FOCUS BRIEF:  
California Foster Children Placed Into Poverty

INTRODUCTION

When a child is removed from his or her home by the state and placed into foster care, the state steps into the role of the child’s parent and is obligated to protect and provide for that child and ensure the child’s individualized needs are met. Despite this obligation, when the state finds a relative to care for a child in foster care, that child is often provided just a fraction of the support that the exact same child would receive if placed in the home of a non-relative. Indeed, most of our state’s foster children who are living with relatives receive support equal to just 37% of the poverty line. That’s deep poverty. Growing up in deep poverty – particularly as a foster child - has major long-term implications for the health and well-being of these children. It’s time to change this inequitable practice and support all of our state’s foster children.

36% of California’s foster children are placed with relatives
Over half of these foster children are not eligible for federal foster care funding
Non-federally-eligible foster children placed with relatives receive benefits that amount to less than 1/3 of the poverty level

RELATIVES ARE KEY PARTNERS IN SUPPORTING OUR STATE’S FOSTER CHILDREN

Relatives are critical partners in supporting California’s foster youth. In fact, relative foster parents are the most utilized foster care placement in California. Currently over 38% of California’s foster children are placed with grandparents, aunts and uncles, older siblings or other caring relatives.

Placement with relative caregivers offers a family-like setting and can provide consistency and stability, preserving family connections and maintaining cultural customs. Children in kinship care have fewer placement changes and more frequent and consistent contact with birth parents and siblings. Placement with relatives, as opposed to non-relative foster caregivers, can mitigate the trauma and negative emotions experienced by children removed from their parents' care, reducing behaviors that can result in removal to a group home or other higher level of care.

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**FOSTER CHILDREN PLACED WITH RELATIVES ARE TREATED INEQUITABLY**

Despite the known benefits of placing children in a relative’s home, in California relative foster placements are the least supported of all the foster care placements. Under California’s existing placement model, in every other type of foster care placement there is at least an attempt to tie the services and benefits the child receives to the needs of the child. However, this is not true for a majority of the children placed into relative care.

At the root of the inequity is California’s refusal to provide state-only foster care benefits to those relatives caring for children who do not meet federal eligibility standards. “Federal eligibility” has nothing to do with the needs of the child or the needs of the caregiver where the child is based. It is based on an antiquated federal rule (called the “lookback”) that reimburses states for foster care costs only if the child was removed from a household that met the 1996 eligibility rules for the now defunct Aid to Families with Dependent Children (AFDC) program. As time goes by, fewer and fewer children meet this arbitrary criterion – currently 56% of all California foster children are not federally eligible.

For a non-federally eligible child, California has chosen to provide state-only foster care benefits only if the child is placed in non-relative foster homes or group homes. **Relatives caring for a non-federally eligible child do not receive foster care benefits at all.** Instead, the relative foster parent can only receive CalWORKs benefits, which provides less than half of what the state of California has determined to be the minimum amount necessary to provide for a foster child’s needs. Indeed, the CalWORKs grant for a single child is equal to just 37% of poverty and is even less than that amount as additional children are added to the household.

<table>
<thead>
<tr>
<th>Relative Foster Parent</th>
<th>Non-Relative Foster Parent</th>
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<tbody>
<tr>
<td><strong>Federally Eligible 15-Year Old</strong></td>
<td>$820/month</td>
</tr>
<tr>
<td><strong>Non-Federally Eligible 15-Year Old</strong></td>
<td>$351/month</td>
</tr>
<tr>
<td><strong>Non-Federally Eligible 15-Year Old who is a Regional Center Client</strong></td>
<td>$351/month</td>
</tr>
<tr>
<td><strong>Non-Federally Eligible Sibling Set of 3 (ages 15, 16, and 17)</strong></td>
<td>$714/month</td>
</tr>
</tbody>
</table>
The lack of adequate funding can be especially problematic to the overall availability, stability, and health of relative placements. As compared to non-relative foster parents, relatives caring for foster children tend to be older, have lower incomes, and be in poorer health. And, unlike non-relative foster parents, the majority of relatives who agree to care for children removed from their biological parents do so with little notice, preparation or training. To be successful in raising our state’s children, these relative foster parents need at least the same level of support as non-relative foster parents.

### Funding for Foster and Kinship Care Fall Short of the Real Cost of Raising a Child

<table>
<thead>
<tr>
<th>Monthly Cost of Raising One Child</th>
<th>Monthly Non-Relative Foster Parent Payment</th>
<th>Monthly Relative CalWORKs Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,087</td>
<td>$820</td>
<td>$351</td>
</tr>
</tbody>
</table>


### PLACING FOSTER CHILDREN INTO POVERTY IMPACTS CHILD OUTCOMES AND COSTS THE STATE MONEY

The inequities in funding levels between our kinship and our non-kinship foster families prevent us from achieving the child welfare outcomes we seek and are standing in the way of important reforms. Growing up in poverty is not good for child well-being. For foster children, the ill effects of poverty are compounded because they are coming into the system having been abused, neglected and traumatized, and then the child welfare system worsens their plight by supporting them at only 37% of the poverty level.

To compensate, our kinship foster parents have found themselves having to turn to food banks, or struggling to make rent and pay utilities after taking in their kin. Seldom is there money available for extra-curricular activities, like sports or dance lessons, which
can be beneficial, improve educational outcomes, and provide a positive outlet for children who have experienced trauma.

Failure to adequately support relative foster parents also can result in significantly higher costs to the state and counties. Denying adequate funding to relatives sets these relatives up to fail. And, when a relative can no longer provide for a youth, particularly the youth with special needs, these youth end up in congregate care settings and the costs of providing for the youth skyrocket. It is unrealistic to expect our relatives to provide for a special-needs foster youth on $4,200 a year when that same youth would cost $102,000 a year if placed in a group home.

CONCLUSION

It is incumbent on the state to provide equitable and sufficient funding for all of our state’s foster children. Simply by equitably treating foster children placed with relatives, California will be able to bring thousands of children out of deep poverty. It’s terrible when any child grows up in poverty – however it is unconscionable for a child to be placed into deep poverty by the very system charged with protecting him or her. It’s time to change and to ensure that all of our state’s foster children are supported and protected while in the state’s care.