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John H. Chafee Foster Care Program for Successful Transition to Adulthood

Children are removed from families and placed into foster care due to incidents of abuse, neglect, or other family crisis. In FY2021, about 147,000 young people ages 14 or older spent at least one day in foster care. More than 19,000 young people *emancipated* (or *aged out*) in FY2021, meaning they reached the state legal age of adulthood or end of foster care—typically age 18 or an older age, up to 21, if the state extends care—without having been reunited with family or placed in a new permanent family.

The John H. Chafee Foster Care Program for Successful Transition to Adulthood (hereinafter, “Chafee program”) provides funds to states, territories, and Indian tribal entities (hereinafter, “states”) to address poor education, employment, and other outcomes experienced by many such young people as they transition to adulthood. The Chafee program is authorized under Title IV-E, Section 477 of the Social Security Act (SSA). The U.S. Department of Health and Human Services (HHS), Administration for Children and Families (ACF) administers the Chafee program. Formerly known as the John H. Chafee Foster Care Independence Program, it was established by the Foster Care Independence Act of 1999 (P.L. 106-169), and succeeded a similar program created in 1985. The Chafee statute has been amended five times, most recently in 2018 (Title VII, Division E of P.L. 115-123) to expand eligibility to more children and youth.

Supports

The Chafee program provides states with flexible funding for the purpose of helping young people who experienced foster care at age 14 or older (see **Table 1**). States have considerable discretion in administering the program, but they are expected to provide an extensive range of supports and services, such as educational assistance, career services, life skills training, and preventive health activities. States may dedicate as much as 30% of their funding toward *room or board* for youth ages 18 to 21 (or until age 23 in states that have extended foster care). This includes room or board for youth pursuing higher education.

Education and Training Voucher (ETV) Program

The Chafee statute includes a separate authorization for the ETV program. States may use ETV funding to provide a voucher—worth up to \$5,000 each year or the *cost of attendance* (whichever is less)—for a Chafee-eligible youth to attend an *institution of higher education*, as these terms are defined by the Higher Education Act (HEA). HEA defines *cost of attendance* as the costs for tuition, fees, books, supplies, transportation, room and board, and child care, among other expenses. HEA defines *institution of higher education* to include many public or nonprofit, for-profit, and vocational institutions of higher education.

Table 1. Chafee Program Federal Eligibility Criteria

Federal Eligibility Categories
<ul style="list-style-type: none">• Children and youth in foster care at age 14 or older.• Youth who aged out of foster care and are ages 18-21 (or until 23 in states that extend foster care to 21).• Children and youth who exited foster care at age 16 or older for kinship guardianship or adoption, until they reach age 21 (or 23 in states that extend care to 21).• Children and youth who had been in foster care at age 14 or older and exited foster care for a reason besides aging out, kinship guardianship, or adoption, until they reach age 21 (or 23 in states that extend foster care to 21).• Children likely to remain in foster care until age 18, pertaining to the Chafee purpose area of providing “regular, ongoing opportunities to engage in age or developmentally-appropriate activities.”

Source: Section 477(a) of the Social Security Act and HHS guidance.

Young people are eligible to receive ETVs for as many as five years (until age 26) so long as they are making satisfactory progress toward completing their education, and regardless of whether they attend in consecutive years. Youth may attend on either a full-time or part-time basis. States have considerable flexibility in implementing the ETV program (e.g., adding extra eligibility or application requirements). The Chafee statute directs state child welfare agencies to take steps to prevent duplicating benefits under the ETV program and other federal programs.

Funding

The Chafee statute authorizes \$143 million annually in mandatory funding for the general Chafee program. ETV funding is authorized separately on a discretionary basis at up to \$60 million annually, though the appropriated amount has generally been less (e.g., about \$44 million in FY2023). The Supporting Foster Youth and Families through the Pandemic Act (enacted as Division X of P.L. 116-260) provided program flexibilities and an additional \$400 million for the Chafee program in FY2021, \$50 million of which was to be used for the purposes of the ETV program.

To receive funds, a state must submit a five-year plan (and annual plan updates) to HHS that describes how it intends to carry out its Chafee-funded program and affirms that it meets the law’s requirements. The Chafee statute authorizes tribal entities with an approved Title IV-E plan to similarly apply for funding. As of FY2023, the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and seven tribes were receiving Chafee or ETV funds.

Chafee and ETV state grants are allocated via a funding formula, based on states' relative share of children in foster care. Grants are allocated to eligible tribes (out of a state's allotment) based on the share of tribal children in foster care in the state. The Chafee statute includes a *hold harmless* clause that precludes any state from receiving less in general Chafee funds than the amount it received in FY1998 under the predecessor program to Chafee or \$500,000, whichever is greater. States must provide a 20% non-federal cash or in-kind match to receive their full federal Chafee and ETV allotments. Further, states may use funds only to supplement, and not supplant, any other funds that are available for activities authorized in the program.

States must annually request to receive their allotments and must spend the funding in a two-year period, either the fiscal year it is received or in the succeeding fiscal year. If a state does not apply for its full allotment, HHS allocates the funds to one or more other states on the basis of relative need for such additional allotments (as determined by HHS). Further, HHS may redistribute funds not used within the two-year period to states that apply for such funds, provided HHS determines the states would use the funds consistent with the program purposes. HHS must distribute any such funds to states based on their relative share of all children in care across the states that successfully apply for the funds. From FY2017 to FY2021, a number of states did not use a combined total of between 3.1% and 6.6% of the regular Chafee and ETV allotments per year. Most of this initially unused funding was subsequently redistributed to other states to be used for Chafee or ETV purposes.

Performance Measurement and Evaluation

In response to a Chafee statute requirement, HHS established the National Youth in Transition Database (NYTD) to capture the characteristics, service receipt, and outcomes of certain current and former foster youth. States have reported to NYTD since FY2011 on the number of youth who annually receive a service to assist them in their transition to adulthood (funded by Chafee or other means). In addition to these *served youth*, states report on individuals whose outcomes are tracked over time. Young people are surveyed at about age 17 when they are in care (*baseline youth*), and at about ages 19 and 21 when they may or may not be in care (*follow-up youth*). HHS has also published other data and reports on Chafee-related matters.

States provided transitional services to more than 103,000 young people ages 14-26 in FY2022. About two-thirds of served youth were in foster care, and half received either one or two services. The prevalence with which young people reportedly receive certain services varies by their age, state, and other factors. In recent years, the prevalence of receiving room and board or other financial assistance has increased while receipt of most other services has declined. One analysis estimates that less than a quarter of eligible youth ages 14-21 received transition services in FY2021, and just under half ever received transition services from ages 14-21.

Between approximately 14,000 and 17,000 youth have received an ETV per year from 2011 to 2020. A recent

study of the ETV program in 10 states found that nearly two-thirds of those eligible for ETV and enrolled in college were not awarded or did not use a voucher. Students with foster care history had significant unmet educational assistance need relative to other students.

Current and former foster youth continue to experience vulnerable outcomes. For example, one analysis found that 79% of follow-up youth aged 21 in FY2021 reported having a high school diploma, GED, or higher certification, compared to an estimated rate of 92% among their general population peers. An estimated one-fourth (24%) of these follow-up youth were enrolled in postsecondary education or training and 55% were currently employed, compared to rates among their peers of 50% and 64%, respectively. More than one-fourth of these follow-up youth were parents (26%), and about a third (35%) had ever been incarcerated.

The Chafee statute also directs HHS to reserve a portion of the program funding to conduct evaluations of Chafee-funded activities deemed to be "innovative or of potential national significance." HHS has sponsored evaluations, but evidence on the effectiveness of programs for the Chafee-eligible population remains limited. HHS is exploring new approaches to testing promising programs, services, and practices for young people transitioning out of foster care.

Recent Policy Changes and Proposals

During the COVID-19 pandemic, Division X (P.L. 116-260) increased funding and provided temporary (since expired) flexibilities for the Chafee and ETV programs, including increasing federal maximum eligibility until age 27. The law also allowed states to use more than 30% of their Chafee funds to provide room or board for any eligible youth ages 18-27 (rather than only those who have emancipated); permitted funds to be used to assist current and former foster youth ages 15-27 with driving and transportation-related costs; and altered the requirements around eligibility, use of funds, and the maximum annual voucher value (\$12,000) under the ETV program. HHS guidance encouraged states to allow for direct financial support to eligible young people (e.g., cash payments).

Proposals to make similar types of flexibilities permanent under the Chafee and ETV programs have been included in legislation introduced in recent Congresses or Biden Administration budget requests. Other issues of recurring interest for the Chafee Act that have also received more recent congressional consideration (e.g., in hearings) include mentoring, youth input, employment services, and particularly at-risk subgroups such as young parents. Policymakers have also relied on many other programs, in addition to Chafee, in proposals to improve the experiences and outcomes of current and former foster youth.

For further information about the Chafee program and other supports for former foster youth, see CRS Reports RL34499, R46734, and IF11010.

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