

118TH CONGRESS
2D SESSION

H. R. 7038

To provide a guaranteed income for older youth who have exited foster care.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 2024

Mr. ROBERT GARCIA of California (for himself, Ms. OMAR, and Ms. LEE of California) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide a guaranteed income for older youth who have exited foster care.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Guaranteed Income
5 for Foster Youth Act”.

6 **SEC. 2. GUARANTEED INCOME FOR OLDER YOUTH WHO**
7 **HAVE EXITED FOSTER CARE.**

8 (a) IN GENERAL.—Section 477 of the Social Security
9 Act (42 U.S.C. 677) is amended—

1 (1) in subsection (a)(4), by inserting “, or 27
2 years of age, in the case of a State with a certifi-
3 cation under subsection (b)(3)(L), to provide cash
4 benefits to eligible former foster youth who have not
5 attained such age, in accordance with such sub-
6 section” before the last close parenthesis;

7 (2) in subsection (b)—

8 (A) in paragraph (2), by adding at the end
9 the following:

10 “(G)(i) Support the enrollment of eligible
11 youth (including youth with disabilities) in the
12 State cash benefit program provided for in sub-
13 section (k).

14 “(ii) Within 5 years after the State begins
15 enrolling youth in the program, provide a path-
16 way for the automatic enrollment in the State
17 cash benefit program provided for in subsection
18 (k) of all youth on emancipation from foster
19 care in the State.”; and

20 (B) in paragraph (3)—

21 (i) in subparagraph (C), by inserting
22 “, other than amounts expended to carry
23 out subsection (k),” before “will be ex-
24 pended”; and

1 (ii) by adding at the end the fol-
2 lowing:

3 “(L) The following certifications by the
4 chief executive of the State with respect to the
5 State cash benefit program provided for in sub-
6 section (k):

7 “(i) A certification that, in developing
8 the plan for enrolling eligible youth in the
9 program, the State has consulted widely
10 with public and private organizations, in-
11 cluding engagement (as defined by the Sec-
12 retary) with a local public or private non-
13 profit entity, including a community-based
14 organization, with expertise and experience
15 providing direct services to foster youth
16 who have not attained 18 years of age or
17 former foster youth, and has given all in-
18 terested members of the public at least 30
19 days to submit comments on the enroll-
20 ment plan before finalizing the plan.

21 “(ii) A certification that the agencies
22 implementing the program—

23 “(I) will support the enrollment
24 of eligible youth, including youth with
25 disabilities, in the program; and

1 “(II) are offering voluntary fi-
2 nancial literacy education to all youth
3 enrolled in the program.

4 “(iii) Within 5 years after the State
5 begins enrolling youth in the program, a
6 certification that the State is automatically
7 enrolling in the program all youth emanci-
8 pated from foster care in the State.”; and

9 (3) by adding at the end the following:

10 “(k) GUARANTEED INCOME PROGRAM.—

11 “(1) IN GENERAL.—All and only the following
12 conditions shall apply to a State cash benefit pro-
13 gram under this subsection:

14 “(A) ELIGIBILITY.—Cash benefits and fi-
15 nancial literacy education under the program
16 shall be provided, on an unconditional basis, for
17 youth who—

18 “(i) were in foster care after attaining
19 14 years of age;

20 “(ii) exited foster care after attaining
21 16 years of age; and

22 “(iii) have not attained 27 years of
23 age.

24 “(B) ENROLLMENT.—Each youth eligible
25 for benefits under the program who has at-

1 tained 18 years of age shall be automatically
2 enrolled in the program—

3 “(i) in the case of a youth who at-
4 tained such age before the effective date of
5 this subsection, on the effective date; or

6 “(ii) in the case of a youth who at-
7 tains such age on or after the effective
8 date, on the date the youth attains such
9 age.

10 “(C) LIMITATION ON ANNUAL BENE-
11 FITS.—The total amount of cash benefits to be
12 provided for a youth under the program in any
13 period of 12 consecutive months shall be
14 \$12,000.

15 “(D) DURATION.—Cash benefits under the
16 program may be provided for a youth only dur-
17 ing the 5-year period that begins with the later
18 of—

19 “(i) the date the youth exits foster
20 care; or

21 “(ii) the effective date of this sub-
22 section.

23 “(E) ENROLLMENT SUPPORT FOR YOUTH
24 WITH DISABILITIES.—The program shall, as
25 part of the transition plan developed under sec-

tion 475(5)(H) for a youth who is eligible for
benefits under the program—

“(i) assist the youth in enrolling in
the program; and

“(ii) in the case of a youth with dis-
abilities, provide reasonable accommoda-
tions to the youth.

“(F) INTERIM REPORT.—

“(i) IN GENERAL.—Within 24 months
after cash payments are initially made to
youth under the program and annually
thereafter, the State shall submit to the
Congress an interim report on the pro-
gram, including the following information:

“(I) The total number of youth
participating in the program,
disaggregated by race and ethnicity,
gender, disability status, housing sta-
tus, family composition, and income
and assets (including income level as
a percentage of the Federal poverty
line).

“(II) With respect to each such
youth, to the extent applicable—

1 “(aa) the employment type
2 and job status of the youth;

3 “(bb) the total amount of
4 cash payments made to the youth
5 under the program; and

6 “(cc) the ZIP Code in which
7 the residence of the youth is lo-
8 cated.

9 “(III) Any other information that
10 the State deems necessary

11 “(ii) PROHIBITION ON RELEASE OF
12 PERSONALLY IDENTIFIABLE INFORMATION
13 IN ANY PUBLIC RELEASE OF THE RE-
14 PORT.—Any entity who makes available to
15 the public any content of a report sub-
16 mitted under clause (i) shall redact from
17 the content any personally identifiable in-
18 formation.

19 “(G) FINAL REPORT.—Not later than 12
20 months after the end of the program, the State
21 shall submit to the Congress and make avail-
22 able to the public a final report on the program,
23 which shall include a quantitative and quali-
24 tative analysis of the effects of the income sub-
25 sidies provided under the program on—

1 “(i) financial outcomes of partici-
2 pating youth;

3 “(ii) the health and economic well-
4 being of participating youth; and

5 “(iii) the social costs of poverty and
6 income volatility, including connections
7 with income fluctuation and health, edu-
8 cation, employment, childcare, and other
9 outcomes as determined appropriate by the
10 Secretary.

11 “(H) VOLUNTARINESS OF YOUTH PARTICI-
12 PATION IN RESEARCH.—In preparing a report
13 pursuant to subparagraph (F) or (G), a State
14 may not require a youth to provide information.

15 “(2) TREATMENT OF BENEFITS.—The cash
16 benefits provided to a youth under the program shall
17 be disregarded in determining the eligibility of the
18 youth for, and the benefits to be provided to the
19 youth under, any other Federal or federally sup-
20 ported program, and shall not be considered income
21 of the youth for any purpose under any Federal
22 law.”.

23 (b) CONFORMING AMENDMENT TO TRANSITION
24 PLAN REQUIREMENTS.—Section 475(5)(H) of such Act
25 (42 U.S.C. 675(5)(H)) is amended by inserting “, and in-

1 cludes information on the consequences of electing to exit
2 foster care and receive benefits under the State cash ben-
3 efit program, if any, funded under section 477(k) on the
4 eligibility of the child for benefits and supports, and that
5 provides for the automatic enrollment of the child, upon
6 exiting foster care, in the State cash benefit program, if
7 any, funded under section 477(k)” before the semicolon.

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall take effect on October 1, 2025.

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