

Asset Building Strategies for Youth in and Leaving Foster Care

This document provides a summary of some of the opportunities and resources available to transition aged youth (TAY) to help protect and build their assets. Some of these programs require a youth to be in foster care or have been in foster care at a certain age; however, some of these programs are available regardless of whether a youth has experience in foster care. We have included information regarding foster care status in each program description.

This is a working document and we will add to it as we gather more information. Please also feel free to share any feedback and information to add to the document to Jenny at jpokempner@ylc.org.

Benefit/ Program/ Policy	Description	Recommended Action
Foster Care Benefits Asset Rules	<p>Income for Aid to Families with Dependent Children - Foster Care (AFDC-FC) eligibility is only reviewed upon entry or re-entry into foster care (including a Voluntary Placement Agreement (VPA)).</p> <p>A youth or nonminor dependent (NMD) in foster care, who receives income (e.g. through an inheritance, settlement, or receipt of a tribal trust fund), has no impact on the youth's continued eligibility for, or amount of, AFDC-FC benefit</p> <p>ACL 22-16, ACL 11-10, ACYF-CB-PI-10-11 (federal guidance)</p>	<p>Encourage savings as it does not impact foster care funding eligibility or benefit amounts. However, be aware of any other means tested benefit eligibility asset and resource rules <i>and</i> exceptions to those rules.</p> <p>Use case planning/Child and Family Teams (CFTs), permanency hearings and client visits to ask about savings opportunities and provide advice re: savings.</p>
Services to Support Financial Management and Asset Building Skills	<p>Independent Living Program (ILP) Programs often provide financial management and budgeting classes.</p> <p>Ideally caregivers and caseworkers in placements are helping youth develop financial management skills and providing real world opportunities to learn (chores, allowance, incentives, developing budgets together, setting goals, opening bank accounts, etc).</p> <p>Some community based organizations (CBOs)</p>	<p>Talk to youth about the opportunities they have to learn about money, money management and budgeting, including opportunities to earn and save money.</p> <p>Connect youth with the local ILP Programs.</p> <p>Identify any CBOs that provide financial management skill building.</p> <p>Encourage youth to engage in the voluntary financial counseling offered by programs they</p>

	<p>have financial skill building classes open to teens and adults. Some of the services are connected to tax prep sites, like Volunteer Income Tax Assistance (VITA) sites. Financial Mentoring Services - MyPath</p>	<p>may be part of like: Guaranteed Income (GI) Programs and the California Hope, Opportunity, Perseverance, and Empowerment (HOPE) for Children Trust Account Program.</p>
<p>Opening Bank Accounts/ Checking Accounts</p>	<p>Minors can enter into contracts, including those for bank accounts, but because minors can disaffirm contracts not all banking institutions will allow minors to open accounts without an adult.</p> <p>There are exceptions, including the Youth Access Banking Program in LA through the SCE Credit Unit. Banking that cares for Youth in Foster Care Rize Credit Union allows youth in foster care 13-17 to open an account without fees and provides a \$5 deposit to open the account.</p>	<p>Investigate options for opening up bank and/or checking accounts beginning at age 13. Credit unions are a good place to start if you are facing barriers</p>
<p>Credit Checks and Protection</p>	<p>The county social worker or county probation officer shall request credit reports from all 3 credit reporting agencies annually beginning at age 14 until reaching age 18 and ensure that the child or NMD receives assistance with interpreting the consumer credit report and resolving any inaccuracies.</p> <p>For NMDS, the agency shall assist the NMD in making requests for credit reports annually until aging out and shall assist in interpreting and resolving any inaccuracies.</p> <p>California Welfare and Institutions Code Section 10618.6; ACL 15-98</p> <p>Under CA law, a representative of a “protected consumer,” which includes youth under 16 placed in foster care settings, can request and will be provided a credit freeze. California Code, Civil Code - CIV § 1785.11.11 FindLaw</p> <p>An individual may request a credit freeze and fraud alerts (a freeze prevents access to credit file and opening credit; a fraud alert requires a company to do additional verification before providing credit)</p>	<p>Review credit reports with youth annually beginning at age 14 and assist or refer for assistance to resolve any inaccuracies or problems. Consider fraud alerts and security freezes in addition to correcting or removing inaccuracies.</p> <p>Once the youth turns 18, be more proactive about making sure the youth has assistance in requesting and reviewing their credit reports as the agency will not automatically request the report.</p>

	15 U.S. Code § 1681c-1 - Identity theft prevention; fraud alerts and active duty alerts U.S. Code US Law LII / Legal Information Institute	
<p>SSI and ABLE Accounts</p> <p>Working While Disabled: How We Can Help</p> <p>Fact Sheet (Overview of SB 187: Updates to Foster Youth Rights Regarding Supplemental Security Income (SSI))</p>	<p>Supplemental Security Income (SSI) is a benefit that includes a means test and criteria for disability. To remain eligible for SSI, individuals cannot have assets that rise about \$2000. The maximum monthly SSI payment in CA is around \$1,599 (for those receiving the Non-Medical Out-of-Home Care Rate). This includes the federal payment and a state supplement.</p> <p>Child welfare agencies and probation departments must:</p> <ol style="list-style-type: none"> (1) screen youth for eligibility for SSI and other SSA benefits, (2) apply for SSI for youth that screen as likely to be eligible for SSI or other benefit, (3) appeal application denials, (4) help youth choose an appropriate representative payee, adhere to the legal requirements of a representative payee (if the county is the payee) or help the representative payee (if not the county) to fulfill these obligations, (5) provide written notice of intent to be appointed as the representative payee to the child's counsel, and parents or legal guardians; (6) provide information and assistance to youth about their benefits, and help youth maintain eligibility so their benefits are in place when they transition from foster care; (7) facilitate and support the age 18 eligibility redetermination for youth who are receiving SSI; (8) if the placing agency is the payee, it must, at least 30 days before the child's exit from foster care to begin transfer or control and responsibility for any funds conserved under this section to the child's parent, guardian, adoptive parent, or the child if the child has exited after 18 years of age and transfer of conserved funds shall be made in accordance with the federal Social Security Administration's 	<p>There are a few ways for SSI recipients to save money that will not impact their financial eligibility for SSI as well as other means tested benefits.</p> <p>CalAble</p> <p>Achieving a Better Life Experience (ABLE): Up to \$100,000 of funds can be protected in an account established through a State ABLE program</p> <p>Start process: CalABLE - Get Started</p> <p>Read the FAQ: FAQs - CalABLE</p> <p>Funds from CalABLE Accounts can be used for expenses related to the following: (1) education, (2) housing, (3) transportation, (4) employment support, (5) health prevention and wellness, (6) assistive technology and personal support</p> <p>Develop a Plan to Achieve Self-Support (PASS) Plan: Creating a PASS plan with SSA (similar to a case/goal plan) related to employment and self-sufficiency can protect the funds used for that plan from counting as income.</p> <p>Upon system entry and throughout time in care or supervision, use case planning and court as a check point (1) to make sure screening and application for SSI has occurred when applicable, (2) connection with SSA is made to develop a PASS Plan, and to (3) develop a CalABLE account.</p>

	<p>rules for changes of representative payee. (9) provide information and accounting upon request</p> <p>WIC 13750 et. seq.</p> <p>20 CFR 416.1205 (Resource Limits)</p>	
Survivor's Benefits	<p>Survivors benefits are monthly payments provided by the Social Security Administration (SSA) to certain family members of a deceased worker who paid into Social Security. These benefits are intended to help replace the loss of income after a worker's death. The amount of the benefit is based on the deceased person's employment history and age of death (i.e. how much was paid into Social Security). If the young person is eligible based on death of a parent, they can receive the monthly payment:</p> <ul style="list-style-type: none"> -At age 17 and younger, or -At ages 18–19 and in school (K–12) full time, or -At any age if they developed a disability at age 21 or younger. <p>The same requirements related to screening, application and related responsibilities as described directly above. California Code, WIC 13754, 13757.</p> <p>The placing agency is prohibited from using Survivor's Benefits for the cost of care. California Code, WIC 13756(b)(1).</p>	<p>Use case planning meetings, CFTs and court as opportunities to determine whether the youth may be eligible for survivor's benefits.</p> <p>Check with the county placing agency to ensure all obligations have met related to:</p> <ul style="list-style-type: none"> -selecting the appropriate payee -ensuring the payee's obligations are followed -ensuring that benefits are not used for the cost of care and are conserved where appropriate.
<p>Tax Credits: Foster Youth Tax Credit (FYTC)</p> <p>Tax Filing & Tax Credits: Informational Resources JBAY</p>	<p>In 2025 the FYTC will provide up to \$1,154 for youth who: (1) File their 2024 state tax return; (2) Were age 18-25 on 12/31/24, (3) Were in foster care on or after 13th bday; (4) Earned between \$1 - \$31,950; (5) Lived in CA at least half of 2024; and (6) Have a Social Security Number or Individual Tax Identification Number (ITIN).</p> <p>Most refundable tax credits are not considered income for most means tested programs, although may be considered assets for some programs if unspent after a certain period of time.</p>	<p>Urge young people to file taxes. If you make under around \$14,600 per year you do not need to file, but filing will unlock any refundable tax credits. The deadline to file taxes for those who must file is in April and is October if you do not need to file taxes.</p> <p>2025 Volunteer Income Tax Assistance (VITA) Sites JBAY</p>

<p>Tax Credits-Earned Income Tax Credit CalEITC and Federal EITC</p>	<p>CalEITC and the federal EITC are refundable tax credits that can be directly paid to the eligible individual</p> <p>CalEITC</p> <p>Eligible individuals are:</p> <ul style="list-style-type: none"> -18 or older -Make at least \$1 and not more than \$31,950 -Have a valid SSN or ITIN -Live in California for more than half the filing year -Depending on income, an individual without children could receive a refund of up to \$294 and an individual with one child could receive up to \$1,958 as a refund. <p>–Earned Income Tax Credit Calculator Find out how much you could get back California Franchise Tax Board</p> <p>Federal EITC</p> <p>Eligible individuals are:</p> <ul style="list-style-type: none"> –Low income parenting youth are eligible at any age as long as they are not claimed as a dependent –Low income non-parenting youth may be eligible beginning at age 25. <p>See maximum credits here.</p> <p>Most refundable tax credits are not considered income for most means tested programs, although may be considered assets for some programs if unspent after a certain period of time.</p>	<p>Same recommendation as above.</p>
<p>Tax Credits– CA Young Child Tax Credit and Federal Child Tax Credit</p>	<p>CA Young Child Tax Credit</p> <p>Eligible parents or caregivers:</p> <ul style="list-style-type: none"> -Have a child who is under age 6 as of the end of the tax year. -This credit is available to families with an earned income of \$31,950 or less who meet CalEITC requirements. -The credit provides up to \$1,154 per eligible tax return. <p>Federal Child Tax Credit</p>	<p>Same recommendation as above with a special focus on parenting Transition Aged Youth (TAY).</p>

	<p>Individuals receive the credit who have eligible children</p> <ul style="list-style-type: none"> -Under age 17 at the end of the tax year. -The child is the filer's son, daughter, stepchild, eligible foster child, brother, sister, stepbrother, stepsister, half-brother, half-sister, or a descendant of one of these (for example, a grandchild, niece or nephew). -The child does not provide more than half of his or her own support for the tax year. -The child has lived with you for more than half the tax year. -The child can be claimed as a dependent on your return. -Be a U.S. citizen, U.S. National or a U.S. resident alien. -The filer must have a Social Security Number that is valid for employment -The filer must have income under \$200,000 for an individual <p>A portion of the federal CTC is refundable for 2024. This portion is called the Additional Child Tax Credit (ACTC). For 2024, up to \$1,700 per child may be refundable.</p> <p>Additional tax credits that parenting youth should consider: (1) California Dependent Care Expenses Credit; (2) Federal Child and Dependent Care Credit.</p> <p>Most refundable tax credits are not considered income for most means tested programs, although may be considered assets for some programs if unspent after a certain period of time.</p>	
<p>HOPE Trust Account Program</p> <p>The California Hope, Opportunity, Perseverance, and Empowerment (HOPE) for Children Trust Account</p>	<p>The program will develop trust accounts for some youth with experience in foster care and youth whose parents died as a result of COVID. WIC 18997.5, et. seq.</p> <p>WIC 18997.51 (d)(2) defines eligibility for those with foster care experience and includes:</p> <ul style="list-style-type: none"> A. young people who reside in CA or placed out of state by the juvenile or 	<p>Start educating youth about the program early (beginning at least at age 13) and help youth in care access the portal.</p> <p>Encourage youth to engage in financial mentoring and support services.</p> <p>Share information about the program with TAY who have already left foster care and help</p>

<p>HOPE</p>	<p>tribal court</p> <p>AND</p> <p>B. adjudged dependent under WIC 300 or a ward under WIC 601 or 602</p> <p>AND</p> <p>C. meets one of the following:</p> <ul style="list-style-type: none"> -The child is subject to a foster care order, has been in foster care for at least 18 months (consecutive or nonconsecutive), and reunification services have been terminated by an order of a juvenile or tribal court. -The child is subject to a foster care order after 16 years of age, and reunification services have been terminated by an order of a juvenile or tribal court. -If the child reunifies with their parent, Indian custodian, or legal guardian, is adopted, enters into a tribal customary adoption, or is placed into a legal guardianship, at any point in time subsequent to meeting the qualification specified directly above (B), the child shall remain an eligible child and program enrollee and shall be able to access their HOPE trust account, but shall no longer be eligible for annual contributions effective 12 months following the date of reunification, adoption, or legal guardianship, or until the child reaches 18 years of age, whichever is sooner. - \$4500 will be placed in each account by the time the youth reaches age 18. -Eligible young people can withdraw funds beginning at age 18 and until reaching age 26. -The use of funds is unrestricted -Eligible young people 13-17 will be offered financial skill development services, eligible youth 18 and older will be offered financial mentoring and connection with community resources -Eligible young people who are currently in foster care or the juvenile justice system will be automatically enrolled. -Eligible young people who have already left 	<p>them enroll using the portal.</p>
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	<p>foster care will need to enroll in the portal once it is live.</p> <p>-The program will launch in the first quarter of 2026. An All County Information Notice (ACIN) and All County Letter (ACL) are to be released during the summer of 2025.</p>	
<p>CalKids Children's Savings Accounts</p> <p>CalKids Fact Sheet</p> <p>CalKIDS-School-Toolkit-FastFacts-100422v2 F.pdf</p> <p>CalKIDS-Program-Information-Guide-8.1.23 .pdf</p> <p>Help Line: (888) 445-2377</p>	<p>CalKIDS will provide each child born in California and eligible low-income public school students with up to \$1,500 in a CalKIDS account.</p> <p>Beginning in the 2021-2022 academic year, all eligible low-income 1st through 12th grade students identified by the Local Control Funding Formula (LCFF) enrolled on Fall Academic Census Day 2021 (October 6, 2021) in a California public school will have a CalKIDS account created in their name with an initial seed deposit, as well as the potential for additional financial incentives.</p> <p>Starting fall 2022 and each year following, all eligible low-income public school 1st grade students enrolled on Fall Academic Census Day (first Wednesday in October) will be identified by LCFF to receive funding from CalKIDS. Eligible students will be automatically enrolled in the program the following spring or early summer.</p> <p>Every eligible low-income public school student in grades 1-12 will have a CalKIDS account created in their name with an initial deposit of \$500. <u>Plus \$500 Eligible students identified as foster youth will receive an additional one-time \$500 deposit. Plus \$500 Eligible students identified as homeless will receive an additional one-time \$500 deposit.</u></p> <p>Funds can only be used for qualified educational expenses, including, but not limited to: tuition and related fees, books and required supplies, and computer equipment.</p>	<p>Tell young people about the program in their teen years.</p> <p>Beginning at age 17, help young people register/"claim" their account on the https://calkids.org/ website. They will need their Statewide Student Identifier (SSID)¹.</p> <p>Young people are eligible to request funds if they are 17-26 and are enrolled at an eligible college, university, technical, or vocational institution.</p> <p>Once funds are requested, they are sent directly to the student's institution or program. (They can be distributed to the youth as a refund if the identified purchase is something that would not be provided by the institution).</p>
The Family Self	Any Housing Choice Voucher (HCV) holder may	Assist the youth in contacting the FSS

¹ A student can find their SSID on their report card, in their online school portal (if they have one), or by asking their school.

<p>Sufficiency (FSS) Program for Individuals with Housing Choice Vouchers, including the Foster Youth to Independence (FYI) program and Family Unification Program (FUP)</p> <p>FSS Program Fact Sheet</p>	<p>enroll in the FSS program if their Housing Authority has an FSS Program. The FSS Program allows individuals to increase their assets (and not increase their rent) as they develop and work towards a plan for employment and self-sufficiency. Individuals enrolled in the program put their increased income from work in an escrow account that can be used for specific purchases at the end of the two years. The money in the escrow account does not impact the voucher holder's rent.</p> <p>For FYI/FUP voucher holders, enrollment in the FSS program also allows them to extend their 3 year voucher two more years (for a total of 5 years).</p>	<p>Coordinator for the Public Housing Authority (PHA) that distributed them a voucher and ask to enroll in the program. Here is a template letter to ask to enroll and/or participate in the FSS program in PHAs that have an FSS Program. If the PHA does not have an FSS Program, you can still make a request to develop a plan for employment and training related activities and be eligible for the extension. You can use this template.</p>
<p>Guaranteed Income (GI) Pilots and Programs</p>	<p>California Department of Social Services (CDSS) Funded GI Pilots</p> <p>In 2021, the state approved a \$35 million investment to fund GI pilots for pregnant individuals and former foster youth. CDSS GI Pilots have launched, and enrollment has concluded. Pilots will provide individuals with \$600-\$1,200 per month for 12-18 months. These pilots include:</p> <p>Expecting Justice (Heluna Health DBA Public Health Foundation Enterprises, Inc.) Pilot launched January 2024 and provides 415 pregnant individuals with \$600-\$1,000 per month for 12-18 months in Alameda, Contra Costa, Los Angeles, and Riverside Counties.</p> <p>Inland Southern California United Way Pilot launched January 2024 and provides 409 pregnant individuals with \$600 per month for 12 months (Riverside County) and 35 former foster youth (Riverside and San Bernardino Counties) with \$750 per month for 18 months.</p> <p>iFoster Pilot launched November 2023 and provides 354 former foster youth with \$750 per month for 18 months, statewide.</p> <p>Los Angeles Section National Council of Jewish Women Pilot launched April 2024 and provides</p>	<p>Be on the lookout for GI Programs. Some will be foster youth specific, but others will target larger populations that TAY may be a part of, like parenting youth. Most programs offer benefits counseling prior to enrollment, but be sure to talk through any consequences to other benefits and services that may result from enrollment.</p> <p>Encourage youth to take part in any voluntary financial counseling services offered through GI programs.</p>

	<p>180 pregnant individuals with \$1,000 per month for 18 months in Los Angeles County.</p> <p>City and County of San Francisco Pilot launched October 2023 and provides 150 former foster youth with \$1,200 per month for 18 months in San Francisco County.</p> <p>McKinleyville Community Collaborative Pilot launched December 2023 and provides 150 pregnant individuals with \$920 per month for 18 months in Humboldt County.</p> <p>Ventura County Human Services Agency Pilot launched October 2023 and will provide 150 former foster youth with \$1,000 per month for 18 months in Ventura County.</p> <p>Other Locally Funded GI Programs</p> <p>Los Angeles County – Breathe Program: Provides 200 former foster youth \$1,000 per month for two years. Participants are randomly selected, and the program is part of a research study conducted by the University of Pennsylvania's Center for Guaranteed Income Research. The Program began in 2022 and has been expanded each year. The most recent expansion, in August 2024, included 2,000 foster youth aged 18–21, and provides \$500 monthly or \$1,500 quarterly stipends for up to 18 months.</p> <p>Ongoing GI Pilots in Santa Clara (multiple pilots, no applications, referrals from provider organizations).</p> <p>Expansion of United Way California Capital Region's Collegiate GI Program to Guardian Scholars at Sacramento State and US Davis. On May 1st, 2025, 20 students received their first payment of \$500 per month for one year. This is the second year of the program at Sac State. The expansion adds UC Davis students.</p>	
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<p>Means Tested Benefits to Consider</p>	<p>CalFresh: Consider for NMD in supervised independent living settings (SILS) while in foster care and for all as exiting foster care.</p> <p>Women, Infants, and Children (WIC): Consider for parenting youth while in care and after care</p> <p>CalWorks: Mostly consider for expectant and parenting youth as they leave care. While in care, youth should receive the Infant Supplement.</p> <p>General Assistance or General Relief: Consider this county administered benefit for non-parenting young people leaving foster care.</p> <p>LIHEAP: Consider for all young people who are responsible for an energy bill (includes heating and cooling)</p> <p>LifeLine Foster Youth Program: This program for youth 13-21 in foster care provides a free cell phone and data plan. This is NOT a means tested program.</p> <p>CA LifeLine Program: This means tested program provides discounted cell phone service and often results in free service. Individuals age 18 and over can apply. Individuals can establish eligibility based on enrollment in other benefit programs like Medi-Cal or CalFresh</p>	<p>Make sure NMDs are screened for CalFresh depending on their living arrangement.</p> <p>Make sure benefit screening and application is complete as part of transitioning planning and use court review to ask for appropriate orders.</p> <p>Help youth enroll in the LifeLine Foster Youth Program and LifeLine program to help free up money for other uses, including savings.</p>
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