increased effort, care, or supervision that are above the needs of a typically developing child. The current monthly subsidy rate for a child age 12 and up ranges from \$810 to \$1612.30 per month with level II

subsidy set at \$987.92 per month.

Aging Out of Extended Foster Care. In February 2021, the Governor issued proclamation 21-02 in response to the federal requirement that states could not exit young people from care beginning in March 2020. The federal moratorium removed ages limits on receiving EFC, expired September 30, 2021. The Legislature has appropriated additional funds to provide direct cash payment to youth aging out of EFC through June 2023. The subsidy is \$850 per month.

Summary of Bill (First Substitute): Extended Foster Care. A number of changes are made to the EFC program, including:

- DCYF must provide continued EFC services to nonminor dependents who request EFC;
- DCYF must develop policies and procedures to ensure that dependent youth ages 15 and older are informed of the EFC program;
- DCYF may not create additional eligibility requirements;
- DCYF shall develop and implement rules and policies designed to provide age-appropriate social work support for youth in EFC;
- a youth enrolled in EFC may elect to receive a licensed foster care placement or may live independently;
- a youth who is not in a licensed foster care placement is eligible for a monthly supervised independent living subsidy effective the date the youth signs the voluntary placement agreement, agrees to dependency, or informs their social worker that they are living independently, whichever occurs first;
- if the youth is not residing in an approved supervised independent living setting, DCYF is to work with the youth to help identify an appropriate living arrangement until the youth is living in a safe location approved by DCYF—during this time, DCYF shall continue to pay the monthly supervised independent living subsidy;
- a youth who is not in a licensed foster care placement upon signing an EFC agreement or voluntary placement agreement, and who has turned 18 years old, is to receive their initial supervised independent living subsidy within one week of signing either agreement; and
- DCYF is to pursue federal reimbursement where appropriate, including when a youth is residing in an approved supervised independent living setting.

The court shall maintain the dependency proceeding for any youth who is dependent at the age of 18 until the youth turns 21 or withdraws their agreement to participate.

Postextended Foster Care. The Postextended Foster Care Program is created within DCYF to support young adults ages 21 through 25 with a financial subsidy. The following young adults are eligible for postextended foster care:

- young adults between ages 21 through 25 who were dependent on their 18th birthday as defined in statute; and
- young adults who participated in extended foster care.

These young adults will automatically be enrolled in postextended foster care, and their dependency will be dismissed at age 21.

Young adults may enter and exit postextended foster care as needed between the ages of 21 through 25.

By January 1, 2024, DCYF is to contract with one or more entities to operate the postextended foster care program. The entity or entities will administer the stipends to young adults until they turn 26, or the young adults voluntarily opt out of the postextended foster care program.

In developing and contracting for the postextended foster care program, DCYF is to consult with a stakeholder group that must include, but is not limited to:

- one current or former foster youth under age 25;
- one attorney who represents dependent children;
- one attorney who represents young people in extended foster care;
- one representative of an organization familiar with providing direct cash assistance;
- one tribal representative who works with youth in extended foster care;
- one representative of DCYF;
- one subject matter expert in child welfare; and
- one subject matter expert in eliminating disparities in outcomes by income and race and ethnicity.

Definitions. Extended foster care services includes a financial subsidy at a rate not lower than the level II foster care reimbursement rate for children 12 and older for those in an independent living setting.

"Postextended foster care" means providing a financial subsidy at a rate not lower than the level II foster care reimbursement rate for children 12 and older provided by DCYF for young adults ages 21 through 25 who were previously enrolled in extended foster care services.

Voluntary placement agreement for the purposes of EFC services, means a written voluntary agreement by a nonminor dependent who agrees to participate in EFC. A youth may sign a voluntary placement agreement to participate in EFC prior to the age of 18, in which case the agreement will take effect on the youth's 18th birthday. The youth may withdraw their consent to participate, at any time, including prior to their 18th birthday. A voluntary placement agreement may be signed by a dependent electronically.

EFFECT OF CHANGES MADE BY HUMAN SERVICES COMMITTEE (First Substitute):

Postextended foster care benefits are limited to a financial subsidy. Technical changes are

made.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill (Human Services): *The committee recommended a different version of the bill than what was heard.* PRO: Dependent youth said they want more support and it's our responsibility as a state to provide that support, helping them create a pathway to independence. Those that participate in extended foster care (EFC) likely have higher earnings, experience a lower rate of homelessness, reduces criminal convictions and involvement of their own children in the system. Twenty percent of eligible youth do not participate in EFC, removing barriers such as meeting federal eligibility and increasing flexibility will hopefully increase EFC participation rates. A Washington Institute for Public Policy report found that for every \$1 invested in these youth, we get \$3.95 in return. The Governor extended EFC during COVID as we saw how much stability that provided young adults.

OTHER: Support an economic step down for EFC, the real challenge is the culture in DCYF's commitment to youth transitioning out of foster care. DCYF may not be the best agency to work with young adults. This bill is premature, a report is expected in June 2023 so we should wait for the findings and recommendations from the current codesign work being done.

Persons Testifying (Human Services): PRO: Senator Claire Wilson, Prime Sponsor; Sean Gardner, The Mockingbird Society; Joshua Woodwalker; Emily Stochel, College Success Foundation; Jim Theofelis, NorthStar Advocates; Samuel Martin, The Mockingbird Society; Minnie Bliesner, SDMC.

OTHER: Lynda Hall, Treehouse; Allison Krutsinger, Dept of Children, Youth, and Families.

Persons Signed In To Testify But Not Testifying (Human Services): No one.

Staff Summary of Public Testimony (Ways & Means): PRO: EFC has enjoyed bipartisan support. It is a research-proven program that provides safe housing while addressing behavioral challenges, housing, and school. Findings on EFC are consistently positive. These youth are more likely to not have a diagnoses of substance use disorder; not to engage in criminal activity; and to not be homeless. They are more likely to find employment. \$3.95 is returned for every \$1 invested. The only criticism is that EFC ends at

age 21, which is like cutting off your child halfway through college.

Testifier has personal and professional experience in the foster care system. Nine years in foster care, including EFC. There was no social safety net at age 21 to transition to, except for the Governor's initiation of the post-EFC subsidy. Without that subsidy, he would have become homeless. EFC and post-EFC benefits far outweigh the costs.

Recipients use this money for basic needs. It provides a consistent safety net. EFC recipients are more likely to be employed. When young people have support and do not have to worry about a fiscal cliff, they will flourish.

This bill removes barriers, increases support, and extends that support. We want something similar to the COVID relief dollars that were designated for post-EFC, to avoid these youth falling off the cliff.

Multiple testifiers referenced the possible inaccuracy of the fiscal note and committed to working with others to reduce the policy cost.

Persons Testifying (Ways & Means): PRO: Jim Theofelis, NorthStar Advocates; Curtis Anderson; Jo Bechtold; Samuel Martin.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.