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ADOPTION INCENTIVE REINVESTMENT BILL- AB 665 (Torrico)

Summary: Assembly Bill 665 will ensure that federal incentive payments awarded to California for increasing the number of youth adopted out of foster care will be distributed to counties to fund activities to improve legal permanency outcomes for foster youth ages nine or older. These activities could include: post adoption services to avert adoption disruptions; family finding to locate relatives willing to make lifelong commitments to youth, including adoption and guardianship; recruitment of adoptive parents who will make homes for entire sibling sets; preparing youth for permanency; resolving barriers to adoption; and many other services and supports to ensure successful permanency options for older foster youth.

Background: In October 2008, the federal government enacted H.R. 6893, the Fostering Connections to Success and Increasing Adoptions Act (Public Law 110-351), which implemented the following changes to the federal Adoption Incentive Grant Program:

- Renewed the federal Adoption Incentive Grant Program for five additional years;
- Doubled the incentive bonuses to states from \$4,000 to \$8,000 per adoption of each older foster;
- Doubled the bonuses from \$2,000 to \$4,000 for adoptions of special needs foster youth; and
- Updated the adoption baseline year that states receive incentives from 2002 to 2007.

Based on the most recent Adoption and Foster Care Analysis and Reporting System (AFCARS) data, California finalized 7,580 adoptions for Federal Fiscal Year (FFY) 2008 and 7,481 adoptions for FFY 2007 representing an increase of 99 adoptions resulting in \$1.093 million in federal bonuses. According to federal law, this money must be reinvested into services for children and families. It cannot be used to supplant existing programs or as a match for other federal funds, such as foster care. The funds must be used for special projects. Directing this money to counties, therefore, creates no fiscal impact on the State general fund.

Problem: The current language in statute needs to be amended to align with the new federal law. At any given time, approximately 45,000 (60%) of all foster youth in California are nine years or older. As a foster youth ages, he or she is less likely to be placed in a permanent home and more likely to emancipate without a lifelong connection. Youth who leave foster care with no permanent connection are more likely to become homeless, drop out of high school, use alcohol and drugs, become teen parents, be unemployed or end up in prison.

Recommendations:

1. **Amend the statute to reflect stated public policy goals by reinvesting the adoption incentive funds in efforts that support legal permanency for foster youth nine or above.**
2. **Distribute the funds to counties based on documented permanency outcomes such as adoption, guardianship and reunification of children whose reunification services were previously terminated.**