STATE STRATEGIES TO MITIGATE THE IMPACT OF HOUSING INSTABILITY ON CHILD WELFARE INVOLVEMENT

INTRODUCTION

Each year, the National Governors Association (NGA) welcomes the nation's Governors to Washington, D.C., for the annual NGA Winter Meeting. During the three-day meeting, Governors discuss issues most pertinent to the states and territories and connect with national experts representing the business sector, academia, philanthropy and government. During the **2024 Winter Meeting**, NGA Vice Chair Colorado Governor Jared Polis led a roundtable discussion on housing affordability and availability, where the Governors from Delaware, Hawai'i, Maryland, Montana, New Jersey, North Dakota, Oregon, Rhode Island, Utah and Wyoming discussed approaches and common barriers, with Montana Governor Greg Gianforte sharing that "[housing] is the number one issue facing working families."

Housing is a topic that increasingly has Governors reaching into their State Executive toolbox. Why? Traditionally, most of the funding for housing initiatives has flowed directly through counties and municipalities; however, the advent of such federal programs like the State and Local Fiscal Recovery Fund (SLFRF) and the Emergency Rental Assistance Program (ERAP) that supported states' ability to address consequences of the COVID-19 pandemic has opened the door to Governors having more policy and funding levers at their disposal. As Governors continue to seek mechanisms that can support the care and well-being of families, one of their biggest responsibilities, prudent leaders should explore the interaction between housing instability and child welfare involvement impacting thousands of families each year. Family housing instability, whether it entails experiencing homelessness or facing an impending eviction, can directly lead to the entry of a child into the foster care system or exacerbate stress, placing additional burdens on struggling families. Across the country, concerns about housing were noted in nearly one out of every 10 cases of children entering foster care in Fiscal Year 2021. Between a lack of stable housing and issues with housing quality (like inadequate heating, electricity, etc.), this is a paramount concern for state child welfare agencies.

Apart from triggering a removal, housing instability can also delay family reunification; if a family does not have a safe and stable place to live, a child welfare agency may be hesitant to return a child to the family's care. Housing instability is correlated with threats to the safety of children, including higher rates of physical abuse. Housing instability and parental separation can also generate toxic stress generate toxic stress, an adverse childhood experience (ACE) that can cause negative health outcomes for a child in the long term, like physical and mental illness. Furthermore, research shows that youth who age out of foster care (who leave foster care as adults without returning to live with their family or another family) are at a higher risk for homelessness, substance use and unemployment.

Governors should consider opportunities to achieve two aims at once and explore the relationship between housing and child welfare. When housing instability delays family reunification, it causes an additional administrative burden for the child welfare agency. Child welfare systems require significant levels of state investments. During Fiscal Year 2018, state agencies invested more than $15 billion of state and local funds into child welfare services; moreover, states bear the costs of placing children outside of their home, which placement options are fewer and farther between due to a mismatch between feasible foster care arrangements, the number of children in need of services, and a shortage caseworkers to manage placements and services.

Particularly vexing has been a recent uptick in the number of children sleeping in child welfare agency offices due to a shortage of foster families and available placements. Fortunately, housing interventions for at-risk families can mitigate risk of entry into, as well time spent in, the child welfare system. Research from the Sierra Health Foundation indicates that housing interventions may be less expensive to states than the cost of providing out-of-home care. Upstream prevention programs do require state investments but can help curb downstream (placement) costs for the state.

As states consider strategies to move human services upstream to address these challenges before children are removed from their homes, Governors have the opportunity to leverage housing supports as a tool to prevent the removal of a child from their family and reduce the amount of time that children spend in-out-of-home foster care placements.

The examples below demonstrate some of the policy levers at a Governors' disposal, including:

- Supporting programs that directly limit the entry into or remainder of a child in the child welfare system as a result of housing instability,
- Breaking down siloes between housing and child welfare agencies to better connect families to services, and
- Braiding and blending funds from innovative sources to create a robust network of housing supports available for families.

A lack of stable housing can lead to:

- ❖ The entry of a child into foster care or barriers to family reunification, which can cause financial and administrative burdens for state agencies and
- ❖ Negative long-term physical and mental health outcomes for the children involved, related to trauma and toxic stress.

TOOLS AND EXAMPLES

Tool 1: *States can create or support programs that expressly address the connection between housing instability and entry into the child welfare system and provide support to families at risk.*

- **Illinois's** Norman Services program exists to support families who have one or more children at risk of being placed in the care of the Department of Children and Family Services or who cannot return home explicitly due to a lack of basic needs, including stable shelter. Once enrolled, they are eligible to receive emergency cash assistance for rent, repairs, utilities, or support through the Housing Advocacy Program that dedicates a caseworker to help families navigate housing issues.

Tool 2: *Governors can break down siloes between state agencies to streamline the pathway for families involved with child welfare systems so they can receive housing services, or at least ensure the perspective of child welfare experts is included in housing and homelessness policy. By connecting the state agencies responsible for administering child welfare and housing services, Governors foster a culture of collaboration and knowledge-sharing.*

- **New Jersey** has an Office of Housing embedded within the Department of Children and Families (DCF) that exists to ensure that DCF's housing services are accessible, culturally competent and meet the needs of New Jersey families. The Office of Housing was created in response to growing evidence that housing stability was impacting family stability, with more than 40% of families with a child in foster care reporting housing strife in 2019.
- While not directly focused on youth, the **Minnesota** Interagency Council on Homelessness (MICH), created in 2013 to end homelessness in the state, is a cabinet-level body currently co-chaired by Lt. Governor Peggy Flanagan, the Department of Human Services (which oversees child welfare in the state) and the Minnesota Housing Authority. The council was created to identify strategies to prevent or shorten periods of homelessness and reduce rates of recurring homelessness. The council is comprised of 13 state agency commissioners, including the Department of Public Safety, the Department of Veterans Affairs and the Department of Health.
- In 2020, **New Hampshire** Governor Chris Sununu rebooted the state's Council on Housing Stability and has been a champion of the Council's mission to reduce homelessness in the state. The Council is comprised of mayors, private sector leaders, lived experience voices and representatives from many state departments, including the Housing Finance Authority and the Division of Children, Youth, and Families, all at the appointment of the Governor.

Tool 3: *By being creative in their approach to braiding and blending federal funding, Governors can create a diverse map of housing supports available for families at risk of entering the child welfare system or those striving to be reunified with their children.*

- Both **Wisconsin** and **Ohio** draw down Temporary Assistance for Needy Families (TANF) dollars for housing support for child welfare-involved families. In Wisconsin, families are eligible for an emergency assistance program through the Department of Children and Families that offers a one-time payment for an emergency housing or utilities expense. Ohio's Prevention, Retention, and Contingency Program provides services and aid to families under 200% of the federal poverty level experiencing an emergency, including housing issues.

- **Oregon** recently submitted and was approved for an 1115 waiver that allows the state to leverage $1.1 billion in Medicaid funds to address issues like inadequate housing that contribute to poor long-term health outcomes. These funds can be used to provide housing support for up to six months for vulnerable populations, specifically youth aging out of foster care.
- There are also ways to use child welfare prevention funds, like Title IV-E funds through the Family First Prevention Services Act. By targeting families struggling with substance use, **Kentucky's** Sobriety Treatment and Recovery Teams (START) program makes available flexible funding to cover basic needs like housing and utility assistance for families with at least one child in the child welfare system. To qualify, the child must be under 6 years old, and parental substance use must be a primary risk factor to the child's safety. The START Pilot Program demonstration was conducted through the waiver authority granted in the federal foster care law and was deemed "Supported" by the Title IV-E Prevention Services Clearinghouse in 2020.

CONCLUSION

Family housing instability can both lead to, and prolong, involvement with the child welfare system, a process that can be both expensive to the state and traumatic for the child. Governors have addressed this intersection by developing solutions exclusively to meet the needs of these families. States that create housing programs administered by the child welfare agency can see reduced siloing between the agencies that work with these families and facilitate blending and braiding of federal funds to maximize the amount of support available. The National Governors Association continues to support Governors' priorities on child welfare, housing, and related issues and is committed to helping them address these unique problems in their states.

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