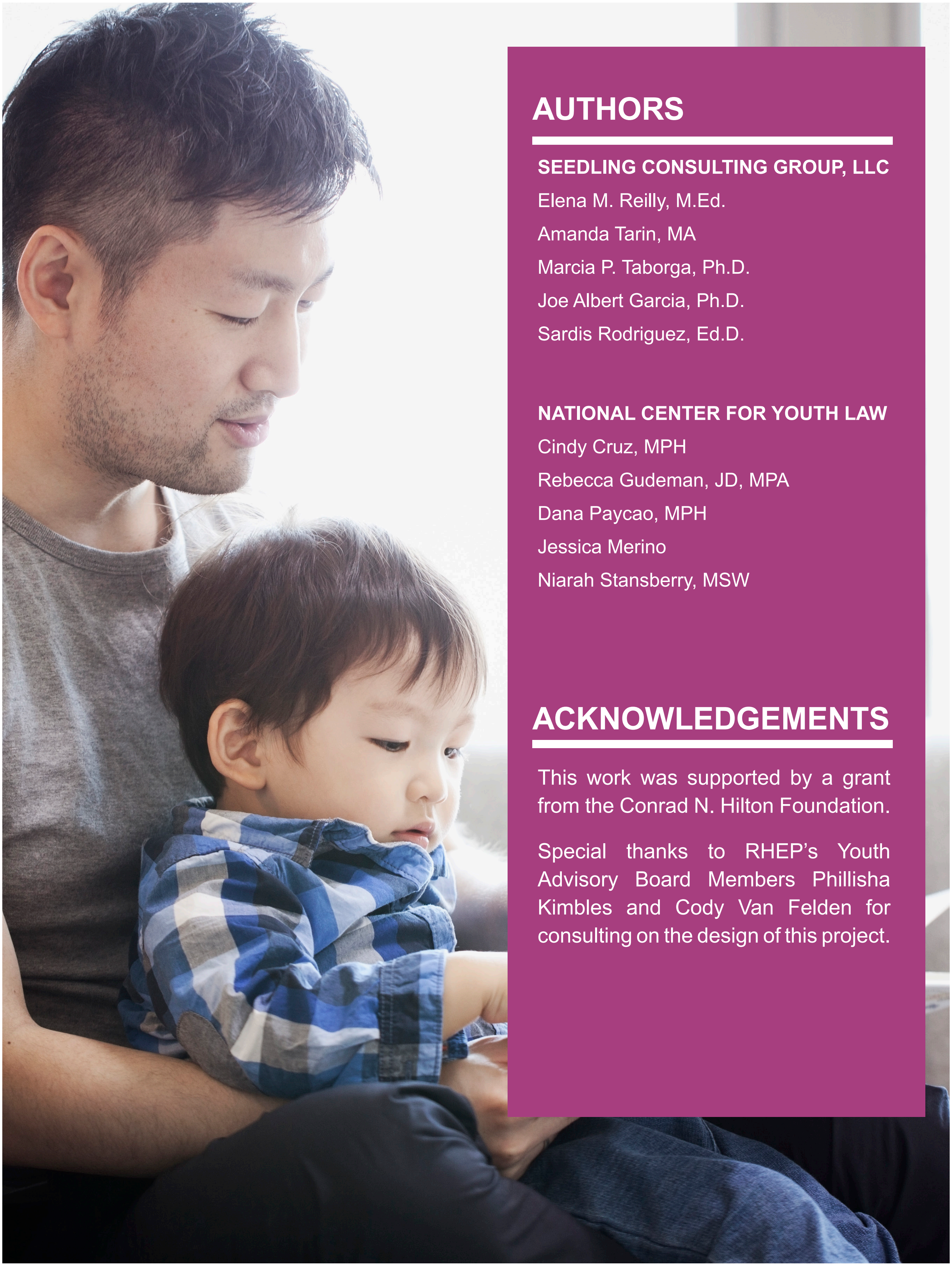
CASH ASSISTANCE AND OTHER BENEFITS:

THE EXPERIENCES OF EXPECTANT AND PARENTING YOUTH (EPY) IN CALIFORNIA FOSTER CARE

National Center for Youth Law

RHEP for Foster Youth
Advancing Reproductive Health Equity for Youth in Foster Care

seedling CONSULTING GROUP



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INTRODUCTION

Expectant and parenting youth (EPY) with current or prior involvement in foster care experience multiple educational, health, and financial stressors. As EPY navigate the transition into adulthood and parenting, they often do so with reduced family support and greater systemic and financial challenges making it harder for them to achieve what they want for themselves and their children. While support programs do exist, young parents have reported challenges accessing existing benefit programs.

In multiple studies across the United States, cash transfer programs have shown promise as a strategy to mitigate the limitations of traditional benefit programs and support pregnant and newly parenting people. Most of these studies, however, have focused on the general population. The Reproductive Health Equity Project (RHEP) for Foster Youth sought to know whether minor and young adult parents, particularly those with current or former foster care experience, would benefit similarly from cash transfer programs.

RHEP is a collaborative of public and private agencies and youth working together to promote the healthy sexual development of youth and young parents with current or prior involvement in California's foster system. RHEP is convened by the National Center for Youth Law (NCYL), a national advocacy organization that works to advance the well-being of young people. RHEP contracted with Seedling Consulting Group, a RHEP partner, to assess how EPY with foster care experience navigate financial benefit programs, especially those offering cash assistance, and determine whether a larger study of benefit and cash transfer programs would be of merit. Seedling will publish the study in the near future.

This issue brief describes the study and summarizes its results. The study contributes to a growing evidence base on cash assistance by examining how EPY can leverage benefits to navigate interpersonal relationships and systems such as housing and healthcare, how benefits provide agency to EPY to invest in their family's future, and how administrative processes impact uptake. This study found several expected and unexpected positive results from cash transfer programs. The study found that cash transfer programs advance EPY's autonomy and agency over their financial future as well as their children's wellbeing. The results suggest that cash transfers could serve as a vital tool to address poverty levels disproportionately associated with foster care involvement. These results merit further study.

BACKGROUND

THE EVIDENCE BEHIND CASH TRANSFER PROGRAMS

According to 2023 Census data, 11.1%, or 36.8 million, of the people in the United States live in poverty.[1] Even more, about 25% of households are living “paycheck to paycheck” or spending nearly, if not all, of their income on necessities with little to no money left over.[2] While resolving this broader issue requires a multi-prong approach, one promising approach being tested is cash transfer programs. There are different forms of cash transfer programs. Two types of cash transfer programs, cash assistance programs and tax credits, have been shown to help mitigate poverty and help individuals and families meet basic needs.[3]

Cash assistance programs include programs such as Universal Basic Income, or UBI, which involves regular and unconditional transfers of cash payments for all people in a community and Guaranteed Basic Income, or GBI, which is a similar form of assistance that specifically targets communities that have historically been underserved.[4] Other types of cash transfer programs may offer one-time or limited term cash payments. Tax credits are an example of a one time or yearly lump sum cash transfer program, implemented at the federal and state level, with some programs aimed to help specific communities, such as low-income families or those with children. Cash transfer programs generally differ from traditional benefit programs because there are typically no conditions on how cash can be used, allowing the recipients to use funds to meet a variety of needs and decide for themselves how to prioritize spending.

Cash transfer programs have shown promise in helping recipients meet basic needs. The evidence base on UBI is still growing, with over 192 global studies on basic income ongoing or concluded.[5] Evaluation of UBI programs, like the Stockton Economic Empowerment Demonstration (SEED), in which participants received $500 a month for two years, and Minneapolis’ similar basic income project, indicated that participants spent the additional income on basic needs such as housing,

utilities, and food.[6] The additional income provided in such programs resulted in participants having improved job prospects, financial stability, ability to support others, and overall well-being.[7]

Similarly, studies have shown that tax credits are used by families to meet the costs of basic needs such as food, housing, telecommunications, and utilities as they function to supplement the families’ earnings.[8] Tax credit programs are implemented at the federal and state level, with some programs aimed to help specific communities, such as low-income families or those with children.

Both cash assistance and tax credit programs have also been shown to support parental and child health and well-being. One study, based on the SEED program, found that participants reported lower rates of psychological distress when compared to those in the control group.[9] Similarly, there is evidence that Child Tax Credits advance payments alleviated parental depression and anxiety symptoms among recipients.[10] Financial worries, encompassing concerns like the ability to afford child care, health, education, and housing costs, are major stressors for parents that can negatively affect not only their own mental health, but those of their children.[11] Financial insecurity, resulting from a lack of resources, causes parental

stress which in turn can lead to depression and other negative physical and mental health outcomes that then impact their children.[12] For children, living in poverty can expose them to adversities such as housing instability and can lead to "toxic stress," which increases the risk of developing poor physical, behavioral, and cognitive health.[13] Given the intrinsic tie between financial status and health, it is not surprising that cash transfer programs can therefore improve the physical and mental health of families.[14] For example, a randomized control trial found that new parents receiving an unconditional cash gift were able to increase the amount of money and time spent on infants, such as allowing parents more time engaging with their infants through early learning activities.[15] This finding, that guaranteed income expanded the parent's ability to spend more time dedicated to their child's well-being, was consistent with findings from the SEED program study, which found that participants had more time to participate in acts that granted "dignity," such as attending social gatherings, resuming artistic pursuits, and for parents, being able to do homework with their kids.[16]

YOUNG PARENTS IN FOSTER CARE

Despite the promising evidence of studies on cash assistance and tax credits, there has been little exploration on the benefits of these programs for minor and young adult parents, specifically young parents with current or prior foster system experience. Young parents with experiences in the foster care system are uniquely positioned to benefit from such poverty-mitigating programs.

Expectant and parenting youth (EPY) with current or prior involvement in foster care experience multiple educational, health, and financial stressors.[17] Youth who grow up in the foster care system often experience traumatic and destabilizing events, sometimes within the system itself, such as multiple placements, disruptions in education, and separation from their family members during critical developmental years. The vast majority of youth in foster care come from families that are at or below the poverty level, and these youth remain in poverty when they enter foster care.[18] These factors, combined with others like lack of access to employment and job training, lack of access to healthcare, and higher rates of justice system involvement, contribute to lower employment rates, lower earnings, financial instability and higher homelessness rates as youth transition into adulthood.[19] For EPY, these stressors coincide with experiences of social, financial, and health barriers as they transition into parenting roles[20] and face multiple challenges providing for the financial, social, and emotional needs of their children, themselves, and sometimes other family members.

CASH TRANSFER PROGRAMS FOR FOSTER YOUTH IN CALIFORNIA

In California, two programs provide monetary support to EPY with current or prior involvement in the foster system: California's Expectant Parent Program (EPP) and Foster Youth Tax Credit (FYTC). The EPP provides $900 per month in the last three months of pregnancy ($2700) to help expectant youth prepare for their baby's arrival. Importantly, the EPP provides cash directly to the EPY, even those who are under age 18, providing them more autonomy on spending. In its first year, from January - September 2022, 83 EPY received the EPP out of an estimated 500 eligible EPY.[21] The FYTC is available to youth ages 18-25 who were in foster care on or after their 13th birthday and earned between $1 and $30,950. This tax credit was included in California's 2022-23 budget and available in the 2023 tax season. The FYTC provides up to $1,083 to the youth or their caregiver. As of August 2023, 4,732 youth (8.7% of eligible recipients) received the FYTC.[22] With EPY often also eligible for a child tax credit, the average tax refund/rebate to EPY/TAY filers in 2023 was $2,795, increasing their annual income by 15%.[23] These initiatives were designed to reduce the impact of financial hardship on youth in foster care, or previously in foster care, especially EPY. While these cash transfer programs are forms of cash assistance, it is important to note that they cannot be considered a form of UBI or GBI due to their one-time and limited nature.

For more information about the EPP and FYTC as well as other cash transfer programs, see *Appendix*.

SUMMARY OF STUDY

PURPOSE

This study set out to examine whether findings from previous research on the impact of UBI, GBI and other cash assistance studies among the general adult population might be reflected among young parents with foster care system involvement and whether there are unique impacts for this population, sufficient to recommend deeper investment and evaluation. This study initially focused on how EPY managed money from EPP and FYTC. The scope expanded as it became clear that EPY managed significant financial, administrative and social complexity. Many EPY manage dynamic household budgets consisting of work income, food assistance (WIC and CalFresh), housing (Section 8), student financial aid, tax credits (FYTC), unemployment insurance, and cash assistance (EPP). They manage complex household budgets independently and in relationship with romantic partners, birth parents, and extended family members while caring for their own children, siblings and others. It thus also explored how EPY manage this complexity.

PARTICIPANTS

Young people who met the following criteria were eligible for participation: (1) youth ages 16-27, (2) had prior involvement in California's foster care system, and (3) were expecting or parenting children. Most participants were English-speaking females who were currently living in California and identified as Hispanic/Latina(o). One interview was conducted in Spanish with a participant who has an open foster care case in California but resides in Louisiana. One father participated in the study.

Table 1. Participant Demographics

Participant ID	Age	Gender	Ethnicity	Work	Student	# of children (Including current pregnancy)
201	27	F	Black	Part-Time	Full-Time	1*
202	24	M	Hispanic	Full-Time	N/A	1
203	25	F	Black	Full-Time	Part-Time	0*
204	26	F	White	Part-Time	Part-Time	1
101	21	F	Latina	Unemployed	N/A	1
102	22	F	Mexican and White	Full- Time	N/A	2
103	20	F	Mexican	Part-Time	N/A	1
104	19	F	Black	Unemployed	Part-Time	1
105	21	F	White	Unemployed	Part-Time	1
106	19	F	Hispanic Latino	Unemployed	N/A	1
107	19	F	Latina	Part-Time	N/A	1
108	16	F	Hispanic and White	Unemployed	Full-Time	2
110	19	F	Biracial	Unemployed	Full-Time	2
112	19	F	Latina	Unemployed	Full-Time	2

**201 had one child and cared for siblings, 203 cared for siblings*

RECRUITMENT

This study used intentional sampling to reach TAY-aged EPY who were eligible for benefits. Study participants were recruited from a network of advocates working with youth in foster care, including child welfare social workers, youth lawyers, foster youth resource specialists, and volunteer income tax assistance (VITA) sites. Out of the 29 referred TAY-aged youth, 17 responded and received an online screening tool to check eligibility and of those, 12 were scheduled for interviews, and ten (10) completed interviews. Additionally, four (4) youth, ages 24-27, who had past and current experiences but were not currently eligible for all the benefits, were recruited from the RHEP Youth Advisory Board and another RHEP project and completed interviews.

Eligible youth were sent consent forms. For eligible minors and non-minor dependents still in the foster system, we requested their permission to share their name and birthdate to obtain their dependency lawyers' consent. Once consent forms were received from their attorneys, the youth was contacted to schedule an interview. A total of 14 participants completed interviews conducted by five researchers from the Seedling team.

The in-depth remote interviews were held using video conferencing software and scheduled for 2 hours, though most interviews were completed in one hour or less. All 14 interview participants received a $150 Visa e-gift card incentive.

RESEARCH DESIGN AND PROCEDURES

In the interest of community participatory research, former foster youth from the RHEP Youth Advisory Board were consulted about methods and data collection as lived experience experts. The Seedling researchers proposed a draft research design, presented the draft to a group of youth in a focus group for discussion, incorporated youth suggestions and presented revised designs in another focus group several weeks later. Youth formerly in care voiced privacy concerns about sharing financial information via a phone application or survey. They recommended interviewing youth about their income and spending.

After consultation with content experts and adult lived experience experts, a comprehensive list of benefits and available income sources (see Table 2) was gathered, as were categories of spending.

Each interview included an interviewer and notetaker. The in-depth interview included three sections:

1. The first section included interviewer introductions, a short summary about the study's purpose, participant rights and confidentiality, reminders about participant's right to opt out at any time, and a brief discussion about the young person's household situation.
2. The second section included questions about sources of income and assistance (i.e. work as well as state, local and federal tax benefits) and young people's experience accessing, receiving, and making decisions about income. This section included prompts to discuss mechanics of benefits, including whether benefits were received via direct deposit or mailed checks, amount received per month, and interactions throughout the application process. Youth were then prompted to discuss the convenience of accessing a particular source of income, how that source of income fit within their overall household budget, and how young people made decisions about their income.
3. The final section of the interview focused on expenses. Young people were directed to a two-question online survey that asked participants to rank categories of expense by ease and then difficulty. After completing the survey, interviewers asked participants to describe how and why they made rankings. Throughout the interview, young people were invited to provide specific examples and tell stories about their experiences.

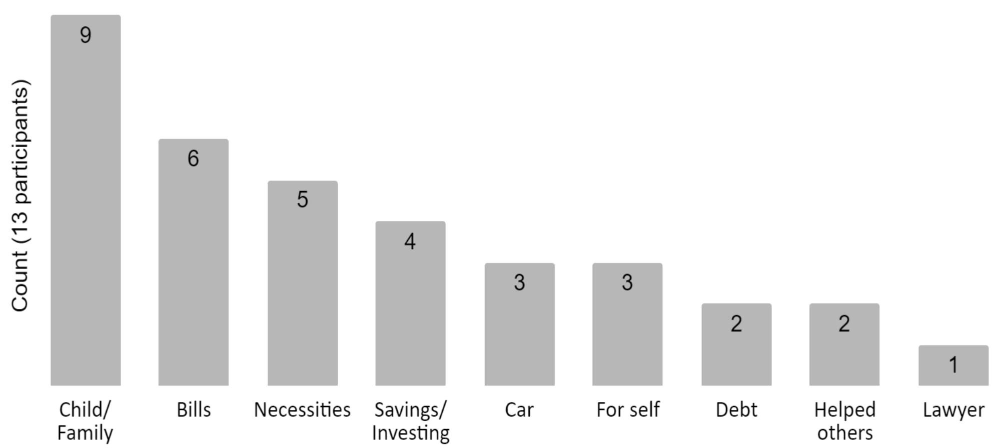
After each interview the interviewer and notetaker answered a series of questions in a debrief protocol. Interviews were recorded and transcribed. Analysis of data included review of interview notes, debrief protocols and transcripts, coding qualitative and quantitative data into a spreadsheet to obtain counts (e.g., was there a supportive adult, did the youth save money), and interviewer meetings that included discussion of general impressions of interviews and specific details. Based on these analyses, six key themes emerged.

FINDINGS

HOW YOUTH USE LUMP SUM BENEFITS

When asked about how they spent lump sums of money (e.g., EPP or tax returns), participants reported using those payments on items related to their children's wellbeing, to pay off debt, and/or to save or invest funds (see Figure 1). For other sources of income, like student financial aid checks, EPY talked about being careful so that the money would last through the semester and cover what was needed for school and their families. Benefits helped EPY cover necessities for themselves and their children but beyond being critical to meet those financial needs, participants also noted that benefits were crucial to save for a necessary purchase, like a car, to provide support to other family members, and to weather unforeseen circumstances.

Figure 1. How participants spent lump sums of money[24]



THEMES - THE IMPACT OF CASH BENEFITS

Six principal themes surfaced in how EPY navigated cash transfers and other benefit programs, and how cash transfer programs not only impact EPY and their children in the present but create future opportunities for EPY and their families. These include: 1) Benefits allow EPY to meet their needs; 2) Benefits allow EPY to minimize financial shocks 3) Cash assistance helps EPY navigate and overcome inadequate health systems; 4) Economic stability supports healthy relationships and mental wellbeing; 5) EPY with surplus cash learn to manage finances and build savings; and 6) Simplified benefit processes facilitate uptake. All these themes lend credence to the theory that cash transfer programs not only help alleviate burdens associated with poverty, but enable recipients to invest, and participate, in opportunities that have lasting positive impacts for them and their families.

[24] Youth were asked about large sums of money; it was up to their discretion to decide what that meant. The most common examples youth shared were tax return, student financial aid, and multiple months of EPP.

(1) BENEFITS ALLOW YOUTH TO MEET THEIR NEEDS.

PRIORITY NEEDS

Most EPY reported that their day-to-day spending focuses on covering basic expenses for themselves and their children. Many reported learning to distinguish between wants and needs to cover their monthly expenses. Necessities such as food, diapers, and hygiene and cleaning products were given high priority. Three other needs were identified as economic stressors:

> HOUSING

Among the budgets of EPY in this study, the basic need that most often presented a challenge to well-being and stability was housing. As one youth explained, recurring expenses, particularly housing, limited their ability to spend on costs beyond basic needs or create an emergency fund.

> "I've been in my apartment for going on two and a half years now, and that's what I'm trying to say: it's so hard to do anything because all my money has to go towards bills and car notes and gas and electricity and everything."

> TRANSPORTATION

Another basic need that often presented a challenge to well-being and economic mobility was transportation. Transportation limited access to employment, childcare, and quality healthcare opportunities and multiple participants reported that their primary savings goal was a car. Participants shared how difficult it was to find employment and childcare without a car with one youth applying for jobs commenting:

> "I've applied at multiple franchises, multiple companies. I live in [my city], so everything's very spread out. So, I'm also limited in transportation and being able to seek jobs farther out."

Lack of a car also meant that EPY were sometimes dependent on others for transportation, which sometimes had compounding financial impacts. One young person reported that she was dependent on her partner for transportation, so their household lost two daily income sources when he drove and supported her with medical care.

Several also noted that their first lesson on credit occurred after realizing the impact of compounded interest on car loan payments. Another participant said that their main advice to other youth was to "avoid car notes," indicating how impactful transportation and car access was to this group of young people.

> FAMILY CARE

Some EPY are responsible not only for themselves and their children but other family members. Two of the study participants were caring for their siblings on either a temporary or long-term basis. Both those respondents reported little to no support from other adults in their lives. They did not want their siblings exposed to foster care. One participant provided temporary housing support to a parent. She served as the head to a household of five individuals, including her own child.

(2) BENEFITS MINIMIZE THE IMPACT OF FINANCIAL SHOCK

Beyond helping EPY meet their basic needs, participants also reported that benefits helped counteract unexpected financial shocks, including housing challenges, debt, dissolution of romantic partnerships, sudden changes in employment, and health-related challenges that limit employment. These shocks aggravated EPY's already precarious financial situation stemming from conditions like low-paying or low-quality employment and substandard housing. One youth reported using the EPP to pay for the fumigation of a pest-infested apartment to prepare the space for her baby. Another youth who had recently lost a job lamented, "something is always changing," referencing how difficult it is to budget given unforeseen circumstances, including job loss or changes in financial aid, that affected her or members of her household. Another youth reported that her apartment's roof caved in, damaging her belongings and making the apartment uninhabitable.

> "Luckily, when the whole incident happened [roof collapse] ... I had just gotten my check, so it saved me and my partner from being in the streets."

Two pregnant youth reported multiple medical challenges linked to pregnancy as negatively impacting their income and, in one case, their partner's work income. One youth reported leaving work due to fatigue and since "my teeth started cracking." Another commented, "I lost work due to the pains; I had to go to the emergency room several times."

(3) CASH HELPED YOUNG PARENTS NAVIGATE AND OVERCOME INADEQUATE HEALTH SYSTEMS.

NAVIGATING THE HEALTHCARE SYSTEM

Healthcare and insurance were a frequent source of stress for EPY, with young people reporting challenges accessing consistent and quality medical services. Health insurance plan providers changed, often during pregnancy or early infancy, resulting in young people missing important health appointments or paying out of pocket for pre- or post-natal health services with a preferred provider.

One young person noted:

> “They just keep changing my medical group, so sometimes, almost all the time, I have to be changing it constantly every month, because they switch my medical group without even my consent or anything so I’m just like, ‘That’s weird.’ Then, the last time that I called, they told me that I couldn’t call for myself because I was a minor.”

Another young person experienced similar struggles with providers changing without notice:

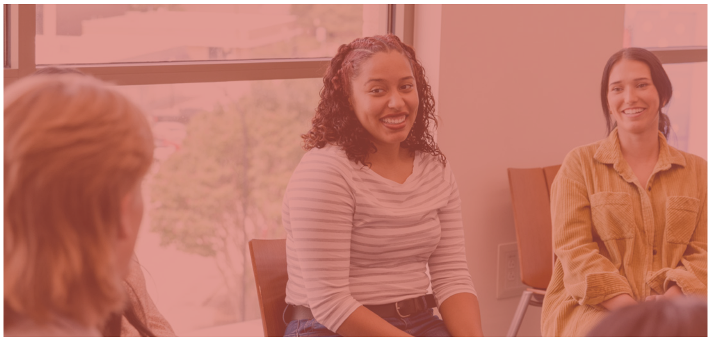
> “I actually just recently had a little difficulty with it. It got switched without me being notified, so my OB/GYN that I was seeing, I went for one of my appointments and they let me know that my insurance switched and they don’t take that insurance, so it took about a month to switch it back. I don’t know what had happened.”

Administrative changes, such as complicated enrollment processes within the health system, magnified existing transportation, childcare, and work-related challenges that already made it difficult to access health services. Findings indicate that EPY used their own money to help mitigate the complexity and instability of healthcare.

PAYING FOR MORE ACCESSIBLE AND BETTER CARE

While this study did not specifically ask about health experiences, one finding that emerged were the challenges and expenses EPY faced when obtaining quality healthcare for themselves and their children. EPY shared that they spent their own money to get quality prenatal and postnatal care.

Three research participants reported paying out-of-pocket for medical expenses in order to access more convenient or higher-quality care. In the first case, the EPY, who did not have a car, paid out-of-pocket to go to a nearby clinic that did not accept her health insurance. In a more complex case, another young woman experienced numerous challenges with a medical care provider, including having a staff member within the service provider’s clinic withhold the results of her pregnancy test in order to prevent the EPY from accessing an abortion. During her third trimester, the medical doctor began urging early induction. The young woman reported feeling confused and uncertain about that advice, particularly given the prior history with the provider, and felt pressured by the doctor. She and her partner traveled to a different provider in a nearby county who disagreed with the first provider’s recommendations and offered her several birth options. The young woman and her partner stayed with the second provider and paid out-of-pocket for the higher quality care, thus generating medical debt. The third case involved a Spanish-speaking young person who paid a third party for translation during medical appointments with an English-only provider. Her provider also urged early induction without fully responding to her concerns or answering her questions about whether induction was medically necessary. These cases illustrate how cash transfers can supplement young parents’ income as they strive to secure high quality medical care for themselves and their children, but also how cash transfers support EPY in navigating away from harmful health systems.



(4) ECONOMIC INSTABILITY IMPACTS RELATIONSHIPS AND WELL-BEING.

FINANCES AND RELATIONSHIPS

Finances impact how EPY navigate romantic and familial relationships that affect their and their children's well-being in various ways. Youth reported relying on others to meet financial challenges, particularly linked to housing and childcare. Youth shared multiple examples of collaborative strategies that included sharing time, labor, money, and housing with their family, extended family and social network. One participant reported that she relied on her partner to transport her to the emergency room due to pregnancy health challenges, leading to lost days of work. Another EPY had a family member who would use their own food stamps to buy food and when that ran out, the EPY used their own food stamps to cover food expenses to get through the month. EPY also mentioned family or partners supporting them and their children with childcare and/or clothing and basic need items for their children. Successful collaborative economic strategies enabled young people to cover household expenses and even save money. Conversely, youth reported that financial scarcity stressed their relationships and led to further economic shocks, such as housing instability.

At times, young parents reported living with their romantic partners or birth parents out of financial necessity. In some cases, this worked well. In other cases, financial disputes threatened or led to the dissolution of the relationship and therefore, of the shared household economic strategies on which EPY and their children depended. This, in turn, reduced EPY's sources of social and emotional support, left their children with fewer adults participating in caregiving, and led to unexpected financial shock. With romantic relationships, dissolution often left young people, particularly young mothers, to deal with the financial consequences of shared decisions (e.g. debt), exacerbating their financial vulnerability. In these cases, EPY also lost coparents and individuals with whom they shared child rearing responsibilities. Given how intertwined finances and relationships are, when relationships or collaborative economic strategies fail, they may exacerbate the financially precarious situations of EPY, threatening housing and childcare. EPY reported leaving relationships with important individuals, such as siblings or romantic partners, because of disputes over money, also leaving them with fewer people on whom they or their children could rely.

Youth also shared several examples of regret over financial decisions they made with, or for, trusted individuals. These included higher risk experiences such as opening credit cards or taking out auto loans followed by disappointment in their family, friend, or romantic partner for not following through on what was promised (e.g., making payments). Youth narratives indicate that these relationships marked by financial tension also eroded EPY's – and their children's – base of social and emotional support and trust in others. This interdependence with others when it led to financial consequences also led to complex feelings of deep regret, a sense of personal failure, and feelings of guilt for allowing themselves to depend on another person who later disappointed them. One youth commented:

> "I don't have a car, but I'm saving for a car... Yeah, so I co-signed (on a car loan) for my sister, and then she kind of just, I guess, screwed me over. She stopped paying for it, and the other car was co-signed, and then I don't have that car either, but again, I did it to myself."

One young person recounted what she learned from a formative experience with debt. Her financial learning occurred against a backdrop of loss; she lost her good credit, housing, romantic relationship, parenting partner, and her trust in others.

> "At the time it was with my son's dad, and I was like, okay, I'll let you pick out some jewelry and then I'll get some earrings, but you have to help me with the payment. And unfortunately, he didn't help me with the payment. He left me paying it by myself… And then with the apartment too… So unfortunately, when you put things on your credit and you don't pay it off, then it's like, damn, like I can't. It goes down, then your credit goes down. So, it's like over time it accumulates. So, it was just difficult managing it. But then it's okay because I eventually learned my lesson, don't trust people. If you can't afford it yourself, don't do it. So over time, you eventually learn."

While spending and taking financial risks within relationships is developmentally appropriate for young adults, EPY's narratives indicate that the financial risks were greater and the consequences more dire due to a lack of fiscally responsible mentors in their lives and to the overall financial insecurity they were facing. Most youth consulted did not have adult family members who were able to help them navigate or pay off the debt. For many youth, financial scarcity adds stressors to already fragile relationships. EPY often engage in shared financial commitments due to financial scarcity. This raises the stakes on their relationships, often leaving them feeling vulnerable and deceived when the relationship or financial agreement does not work out.

FINANCES AND WELL-BEING

Financial instability not only affects EPY through its impacts on how they navigate important relationships, but it also has implications for their ability to cover basic needs, therefore impacting the mental health of EPY and preventing young parents from affording opportunities for their children that would promote mental well-being. One participant struggled with homelessness, had lost custody of her child, and was not eligible for several benefits because of her unstable housing situation. Housing instability plays into a negative feedback loop as EPY cannot secure the benefits they need for economic stability. Another participant could not cover basic expenses after paying rent. These EPY are then unable to meet the necessary financial threshold to build stability for themselves and their children, which has been shown to have deep impacts on their mental well-being.

Financial scarcity also limited EPY from exposing their children to experiences that young children need for optimal social, emotional and physical development. Multiple participants noted challenges related to recreation or family outings, stemming from both financial scarcity and transportation.

> "Well, me and my daughter do not go out as much. We don't go out. Like I said, I stretch out the money up until the next month that I get it. So, I put that always in the bottom of my list. We'll go to the store too, but it's mainly to run errands. It's never like, "Oh, we'll go to the park." Like I mentioned, I do not have [a] source of transportation, so I do not like spending money on transportation when I could save it for whatever else is needed. So, it's just that I do not go out as much. We don't do anything pretty much."

For the study's only male participant, pressures to provide financially for his family and therefore take on more hours involved trade-offs, such as his parental obligations and spending time with his family:

"I do have hopes that there's a life outside of a 9-to-5, and there's a life where you don't have to put 50 to 60 hours a week at work. But until then, it's like you're just stuck in that cycle of just working, making enough to pay your bills, maybe having a nice little dinner once a week, and that's about it. Yeah, if I'm working 50 to 60 hours a week, that's because I really want something and I can't afford it working 40 hours. But typically, on a normal week, I'm not working more than 40. I mean, I don't like to be away from home too much. I know, as a father figure, it's important for me to be able to provide most of the time."

For some youth who reported having enough money to cover basic expenses, either because they had two children and could pool benefits, split rent with a partner and/or other family members, or worked overtime or multiple jobs, they were able to use the remaining money on building positive experiences for themselves and their children. These youth reported spending on outings for their children, "nicer" clothes, or hair products for the children so they would not "feel less than."

This was especially true of the older youth, who reported spending money to provide positive experiences with their children and maintain their own mental health.

(5) CASH ASSISTANCE PROGRAMS ENABLE YOUNG PARENTS TO ACHIEVE FINANCIAL AUTONOMY.

THE NEED FOR FINANCIAL INDEPENDENCE

Young people sought to exercise financial autonomy as part of their parenting role and their transition into independence. Nevertheless, and despite many EPY already navigating a complex financial situation, financial payments are not always made directly to youth. Parenting youth who did not receive direct cash payments expressed the challenges that this presented.

"So just to clarify a little more, I'm a foster youth, non-minor dependent, so I still receive the Parent Supplement*[25] because I had her when I was 17. So, in the beginning, the checks weren't coming directly to me. So, it was just complicated because, say I wanted to get my daughter something, I couldn't because the person who had my money, their priorities were just diapers and formula, which is the main focus. But if I needed a stroller, it would have to be put on hold. If I needed some clothes for her, it would be on hold. So, my first couple of times were kind of frustrating, but when I turned 18, it was easier. It was coming to me directly. And it was just easier. I was able to manage and control where the money was going to."

[25] *There is no benefit program called the "Parent Supplement." The participant is likely referring to the Infant Supplement, which is a supplemental benefit provided to young parents in foster care to support the care of their child. Unlike the EPP, the Infant Supplement is often paid to the placement, not the parents themselves*

Young people reported learning from financial experiences, both positive and negative. Many shared a clear financial ideology, particularly on spending but also on credit, to guide their daily financial decision-making. Several participants could clearly articulate making decisions based on needs rather than wants.

"Because for me, it's like I don't really need anything right now. As long as I have a little bit of clothes or I have food then I'm fine. I don't really go, I based off what I need, not what I want because I've learned that if you go based off what you want, you're just spending your money on things that when you do need it's like, oh damn, I don't have it anymore. So, throughout my life, I've just been learning, get what you need, don't get what you want, only get what you want when you do have it. So, my main focus would be just the baby."

SAVINGS

Youth reported using financial payments to jumpstart savings. This was more likely to occur when young people had a surplus after covering their daily expenses. This was the case for some participants who lived with close family or parents, thus saving on rent, or who had more than one child and could pool benefits. Youth who advanced beyond paycheck-to-paycheck scarcity reported saving money and learning how to manage finances.

Participants who could afford to save or invest did so, often sharing thoughtful and creative savings or investment strategies. Participants mentioned using piggy banks, researching investment opportunities, planning finances, seeking benefits, developing a household financial budget, and making decisions about relationships based on their finances as well as their children's wellbeing. One participant commented that the combination of Section 8 housing, employment income and the EPP payment allowed her to start the practice of saving for a car.

"It was a good thing that it happened, just to kind of have an idea of what saving is like, because I know savings is really hard, especially when everything is so pricey."

When asked how she would spend upcoming parenting payments, one youth commented:

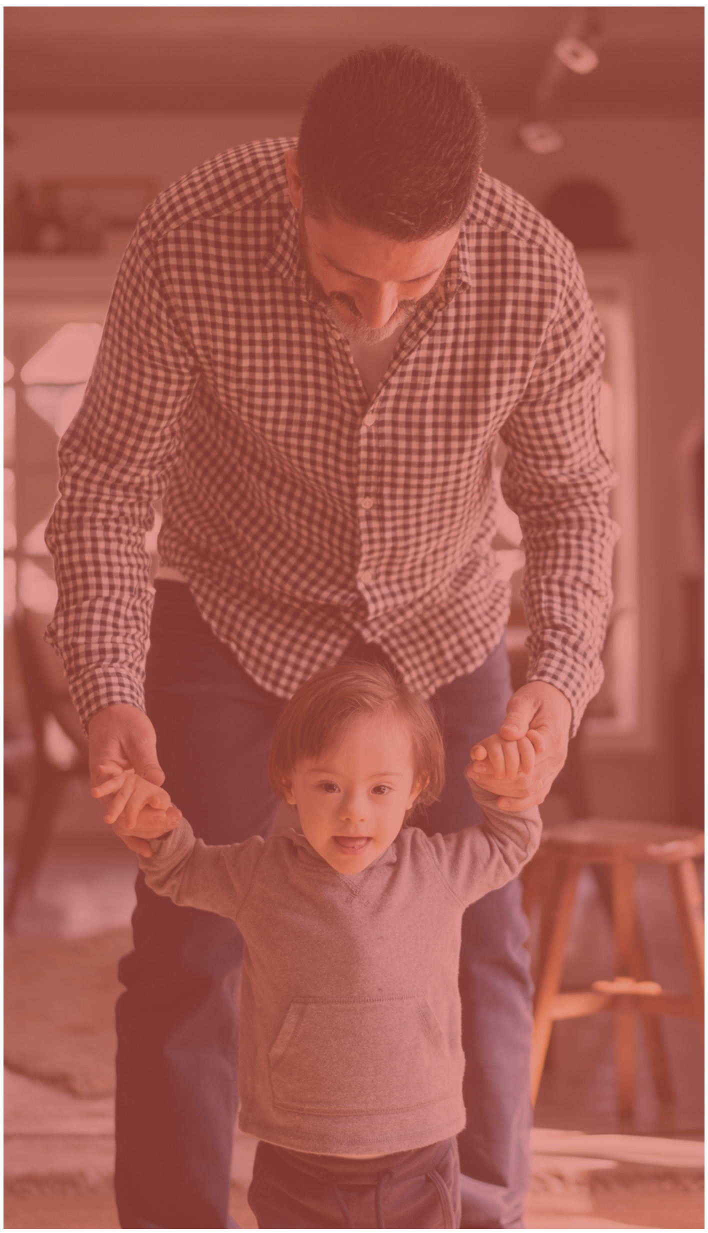
"I would just make a budget planner or something. I think that's what they're called, and divide it between car payments, insurance, utility bills, phone bills, and just things to support my kids. I think those are the four big things right now that I would do that for."

Another youth advised other youth in care to be savvy about how they use financial benefits within a longer-term strategy.

"To save while they can. I mean, if they're getting that money to save, because when you don't receive it, you're not going to have that help, financial help from the system.

For the EDD thing [unemployment insurance], when I lost my job, when I finally did get that back-pay, I took $2000 and invested into the AMC stock. People were telling me I'm crazy at the time because it was so low and 'Nobody's going to the movie theaters.' But then I left it in there and forget about it, and then when I went back, I had made an $8000 return.

So, when I get large sums of money, I invest into my business; I go learn how to do a skill."



(6) SIMPLIFIED ADMINISTRATIVE PROCESSES INCREASE BENEFIT UPTAKE.

To access benefits like the EPP and FYTC, EPY often had to navigate the complex administrative processes which led to further challenges, including administrators' confusion or misunderstanding around benefit eligibility. Youth were more likely to access simple, streamlined, convenient and well-publicized benefits such as those offered in doctors offices or discussed among family and peers such as Medi-Cal and WIC (see Appendix for a complete list of benefits). Youth narratives indicate that simplified eligibility criteria, clearer application processes, and automated payments facilitated benefit uptake.

"The paperwork was just kind of confusing to me"

Participants were asked what benefits they accessed and the ease of access. Table 2 summarizes participants' eligibility for each benefit and the rates of eligible participants who received the benefit.

TABLE 2. STUDY PARTICIPANTS ELIGIBILITY AND ACCESS TO BENEFITS, IN ORDER OF UPTAKE

Benefit Source	Type	# of Youth Received	# of Youth Eligible
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	Food	14	14
Medi-Cal	Health Insurance	14	14
Infant Supplement	Monetary	7	8
Student Financial Aid	Monetary	8	10
Cal Fresh	Food	10	13
Expectant Parent Payments	Monetary	7	10
Extended Foster Care	Monetary	7	11
Parenting Support Plan	Monetary	3	5
Foster Youth Tax Credit	Monetary	5	11
Emergency Child Care Bridge Program	Childcare	1	3
Unemployment Insurance	Monetary	1	8
Housing Choice Voucher Program Section 8	Housing	2	Unknown

Young people encountered many challenges in accessing vital services and receiving financial benefits in a timely fashion. One participant commented that navigating changing benefits was “always a battle,” with some youth internalizing these challenges as being their fault. Interviewees shared feelings of fatigue and exasperation from navigating difficult benefit application processes, with several deciding to forego benefits in favor of their own wellbeing.

“If there’s a right way to do it, I’m always doing it wrong.”

Among the access challenges were uncertainties around eligibility (often due to gatekeepers giving incorrect eligibility information), changes in health insurance, application complexity, and residential moves that led to changes in mailing addresses. The benefit access issues appear to be pervasive and negatively impact mental health, exemplified by the stressful encounters shared by participants. Several youth mentioned being confused about eligibility and application processes.

“At first, I was kind of confused because I didn’t know, when I had the baby, I had to enroll him, I had to pick the type of care that I wanted for him, I had to do all types of... The paperwork was just kind of confusing to me because I wasn’t familiar with it.”

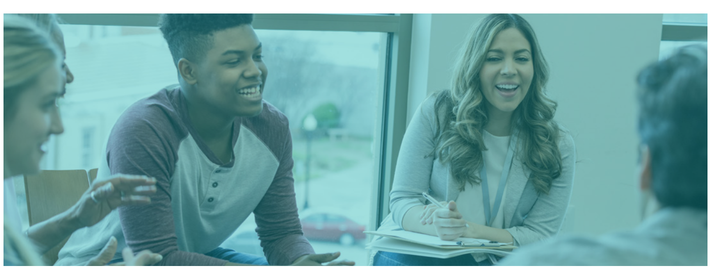
ELIGIBILITY CONFUSION FOR BENEFITS AVAILABLE TO FOSTER YOUTH CAN LIMIT UPTAKE

EPY noted challenges for accessing foster care benefits, such as being told they were not eligible for benefits or services that, as former or current foster care youth, they were eligible for.

> "When I questioned my social worker about it (Expectant Parent Payment), he told me, 'No, you don't get it until the baby's born.' And I told him, 'Well, wait, don't they usually give it between eight months or so for we can [buy] things for the baby?' And he was like, 'No, you get it when you give birth, you have to show me proof that she was born, that she's alive.'"

The youth in the above example was correct that she was eligible for the EPP while she was pregnant (though the youth recalled using a term that was not EPP). EPP is a new benefit and applies to a small percentage of youth in foster care so it is very likely that the social worker was not aware of it or unclear about the eligibility criteria. That interaction and lack of assistance resulted in payment delays and if the youth had not known what their eligibility was, it is possible she might never have received the payment. Fortunately, the youth had a proactive Court Appointed Special Advocate (CASA) worker who later helped her receive the full EPP payment.

The evolving and complex eligibility process of such foster benefit programs and services often makes it difficult for young people to navigate benefits.



> "Unfortunately, I wasn't able to get SILP (Supervised Independent Living Placement) because before my, I believe it was 15 or 16, I don't remember, but I got reunited with my dad. And SILP is only eligible for students that don't get reunited and stay in the system till they're 18. And I did. So, once I turned 18 and I tried to qualify, I tried to go and sign up for the services, they told me that I wasn't eligible anymore. So, I never received any more services after that."

The complex nature of these programs for such benefits led young parents to question whether the monetary value of the benefits merited the time and effort needed to complete the application process.

COMPLEX APPLICATIONS CAN LIMIT UPTAKE

Unemployment benefits were mentioned as not meriting the time needed to apply, particularly for young people who are unfamiliar with the application process or had moved multiple times and lost paperwork.

> "And it [unemployment insurance] was actually pretty difficult to get it because it was a lot of paperwork I had to do. And then they were asking other questions that I just didn't remember. And then once I got the notice in the mail, they were saying, 'Oh, you could only get this much, $68' and to me that wasn't really helpful. I can't really do much with $68. So, I just stopped the process and I just was like, oh, never mind. I started to work."

Housing benefits were also mentioned as a source of complexity, with one youth having lost her Section 8 benefits because she had moved in with her boyfriend while her own application was still open. After their relationship ended, she tried to reinstate her own Section 8 application and found that it was no longer active. She commented:

> "The lady said that they tried to reach me and they couldn't contact me, so they closed my voucher, they closed it. And she said that because it was a big process, she did not want to reopen it, so I just let it go."

THE IMPORTANCE OF SUPPORT IN ACCESSING SERVICES

Young people with a supportive Court Appointed Special Advocate (CASA), social worker, or a family member aware of how to access services (e.g., WIC, CalFresh) were more likely to apply for and obtain benefits. One youth reported knowing how to apply since her child's grandmother is a social worker. She reported that accessing benefits was "easy" for her because of that connection.

DISCUSSION AND IMPLICATIONS

Several key themes emerged in this study. Cash transfer benefits support EPY in mitigating the financial burdens of unexpected circumstances, such as unforeseen health or housing challenges, in navigating complex, and sometimes harmful, systems, and by enabling EPY to strive for healthier relationships and financial autonomy that ultimately supports their and their children's well-being. These themes resonate with previous studies and also uplift areas where future research and reform is needed.

BENEFITS ALLOWED YOUTH TO MEET BASIC NEEDS, WEATHER FINANCIAL SHOCKS, AND STABILIZE THEIR FAMILIES.

Expecting and parenting youth face unique responsibilities and challenges to their financial livelihood that make benefits critical. Many EPY navigate a complex portfolio of cash and non-cash benefits to sustain themselves and their children. Cash assistance provided EPY a safety net when unexpected situations arose, helping them meet their basic needs and preventing them from dealing with extreme financial hardship, homelessness, health crises, child welfare involvement for their children, or bankruptcy. Like all parents, EPY need a basic financial threshold to effectively manage their mental health, parent their children, and earn a living. Even with all available benefits, many EPY struggled financially. Of the eight TAY-aged youth, aged 18-24, only two reported that they had enough money left over after expenses and saved for emergencies. EPY used cash assistance on basic necessities such as housing, food, transportation, and childcare, but it also allowed them to weather unexpected financial shocks and address persistent challenges like substandard housing and lack of reliable transportation that limited their access to quality employment and child development opportunities. These cash assistance programs also aided EPY in supporting other family members, such as siblings, indicating that financial benefits had a ripple effect across families with a history of child welfare involvement.

CASH ASSISTANCE CAN HELP YOUNG PARENTS NAVIGATE AND OVERCOME INADEQUATE HEALTH SYSTEMS.

As is the case for all individuals, economic and health strategies for EPY were intrinsically linked. The time, effort, and toll that it took for EPY to navigate complex and constantly shifting health systems also entailed needing to navigate how to address childcare needs, handle transportation needs, and deal with time away from work. Cash transfers address these competing priorities for EPY, helping them mitigate the potential impacts of unexpected or prolonged health situations such as lost wages or even lost jobs that can have long-lasting consequences for EPY.

EPY participants in this study also resorted to paying out of pocket to circumvent harmful health systems or to access higher-quality healthcare. While this highlights the importance of cash transfers in providing EPY agency over their healthcare, it also uplifts the need to address systemic harms within systems. EPY often paid out of pocket for higher quality, respectful, culturally and linguistically competent care. The failure of the health system to provide effective health care undermined EPY's employment and financial stability as well as their health and that of their children. The findings from this study suggests the importance of linking economic and health strategies and ensuring that EPY are supported while navigating health insurance, selecting accessible and responsive health care providers, and ensuring that system challenges do not limit EPY's access to needed healthcare.

ECONOMIC INSTABILITY STRAINS RELATIONSHIPS AND IMPACTS THE WELLBEING OF YOUNG PARENTS AND THEIR CHILDREN.

EPY need a robust web of supportive relationships to build their resilience, parent effectively, and prevent intergenerational poverty that increases the chance of further child welfare involvement. Financial scarcity can strain relationships that are important to the wellbeing of EPY and their children.

When financial situations go awry, they discourage young people from trusting others, reinforce negative beliefs stemming from previous experiences which can then weaken their and their children's support systems. This can then lead to further isolation and prevent youth people from leaving unhealthy relationships because of the lack of financial autonomy and stability. Cash assistance can help mitigate these risks, enabling young people to navigate relationships with less fear of facing financial consequences and providing young people the opportunity to navigate relationships with a level of financial independence and stability.

CASH ASSISTANCE PROGRAMS ENABLE YOUNG PARENTS TO ACHIEVE FINANCIAL AUTONOMY.

In this study, when EPY had autonomy and direct access to their money, they learned to budget, save, and even invest. EPY, like other young people, learn about money by managing their own budget. Many already manage complex household budgets of multiple income sources with varying amounts, distribution mechanisms, eligibility criteria, and duration. This should be considered when developing and implementing cash transfer programs as young parents to ensure that they have sufficient autonomy to make decisions that affect them and their children. Many EPY, particularly older youth, demonstrated how quickly they learn about financial management and could articulate complex calculations around money, goals, and the needs of their children.

This study found multiple examples of EPY's positive experience, skill, and creativity. Easing financial stress and easing access to financial programs will put EPY in an increasingly optimal circumstance for parenting and creating opportunities for joy. EPY have a desire "to provide their children with a better life, despite challenges."[26] Expecting and parenting youth need, want, and deserve the tools to ensure their children grow up in better circumstances than they experienced.

SIMPLIFIED ADMINISTRATIVE PROCESSES INCREASE BENEFIT UPTAKE.

EPY were more likely to access well-publicized, well known benefits with easy administrative processes. Additional or complex eligibility processes lowered uptake. Many of the interviewed EPY experienced system barriers like excessive and/or complex administrative requirements that ultimately discouraged or prevented them

from accessing benefits they were eligible for. The study also found that at times, adults in the system are themselves not aware of the eligibility criteria for benefits. In order to access benefits, young parents must often navigate administrative burdens, engage adult supporters, and negotiate with adult "gatekeepers," while also balancing competing priorities such as managing complex household budgets. Consequently, they may not have the time and energy to navigate complex benefits.

Youth with at least one supportive and knowledgeable adult often had more success navigating benefit eligibility and application. This also suggests that EPY with a limited social support network will be less likely to access financial benefits that they and their children need, highlighting that more can, and should, be done to simplify administrative processes for benefits that EPY and other former foster youth are eligible for, such as EPP and FYTC. In the meantime, given the higher success rate of young parents with adult advocates, more should also be done to educate not only youth about their eligibility, but also the adults embedded within these systems so they are better able to support young people and ensure they receive the benefits they need.

CASH TRANSFERS DIRECTLY OR INDIRECTLY MITIGATE THE ROOT CAUSE OF CHILD WELFARE INVOLVEMENT THOUGH MORE RESEARCH IS NEEDED.

This study was not designed to explore whether cash transfer programs may reduce second generation child welfare involvement for young parents in foster care. Nevertheless, the findings in this study and prior evidence indicate that cash transfers, when delivered alongside robust benefit packages and effective healthcare, do address many of the root causes of child welfare. These include poverty, social isolation, toxic stress, and lack of supportive relationships. While foster system involvement is complex and often multifactorial, one factor disproportionately associated with foster care involvement is poverty. Neglect was the most commonly reported form of child maltreatment in 2021, with 76% of reports to child welfare citing neglect.[27] And neglect was also the most common reason (65%) a child welfare agency removed children from the home in 2021.[28] In many jurisdictions, neglect for child welfare purposes is defined to include the failure to provide adequate food, clothing, shelter, or needed healthcare.[29]

However, these are also symptoms of poverty. Poverty may make it difficult for families to meet basic needs. While child welfare agencies attempt to ensure children are not removed from a home based solely on poverty, the relationship between neglect and poverty can be nuanced. The California Legislative Analyst's Office acknowledges that "individuals working with children may have difficulty distinguishing between a family's need for support (due to poverty and other risk factors) or need for child welfare system involvement."[30] Where poverty is a root factor leading to child welfare involvement, removing a child from their parent's home will not address the underlying causes of poverty, including racism and discrimination, low wages, lack of affordable housing, and lack of access to quality education and healthcare.

Due to its systemic causes, poverty disproportionately affects Black, Indigenous, people of color (BIPOC) families, with nearly 71% of the children living in poverty being children of color.[31] For many low-income BIPOC families, this distinction that poverty does not always equate to neglect, while critical, is often not recognized within child welfare systems. Low income Black, Latinx, and Native American parents are more likely to be reported and their children more likely to enter the foster care system than their white counterparts.[32]

Recent research and policy guidance focuses on two-generation services and economic support to promote family wellbeing, disrupt poverty, and reduce child welfare involvement.[33] A 2021 study found that each additional $1,000 spent on public benefits programs such as cash, housing assistance, housing infrastructure development, childcare support, tax credits, and medical assistance results in a 4.3% decline in maltreatment reporting, 4% decline in substantiations, 2.1% decline in foster care placements, and 7.7% decline in fatalities.[34] Due to the cyclical nature of poverty and its linkages to child welfare involvement, it is critical to further examine how early-intervention and support programs like cash assistance and tax credits support the financial stability of EPY as well as if and how they reduce secondary child welfare involvement for vulnerable families.

LIMITATIONS

This issue brief is based on a study conducted by Seedling Consulting. The underlying study had three limitations: recall, intentional sampling, and limited sample size. The study was limited to what youth could recall in one interview. While most participants recognized the names of benefits, others such as the EPP and FYTC were less well known. The interviewers further described benefits to help youth recall. Some youth were unsure if they received the FYTC in their tax return though they could comment on how they spent general tax returns. Following interviews, the researchers obtained quantitative data on participants' FYTC utilization from Volunteer Income Tax Assistance (VITA) site data. Qualitative inquiry on money depends on recall and self-report of income and spending. This study thus focused on how young people experience and remember receiving and making decisions about money.

This study used intentional sampling via adults serving EPY in foster care. It is possible that youth in this study were more likely to access benefits because they are connected to EPY-serving adults who referred them into the study.

Additionally, due to the participation criteria, the third limitation is the limited sample size. The study had a total sample size of 14 participants; therefore, its findings are not generalizable to the full population. However, findings indicate that further research is warranted to increase availability data on how EPY navigate cash transfer programs and the impacts of such programs on them and their children.

CONCLUSION

A growing number of studies indicate that economic support and other public benefits can reduce the poverty-related stressors that impact parents in their parenting journey. Nevertheless, there is a dearth of research exploring how young parents with prior foster care involvement access, experience, and use benefits. This study provides a foundation to understand EPY experience accessing and using nascent cash assistance initiatives and suggests that further examination in this space is merited. It highlights the common challenges linked to eligibility, application and access to public benefits as well as exploring how EPY makes decisions about money in the context of their wellbeing and that of their children. It shows how health, mental health, parenting aspirations, and relationships impact how young people are able to manage money. Importantly, results from this study reflect prior research indicating that additional economic support to parents can mitigate the impacts of poverty, including future involvement in child welfare systems. Additional mixed methods or quantitative research could be useful to assess benefit uptake and understand if findings are representative of EPY within and outside the foster care system.

Expectant or parenting youth with current or prior foster care involvement spend money from cash assistance on basic necessities, similar to the general population. In addition, this study revealed challenges that EPY face in their day-to-day lives and examined how they used money from cash assistance to mitigate unexpected financial shocks and prevent negative outcomes, such as homelessness. Cash assistance allowed EPY to address financial gaps that caused stress and undermined their financial ability to provide parenting opportunities for their children. Cash assistance, particularly larger lump-sum payments, proved critical for EPY to prepare for transitional life events, such as childbirth, continuing their education, and providing economic stability and mobility for themselves and their children. Cash assistance also allowed EPY to maintain themselves and their children while navigating within complex systems and sometimes away from harmful pathways. The study also found that if and when EPY were able to cover basic expenses or received a larger lump-sum payment, they were able to establish savings or invest, helping them build crucial financial autonomy for themselves and their children.

Having this autonomy and enough money to cover expenses allowed EPY to make decisions to benefit themselves and their families. Despite EPY's financial savvy, they often faced significant obstacles to getting benefits even when they were eligible. Adult gatekeepers, complex eligibility and application processes, and shifting and short-term funds complicate EPY's ability to receive benefits. These processes need to be simplified to ensure that EPY, and their children, receive the benefits that they are entitled to. EPY, like all individuals, exist within systems like healthcare, employment, and housing that can all be improved to ensure communities thrive. This study sought to bring the voices, experiences, and perspective of young parents with current or prior involvement in California's foster care system into ongoing research and policy dialogue about cash assistance, recognizing that their lived experiences are a crucial source of expertise.

For these EPY, like for other populations in previous studies, the impacts of cash transfer programs are two-fold. They can help to mitigate the harms of financial insecurity that are risk factors for child welfare involvement, such as caregivers with low income and high levels of economic stress or living in unstable housing and with food insecurity, which then lead to poorer outcomes for themselves and their children. Conversely, cash transfers also enable them to spend money in a way that supports and fosters their and their and their children's well-being through protective factors like access to quality healthcare and having time to be present and engage with their families.

Given the ties between poverty and the foster care system described in the discussion section, programs that support the financial stability of EPY help ensure that youth can leave a cycle of poverty that, for many such young people, was the root cause of their systems-involvement.

While cash transfer programs are one part of supporting EPY in achieving financial stability this study illustrates that many of the challenges they face are systemic, such as complex administrative processes, healthcare system failures that cause harm, and employment systems that do not recognize the competing priorities of parents. Therefore, there must be different and complementary approaches to addressing these issues, policies that support the financial needs of EPY and policies that mitigate system failures, such as job loss due to an unexpected health challenge, that perpetuate poverty. This, in turn, can support a foundation for lives in which EPY's children and families are kept intact and supported.

APPENDIX

Appendix

	California Expectant Parent Payment	Foster Youth Tax Credit	Infant Supplement
Summary of benefit	Effective January 1, 2022, the California EPP is a $2,700 cash transfer benefit available to any pregnant minor or non-minor dependent who meets the below criteria. Three payments are made on a monthly basis during the 7th, 8th, and 9th month of pregnancy.	The California state Foster Youth Tax Credit (FYTC) was made available for Tax Year 2023. It provides up to $1, 117 or up to $2,234 if both the primary taxpayer and their spouse/ Registered Domestic Partner qualify. The FYTC can provide cash back or reduce owed taxes	The infant supplement is a supplemental foster care benefit provided to young parents in foster care to support the care and supervision of their child. There are two rates available based on placement: • $900 for a Foster Family Agency placement, a Foster Family Home, including Non-Relative Legal Guardian, Kin-GAP and NMDs placed in SILPs. • $1379 per infant, for a group home/STRTP.
Eligibility criteria	• Available to any pregnant minor or non-minor dependent who receives AFDC-FC or ARC payments. • This includes those placed in Short Term Residential Treatment Placements (STRTPs), Supervised Independent Living Placements (SILPs), Transitional Housing Placements (THPP) or home-based foster care • There are no immigration status restrictions	• Be a current or former foster youth • Lived in CA at least half the year • Earned between $1-30,950 (Limits current as of 2024*) • Must be 18-25 at the end of the tax year • Must have been in foster care on or after your 13th birthday • Must claim the credit on the 2023 FTB 3514 form, California Earned Income Tax Credit, or follow the instructions on your tax software • Must satisfy foster care verification requirement	The following parenting youth populations who are living with their non-dependent child are eligible: • Youth under delinquency jurisdiction who are residing in foster care. • Nonminor dependents (NMDs) in Extended Foster Care. • Youth in non-related legal guardianships receiving AFDC-FC payments. • Youth receiving Kin-Guardianship Assistance Payment (Kin-GAP) payments. • Youth receiving Approved Relative Caregiver (ARC) payments.

	California Expectant Parent Payment	Foster Youth Tax Credit	Infant Supplement
Application process	On behalf of the expectant young person, a certified social worker (CSW) would obtain and submit a copy of an official medical record of the pregnant youth with the verification of pregnancy and the Expected Delivery Date to the Department of Child and Family Services (DCFS). Learn more here.	The applicant must verify their foster youth status and file their state tax return to claim this credit.	A social worker/probation officer must apply on behalf of the parenting young person.
Important considerations	• The EPP payment is made directly to the pregnant minor or non-minor dependent. • The payment can be used for whatever will best prepare the young person to prepare for their child.	The young person must file state taxes in order to receive the credit.	The infant supplement is paid to the licensed placement, with the exception of non-minor dependents in a Supervised Independent Living Placement (SILP) who receive it directly. • Infant supplements can only be used for the care and supervision of the child of the eligible parent • If both parents are eligible, the supplement is paid on behalf of the parent with primary physical custody of the child

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