

# AB 1080 (Bryan): Protecting Federal Social Security Benefits for Foster Youth

FACT SHEET

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## SUMMARY

AB 1080 prohibits counties from using federal Social Security disability and survivor benefits (Title II benefits) to reimburse themselves for the cost of providing foster care. Instead, these earned benefits—based on a parent's work history—must be conserved for the youth's current unmet needs or saved for their future. The bill builds on AB 2906 (2024), which ended this practice for survivor benefits, by extending the same protection to all Title II benefits and strengthening transparency, screening, and appeal requirements to ensure foster youth do not lose benefits while in care.

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## BACKGROUND: Foster Youth and Social Security Benefits

**Federal Social Security Administration (SSA) benefits include:**

- **Title II benefits** (Retirement, Survivors, and Disability Insurance): Earned insurance benefits funded by payroll taxes based on a worker's employment history. Foster youth may qualify based on a parent's disability, retirement, or death.
  - **Survivor benefits:** Based on the work history of a deceased parent.
  - **Social Security Disability Insurance (SSDI):** Based on a parent's disability and work record.
- **Supplemental Security Income (SSI):** A needs-based program for individuals with disabilities who meet strict income and asset limits. Some foster youth with disabilities qualify based on their own disability.

**Representative payees:** Foster youth under 18 typically do not receive SSA benefit checks directly. A "representative payee"—often the county placing agency—receives and manages the funds on the youth's behalf. Counties are supposed to act as payees of last resort, only when no other appropriate party is available.

**Historical practice:** For decades, counties serving as representative payees have used foster youths' SSA benefits to offset the cost of providing foster care, leaving youth with little or no savings when they exit care. In 2024, California enacted AB 2906 (Bryan), which

prohibited counties from using survivor benefits to reimburse foster care costs. However, counties may still use disability benefits and other Title II benefits to recoup foster care expenses.

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## **PROBLEM:**

**Federal Title II benefits belong to the child, not the county.** These are earned insurance benefits—paid into Social Security by a parent through years of work—intended to help the child when a parent dies, retires, or becomes disabled. Yet foster youth are uniquely singled out to pay for their own care with these benefits, while all other youth in foster care receive the same services without charge.

### **Current gaps leave youth vulnerable:**

1. **Disability and other Title II benefits still used for reimbursement.** While AB 2906 ended the practice for survivor benefits, counties continue to use disability and other Title II benefits to offset foster care costs, diverting funds meant to support the youth's transition to adulthood.
2. **Youth lose benefits while in care.** County placing agencies often fail to maintain SSA benefit eligibility or do not appeal denials and terminations, causing youth to lose benefits they are entitled to receive.
3. **Lack of transparency.** Youth, their attorneys, and families often cannot get clear information about whether benefits have been applied for, approved, or conserved.
4. **Economic insecurity at exit.** Foster youth aging out of care already face high rates of homelessness, unemployment, and poverty. When their federal benefits have been used to pay for foster care rather than conserved for their future, youth exit with no financial cushion and increased reliance on emergency services, shelters, and other costly state-funded safety nets.

**The result:** Disabled and orphaned foster youth are denied the economic security their own—or their parents'—Social Security contributions were meant to provide, perpetuating a cycle of instability and inequity.

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## **SOLUTION:**

AB 1080 closes remaining loopholes and strengthens protections to ensure foster youths' federal Social Security benefits are preserved for the youth, not used to backfill county budgets.

### **Key Provisions:**

1. **Extends the prohibition on benefit reimbursement to all Title II benefits.** Counties may not use any federal Social Security disability or survivor benefits (Title II) to pay for or reimburse the costs of a youth's care and supervision. Benefits must be used for the youth's current unmet needs or conserved for their future.

2. **Requires input from the Child and Family Team.** When counties serve as representative payees, they must consider input from the youth's Child and Family Team when determining how federal Social Security benefits are used in the youth's best interests.
3. **Expands account options for conserving benefits.** Counties may establish Plans to Achieve Self-Support (PASS), 529A CalABLE accounts, individual development accounts, special needs trusts, and other appropriate accounts to conserve benefits without triggering federal asset or income limits that would terminate SSI or other safety net eligibility.
4. **Strengthens screening, application, and appeal requirements.** Counties must file reconsideration requests and appeals when a foster youth's SSA benefits are denied or terminated (not just denials). The bill also extends SSI-related protections—including screening and the requirement that eligible youth receive at least one month of SSI benefits per year to maintain eligibility—to all foster youth and nonminor dependents.
5. **Increases transparency.** Counties must provide, upon request, information and documentation to foster youth (age 12+), their attorneys, and parents or guardians about whether the youth is currently receiving, entitled to receive, or has established eligibility for any federal SSA benefits.

**Fiscal Responsibility:** AB 1080 does not create new benefits or increase benefit levels. It clarifies fiduciary duties, aligns county practices with federal requirements, and reduces preventable benefit loss. Estimated state cost: approximately \$700,000 annually for increased county social worker duties, plus one-time automation costs of \$1.6 million (FY 2027-28). These costs are far outweighed by the long-term savings from reducing reliance on homelessness services, emergency healthcare, and other costly interventions when youth exit care without resources.

**Equity and Fairness:** AB 1080 corrects a longstanding inequity by ensuring that disabled and orphaned foster youth are no longer singled out to pay for their own care with benefits intended to protect them, while providing the same level of care and support to all other youth in foster care.

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**SUPPORT:** Children's Advocacy Institute (co-sponsor) | Children's Law Center of California (co-sponsor) | Alliance for Children's Rights | Public Counsel | National Center for Youth Law