



March 25, 2026

House Bill 628 – Human Services - Foster Care Transition Grant Program – Establishment

Senate Finance Committee

Position: SUPPORT

The Maryland Association of Resources for Families and Youth (MARFY) respectfully submits this testimony in strong support of House Bill 628.

MARFY represents licensed private child-placing agencies and community-based providers delivering foster care, treatment foster care, group homes, and independent living services through more than 200 programs across Maryland. Our members serve children and youth who have experienced abuse, neglect, complex trauma, and significant behavioral health needs. We work every day with young people preparing to transition from out-of-home placement into adulthood — often without the safety net of family support.

Young people aging out of foster care face dramatically disproportionate economic hardship compared to their peers. According to the Annie E. Casey Foundation, nearly 1 in 5 youth aging out of foster care experience homelessness by age 21. (<https://www.aecf.org/blog/child-welfare-and-homelessness>)

Additionally, The National Foster Youth Institute reports that only about 50% of youth aging out of foster care are employed by age 24, and fewer than 3–4% earn a four-year college degree. (<https://nfyi.org/issues/homelessness/>)

The U.S. Department of Health and Human Services’ National Youth in Transition Database (NYTD) further shows high rates of housing instability, unemployment, and public assistance reliance among former foster youth within two years of exit. (<https://www.acf.hhs.gov/cb/data-research/nytd-data>)

These outcomes are not the result of lack of effort, they are the result of structural disadvantage and the absence of generational wealth, family safety nets, and financial cushioning that most young adults rely upon during early adulthood.

HB628 proposes a grant program of \$1,000 per month for eligible transition-age youth. This is not simply financial assistance it is stabilization infrastructure, providing young adults a foundation for success.



Research on guaranteed income pilots/grant programs across the country demonstrates measurable improvements in housing stability, employment stability, mental health outcomes, and reduced financial volatility.

The Urban Institute’s evaluation of guaranteed income pilots found that participants experienced improved employment outcomes and reduced material hardship. (<https://www.urban.org/research/publication/preliminary-analysis-guaranteed-income>)

Similarly, the Stockton Economic Empowerment Demonstration showed recipients were more likely to obtain full-time employment and experienced significantly reduced income volatility. (<https://www.stocktondemonstration.org/full-report>)

Also importantly, unconditional cash support has been shown to reduce stress and improve mental health — a critical factor for youth with trauma histories. (<https://www.givedirectly.org/research-on-cash-transfers/>)

Without intervention, many youths aging out of foster care cycle into emergency shelters, inpatient behavioral health services, criminal legal system involvement, and long-term public assistance dependency.

The public cost of homelessness, hospitalization, and incarceration far exceeds the proactive investment proposed under HB628. Providing structured, time-limited guaranteed income is not merely compassionate, it is fiscally responsible.

HB628 appropriately limits eligibility to youth who were in out-of-home placement at age 18, targeting those most at risk during the transition to adulthood.

This policy does not replace workforce programs, tuition waivers, or case management supports. It strengthens them. It gives young adults the stability required to use those supports effectively. It recognizes that independence requires a foundation.

In conclusion, HB628 represents an innovative, evidence-informed approach to improving long-term outcomes for one of Maryland’s most vulnerable populations.

Investing in Maryland’s youth now, is a wise investment in Maryland’s future. MARFY respectfully urges a favorable report on House Bill 628. Thank you for your consideration.

For more information call or email:

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