



AB 1512 – Preserving Benefits for Foster Youth

SUMMARY

Assembly Bill 1512 will require counties to screen and apply for federal Social Security Administration (SSA) benefits when children enter foster care and provide fair notice to key parties, and when acting as the representative payee for a child receiving Social Security Administration benefits, to use those funds in the child’s best interest for unmet current needs or conserve the child’s benefits for future use.

BACKGROUND

The Congressional Research Service estimates that in any given year, about 27,000 children in foster care receive benefits from the Social Security Administration, which includes retirement, disability, or survivor benefits. An estimated 40,000 to 80,000 foster youth nationally, or 10 to 20%, may be eligible for these benefits. Members of Congress have expressed concern that children’s benefits are being used to help state budgets instead of children.

In California, close to 31% of transition-age foster youth experience homelessness, another 25% come into contact with the justice system within two years of aging out of foster care and about 20% report having a health condition or disability that limits their daily activities. Only 50% complete their high school education, and less than 10% attain a college degree. California’s foster youth population is disproportionately Black and Brown. Los Angeles County is home to about a third of the state’s foster youth.

In 2021, the LA County Board of Supervisors passed a resolution to closely examine the archaic practice of intercepting survivors and disability benefits from youth in care and begin establishing proper accounts to preserve benefits. Several states, including Nebraska, Maryland, Connecticut, Illinois, and the District of Columbia have recently enacted legislation to cease or limit this practice, with ongoing efforts taking place in Oregon, Washington, Arizona, Massachusetts, Texas, and others.

PROBLEM

Currently, county placing agencies in California must screen and apply for disability benefits on behalf of eligible youth

in their care who are over 16. These agencies often fail to notify the youth, their loved ones, and their attorneys that they are applying for benefits, despite federal law that requires that they notify the youth. Instead, after the youth has been approved for benefits, county placing agencies automatically apply to serve as representative payees for the youth and use the youth’s funds to reimburse themselves for the costs of the child’s care — despite federal and CA law explicitly placing the financial responsibility of care on foster care agencies. With this practice, agencies are charging these foster youth for the costs of their own care- while paying for the care of youth not receiving benefits. This appropriation of foster youth benefits occurs contrary to federal and state law without regard for the child’s individual needs and best interests.

The LA County Department of Children and Family Services, which serves LA County’s foster youth population, estimated that in any given month it receives the benefits of about 600 children in its custody, equating to about \$5.4 million in revenue in 2021. This \$5.4 million is less than 0.18% of the FY23 DCFS budget, but would have reverberating effects on the economic security of the impacted children.

SOLUTION

AB 1512 would modernize California’s child welfare system by requiring counties to:

- screen and apply for SSA benefits for youth in a timely manner upon entering care;
- notify the youth and other proper stakeholders about the status of their application and benefits;
- identify caring adults who might serve as the representative payee before requesting to be appointed as representative payee; and
- use the money in the best interest of the child for unmet current needs and/or conserve remaining funds in appropriate accounts for the child’s future use

SUPPORT

Alliance for Boys and Men of Color (Co-sponsor)
Alliance for Children’s Rights (Co-sponsor)
Children’s Advocacy Institute (Co-sponsor)

Children's Law Center (Co-sponsor)
Children's Legal Services of San Diego (Co-sponsor)
Youth Law Center (Co-sponsor)
Youth Will (Co-sponsor)

FOR MORE INFORMATION

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