

Date of Hearing: May 12, 2021

ASSEMBLY COMMITTEE ON APPROPRIATIONS  
Lorena Gonzalez, Chair  
AB 640 (Cooley) – As Amended April 12, 2021

Policy Committee: Human Services Vote: 8 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

**SUMMARY:**

This bill requires the California Department of Social Services (CDSS), by July 1, 2022, or upon receipt of necessary federal approval, to provide guidance to county child welfare, probation and tribal placing agencies on procedures to transition a youth to the extended foster care program in a way that allows a county child welfare, probation or tribal placing agency to re-determine a youth's eligibility for federal funding, known as federal financial participation.

The bill also authorizes a county to petition the juvenile court on behalf of certain nonminor dependents (NMDs) to terminate jurisdiction over the youth and immediately re-establish jurisdiction in order to establish the NMD's eligibility for federal financial participation. The bill requires the county to ensure the NMD does not experience a break in services during this process.

The bill requires the Judicial Council, by June 1, 2022, to develop and implement standards, and develop and adopt appropriate forms, as necessary to implement this process.

**FISCAL EFFECT:**

- 1) General Fund savings of an unknown amount, but potentially in the low tens of millions of dollars annually, from re-determining a foster youth's eligibility for federal financial participation upon entering extended foster care. By allowing a court to terminate jurisdiction over a youth and immediately re-establish jurisdiction, a county can re-establish a youth's eligibility for Aid to Families with Dependent Children (AFDC)-Foster Care (FC) when the youth enters extended foster care. To the extent additional youth qualify for federal funding under this process, AFDC-FC funds could replace state funds in paying for extended foster care services for these youth. The net amount of federal funding to the state is unknown and will depend on the number of counties that petition the court on behalf of potentially eligible foster youth and the number of successful eligibility re-determinations.
- 2) Minor and absorbable costs to the Judicial Council to develop standards and adopt appropriate forms, if the bill's June 1, 2022, deadline is moved to September 1, 2022. The Judicial Council indicates it would be unable to meet this requirement by the June 1, 2022.
- 3) Minor and absorbable costs to CDSS to provide guidance to county agencies.

**COMMENTS:**

- 1) **Purpose.** This bill seeks to help counties better leverage federal funding for the extended foster care program. Because youth eligible for extended foster care live more independently than youth under 18 in the foster care system, their income as a household of one is more likely to meet the 1996 AFDC income thresholds required for federal AFDC-FC eligibility. By allowing a court to terminate jurisdiction over a youth and immediately re-establish jurisdiction, a county can re-establish a youth's eligibility for AFDC-FC when the youth enters extended foster care.
- 2) **Extended Foster Care.** Extended foster care provides eligible youth between the ages of 18 and 21, known as NMDs, with the services and supports to experience independent living in supervised living environments. Extended foster care also enables youth to obtain educational and employment training to better prepare them to transition to adulthood and self-sufficiency.

To be eligible for extended foster care a youth must meet several criteria including having been under the jurisdiction of the juvenile court on their 18th birthday and agreeing to meet goals and objectives regarding the youth's transition to independent living. Some youth choose to enter extended foster care immediately following their 18th birthday. Others leave the foster care system after turning 18 years of age, but choose to re-enter care at some point before their 21st birthdays under what is called a "voluntary re-entry agreement." This agreement documents a youth's desire and willingness to re-enter foster care and be placed in a supervised setting under the placement and care responsibility of the placing agency.

As of October 2020, there over 60,000 children in the child welfare system. Of those children, 8,256 were aged 18-21 years in extended foster care, and 6,079 were aged 16-17 years and soon to be 'aging out' of traditional foster care to potentially enter extended foster care in the next one to two years. When extended foster care was implemented in 2010, it was anticipated 61% of eligible youth would participate and by the third year 31% of eligible youth would continue to participate. The actual participation rate of eligible youth is between 90% and 95%.

- 3) **AFDC-FC.** Foster care payments for eligible youth are provided through either state or federal AFDC-FC. To be eligible for federal AFDC-FC, the home from which the child was removed must meet AFDC eligibility criteria from 1996 for the month in which a dependency petition is filed with the juvenile court, or in any of the six months prior. In 1996, the income limit for a family of three to qualify for AFDC was \$723. Because many youth are ineligible for federal AFDC-FC, California created state AFDC-FC, which provides funding to foster children who are placed with non-relative foster parents. Youth in extended foster care receive the same services and supports regardless of whether a youth's foster care payments are state- or federally-funded.

Eligibility for federal AFDC-FC is not re-determined once a youth is in foster care. In addition, foster youth who immediately transition from foster care to extended foster care, experience no disruption in their foster care status that would warrant AFDC-FC eligibility re-determination. However, current law permits nonminors who are eligible for extended foster care to undergo re-determination for federal AFDC-FC if they re-enter the dependency system through a voluntary re-entry agreement. This bill expands the options for federal AFDC-FC eligibility re-determination.