

# PRESERVING FOSTER CHILDREN'S FEDERAL BENEFITS

## Toolkit for State Legislators

### THE PROBLEM

Up to 80k

Foster youth who are disabled or have a deceased parent are either receiving or may be eligible for Social Security or other federal benefits

\$16,031

Average amount of benefits that accrue to each impacted foster youth beneficiary

Federal and state law require that these benefits – the private property of the child – be used to meet the child's unmet current needs or saved for their future needs. Yet most foster care agencies routinely apply for and then covertly intercept foster youth's benefits to supplant their own fiscal obligations, providing no additional benefit to the child. Most impacted foster youth will never know about their benefits or see a dollar of their money as they struggle to achieve self-sufficiency.

### CURRENT OUTCOMES ARE DISMAL & COSTLY

In addition, disabled youth are projected to earn an additional 37% less than their non-disabled peers over their lifetimes.

40%  
face homelessness  
within 2 years of  
leaving care

<3%  
obtain a  
bachelor's  
degree

71%  
of young women  
will be pregnant  
by age 21

43%  
are  
unemployed at  
age 21\* AECF

Costs avoided if young people transitioning from foster care had outcomes similar to non-foster care peers: **\$4.1 BILLION**

### POLICY REFORM CHANGES LIVES ONE CHILD'S BENEFITS (\$16K) AMOUNTS TO:



10.4 MONTHS RENT FOR A ONE BEDROOM<sup>1</sup>



2.8 YEARS COST OF COMMUTING TO WORK<sup>2</sup>



1.6 YEARS TUITION AT PUBLIC STATE UNIVERSITY<sup>3</sup>



1.4 YEARS OF CHILDCARE<sup>4</sup>

<sup>1</sup> The average monthly rent in the United States for a one-bedroom as of October 2025 is \$1,630

<sup>2</sup> The average commuter pays \$5,748.50 annually to commute to work in 2023

<sup>3</sup> The average annual cost of tuition and required fees for a first-year college student at a public in-state school in 2022-2023 is \$9,834

<sup>4</sup> The national average price for childcare in July 2023 is \$11,582

### THE SOLUTION

State legislators must act to ensure foster children actually benefit from their benefits. This is how:

**Prohibit** foster care agency from using benefits to offset care obligations

**Notify** youth, parents, and child's attorney or GAL

**Screen** foster youth for federal benefit eligibility upon entry and annually thereafter

**Apply** for benefits when a child is eligible

**Account** for use of child's benefit

**Conserve** child's benefits to address child's unmet current needs or to prepare for future needs

**Educate** stakeholders and provide financial literacy training to youth

*Lived Experience Priority:*

**Refund** impacted youth whose benefits were misused

### LEARN MORE, TAKE ACTION

Join the dozens of states that have adopted or are pursuing policy reform to promote economic stability for foster youth beneficiaries and prevent poor and costly outcomes for taxpayers:

- **Review State-Based Reforms:** See our [interactive map](#) to see where your state stands
- **Advance Model Reform:** like [Arizona](#) and [District of Columbia](#), which address most of the key elements of a model law
  - See the Center for Rights of Abused Children's [Toolkit for Preservation of Youth Benefits](#) for state templates, letters, talking points and other tips
  - See [Elements of a Model Law](#)
- **Learn** [more about this issue and reform efforts](#)
- **Keep Current:** view [national and local news](#) including coverage by the following outlets:



*"I never thought that the system that was supposed to be helping me really was stealing from me the entire time."*

~ Antonio L.J., MN



Children's Advocacy Institute  
[www.caichildlaw.org](http://www.caichildlaw.org)