OHIO Youth Advisory Board

ACTION OHIO
IMPROVING OUTCOMES AFTER FOSTER CARE.

Chafee Allocation: A Vital Resource for Foster Youth

The John H. Chafee Foster Care Program for Successful Transition to Adulthood program is a critically important source of support for youth in and leaving foster care. It provides opportunities for states to prepare foster youth for adulthood, including life skills assessments, budgeting classes, and connections to education, employment and youth leadership opportunities.

The pending Fostering the Future Act is an opportunity for the federal government:

- To broaden states' flexibility to use Chafee dollars to cover critical up-front housing costs, such as security deposits and utility connection fees. These expenses would be exempt from the traditional 30% cap on room and board.

- To allow Chafee funding to be used for legal needs, such as helping help young people clear up fraudulent debt, identity theft, or credit errors tied to family members.

Three Recommendations:

1. Modernize Chafee funding to reflect the current cost of living. The baseline of this program has been flat-funded at $143M for decades, with no baseline funding increases aside from temporary pandemic-era relief. In the meantime, food, housing, and postsecondary education costs have risen drastically.

2. Pair expansion of population with increase of funds. Congress has expanded eligibility from ages 16–18 to ages 14–23, but no funding increases accompanied those changes. Eligibility should be extended to age 26 to ensure continuity of services during critical transitional years. This extension would streamline efficiency by aligning Chafee with other programs like the Education and Training Vouchers (ETV), Medicaid, and Foster Youth to Independence (FYI) vouchers. However, any expansion of the population must also be accompanied by increased federal funding to avoid diluting current services.

3. Eliminate administrative hurdles to ensure states maximize fund utilization. Youth have sense of urgency – every state in our nation needs to have one too. Despite immense unmet needs among aging out youth, states return millions of dollars in unspent funds to the federal government. This is based on administrative hurdles rather than lack of youth need. When it comes to utilization of this vitally important provision, states must prioritize early notification, outreach and impactful, effective distribution of funds.