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## **TESTIMONY IN SUPPORT OF SENATE BILL 658**

### **Department of Human Services - Benefits for Children in Custody - Alterations**

#### *Senate Judicial Proceedings Committee*

**February 26, 2026**

**Social Work Advocates for Social Change supports SB 658**, which will support children in foster care by ensuring that federal entitlements from the Veterans Administration and the Social Security Administration are used for their intended purpose, meeting the needs of the recipient, and aiding their transition to living independently as young adults. SB 658 will prevent the Maryland Department of Human Services (DHS) from using these benefits to reimburse itself for foster care costs.

**Youth exiting foster care are highly vulnerable and more likely to experience homelessness, incarceration, and challenges with education and employment.** Nearly a third of young people who age out of the foster care system experience homelessness by age 21.<sup>1</sup> Young people who have been in foster care are far less likely to graduate high school by age 21 than members of the general population. Foster youth are more than 25 times more likely to be incarcerated by age 21.<sup>2</sup> Those with disabilities face challenges that go well beyond their medical needs, such as 37% lower earning potential for disabled individuals with a high school education compared to their non-disabled peers.<sup>3</sup> Without stable employment, adequate income, and opportunities for higher education, former foster youth are more likely to need state-funded safety-net programs to meet their basic needs.<sup>4</sup>

**SB 658 supports the best interests of youth in our care by allocating all the resources that belong to them to their unmet needs and to assist their transitions out of state custody.** Current Maryland law places some limits on diverting children's disability and survivor benefits for foster care expenses – but there are no protections for children under age 14, and the state can take as much as 60% from many older foster children.<sup>5</sup> SB 658 provides that all foster children are entitled to keep their full benefits for needs that DHS is not already legally obligated to cover. The bill also helps children who aren't aware they are eligible for benefits to apply for them, reduces the practice of DHS serving as children's legal representative for these payments – a problematic conflict of interest – and helps children plan and save for future needs. Moving towards providing youth full access to their benefits will increase their ability to afford housing, education, and other necessities as they transition out of foster care, bolstering their economic security and the economic security of our State.

**SB 658 rectifies a long-standing backwards practice that allows the state to "charge" some children who have survivor or disability benefits for their foster care services, whereas foster children who do not have access to these benefits aren't required to "pay".** Our vulnerable young people need resources to navigate challenges arising from



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trauma and mental health struggles caused by abuse, neglect, or a parent's death, and those arising from other disabilities. It is Maryland's obligation as a state to cover the full cost of our foster care system without relying on syphoning federal benefits away from vulnerable youth to fill gaps in our state's budget.

**Maryland is falling behind other states that have moved to protect the benefits of foster youth.** Although Maryland was an early leader in this area, enacting the nation's first restrictions on taking disability and survivor benefits from foster children in 2018, nine states and the District of Columbia have since enacted comprehensive protections.<sup>6</sup> It is time for Maryland to implement further reforms to protect some of our state's most vulnerable individuals. These benefits are for the individuals who have been deemed eligible and therefore entitled, not for the state.

### **Social Work Advocates for Social Change urges a favorable report on SB 658.**

*Social Work Advocates for Social Change is a coalition of MSW students at the University of Maryland School of Social Work that seeks to promote equity and justice through public policy and to engage the communities impacted by public policy in the policymaking process.*

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<sup>1</sup> Kelly, P. (2020). Risk and protective factors contributing to homelessness among foster care youth: An analysis of the National Youth in Transition Database. Child Welfare League of America, p. 4. <https://doi.org/10.1016/j.chilyouth.2019.104589>

<sup>2</sup> The Annie E. Casey Foundation (2019) Future savings: The economic potential of successful transitions from foster care to adulthood, pp. 8,11. <https://assets.aecf.org/m/resourcedoc/aecf-futuresavings-2019.pdf>

<sup>3</sup> Yin, M., Shaewitz, D., & Megra, M. (2014). *An uneven playing field: The lack of equal pay for people with disabilities*. American Institutes for Research, p.4. <https://www.air.org/resource/report/uneven-playing-field-lack-equal-pay-people-disabilities>

<sup>4</sup> Dworsky, A., Gitlow, E., Horwitz, B., & Samuels, G. M. (2019). Missed opportunities: Pathways from foster care to youth homelessness in America. Chicago, IL: Chapin Hall at the University of Chicago.

<sup>5</sup> Md. Code, Fam. Law § 5-527.

<sup>6</sup> Child Civil Advocacy Institute. (2024). *Foster care or foster con? Preserving the federal benefits of America's most vulnerable children: An evaluation of all 50 states and the District of Columbia*. University of San Diego School of Law, p.3; updated state legislative details at <https://www.sandiego.edu/cai/advocacy/youth-benefits/>