



WHAT IS SUBSIDIZED GUARDIANSHIP?

Subsidized guardianship is an increasingly popular permanency option that provides an ongoing financial subsidy to eligible children who exit the child welfare system into the permanent care of a legal guardian, often a grandparent or other relative. These programs are available in 35 states and the District of Columbia, and vary significantly. They recognize that in certain family situations, guardianship or legal custody is the best permanency option when children cannot return home or be adopted.

WHO ARE GRANDFAMILIES?

“Grandfamilies” are families in which grandparents or other relatives are primarily responsible for caring for children who live with them. Parental substance abuse, military deployment, incarceration, poverty, HIV/AIDS, and death are just some of the reasons causing these grandfamilies to come together.

- 125,668 children in foster care are being raised by a grandparent or other relative.¹
- At least 20,000 foster children are in foster care without a goal of adoption or reunification with their parents and could exit foster care if subsidized guardianship was available to them.²
- Almost six million children across the country are living in households headed by grandparents or other relatives.³
- About 4.4 million of these children are in grandparent-headed households, and another 1.5 million live in households headed by other relatives, such as aunts or uncles.⁴
- Approximately 2.4 million grandparents are responsible for most of the basic needs of the children. Unfortunately similar Census data does not exist for the other relatives.⁵
- Although the number of households where other relatives are responsible for children is unknown, we do know that almost half of the children in grandfamilies (2.5 million) have no parents in the home.⁶

HOW DOES SUBSIDIZED GUARDIANSHIP BENEFIT CHILDREN?

Subsidized guardianship arrangements are particularly important for children raised in grandfamilies, or families in which grandparents or other relatives have primary responsibility for caring for children. Guardianships would:

- honor the wishes of many children who may not want to be

adopted and/or break ties with their birth parents;

- respect cultures in which adoption and termination of parental rights defy important societal norms of extended family and mutual interdependence;
- limit state oversight and intervention in the lives of children for whom adoption and reunification with the birth parents have been ruled out, and minimize the state’s ongoing role in their lives;
- give caregivers the necessary legal decision-making authority for children, including the ability to consent to routine activities such as field trips, sleepovers, and school pictures.

A CASE FOR SUBSIDIZED GUARDIANSHIP:

Two young adolescents, ages 11 and 13, were removed from their mother due to abuse and neglect. The boys were placed with their grandmother, who had frequently stepped in to help care for them during times when their mother was unavailable due to heavy drug use or otherwise unable to appropriately care for them. Living with their grandmother was an appropriate and logical step for the two boys for many reasons: they were able to stay in their own schools and they could continue to walk to the neighborhood center where they regularly played basketball and received tutoring. The arrangement worked well for both boys, who each had special health and educational needs well-known by their grandmother. Despite their mother’s problems and faults, it was important to both boys that they maintain a relationship with her. Neither wished to be adopted. Their grandmother was committed to providing a safe and stable placement for the boys without severing their parental bonds with their mother. This family did not need all the case management, court intervention or case reviews associated with a foster family. However, as reunification and adoption had been ruled out, the case would remain in the system until the boys became adults. In this case, a subsidized guardianship would allow the grandmother to provide the safe and stable home the boys needed without radically altering their family structure. [Example taken from *Fostering Results. Family Ties: Supporting Permanence for Children in Safe and Stable Foster Care With Relatives and Other Caregivers*. Fostering Results, Children and Family Research Center, School of Social Work, University of Illinois at Urbana-Champaign, 2004].

- enable children and caregivers to maintain bonds with the birth parents who may have physical or mental disabilities that make them unable to care for children;
- allow able birth parents to regain custody of children, provided the courts and/or child welfare system approve; and
- give the courts flexibility to limit or expand the legal guardians' and parents' authority as necessary to best serve the changing needs of the children and other family members.⁷

WHAT ARE THE ELIGIBILITY REQUIREMENTS FOR SUBSIDIZED GUARDIANSHIP?

Subsidized guardianship programs differ from state to state. The programs' names, eligibility guidelines, subsidy amounts, funding sources, and numbers of children served each vary. However, subsidized guardianships are generally designed for those children who have been in state custody, with a relative or non-relative providing the care, for at least six months and in some states up to two years. The caregiver of the child must first obtain guardianship or legal custody. The court that considers the guardianship or legal custody reviews the existing placement and, in those cases of older children, often seeks the input of the child as well. Reunification with the parents and/or adoption must have been carefully considered and then ruled out as before guardianship is considered as the best permanency option. Many states require that the child have an established attachment to the prospective guardian and that the prospective guardian evidences a "strong commitment" to the child. If the court finds that guardianship is in the "best interest" of the child and grants it, the state no longer has custody. After guardianship is granted, the state issues a monthly subsidy check to the guardian for the care of the child.

Financial assistance is critical to many grandfamilies, since the caregivers are often raising the children unexpectedly and did not have the opportunity to financially plan for them. The amount of the subsidy varies. It is usually less than or equal to the basic state foster care rate, but usually more than the Temporary Assistance for Needy Families (TANF) or "welfare" child-only grant, and continued eligibility for the subsidy is typically re-determined annually. The subsidy payments usually end when the guardianship terminates or when the child turns 18, although several states continue the subsidy until the child reaches age 21 or 22 provided he or she is attending school full-time or has an emotional or physical disability or other special need.

ARE THERE ANY EXCEPTIONS TO THESE ELIGIBILITY REQUIREMENTS?

There are some exceptions to these general eligibility requirements. For instance, although most states require children to have been in the state foster care system, a few states offer

subsidized guardianships for children outside of the system so they do not have to enter it unnecessarily. Some states limit participation in their subsidized guardianship programs to children with "special needs". The definition varies, but may include those who are difficult to place because of physical or emotional disabilities, race or ethnic background, age, and/or because they are members of a sibling group. A few states require that a child's income and assets be considered in order to qualify for a subsidized guardianship and/or to determine the payment amount. Both Kentucky and Louisiana allow a child to begin receiving subsidy payments before the guardianship or custody arrangement is finalized.

In some states that fund their subsidized guardianships through Title IV-E Waivers (explained below), children must have been eligible to receive Title IV-E benefits while under supervision of the child welfare system in order to enter into a subsidized guardianship arrangement. Most states offer subsidized guardianships to eligible children living with all types of caregivers who have chosen to care for them permanently, including relatives, family friends, foster parents, and other qualified adults. However, some states limit eligibility to children who are living with kin, which is often defined as "relatives and non-related individuals with a close family-like bond to the child." More restrictive programs limit eligibility to blood relatives within a specified degree of relationship, including grandparents, great-grandparents, step-parents, siblings, step-siblings, half-siblings, cousins, aunts and uncles, and great aunts and uncles. A few states limit their enrollment to eligible children being raised by their grandparents. Rhode Island limits enrollment to children being raised by non-relatives.

HOW ARE SUBSIDIZED GUARDIANSHIPS FUNDED?

Subsidized guardianship programs are funded differently in each state but are generally funded by one or more of the following:

- Federal IV-E Waivers: Though not available to all states, twelve states (DE, IL, IA, MD, MN, MT, NM, NC, OR, TN, VA, WI) have been granted a special exemption from the federal government to operate subsidized guardianship programs using federal foster care funds under Title IV-E of the Social Security Act. Initial evaluations of these demonstration programs have been positive. For example, an evaluation of Illinois' Title IV-E waiver program found that over a five year period, subsidized guardianship provided permanence for more than 6,800 children who had been in foster care. Furthermore, discussing all permanency options actually helped to significantly increase the number of adoptions in Illinois, and the children involved perceived guardianship as providing as much security as adoption.⁸ Unfortunately on March 31, 2006, the authority of the federal

government to grant states waivers to use foster care funding for subsidized guardianship ended.

- Temporary Assistance for Needy Families (TANF) or “welfare” funds: Several states use the money from their TANF block grants to fund subsidized guardianship programs. It is uncertain how long TANF will continue to be a viable source of funding for these programs, however, due to increasing federal budget constraints and new demands being placed on TANF funding.
- Other sources of federal funds: A few states use other federal funding sources that have broad purposes such as Title XX of the Social Security Act, the Social Services Block Grant (SSBG) program, which is designed to fund an array of services to support children, persons with disabilities, and older adults.
- State and local funds: Some states use state funds or a combination of state and county funds to support all or part of their subsidized guardianship programs. Using state funds allow child welfare agencies the most flexibility in determining who their subsidized guardianship programs will serve, but shrinking state resources have made it even more challenging to maintain appropriate state and local funding levels.⁹

WHAT ARE THE DESIRED OUTCOMES OF SUBSIDIZED GUARDIANSHIP?

Desired outcomes for implementing subsidized guardianship include:

- Reducing use of long-term foster care by allowing children and youth—for whom reunification with birth parents or adoption have been ruled out—to achieve permanency in a safe and loving home.
- Responding to the unique needs of grandfamilies by allowing them to permanently care for the children in their homes when adoption and reunification are not options. This is especially important when termination of parental rights is not in best interest of the children.
- Reducing the overrepresentation of minority children in foster care and offering them an alternative that is more culturally acceptable. Both African American and Native American groups are among those disproportionately represented in the foster care system and both rely heavily on extended family for childrearing. Subsidized guardianships make it possible for caregiving family members to keep the children they are raising out of the system.
- Providing another option in the continuum of permanency options available to family members, child welfare agencies, and court officials as they create permanency plans for children.

- Allowing family members to be part of the decision making process about what is in the best interest of the child.
- Encouraging agencies to promote other practice models that engage families including concurrent planning, family team decision making, and family group conferencing.¹⁰

STATE-BY-STATE TABLE OF SUBSIDIZED GUARDIANSHIP PROGRAMS¹¹

The attached table includes the major criterion associated with each existing subsidized guardianship program. For more in-depth information about subsidized guardianship programs, refer to the following publications:

Available at <http://www.childrensdefense.org/childwelfare/default.aspx>:

- *Using Subsidized Guardianships to Improve Outcomes for Children: Key Questions to Consider*, 2004, by Children’s Defense Fund and Cornerstone Consulting Group
- *State Subsidized Guardianship Laws at a Glance*, 2004, by Children’s Defense Fund
- *Expanding Permanency Options for Children: A Guide to Subsidized Guardianship Programs*, 2004, by Children’s Defense Fund and Cornerstone Consulting Group

Available at <http://www.fosteringresults.org/results/reports.htm>:

- *Family Ties: Supporting Permanence for Children in Safe and Stable Foster Care With Relatives and Other Caregivers*, 2004, by Fostering Results, Children and Family Research Center, School of Social Work, University of Illinois at Urbana-Champaign

Available at <http://pewfostercare.org/docs/index.php?DocID=41>:

- *Fostering the Future: Safety Permanence and Well-Being for Children in Foster Care*, 2004, by The Pew Commission on Children in Foster Care

In addition to the table and publications listed here, state websites are often good resources to consult for information about subsidized guardianship programs. Many states include specific information about such programs within their child welfare agencies’ or departments of social services’ websites, which are usually directly linked from state website homepages.

CONCLUSION

Children need safe and permanent families, and subsidized guardianship programs are a successful option that fulfills that need. These programs provide a permanent legal relationship between caregivers and children, while helping the children with an ongoing subsidy to help meet their basic needs. States that do

not have subsidized guardianship programs can explore ways to develop their own, using the experiences of existing programs as a starting point.

One of the major barriers to the creation of subsidized guardianship programs is the lack of funding. However, there are various proposals for new ways to use existing funding sources for subsidized guardianship programs. The nonpartisan Pew Commission on Children in Foster Care, in its 2004 report, *Fostering the Future: Safety, Permanence and Well-Being for Children in Foster Care*, has recommended that states have the option to use federal Title IV-E funds for subsidized guardianship programs. Furthermore, as states increasingly recognize the important role relative caregivers are playing for children both in and outside of the system, many national organizations have joined the states in support of subsidized guardianship programs that strengthen permanent and self-sustaining relationships for children. Generations United (GU), the Children's Defense Fund (CDF), the American Public Human Services Association (APHSA), National Governor's Association (NGA), National Conference of State Legislatures (NCSL), Child Welfare League of America (CWLA), and others support various legislative proposals that would allow states to use federal funds, such as Title IV-E funds, to establish or expand subsidized guardianship programs.¹⁴

For up-to-date information about pending legislation affecting subsidized guardianships, visit Generations United's website at www.gu.org.

Generations United (GU) is the national membership organization focused solely on improving the lives of children, youth, and older people through intergenerational strategies, programs, and public policies. GU represents more than 100 national, state, and local organizations and individuals representing more than 70 million Americans. Since 1986, GU has served as a resource for educating policymakers and the public about the economic, social, and personal imperatives of intergenerational cooperation. GU acts as a catalyst for stimulating collaboration between aging, children, and youth organizations providing a forum to explore areas of common ground while celebrating the richness of each generation.



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The GU web site at www.gu.org contains additional information about grandfamilies.

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¹ Generations United. (2006) Table 1: Number of Foster Children Living with Relatives (Three-year average 2001-2003) in *All Children Deserve A Permanent Home: Subsidized Guardianships as a Common Sense Solution for Children in Long-Term Relative Foster Care*.

² Fostering Results (2004). *Family Ties: Supporting permanence for children in safe and stable foster care with relatives and other caregivers*. Retrieved May 31, 2006, from <http://www.fosteringresults.org/results/reports.htm>. This 20,000 number comes from 2002 AFCARS data.

³ Lugaila, T. and Overturf, J. (March, 2004). *Table 1, Population Under 18 Years by Age and Relationship to Householder: 2000*, in "Children and the Households They Live in: 2000," a Census 2000 Special Report. Washington, D.C.: U.S. Bureau of the Census.

⁴ *Ibid.*

⁵ Simmons, T. and Lawler Dye, J. (October 2003). *Grandparents Living With Grandchildren: 2000 – Census 2000 Brief*. Washington, D.C.: U.S. Bureau of the Census.

⁶ Lugaila, T. and Overturf, J. (March, 2004). *Table 3, Characteristics of Children Under 18 Years by Relationship to Householder: 2000*, in "Children and the Households They Live in: 2000," a Census 2000 Special Report.

⁷ Bissell, Mary and Miller, Jennifer (eds). *Using Subsidized Guardianship to Improve Outcomes for Children: Key Questions to Consider*. Children's Defense Fund and Cornerstone Consulting Group, 2004.

⁸ Children and Family Research Center. *Illinois Subsidized Guardianship Waiver Demonstration: Final Evaluation Report*. Urbana, IL: School of Social Work, University of Illinois at Urbana-Champaign, 2003, in The Pew Commission on Children in Foster Care. "Fostering the Future: Safety, Permanence and Well-Being for Children in Foster Care." The Pew Commission on Children in Foster Care, 2004.

⁹ Bissell, Mary and Miller, Jennifer (eds). *Using Subsidized Guardianship to Improve Outcomes for Children: Key Questions to Consider*. Children's Defense Fund and Cornerstone Consulting Group, 2004.

¹⁰ *Ibid.*

¹¹ Children's Defense Fund. *States' Subsidized Guardianship Laws at a Glance*. Children's Defense Fund, 2004.

¹² *Ibid.*

State*	Program Name (if other than "subsidized guardianship")	Child Must be in State Care	Guardian Must be a Relative**	Eligible Age for Child****, Exceptions Noted	Subsidized Guardianship Payment Level*****	Funding Stream(s)	Medical	Other Services†
AK		Yes	No, can be any caregiver	Over 10	Below or equal FC	State	No	No
AZ		Yes, 9 mos.	No, can be any caregiver	Under 18	Below FC	TANF	No	No
CA	Kin-GAP	Yes, 2 mos.	Yes	Under 18	Equal FC	TANF	Yes	Through Kinship Support Services Program
CO		Yes	Yes, and must be a Grandparent	Under 18	Equal FC	TANF	Yes	Yes
CT	"subsidy for relative caregivers"	Yes, 12 mos.	Yes	Under 18	Equal FC	State	Yes	No
DE		Yes, 12 mos.	No, can be any caregiver	Over 12	Equal FC and AA	State (IV-E Waiver ended in Dec. 2002 Not adding any new children, but using state funds for children already in the program)	Yes	Yes
DC		Yes	No, can be a relative or Godparent	At least 2	Equal FC	Local	Yes	Yes
FL	"relative caregiver"	No	Yes	Under 18	Below FC	TANF	Yes	Yes
GA	"relative care" subsidy	Yes	Yes	Under 18	Below FC/Above TANF	TANF	No	No
HI	"permanency assistance"	Yes	No, can be any caregiver	Under 18	Below or equal FC	State	Yes	Yes
ID	"guardianship assistance"	Yes	No, can be any caregiver	Under 18	Equal FC	State	Yes	No
IL		Yes, 12 mos.	No, can be any caregiver	Under 18 (12 and older if with non-relative)	Equal FC and AA	Title IV-E Waiver	Yes	Yes
IN	"assisted guardianship"	Yes	Yes	13 or older	Varies by county	No new children added due to lack of funding but those already in program continue to be funded with TANF. Hope to accept new children by the end of 2004.	No	No
IA		Yes, 6 of the last 12 mos.	No, but if non-relative, the child must be either 12 years or older, or under 12 and part of a sibling group with a child age 12 years or older	Under 18 (see previous column for exceptions)	Equal to but not greater than FC	Title IV-E Waiver	Yes	No
KS	"permanent guardianship subsidy"	Yes	No, can be any caregiver	14 or older	Below FC	State	Yes	No
KY	"kinship care"	No	Yes	15 and under	Below FC	TANF	Yes	Yes
LA	"kinship care subsidy program"	No	Yes	Under 19	Below FC	TANF	No	No
MD		Yes, 6 mos.	Yes	Under 18	Below FC/Above TANF	Title IV-E Waiver	Yes	Yes
MA		Yes, 6 mos.	No, can be any caregiver	At least 12	Equal FC	State	Yes	Yes
MN (Prog 1)	"relative custody assistance"	No	No, can be relative or other adult	Under 18	Below FC/Equal AA	State	No	No
MN (Prog 2)	Minnesota Permanency Demonstration Project	Yes, 6 months	No, can be any foster parent	Under 18	Equal FC	Title IV-E Waiver	Yes	No
MO (Prog 1)		Yes	Yes	Under 18	Below or equal FC	State	Yes	Yes
MO (Prog 2- Kinship)	"grandparents as foster parents"	No	Yes (Must be 50 or older)	Under 18	Below FC	State	Yes	Yes

State*	Program Name (if other than "subsidized guardianship")	Child Must be in State Care	Guardian Must be a Relative**	Eligible Age for Child*** Exceptions Noted	Subsidized Guardianship Payment Level****	Funding Stream(s)	Medical	Other Services†
MT (Prog 1)		Yes	No, can be any caregiver	Under 18	Below FC	State	Yes	Yes
MT (Prog 2)		Yes (IV-E paid care)	No, can be any caregiver	At least 12	Below FC	Title IV-E Waiver	Yes	Yes
NE		Yes	No, can be any caregiver	12 and older	Below or equal FC	State	Yes	Yes
NV		No	Yes (Must be 62 or older)	Under 18	Below FC	TANF	Yes	Yes
NJ (Prog 1)		Yes	No, can be any caregiver	Under 18	Equal FC	TANF	No	No
NJ (Prog 2- Kinship)	"kinship legal guardianship"	No	No, but must be "kin" (including relatives)	Under 18	Below FC	TANF	No	No
NM		Yes	No, can be any caregiver	Under 18	Equal AA	Title IV-E Waiver	Yes	No
NC		Yes, 12 mos.	No, can be any caregiver	Under 18	Equal AA	Title IV-E Waiver	Yes	No
ND		Yes, 6 mos.	No, can be any caregiver	At least 12	Below FC	State	Yes	No
OK		Yes	Yes	12 and older	Equal FC	TANF	Yes	Yes
OR		Yes, 12 mos.	No, can be any caregiver	Under 18 (12 and older if with non-relative)	Equal FC	Title IV-E Waiver	Yes	Yes
PA	"subsidized permanent legal custodianship"	Yes, 6 mos.	No, can be any caregiver	Under 18	Below or equal FC	State	Yes	Yes
RI		No	No, non-relative caregivers only	Under 18	Below FC equal TANF	State	Yes	No
SD		Yes, 6 mos.	No, can be any caregiver	At least 12	Below or equal FC	Social Services Block Grant (Title XX)	No	Yes
TN	Permanent Guardianship Demonstration	Yes, 9 months, and continuously with same caregiver for at least 6 months	No, can be any caregiver	Under 18	Equal FC	Title IV-E Waiver	Yes	Yes
UT		Yes	No, can be any caregiver (relatives can only participate in this program after they have applied for and been denied a Relative Grant)	12 and older	Below or equal specialized FC	State	Yes	Yes
VA	Guardianship Permanency Initiative	Yes, 12 months and continuously with relative for at least 6 months	Yes	Under 18	Equal FC	Title IV-E Waiver	Yes	Yes
WV	"legal guardianship policy"	Yes	No, can be any caregiver	Under 18	Below or equal FC	State	Yes	Yes
WI		Yes, 12 months	Yes	Under 18	Equal FC	Title IV-E Waiver	Yes	Yes
WY		Yes	No, can be any caregiver	Under 18	\$1 less than FC	State	No	No

* The 11 states not shown on the table did not have subsidized guardianship programs as of June 1, 2006. They are AL, AR, ME, MI, MS, NH, NY, OH, SC, TX, VT, and WA.

** In many programs where a relative is not required, the guardian may be a relative, godparent, close family friend, foster parent, or other qualified adults.

*** Some states allow children who do not meet the age requirements to qualify for subsidies. Generally, these exceptions are for students, children with disabilities, or children who are members of sibling groups.

**** FC = Foster Care; AA = Adoption Assistance

† Other services may include: financial assistance for obtaining guardianship/custody, child care, and/or respite care.