

Modernizing the Child Welfare Preventive Housing Subsidy in the 2023-24 State Budget



The child welfare housing subsidy is a monthly subsidy for families involved in the child welfare system and youth (18-21) in foster care facing housing instability. The subsidy is intended to prevent separation of families who are involved in the child welfare system, expedite family reunification, and support youth who are in foster care.¹ Unfortunately, it is rarely used because the maximum monthly subsidy of \$300—a rate set in 1988—is wholly insufficient to stabilize housing. This is the case because New York State’s median monthly gross residential rent is \$1,390; in New York City, that jumps to \$1,579.² It has been widely reported that housing costs have dramatically outpaced wage growth.

The Budget Must Modernize the Child Welfare Preventive Housing Subsidy to Help Keep Families Safely Together and Prevent Homelessness Among Youth Who Have Experienced Foster Care

1. Include S.2038-A/A.2525-A in the enacted budget to:
 - a. Immediately raise the amount of the child welfare preventive services housing subsidy to at least \$725 a month.
 - b. Index the amount of the subsidy to inflation, so that it will rise with housing costs and be better utilized.
 - c. Raise the age limit for utilizing the subsidy to 24 for youth leaving the child welfare system so that youth exiting at 21 may use the subsidy for up to three years as intended.
2. Restore State share of all child welfare prevention services to 75%.

THE PROBLEM

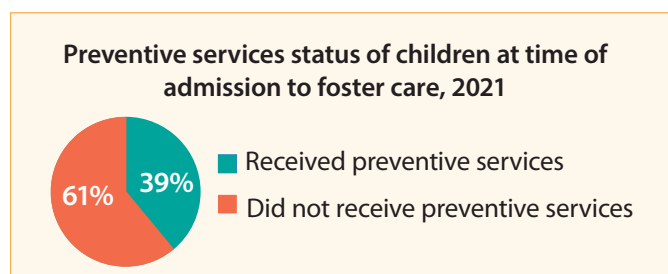
Each year, approximately 1,000 youth age out of foster care.³ As many as one-third of youth who age out of foster care experience homelessness, and many more experience unstable housing arrangements. Families involved with child welfare face housing instability, contributing to stress and increasing the possibility of family separation.

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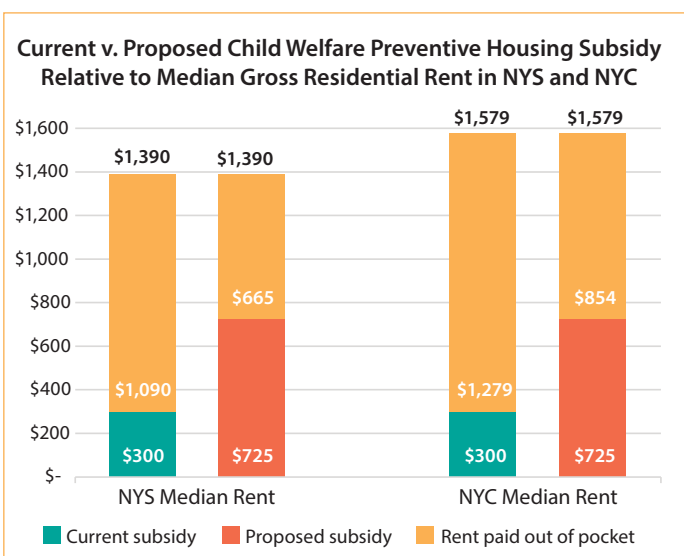
With homelessness and housing instability at a crisis point in New York State, it is imperative that New York **prioritize housing support dedicated to youth aging out of foster care and families involved in the child welfare system.** Youth and families involved in the child welfare system often lack family they can fall back on during difficult times. This particular subsidy could be especially helpful for eligible youth and families, as they can receive the subsidy in as quickly as two weeks, much faster than the months or years other assistance can take to determine eligibility or provide help. For young people, one barrier to utilization is that the subsidy is only available until they reach age 21. Because New York extends foster care until age 21, this means that youth aging out of the system are unable to avail themselves of the benefit to assist them in their transition to independent living.

The housing subsidy is one of a menu of child welfare Preventive Services which include home visiting, child care, transportation, job training, and cash grants. The problems with these services and the housing subsidy in particular are multifold:

1. The State share of funding for Preventive Services (62%) is far below the original 75% State share for these services when the funding was established in 1980, leaving counties to make up the difference.⁴
2. Preventive Services, including the housing subsidy, are underutilized: most families that are separated do not receive Preventive Services before their children are removed from the home.⁵



3. The amount of the housing subsidy has not been raised—ever—since it was established 35 years ago in 1988. \$300 in 1988 is worth about \$725 in 2023. As of 2021, the median gross residential rent in New York is \$1,390; in New York City, that jumps to \$1,579.⁶
4. The subsidy is ineffective for youth who leave foster care at age 21.



ADDITIONAL INFORMATION

Poverty and symptoms of poverty are the major driver for most families' involvement in the child welfare system, often labeled "neglect".⁷ Homelessness and housing instability are among the poverty-related reasons families are reported to the State Central Register,⁸ and housing is a major concern for 41% of youth who are aging out of the child welfare system.⁹

Of the over 37,000 families—disproportionately Black and brown—who receive child welfare Preventive Services, only a few hundred have used the housing subsidy. This is largely because the subsidy must be able to stabilize recipients' housing and just \$300 a month cannot do that. Youth who exit the child welfare system to independence before the age of 21 are eligible for the subsidy even when they have roommates, a positive change that was made in 2019. Youth exiting the child welfare system at 21 are ineligible for the housing subsidy when they need it most—transitioning out of State support. The housing subsidy is decades overdue for a significant increase.

¹ New York State Office of Children and Family Services. September 9, 2020. Administrative Directive: Child Welfare Preventive Housing Subsidy. https://ocfs.ny.gov/main/policies/external/ocfs_2020/ADM/20-OCFS-ADM-16.pdf

² U.S. Census Bureau. n.d. QuickFacts: New York. Median gross rent, 2017-2021. <https://www.census.gov/quickfacts/fact/table/NY,newyorkcitynewyork/HSG860219>

³ Schuyler Center for Analysis and Advocacy. 2023. The State of New York's Children Data Book: January 2023. <https://scaany.org/events/state-of-nys-children/>

⁴ New York State Department of Social Services. October 16, 1980. Administrative Directive: Funding for Preventive Services. <https://ocfs.ny.gov/main/policies/external/1980/ADMs/1980%20ADM-85%20Funding%20for%20Preventive%20Services.pdf>

⁵ Schuyler Center. The State of New York's Children.

⁶ U.S. Census Bureau. QuickFacts, Median Gross Rent 2017-2021

⁷ Children's Defense Fund. n.d. The Child Allowance is a Child Welfare Issue. <https://www.childrensdefense.org/wp-content/uploads/2021/05/Child-Allowance-Child-Welfare-Talking-Points.pdf>

⁸ Schuyler Center for Analysis and Advocacy. February 1, 2023. Child & Family Wellbeing Fund. https://scaany.org/wp-content/uploads/2023/02/Child-Family-Wellbeing-Fund-One-pager_02012023.pdf

⁹ Fostering Youth Success Alliance. 2021. Moving Forward: A Post-Pandemic Blueprint for New York's Foster Youth. <https://ready-mag.com/fysa/movingforward/>