Written TESTIMONY IN SUPPORT OF HB 774:
Human Services- Universal Basic Income for Transition-Age Youth- Establishment

Thank you Chair McIntosh, Vice Chair Chang, and committee members for your dedication to improving access to healthcare for Marylanders of all ages. On Our Own of Maryland is a statewide, peer-run behavioral health education and advocacy organization. Our network of 20+ affiliated peer-run Wellness & Recovery Centers throughout the state offer free, voluntary recovery support services to 5,000+ community members with mental health and substance use challenges. We also run a statewide Transitional Age Youth (TAY) Outreach Project that empowers young adults in the behavioral health system.

On Our Own of Maryland supports HB 774. We believe the time-limited financial assistance this legislation provides would give transitional age youth who are aging out of foster care a significant boost towards successfully launching into adulthood.

Transitional age youth are in a crucial and vulnerable time of their lives that can shape their entire future. Young adults transitioning from out-of-home placement programs are at high risk for both physical and mental health problems, and finances play a big role in their ability to get proper healthcare. Studies have shown that "one-third of former foster care youth had mental health disorders including depression, dysthymia, post-traumatic stress disorder (PTSD), social phobia, alcohol abuse, alcohol dependence, substance abuse, or substance dependence," and are at higher risk for hospitalization from illness, injury, accident, and more.[1] Access to care can be limited for young adults who lose insurance coverage after age 26.[2]

Financial security opens doors to better opportunities for education and job training. One study found that only half of youth formerly in foster care were employed by age 24. Of those employed, about a quarter did not have the earning power to rise out of poverty. Only 51% were eligible for employer-provided health insurance, in comparison to 70% of their peers. On average, they earned about $13,989 per year, whereas others of the same age earned around $32,312.[3]

Lack of financial security directly affects mental health, and causes hopelessness, anxiety about the future, and low self-esteem. Youth in poverty who are unhoused or in unstable living situations are vulnerable to being manipulated and targeted for violence or abuse. This can lead to an increase in paranoia and social isolation, which can be debilitating, especially without a safe space to live or a trusted support system.

The harsh truth about those who transition out of the foster care system is that their futures do not entail the same experiences and opportunities of those not in the foster care system. They

[1] https://youth.gov/youth-briefs/foster-care-youth-brief/challenges
[2] https://www.childtrends.org/wp-content/uploads/2017/11/SYPTFC-Findings-from-a-National-Survey-11.29.17.pdf
[3] https://www.childtrends.org/wp-content/uploads/2017/11/SYPTFC-Findings-from-a-National-Survey-11.29.17.pdf

are more likely to have a number of mental health concerns, which oftentimes leads to poor coping and decision-making skills. National analyses indicate that of those who transition out, 20% become instantly homeless (that's 4,000 people of the 20,000 aging out every year[4]), less than 3% earn a degree by age 26, a quarter have PTSD, and a quarter will be incarcerated in the first two years after leaving the program.[5]

Transitioning out of out-of-home care is an abrupt and stressful change that few are prepared for. Having a basic level of income creates support, hope, and opportunity. These young people deserve access to nutritious food and safe shelter, to education and employment, and to establish stability, comfort, and peace in their lives.

For these reasons, we urge a favorable report on HB 774.

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[4] https://finallyfamilyhomes.org/the-problem/#:~:text=The%20foster%20care%20statistics%20for,leave%20foster%20care%20into%20homelessness.

[5] https://youthlaw.org/publication/cause-for-concern/