

118TH CONGRESS
2D SESSION

H. R. 10478

To ensure that foster children are able to use their Social Security benefits, Supplemental Security Income benefits, and other assets and benefits to address their needs and improve their lives.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 18, 2024

Mr. DAVIS of Illinois (for himself and Mr. RASKIN) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To ensure that foster children are able to use their Social Security benefits, Supplemental Security Income benefits, and other assets and benefits to address their needs and improve their lives.

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 “Protecting Foster
5 Youth Resources Act”.

1 **SEC. 2. LIMITATION ON USE FOR STATE COSTS OF BENE-**
2 **FITS PAID TO STATE OR LOCAL GOVERN-**
3 **MENT ACTING AS A REPRESENTATIVE PAYEE**
4 **FOR A FOSTER CHILD.**

5 (a) AMENDMENTS TO TITLE II.—Section 205(j)(9)
6 of the Social Security Act (42 U.S.C. 405(j)(9)) is amend-
7 ed—

8 (1) by inserting “(A)” after “(9)”; and

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

10 “(B)(i) For purposes of this subsection, misuse of
11 benefits by a State or local government agency serving as
12 a representative payee under this subsection for an indi-
13 vidual in foster care under the responsibility of the State
14 occurs in any case in which the State or local government
15 agency uses any benefits paid to the representative payee
16 pursuant to paragraph (1) of this subsection or any other
17 law or any other property of, or held for the benefit of,
18 the individual, for—

19 “(I) foster care maintenance payments under
20 section 472; or

21 “(II) other payments made by the State or a
22 political subdivision of the State to cover any other
23 cost or expense for the individual other than to meet
24 unmet current needs described in section
25 471(a)(39).

1 “(ii) An expense described in paragraph (4)(A)(i) of
2 this subsection or section 1631(a)(2)(D) shall not be con-
3 sidered a cost or expense for purposes of clause (i)(II) of
4 this subparagraph.”.

5 (b) AMENDMENTS TO TITLE XVI.—Section
6 1631(a)(2)(A)(iv) of such Act (42 U.S.C.
7 1383(a)(2)(A)(iv)) is amended—

8 (1) by inserting “(I)” after “(iv)”; and

9 (2) by adding after and below the end the fol-
10 lowing:

11 “(II)(aa) For purposes of this paragraph, misuse of
12 benefits by a State or local government agency serving as
13 a representative payee under this subsection for an eligible
14 individual in foster care under the responsibility of the
15 State occurs in any case in which the State or local gov-
16 ernment agency uses any benefits paid to the representa-
17 tive payee pursuant to clause (ii) of this subparagraph or
18 any other law or any other property of, or held for the
19 benefit of, the individual, for—

20 “(AA) foster care maintenance payments under
21 section 472; or

22 “(BB) other payments made by the State or a
23 political subdivision of the State to cover any other
24 cost or expense for the individual other than to meet

1 unmet current needs described in section
2 471(a)(39).

3 “(bb) An expense described in subparagraph (D) of
4 this paragraph or section 205(j)(4)(A)(i) shall not be con-
5 sidered a cost or expense for purposes of item (aa)(BB)
6 of this subclause.”.

7 (c) AMENDMENTS TO PART E OF TITLE IV.—Section
8 471(a) of such Act (42 U.S.C. 671(a)) is amended—

9 (1) by striking “and” at the end of paragraph
10 (36)(D);

11 (2) by striking the period at the end of para-
12 graph (37); and

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

14 “(38)(A) provides that neither the State nor a
15 local government in the State may use any benefits
16 paid to the State or local government on behalf of
17 an individual in foster care under the responsibility
18 of the State, or any other assets, resources, or earn-
19 ings of such an individual, for—

20 “(i) foster care maintenance payments
21 under section 472; or

22 “(ii) other payments made by the State or
23 a political subdivision of the State to cover any
24 other cost or expense for the individual other

1 than to meet unmet current needs described in
2 paragraph (39).

3 “(B) An expense described in section
4 205(j)(4)(A)(i) or 1631(a)(2)(D) shall not be consid-
5 ered a cost or expense for purposes of subparagraph
6 (A)(ii) of this paragraph.”.

7 **SEC. 3. SCREENING OF FOSTER CHILDREN FOR ELIGI-**
8 **BILITY FOR SOCIAL SECURITY AND SUPPLE-**
9 **MENTAL SECURITY INCOME BENEFITS.**

10 (a) STATE PLAN REQUIREMENT.—Section 471(a) of
11 the Social Security Act (42 U.S.C. 671(a)), as amended
12 by section 2(c) of this Act, is amended—

13 (1) by striking “and” at the end of paragraph
14 (37);

15 (2) by striking the period at the end of para-
16 graph (38) and inserting “; and”; and

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

18 “(39) provides that, not later than the begin-
19 ning of the first calendar quarter that begins after
20 the 1-year (or, if State legislation is required to
21 comply with this paragraph, 2-year) period that be-
22 gins with the date of the enactment of this para-
23 graph, the State agency referred to in paragraph (2)
24 of this subsection shall—

1 “(A) develop and implement procedures to
2 ensure that, within 60 days after the status of
3 a child who is in foster care under the responsi-
4 bility of the State is first reviewed pursuant to
5 section 475(5)(B) and annually thereafter, the
6 child is screened to determine the potential eli-
7 gibility of the child for benefits under title II
8 and for supplemental security income benefits
9 under title XVI;

10 “(B) if the screening results in a deter-
11 mination that the child is potentially eligible for
12 any of such benefits, apply for, and (if nec-
13 essary) appeal any decisions made with respect
14 to, the benefits within 60 days;

15 “(C) develop and implement procedures to
16 ensure that any such child who is potentially el-
17 igible for, or is a recipient of, benefits under
18 title II or supplemental security income benefits
19 under title XVI, is assisted with applying for
20 such benefits not later than 180 days (or, if the
21 child has attained 17 years of age, 1 year) be-
22 fore the child exits foster care; and

23 “(D) provide for the appropriate transfer
24 of any such benefits application for a child who
25 is returning home or moving out of State to en-

1 sure that the application for benefits is not dis-
2 rupted by the return or move.”.

3 (b) GAO STUDY.—

4 (1) IN GENERAL.—Within 4 years after the
5 date of the enactment of this Act, the Comptroller
6 General of the United States shall complete a study
7 to determine whether the States have substantially
8 complied with the amendments made by this section
9 and to develop recommendations to improve the
10 compliance, including specifically whether the States
11 have—

12 (A) established successful procedures that
13 screen all foster children under the responsi-
14 bility of the States for their potential eligibility
15 for benefits under title II of the Social Security
16 Act and for supplemental security income bene-
17 fits under title XVI of such Act;

18 (B) provided all such potentially eligible
19 foster children assistance in applying for, and
20 appealing decisions made with respect to, the
21 benefits; and

22 (C) implemented procedures to identify
23 suitable nongovernmental candidates to serve as
24 representative payees for children in foster care
25 with respect to the benefits.

1 (2) REPORT TO THE CONGRESS.—Within 1 year
2 after completing the study required by paragraph
3 (1), the Comptroller General shall submit to the
4 Congress a written report that contains the results
5 of the study and the recommendations referred to in
6 paragraph (1).

7 **SEC. 4. NOTICE TO ATTORNEY OR GUARDIAN AD LITEM**
8 **FOR FOSTER CHILD OF DETERMINATION TO**
9 **PAY SOCIAL SECURITY OR SUPPLEMENTAL**
10 **SECURITY INCOME BENEFITS TO REP-**
11 **RESENTATIVE PAYEE.**

12 (a) AMENDMENT TO TITLE II.—Section
13 205(j)(2)(E)(ii) of the Social Security Act (42 U.S.C.
14 405(j)(2)(E)(ii)) is amended—

15 (1) by striking “In” and inserting “On applica-
16 tion for the appointment of a person to be a rep-
17 resentative payee under paragraph (1), on making
18 the initial and final determinations on such an appli-
19 cation, on receipt of an appeal of any such deter-
20 mination, and in”; and

21 (2) by inserting “, except that, in the case of
22 an individual who is in foster care under the respon-
23 sibility of a State or in a legal guardianship, such
24 notice shall also be provided to any attorney or
25 guardian ad litem appointed to represent the indi-

1 vidual in any foster care proceeding or proceeding in
2 which a decision referred to in section 422(b)(8)(B)
3 may be made, any parent of the individual, any rel-
4 ative with custody or legal guardianship of the child,
5 and, if the individual has attained 14 years of age,
6 to the individual” before the period at the end.

7 (b) AMENDMENT TO TITLE XVI.—Section
8 1631(a)(2)(B)(xii) of such Act (42 U.S.C.
9 1383(a)(2)(B)(xii)) is amended—

10 (1) by striking “In” and inserting “On applica-
11 tion for the appointment of a person to be a rep-
12 resentative payee under subparagraph (A)(ii), on
13 making the initial and final determinations on such
14 an application, on receipt of an appeal of any such
15 determination, and in”; and

16 (2) by inserting “, except that, in the case of
17 an individual who is in foster care under the respon-
18 sibility of a State or in a legal guardianship, such
19 notice shall also be provided to any attorney or
20 guardian ad litem appointed to represent the indi-
21 vidual in any foster care proceeding or proceeding in
22 which a decision referred to in section 422(b)(8)(B)
23 may be made, any parent of the individual, any rel-
24 ative with custody or legal guardianship of the child,

1 and, if the individual has attained 14 years of age,
2 to the individual” before the period at the end.

3 **SEC. 5. MANAGEMENT OF ASSETS AND BENEFITS FOR FOS-**
4 **TER YOUTH.**

5 (a) PLAN FOR MANAGING ASSETS AND BENEFITS
6 FOR FOSTER YOUTH.—Section 471(a) of the Social Secu-
7 rity Act (42 U.S.C. 671(a)), as amended by sections 2(c)
8 and 3(a) of this Act, is amended—

9 (1) by striking “and” at the end of paragraph
10 (38);

11 (2) by striking the period at the end of para-
12 graph (39) and inserting “; and”; and

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

14 “(40) provides that, with respect to each child
15 in foster care under the responsibility of the State
16 on whose behalf the State manages any assets or
17 Federal, State, or local benefits, the State agency
18 shall do the following:

19 “(A) Develop a plan, developed specifically
20 for the child, that is designed to best meet the
21 unmet current and future needs of the child
22 that are not covered by assistance available
23 from the Federal, State, and local governments,
24 that stabilizes the child, in accordance with the
25 following:

1 “(i)(I) The plan shall set forth a
2 strategy to conserve benefits not necessary
3 for the immediate unmet needs of the
4 child, determined as provided for pursuant
5 to clause (ii) of this subparagraph, in a
6 manner that best meets the future health,
7 educational, housing, financial, and em-
8 ployment needs of the child, and for the
9 placement of any such benefits in 1 or
10 more accounts that are not subject to any
11 asset limits under title XVI of this Act,
12 such as—

13 “(aa) an account of the type de-
14 scribed in section 1631(a)(2)(F) of
15 this Act;

16 “(bb) an ABLE account estab-
17 lished under section 529A of the In-
18 ternal Revenue Code of 1986;

19 “(cc) a trust exempt from re-
20 source limitations under section 1613
21 of this Act;

22 “(dd) an individual development
23 account established pursuant to Fed-
24 eral or State law; or

1 “(ee) another account in which
2 benefits for the child may be con-
3 served in a manner that the State de-
4 termines, consistent with this para-
5 graph, is in the best interests of the
6 child.

7 “(II) The plan shall ensure that a
8 reasonable amount of the assets of the
9 child are available for the child’s imme-
10 diate unmet personal needs for which the
11 benefits should be used to serve the best
12 interests of the child consistent with sec-
13 tions 205(j)(10)(B) and
14 1631(a)(2)(A)(iv)(II), if applicable.

15 “(III) The plan shall provide for a de-
16 termination of any additional assets, or
17 benefits for current or former foster youth,
18 to which the child may be entitled, includ-
19 ing civil judgments, inheritances, or earn-
20 ings, and shall provide for the assets to be
21 conserved as part of the plan as described
22 in clause (i).

23 “(IV) Any funds conserved in accord-
24 ance with the plan shall be used to supple-
25 ment and not supplant any other Federal,

1 State, or local funds or programs that are
2 or become available for the benefit of the
3 child.

4 “(V) The plan shall provide that any
5 assets set aside under the plan shall be
6 conserved (except for a use of funds de-
7 scribed in items (aa) through (gg) of sec-
8 tion 1631(a)(2)(F)(ii)(II)), and placed in
9 an account described in subclause (I) of
10 this clause, until the date the child ceases
11 to be in foster care under the responsibility
12 of the State.

13 “(ii) The State agency shall—

14 “(I) develop and implement the
15 plan in collaboration with the child
16 (on an age-appropriate basis) if the
17 child has attained 14 years of age,
18 and any attorney or guardian ad litem
19 appointed to represent the individual
20 in any foster care proceeding or pro-
21 ceeding in which a decision referred to
22 in section 422(b)(8)(B) may be made;
23 and

1 “(II) provide plan information to
2 the social worker for the child and the
3 parents and caretakers of the child.

4 “(iii)(I) Within 60 days after the sta-
5 tus of the child is first reviewed pursuant
6 to section 475(5)(B), the State agency
7 shall complete the plan.

8 “(II) The State agency shall ensure
9 that each subsequent such review of such
10 status shall include consideration of an up-
11 dated version of the plan and a report on
12 the progress made in implementing the
13 plan.

14 “(iv)(I) Not later than 30 days before
15 the status of the child is first reviewed
16 pursuant to section 475(5)(B) after com-
17 pletion of the plan, the State agency shall
18 provide a copy of the plan to any attorney
19 or guardian ad litem appointed to rep-
20 resent the individual in any foster care
21 proceeding or proceeding in which a deci-
22 sion referred to in section 422(b)(8)(B)
23 may be made.

24 “(II) Not later than 30 days before
25 each subsequent such review, the State

1 agency shall provide an updated copy of
2 the plan to the attorney or guardian ad
3 litem so appointed.

4 “(v)(I) The State agency shall create
5 a simple process by which the child, par-
6 ent, relative caregiver, or attorney or
7 guardian ad litem appointed to represent
8 the individual in any foster care proceeding
9 or proceeding in which a decision referred
10 to in section 422(b)(8)(B) may be made
11 may request the plan to be modified to
12 meet needs of the child, and for expedited
13 consideration of any such request.

14 “(II) The plan shall not be treated, in
15 any administrative or judicial review pro-
16 ceeding, as meeting the requirements of
17 this paragraph with respect to a child un-
18 less the plan is determined by the reviewer
19 to be the best available means of meeting
20 the current and future health, educational,
21 housing, financial, and employment needs
22 of the child.

23 “(B) Assist the child in developing a plan
24 to manage the benefits so as to meet the cur-
25 rent and future needs of the child that are not

1 covered by assistance available from the Fed-
2 eral, State, and local governments.”.

3 (b) PROVISIONS RELATING TO REPRESENTATIVE
4 PAYEES.—

5 (1) AMENDMENTS TO TITLE II.—Section 205(j)
6 of such Act (42 U.S.C. 405(j)) (as amended by the
7 preceding provisions of this Act) is amended fur-
8 ther—

9 (A) by redesignating paragraphs (8), (9),
10 (10), (11), and (12) as paragraphs (9), (10),
11 (11), (12), and (13), respectively; and

12 (B) by inserting after paragraph (7) the
13 following new paragraph:

14 “(8) A representative payee who is a State shall man-
15 age the benefits paid to the representative payee under
16 paragraph (1) on behalf of an individual who is in foster
17 care under the responsibility of the State, in accordance
18 with the plan developed for the child pursuant to section
19 471(a)(40).”.

20 (2) AMENDMENT TO TITLE XVI.—Section
21 1631(a)(2) of such Act (42 U.S.C. 1383(a)(2)) is
22 amended by adding at the end the following:

23 “(J) A representative payee who is a State shall man-
24 age the benefits paid to the representative payee under
25 subparagraph (A)(ii) of this paragraph on behalf of an in-

1 individual who is in foster care under the responsibility of
 2 the State, in accordance with the plan developed for the
 3 child pursuant to section 471(a)(40).”.

4 **SEC. 6. SHARING OF INFORMATION ABOUT BENEFIT PAY-**
 5 **MENTS MADE TO REPRESENTATIVE PAYEES**
 6 **AND ANY PART OF WHICH HAS BEEN PRO-**
 7 **VIDED TO A STATE.**

8 Section 471(a) of the Social Security Act (42 U.S.C.
 9 671(a)), as amended by sections 2(c), 3(a), and 5(a) of
 10 this Act, is amended—

11 (1) by striking “and” at the end of paragraph
 12 (39);

13 (2) by striking the period at the end of para-
 14 graph (40) and inserting “; and”; and

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

16 “(41) provides that the State shall have in ef-
 17 fect an agreement entered into pursuant to section
 18 205(j)(12) that includes a provision for the sharing
 19 of information about benefits under title II or XVI
 20 that have been paid to representative payees and the
 21 portion, if any, of such benefit payments that have
 22 been provided to, or intercepted by, the State”.

1 **SEC. 7. TECHNICAL ASSISTANCE FOR CHILD WELFARE**
2 **AGENCIES.**

3 (a) IN GENERAL.—On request of a State agency re-
4 sponsible for administering, or supervising the administra-
5 tion of, a State program authorized by part E of title IV
6 of the Social Security Act, the Secretary of Health and
7 Human Services, in consultation with the Commissioner
8 of Social Security, shall provide the State agency with
9 technical assistance in carrying out the amendments made
10 by this Act, including guidance for informing non-State
11 representative payees of children in foster care under the
12 responsibility of the State who are recipients of benefits
13 under title II of such Act or supplemental security income
14 benefits under title XVI of such Act of the availability of
15 appropriate savings vehicles for any part of the benefits
16 not required to meet the immediate unmet needs of the
17 children.

18 (b) LIMITATIONS ON AUTHORIZATION OF APPRO-
19 PRIATIONS.—In addition to any amounts otherwise made
20 available to carry out this section, there are authorized
21 to be appropriated to carry out this section \$4,500,000
22 for fiscal year 2025, and such sums as may be necessary
23 for each of fiscal years 2026 through 2030.

1 **SEC. 8. ANNUAL NOTICE OF STATE USE OF FOSTER YOUTH**
2 **ASSETS.**

3 Section 471(a) of the Social Security Act (42 U.S.C.
4 671(a)), as amended by sections 2(c), 3(a), 5(a), and 6
5 of this Act, is amended—

6 (1) by striking “and” at the end of paragraph
7 (40);

8 (2) by striking the period at the end of para-
9 graph (41) and inserting “; and”; and

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

11 “(42) provides that the State agency shall—

12 “(A) within 1 year after the effective date
13 of this paragraph, provide each child in foster
14 care under the responsibility of the State with
15 an accounting of all assets of, and all amounts
16 payable to or for the benefit of, the child that
17 the State used for maintenance or care of the
18 child, which accounting shall specify the source
19 of each asset or amount so used, the amount so
20 used, and the purpose for which the amount or
21 asset was so used;

22 “(B) annually thereafter, provide each
23 child who, at any time in the then preceding
24 12-month period, was in foster care under the
25 responsibility of the State, with such an ac-

1 counting with respect to all such assets and
 2 amounts so used in the 12-month period; and
 3 “(C) on request of any individual who was
 4 in foster care under the responsibility of the
 5 State for such an accounting, provide the child
 6 with the accounting.”.

7 **SEC. 9. SIMPLIFYING ADMINISTRATIVE REIMBURSEMENT**
 8 **FOR CARETAKER TRAINING COSTS.**

9 Section 474(a)(3)(B) of the Social Security Act (42
 10 U.S.C. 674(a)(3)(B)) is amended by striking “receiving
 11 assistance” and inserting “without regard to whether the
 12 child is eligible for a benefit”.

13 **SEC. 10. ADJUSTMENT OF FEDERAL SHARE OF ADMINIS-**
 14 **TRATIVE EXPENSES FOR MANAGING FOSTER**
 15 **YOUTH BENEFITS ELIGIBILITY.**

16 Section 474(a)(3) of the Social Security Act (42
 17 U.S.C. 674(a)(3)) is amended—

- 18 (1) in subparagraph (C)(iv), by striking “and”
 19 at the end;
 20 (2) in subparagraph (D), by striking “and” at
 21 the end; and
 22 (3) by redesignating subparagraph (E) as sub-
 23 paragraph (F) and inserting after subparagraph (D)
 24 the following:

1 “(E) 75 percent of the total amounts ex-
2 pended during such quarter under paragraphs
3 (39) and (40) of section 471(a) for children in
4 foster care under the responsibility of the State,
5 without regard to whether the child is eligible
6 for a benefit funded under this part; and”.

7 **SEC. 11. EFFECTIVE DATES.**

8 (a) AMENDMENTS TO TITLE II OR XVI OF THE SO-
9 CIAL SECURITY ACT.—The amendments made by sections
10 2(a), 2(b), 4, and 5(b) of this Act shall apply to benefits
11 payable for months beginning after the later of—

12 (1) the date the Commissioner of Social Secu-
13 rity prescribes rules to implement the amendment;
14 or

15 (2) 1 year after the date of the enactment of
16 this Act.

17 (b) STATE PLAN REQUIREMENTS RELATING TO
18 PLANS FOR MANAGING ASSETS AND BENEFITS FOR FOS-
19 TER YOUTH AND SHARING OF INFORMATION ABOUT BEN-
20 EFIT PAYMENTS MADE TO REPRESENTATIVE PAYEES
21 AND ANY PART OF WHICH HAS BEEN PROVIDED TO A
22 STATE.—

23 (1) IN GENERAL.—The amendments made by
24 sections 5(a) and 6 of this Act shall take effect on
25 the first day of the first calendar quarter beginning

1 after the date of the enactment of this Act, and shall
2 apply to payments under part E of title IV of the
3 Social Security Act for calendar quarters beginning
4 after such first day.

5 (2) DELAY PERMITTED IF STATE LEGISLATION
6 REQUIRED.—If the Secretary of Health and Human
7 Services determines that State legislation (other
8 than legislation appropriating funds) is required in
9 order for a State plan approved under part E of title
10 IV of the Social Security Act to meet the additional
11 requirements imposed by the amendments made by
12 section 5(a) or 6 of this Act, the plan shall not be
13 regarded as failing to meet any of the additional re-
14 quirements before the first day of the first calendar
15 quarter beginning after the first regular session of
16 the State legislature that begins after the date of the
17 enactment of this Act. If the State has a 2-year leg-
18 islative session, each year of the session is deemed
19 to be a separate regular session of the State legisla-
20 ture.

○