



Agency Recommendation Summary

The Department of Children, Youth, and Families (DCYF) requests \$6,748,000 (\$5,847,000 General Fund-State) and 9.5 full time equivalents (FTE) in the 2025-27 Biennial Budget to implement an incentive program as required under Second Substitute Senate Bill (2SSB) 5908 and effectively serve all young adults in Extended Foster Care (EFC) at a level that meets the young person’s current life situation.

Program Recommendation Summary

010 - Children and Families Services

DCYF requests \$6,332,000 (\$5,514,000 GF-State) and 7.5 full time equivalents (FTE) in the 205-27 Biennial Budget to implement the incentive payment program as required under Second Substitute Senate Bill (2SSB) 5908 and effectively serve all young adults in Extended Foster Care (EFC) at a level that meets the young person’s current life situation.

090 - Program Support

DCYF requests \$416,000 (\$333,000 GF-State) and 2.0 full time equivalents (FTE) in the 2025-27 Biennial Budget for fiscal support necessary to implement and comply with Second Substitute Senate Bill (2SSB) 5908 and support effectively serving all young adults in Extended Foster Care (EFC) at a level that meets the young person’s current life situation, by processing incentive program payments and Supervised Independent Living payments.

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2026	2027	2025-27	2028	2029	2027-29
Staffing						
FTEs	9.5	9.5	9.5	9.5	9.5	9.5
Operating Expenditures						
Fund 001 - 1	\$2,776	\$2,738	\$5,514	\$2,738	\$2,738	\$5,476
Fund 001 - A	\$379	\$366	\$745	\$366	\$366	\$732
Fund 001 - 1	\$172	\$161	\$333	\$161	\$161	\$322
Fund 001 - A	\$43	\$40	\$83	\$40	\$40	\$80
Fund 001 - C	\$38	\$35	\$73	\$35	\$35	\$70
Total Expenditures	\$3,408	\$3,340	\$6,748	\$3,340	\$3,340	\$6,680
Revenue						
001 - 0393	\$417	\$401	\$818	\$401	\$401	\$802
001 - 0393	\$43	\$40	\$83	\$40	\$40	\$80
Total Revenue	\$460	\$441	\$901	\$441	\$441	\$882

Decision Package Description

Pursuant to RCW 74.13.031 youth who were in foster care on their 18th birthday and who agree to participate, may enroll in the Extended Foster Care program (EFC). EFC allows youth to remain in foster care up to age 21 to support their transition to independence. EFC provides continued support and placement options, including the ability for the youth to live in an approved Supervised Independent Living (SIL) placement and receive a SIL payment that is equal to the basic rate of a foster care maintenance payment.

Prior to the passage of 2SSB 5908 in the 2024 Legislative Session, youth needed to meet federal eligibility requirements outlined in RCW 74.13.031 to enroll or stay enrolled in EFC. Federal eligibility requirements include enrollment in school, participation in an employment program, working 80 hours a week or more a month, or having a disability that prevents engagement in such activities.

The new law, 2SSB 5908, removed the federal eligibility requirements to enter and remain in EFC, as well as barriers to entry. With these changes, EFC has become a no-discharge program and a youth choice program, meaning the youth control whether they remain in the program. Based on these changes, the EFC caseload will increase. During the 2024 legislative session, DCYF requested an additional 11.2 Social Service Specialist 3 (SSS3) positions and an additional two FTE for Social Service Specialist 5 (SSS5) to supervise the increased number of SSS3 staff to support the additional caseload. The enacted 2024 supplemental budget provided DCYF with funding for a total of 5.6 SSS3 and one FTE SSS5. DCYF requests funding and FTE authority for the caseworkers needed to support the increased EFC caseload. DCYF requests 3.5 SSS3 FTEs and one additional SSS5 FTE.

In addition, the new law required DCYF to develop an incentive payment program for youth in EFC who are participating in the federal eligibility requirements. These incentive payments to youth must begin July 1, 2025. The law further requires the department to make the first EFC SIL payment within one month of a youth enrolling in EFC or informing their caseworker that they are living independently. This decision package requests funding for the incentive program as well as the administrative infrastructure necessary to support the program in compliance with law.

To ensure the first EFC SIL payment is made within one month of enrollment, \$636,000 (\$488,000 GF-S) and 5.0 FTE are needed to ensure payments are made to youth within 30 days. To make a SIL payment, DCYF must have either a physical address or bank account information in the payment system. Frequently, youth in EFC who are living independently and not meeting federal eligibility requirements do not have an address and/or bank account information in the system, which causes significant delays in the ability to make SIL payments in accordance with the law. To ensure that DCYF can make SIL payments within the timeline required, youth need support in opening bank accounts at the time of enrollment or re-enrollment in EFC or inform their caseworker that they are living independently.

As many as 203 young adults ages 18 to 20 are eligible to return or enter EFC under this legislation. DCYF believes a larger percentage will choose to enter and remain in the program, thereby raising the number of young adults in the program. Currently, 73 percent of eligible 18-year-olds enter EFC, and it is likely that percentage will increase closer to 100 percent.

Additionally, when youth are living independently, they require concrete supports such as bedding, appliances, furniture, and other essentials. To support youth in safely transitioning to independence, funding in the amount of \$710,000 (\$568,000 GF- S) is needed per fiscal year.

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

This request pertains to funding needed to implement current law.

Detailed Assumptions and Calculations:

Incentive cost: \$1,384,000 GF-S per fiscal year

This request includes providing a \$150 monthly incentive payment to youth who meet at least one of the federal eligibility requirements of the program. Although, EFC is a Title IV-E allowable program, incentive payments are not allowable for Title IV-E reimbursement. However, if the youth meet one of the criteria outlined in RCW 74.13.031, is in an approved placement, and Title IV-E eligible, the SIL payment is allowable for Title IV-E reimbursement.

The table below is based on a monthly incentive payment of \$150 per youth eligible for the incentive. DCYF assumes that of the current youth enrolled in the program, 75% will continue to meet the federal requirements. In addition, DCYF assumes 50% of the youth assumed to enter the program under the new law, will also meet the federal requirements. Therefore, this is the assumed population eligible for the incentive payment. The table below represents the funding needed for the incentive program based on these assumptions.

Modeling used:

of youth (based on % of youth meeting federal reimbursement) X \$150 incentive per month = monthly cost X 12 months= yearly cost.

Incentive Cost		
	Total monthly	Total yearly
Total current youth in care	\$100,000	1,201,000
Potential 2SSHB 5908 additional youth	\$15,000	\$182,700
Total	\$115,000	\$1,384,000

Table 1	Number of EFC youth/potential EFC youth	% of EFC youth meeting Fed reimbursement
Current EFC youth	775	75%
Potential 2SSHB 5908 additional youth	203	50%

Concrete Goods: \$710,000 (\$568,000 GF-S) per fiscal year (203 potential youth X \$3,500/per youth= \$710,000).

DCYF currently provides up to \$3,500 in concrete goods per youth over the entire duration of the youth’s enrollment in the EFC program. Therefore, DCYF requests funding to provide this same level of concrete goods supports to youth enrolling in the program based on the new law.

Workforce Assumptions:

010 Child Welfare-

3.0 Social and Health Program Consultant 2 (SHPC2) FTE and \$822,000 (\$617,000 GF-S) are needed for regional support to assist dependent youth 17 and older with opening bank accounts, establishing direct deposit, and other supports necessary as a condition of the program.

3.5 SSS3 FTE and \$998,000 (\$749,000 GF-S) are needed for additional case load increases due to youth remaining in care longer and returning to the program.

1.0 SSS5 FTE and \$323,000 (\$242,000 GF-S) are needed to provide supervision for the added SSS3 positions.

090 Program Support-

2.0 Fiduciary Analyst 3 (FA3) FTE and \$415,000 (\$332,000 GF-S) are needed to assist with the requirement of processing the initial EFC SIL payment within one month of enrollment, which is not supported with current practice.

Historical Funding:

N/A- this is new.

Strategic and Performance Outcomes

Strategic Framework:

Funding this proposal will address the strategic goal of reducing homelessness for those exiting systems of care in Washington State. The Washington Institute for Public Policy (WSIPP) conducted a study that found young adults participating in EFC significantly reduced homelessness.

Performance Outcomes:

Funding will enable DCYF to fully implement 2SSB 5908, supporting those currently in EFC, as well as the additional young adults entering and remaining in EFC under the provisions of the law.

Furthermore, allowing for these young adults, many with complex needs, to enter EFC and remain in EFC, be well served by the program, receive consistent and timely payments, have safe and stable living environments, will reduce homeless of those enrolled and exiting the program.

Equity Impacts

Community Outreach and Engagement:

SB 5908 requires a co-design process partnering with those with lived experience in the implementation process, including policy and procedure development. DCYF began the co-design process on July 1, 2024. This effort will include individual and group meetings, focusing on age-appropriate services for EFC participants.

Disproportional Impact Considerations:

Funding this proposal will increase the level of support for the EFC population and reduce the risk for homelessness.

Target Communities and Populations:

Young adults of color are overrepresented in EFC.

Community Inputs and Incorporation:

This proposal was vetted with the bi-monthly EFC Community Workgroup, consisting of members of Treehouse, The Mockingbird Society, Legal Counsel for Youth and Children, A Way Home Washington, and various other young adult advocacy groups. SB 5908 was written and championed by members of the above-mentioned groups and are in support of this request.

Other Collateral Connections

HEAL Act Agencies Supplemental Questions

N/A

Puget Sound Recovery:

Not Applicable

State Workforce Impacts:

Not Applicable

Intergovernmental:

Tribal youth in DCYF's care will be affected by this proposal, with the same benefits as all other EFC young adults. Anticipated impact to other state agencies is minimal.

Stakeholder Impacts:

Non-governmental stakeholders impacted by this proposal includes Treehouse, The Mockingbird Society, Legal Counsel for Youth and Children, A Way Home Washington, and various other young adult advocacy groups. SB 5908 was written and championed by members of the above-mentioned groups and are in support of this request.

State Facilities Impacts:

Not Applicable

Changes from Current Law:

Not Applicable

Legal or Administrative Mandates:

Not Applicable

Governor's Salmon Strategy:

Not Applicable

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2026	2027	2025-27	2028	2029	2027-29
Obj. A	\$635	\$635	\$1,270	\$635	\$635	\$1,270
Obj. B	\$220	\$220	\$440	\$220	\$220	\$440
Obj. E	\$14	\$14	\$28	\$14	\$14	\$28
Obj. G	\$18	\$18	\$36	\$18	\$18	\$36
Obj. J	\$54	\$0	\$54	\$0	\$0	\$0
Obj. N	\$2,094	\$2,094	\$4,188	\$2,094	\$2,094	\$4,188
Obj. T	\$158	\$158	\$316	\$158	\$158	\$316
Obj. A	\$139	\$139	\$278	\$139	\$139	\$278
Obj. B	\$53	\$53	\$106	\$53	\$53	\$106
Obj. E	\$4	\$4	\$8	\$4	\$4	\$8
Obj. G	\$5	\$5	\$10	\$5	\$5	\$10
Obj. J	\$14	\$0	\$14	\$0	\$0	\$0

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