



LEGISLATIVE PRIORITIES

Federal Foster Care Financing Reform

Under current law, 61 percent of all federal financing allocated to states for child welfare purposes is used for maintaining children in foster care, and for related administrative and training costs (Title IV-E of the Social Security Act). As a result, states' resources are limited for other important services that expedite the placement of children in foster care with loving, permanent families. NCFCA supports changes to the current federal financial structure for foster care to allow states the flexibility they need to use their federal dollars towards other resources that keep families together or move children in foster care quickly into a new loving, permanent family. Without such changes these children will continue to linger in foster care. Specifically, NCFCA recommends the following possible changes:

- Reassess the child welfare priorities and reallocate resources so as to give more emphasis and funding to the crucial, but neglected strategy of adoptive and foster parent recruitment and training;
- Extend the flexibility of the Promoting Safe & Stable Families (Title IV-B, Subpart 2) funding to Title IV-E funding. This would allow states to decide how best to use federal dollars on community-based family support services, family preservation services, time-limited family reunification services, adoptive and foster parent recruitment and training, post-placement services for adoptive and foster families, and adoption promotion and support services, to meet the needs of children in their care;
- Allow states to project their annual expenditures for foster care maintenance (Title IV-E) over a specified period of time. The difference between the state's projected expenditures and the state's actual expenditures are the savings that states may consolidate with their Title IV-B funding to use for other child welfare purposes such as those stated in the previous paragraph. States would continue to be required to match their federal savings at their foster care matching rates to ensure that states continue their share of spending for child welfare purposes; and
- Reauthorize the federal child welfare waivers allowing HHS to grant new waivers to 10 states to allow them to use their Title IV-E dollars for other child welfare services not covered by Title IV-E such as post-permanency services to support and strengthen adoptive families. Successful Title IV-E waiver demonstrations in North Carolina, Indiana, Oregon and other states have proven that programs allowing states to use previously restricted, foster care maintenance dollars to underwrite other child welfare services can and do work.

Adoption Tax Credit

The Economic Growth and Tax Relief Reconciliation Act of 2001 (*P.L. 107-16*) provided an increase in the maximum amount a person may claim for qualified adoption expenses. Under current law a person may claim a tax credit of up to \$10,960 (for tax year 2006) for qualified expenses (there is no requirement for children with special needs) to help offset the costs of adoption. Prior to this change a person could only claim up to \$6,000 for children with special needs and \$5,000 for other children (all expenses must be documented, regardless of special needs status). The 2001 law especially serves children with special needs by removing the requirements to prove qualified adoption expenses for these children. However, the provisions of current law will expire in 2010 allowing the tax credit to revert back to prior law. NCFA strongly supports legislation making the adoption tax credit permanent at the current \$10,960, indexed for inflation. There are hundreds of thousands of children waiting to be adopted, both domestically and internationally. By making adoption more affordable to parents seeking to adopt, the tax credit makes the difference between having a family and not, for thousands of children.

Subsidized Legal Guardianship

Legal guardianship is a judicially created relationship wherein the guardian is transferred the parental rights with respect to the child for: protection, education, care and control of the person, custody of the person, and decision making until the child reaches the age of majority. Federal funding is limited for supporting subsidized legal guardianship. Subsidized guardianships for children in foster care are funded through a variety of sources including state funds, Temporary Assistance for Needy Families (TANF) dollars, and states receiving a Title IV-E demonstration waiver. Legislation has been introduced in the 110th Congress to allow states to use their Title IV-E dollars for supporting subsidized legal guardianship. While NCFA does not oppose subsidized legal guardianship, NCFA does believe that guardianship should not be at the expense of the child in foster care being reunited with his or her birthfamily, or adopted into a loving, permanent family. Because adoption provides permanency for the child, NCFA supports federal standards that should be met before legal guardianship is granted over adoption into a permanent, loving family.

Maternity Group Homes

The Runaway, Homeless, and Missing Children Protection Act (RHMCPA) (*P.L. 108-96*) authorized federal funding under the Transitional Living Program (TLP) to be used for maternity group homes. Maternity group homes provide safe and nurturing adult-supervised living environments for young single mothers and/or unwed pregnant women and their children who cannot live safely with their own families. The homes also provide services such as life and interpersonal skills building, career counseling, job skills, parenting skills, and child care. NCFA supports adding language to current law allowing such homes to provide adoption counseling to unwed pregnant women.

Putative Father Registries

A putative father is a man who may be a child's birthfather, but who was not married to the child's mother before the child was born and has not established that he is the father in a court proceeding. A Putative Father Registry is a public registry where the putative father can register to claim to be the father of such child. By doing so the birthfather is presumed to be establishing parental rights and therefore entitled to be notified by the

state if the mother of the child petitions for adoption. About half of the states have enacted Putative Father Registry laws, but they only assist in resolving intrastate adoptions. Only a federal Putative Father Registry can assist in resolving interstate adoptions. NCFA supports the establishment of effective Putative Father Registries in all 50 states and at the federal level to protect the rights of birthfathers while enabling birthmothers and adoptive parents to make secure adoption plans, and especially to protect the child's interest in adoption.

Adoption Information

Currently, clients seeking family planning services in Title X funded health clinics are only presented with adoption counseling upon request. NCFA supports the right of women facing unplanned pregnancies to be provided with complete and accurate information regarding adoption in order to make an informed decision. Therefore, NCFA supports the Adoption Information Act of 2007 (H.R. 104) that would require all family planning clinics that accept Title X funds to provide detailed pamphlets (including comprehensive contact information for all adoption centers in the appropriate state) of adoption information to all persons seeking family planning services.

Higher Education Access

As part of H.R. 2669, the Higher Education Access Act of 2007, Senator Norm Coleman (R-MN) and Senator Mary Landrieu (D-LA) offered an amendment to allow youth adopted from the foster care system at the age of 10 years or older to be considered as an "independent student" for higher education financial aid purposes. Far too many prospective adoptive parents must decide between adopting an older child in foster care and the extra financial obligations of paying for college. This amendment allows a student's financial aid eligibility to be determined solely by the student's ability to pay, regardless of his or her adoptive family's income level. The amendment passed by voice vote on July 20, 2007. NCFA supports this amendment to help youth in foster care find loving, permanent families and to pursue the American dream by being able to afford a higher education.