The State of the Children: An Examination of Government-Run Foster Care

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Executive Summary

More than 650,000 American children will spend all or part of 1997 in government-run foster care — in foster homes, group homes, children's shelters and other institutions. Most will enter due to substantiated abuse or neglect. Although the foster care system was designed to provide *temporary* care, all too often children remain in state custody for years. This year some 15,000 foster children will leave the system — without permanent families — by reaching the age of majority.

With the lives of the nation's most vulnerable children hanging in the balance, policymakers are attempting to untangle the bureaucratic complexities of foster care. However, they are doing so without the benefit of even the most basic information, such as the number of children in foster care in every state. The Adoption Assistance and Child Welfare Act of 1980 required that every state establish an information system to collect data on children in foster care, but the federal government did not specify what data had to be collected.

This study is the result of a two-year undertaking by the Institute for Children to gather accurate data on three of the most pressing questions in child welfare: (1) How many children are in foster care? (2) How many of these children are legally free to be adopted? (3) How well are the states doing at finding adoptive homes for children? Among the findings:

- As of the close of fiscal 1996, 526,112 children were in state-run substitute care.
- Although 22,491 children were adopted from foster care last year, another 53,642 one in 10 foster children were legally free for adoption but still in state care at year-end.
- Even in the six states with the highest number of foster child adoptions, there were more children awaiting adoptions at the beginning of 1997 than had been placed for adoption during the entire 1996 fiscal year.

The failures of the current system are costly in more ways than one. The nation will spend more than \$12 billion on public agency child welfare this year. There are also indirect social costs that can extend for years after a child leaves the system. For example, foster children who turn age 18 in care are overrepresented among welfare recipients, prison inmates and the homeless.

While about two-thirds of children in foster care eventually return to their biological families, thousands of others become legally free for adoption when the rights of their biological parents are terminated by a court. Why are states not doing a better job at placing them in new families? One reason may be that public foster care agencies are driven by reverse financial incentives. The federal government reimburses states for foster care costs based on the number of children in foster care per day. There are no

financial incentives to move children out of foster care. Further, the federal government does not require states to actively seek adoptive homes for all free-to-be-adopted children. As a result, they are all too often assigned instead to a series of foster homes, group homes or institutions, or enrolled in the federally funded Independent Living Program (where they are supposed to be taught how to live on their own).

Is it possible that there are too few families willing to adopt foster children? The evidence suggests otherwise. In the private sector, adoption is flourishing. Not including adoptions by relatives, an estimated 60,000 children will be adopted this year, with the majority placed through private adoption agencies and independent attorneys. By everyone's reckoning, demand exceeds supply. While detractors often claim that Americans are interested only in adopting healthy white babies, a national survey commissioned by the Institute for Children found that 71 percent of Americans, if adopting, would be willing to adopt a foster child.

Both federal and state governments must reduce the barriers to adoption of foster children through private agencies. Further, the system must reward efforts to increase adoptions and penalize laggard performance.

- At both the federal and state levels, the goal should be a 12-month maximum stay in foster care before the child is either reunified with the biological family or adopted.
- The loosely used and overused term "special needs" must be redefined to mean only children
 with physical or other types of handicaps that would either require ongoing medical attention
 or otherwise result in increased cost to adoptive families.
- States should be required to report publicly each year the number of foster children in state care, the number free to be adopted but not in pre-adoptive placements and the number of state-approved adoptive families who have been recruited and are seeking to adopt.
- The federal government should base payments to the states on the tangible outcomes listed above rather than on program growth.

Creating a workable adoption system for foster children is possible. The key components are already in place. Private, community-based organizations are providing foster and adoptive parent recruitment and support. Businesses are contributing time, talent and treasure to promote adoption. Individuals are spearheading efforts to assist children through mentoring programs for foster teens. Combined with needed public policy reforms, these private endeavors can create a more efficient and more humane system for America's foster children.

Government-Run Foster Care: An Overview

For most of America's history, the care of parentless children was handled by private, often faith-based, entities. This was to the benefit of needy children. Privately funded organizations must prove their efficacy to stay in business; funders will cease to support a charity that is failing its constituents. By contrast, today's government-run foster care is essentially funded to fail. The system has developed into a monopoly run by state and county bureaucracies, but substantially directed through funding by the federal government. Government-operated child welfare is charged with the care of the nation's most vulnerable citizens. One major aspect of child welfare is foster care, a system of "temporary" substitute care designed to protect children whose biological parents cannot or will not provide safe homes for them. More than half a million American children are in government-run foster care today. About 650,000 children will spend all or part of 1997 in this system, placed in foster homes, group homes, children's shelters or other institutions. See the sidebar on What Is Foster Care?

The system is expensive. In fact, Americans spend more on the foster care "industry" than we spend on major league baseball.³

- This year America will spend \$12 billion on public agency (that is, government-operated) child welfare.⁴
- A year in foster care costs an estimated \$17,500 not including counseling and treatment programs for biological parents or foster and adoptive parent recruitment.⁵
- The Child Welfare League of America estimated in 1994 that the annual per-child cost for group home care was \$36,500.6
- In Michigan, per-year, per-child costs for institutional placements can average \$42,000.⁷

By most accounts, the system is failing. The well-publicized stories of child death in foster care offer the most vivid examples of this failure; an Arizona newspaper called a stay in foster care more dangerous than being a fighter pilot.⁸ Far more frequent, however, are the stories of loving foster parents who want to adopt a child who has been a part of their family for years, but are turned down because their race does not match that of the child, or the stories of generous, compassionate families willing to adopt an older or handicapped child who are turned away by a state system that is too inefficient to respond to their interest.

The data on foster care outcomes paint a dreary picture of a childhood in limbo, or sometimes lost. Despite a 1980 Congressional mandate that every foster child have a "permanency plan" — for reuniting the foster child with the biological family, or preparing for adoption or another outcome — estab-

[&]quot;By most accounts, the government-run foster care system is failing."

What Is Foster Care?

A child is placed in foster care when the situation in the biological parents' home becomes unsafe for the child's continued residence. The Child Protective Services (CPS) unit (sometimes otherwise named) of the public child welfare agency is called in to investigate allegations of abuse or neglect. If the allegations are substantiated and the circumstances are determined to pose an immediate threat, a child can be removed from the biological parents and become a ward of the state, court or county. Some children are placed in foster care because of what are termed "parental conditions" including illness, drug addiction, incarceration, mental illness, homelessness, etc. In some instances — even in cases of substantiated abuse or neglect — state social workers will leave a child with the biological parents, but pursue a course of rehabilitative or corrective action with the parents.

Once a child is removed from the home by the state, he or she is placed in either a family foster home or a group home facility. Family foster home caregivers are individuals or couples who agree to take in a foster child for an unspecified amount of time while the child's biological parents undergo treatment, counseling or rehabilitation. These caregivers are paid a stipend by the state to care for the child. Some family foster homes are "kinship care" homes — that is, the caregivers are biological relatives of the child (often grandparents or aunts and uncles) who agree to care for the child temporarily; kinship caregivers are also paid by the state.

While a youngster is in foster care, his or her social workers develop a "permanency plan," which stipulates whether the child is intended to return to the biological parents once they meet certain requirements (about two-thirds of foster children are "reunified" with their biological parents), or whether the child is to be adopted, assigned to a guardian or left in long-term foster care. Before a child can be placed for adoption, the court must hold a termination of parental rights (TPR) hearing to approve severance of legal ties with the biological parents.

lished within 18 months after the child enters substitute care, permanency planning has not guaranteed permanent homes for children.

- The American Civil Liberties Union reported in 1993 that one in four foster children remains in care 4.3 years or more; one in 10 stays in care longer than seven years.⁹
- About 30 percent of foster children who were in care at the end of fiscal 1990 had experienced three or more different placements (different foster homes, group homes or shelters) during the preceding three years.¹⁰
- Although most foster children who leave the system return to their biological families, about one-third of those children eventually reenter the system.¹¹
- Some 15,000 youngsters will reach the age of majority this year and leave foster care without a permanent family — for example, New York City alone will discharge some 4,000 foster care "graduates" out of the system when they reach the age of majority.¹²

Why Children Enter Foster Care. Entry rates are driven in part by the number of substantiated cases of child abuse and neglect. According to the National Committee of Prevent Child Abuse, reports of abuse and neglect increased steadily during the past 10 years (45 percent nationwide since 1987), but increased by only 1 percent between 1995 and 1996. In 1996, 31 percent of the reports, or an estimated 969,000 cases, were substantiated—that is, abuse or neglect was found to have occurred and thus led to the involvement of a child in protective services (including in-home care such as family preservation and out-of-home foster care). The number of substantiated cases fell from 1994 to 1995, and again from 1995 to 1996; in fact, the 1996 figure was the lowest since 1991.

An oft-cited reason for the growth of the foster care population is increasing rates of drug use among women. The Massachusetts Department of Social Services Internet site attributes the heightened numbers of children in foster care to "an explosion of substance abuse and domestic violence." ¹⁶ In 1990 the House Committee on Ways and Means reported that officials in New York City attributed a 300 percent increase in child abuse and neglect by substance abusing parents to the introduction of crack cocaine. ¹⁷ A longitudinal study of foster care in Oregon found that 54 percent of parents whose children entered care between 1991 and 1993 were abusing drugs or alcohol. ¹⁸ A National Institute on Drug Abuse survey designed to estimate the drug use of women who gave birth in 1992 found that "221,000, or 5.5 percent of the women used some illicit drug during pregnancy," including an estimated 34,800 who used crack. ¹⁹ The American Public Welfare Association reported that in 1990:²⁰

"Child abuse, neglect and drug use by parents account for much of the foster child population."

- Just over 50 percent of children who entered foster care entered because of abuse or neglect.
- Another 20 percent of children entered the system due to parental abuse or parental condition such as incarceration, drug addiction and/or illness.
- Only 2 percent entered due to a handicap or disability of the child, and 11 percent due to status offense (such as truancy) by the child.
- The other 15 percent entered for other or unknown reasons.

How the System Has Expanded. The size and scope of America's public agency child welfare system has grown exponentially in the past three decades. As of 1990, the number of children in substitute care was growing at a rate 33 times greater than the U.S. population of children in general.²¹ As Figure I shows, the substitute care population grew from 262,000 at the end of fiscal 1982 to 468,000 at the end of fiscal 1994.²² The Institute for Children found that on the final day of fiscal year 1996, with all states reporting, there were 526,112 children in substitute care.²³ As noted above, we believe that 650,000 children will spend all or part of this year in foster care.²⁴

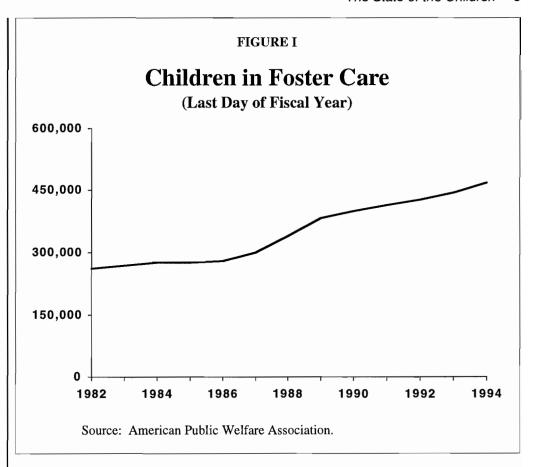
Fewer children are leaving foster care than are coming in. For each of the years from 1983 to 1994, more children entered than exited the system.²⁵ The American Public Welfare Association has documented how the growth in the substitute care population has been influenced more by declines in exit rates than increases in the number of children entering care.²⁶

A Growing Proportion of Racial Minorities. The Children's Bureau reports that girls and boys are represented almost equally in foster care. Of those who entered care in fiscal 1990, 47 percent were white, 31 percent were black and 14 percent were Hispanic.²⁷ Minorities are becoming an increasing proportion of children in care. In a study of 12 states, the APWA found that although the actual numbers of black and Hispanic children who left care between 1984 and 1990 increased, the rate of exit "consistently lagged behind the rates of exit among white children throughout the period."²⁸

The Chapin Hall Center for Children at the University of Chicago studied foster care trends in five states (California, Illinois, Michigan, New York and Texas) in which almost half the nation's substitute care population is concentrated. The study found that controlling for variables, black children could be expected to stay in foster care 32 percent longer than white children. In California, black children could be expected to stay 41 percent longer. ²⁹

Younger Children, Longer Stays. The average age of children in foster care is declining — and an increasing proportion of foster children are infants.

"Fewer children are leaving foster care than are coming in."



"The substitute care population grew from 262,000 at the end of fiscal 1982 to 468,000 at the end of fiscal 1994."

- The median age of children in foster care has declined steadily from 12.6 years in 1982 to 11.5 in 1986 to 8.6 in 1990.³⁰
- The Chapin Hall study found that, controlling for variables, children who entered foster care as infants could be expected to stay 22 percent longer than children entering at ages 1 to 5, and 20 percent longer than those entering at ages 6 to 8.³¹

In other words, infants, who would be expected to leave sooner, are likely to stay in longer than older children entering foster care.

Poor Prospects for Graduates of the System. The social costs of foster care's poor outcomes are staggering. In New York City, more than 60 percent of the homeless population in municipal shelters are former foster children.³² The costs are especially high for youngsters who leave the system at age 18 (or another age determined by the state) without having been adopted.

Westat, Inc., of Rockville, Md., found that 2.5 to four years after youths left foster care, "46 percent had not completed high school, 38 percent had not held a job for more than one year, 25 percent had been homeless for at least one night and 60 percent of young women had given birth to a child. Forty percent had been on public assistance, incarcerated or a cost to the community in some other way." 33

The Exit to Adoption Is Blocked

More than 50,000 foster children are legally free to be adopted, yet remain in the uncertainty of so-called temporary foster care. These are children for whom the TPR ("termination of parental rights") decision has already been made: they became legally free for adoption when a court terminated the rights of their biological parents.³⁴ This process is so time-consuming that it can take the better part of a childhood to complete. The U.S. Department of Health and Human Services (HHS) estimated that in 11 states studied it takes, on average, from 12 months to 78 months between the point a child enters foster care and completion of the termination of parental rights.³⁵ Once legally freed, a child will not return to his family of origin. Family preservation and family reunification services have ended, and thus the legal barriers to adoption are gone. However, other barriers remain.

- In the states studied by HHS, children who are adopted from foster care leave the system between 3.5 and 5.5 years after they enter. ³⁶
- Almost half (46 percent) of the children awaiting adoptive placement in 16 states at the end of 1990 had spent two years or more waiting for a permanent family.³⁷
- Another 21 percent of children had waited for one to two years.³⁸

The most troublesome obstacles to foster-child adoption are: (a) a federal funding scheme that compensates states for keeping children in care; (b) the failure of states, including the court system, to expedite adoptive placements; (c) overuse of the "special needs" categorization; and (d) a lack of public awareness about the number of children in foster care who are legally free for adoption but not in pre-adoptive homes.³⁹

The federal government reimburses states for foster care costs on a per-day, per-child basis – even after children are legally free for adoption – rewarding growth in program size instead of effective care. Additionally, federal law requires that in order to secure foster care funding through Title IV-E (this year states will claim an estimated \$3.6 billion for Title IV-E foster care), states must meet "reasonable efforts" to preserve at-risk families and to reunify abused and neglected children with their biological parents.⁴⁰ In practice, this is one of the factors that has resulted in a bias toward reunifying children with even the most abusive and neglectful biological parents.⁴¹

States are failing to expedite the adoption of foster children who are legally free for adoption. The federal government does not require states to finalize foster child adoptions expeditiously, and even its attempts to do so have proved impotent. For example, although the 104th Congress tried to eliminate adoption delays caused by race-matching, a social work preference for same-race adoption is still practiced in many jurisdictions.

"The way the federal government reimburses states rewards growth in program size instead of effective care."

While a few bellwether states use private adoption agencies, most states maintain a monopoly on the adoption process. The federal government does not require that states actively seek adoptive homes for all free-to-beadopted children. Many of these children are often assigned instead to longterm foster care and/or the federally funded, \$70 million per-year Independent Living Program. This program has been criticized by adoption advocates; as one put it: "To a kid in foster care, Independent Living means 'I'm homeless at 19.""

Major Findings State-By-State

The federal government acknowledged 17 years ago that accurate tracking data on children in substitute care would be important in addressing the particularities of the system, but its mandates for information have largely gone unfulfilled. Many states could not easily report basic, broad details about their foster care caseloads. Some of the most important statistics are largely uknown — like the number of children who have had their biological parents' rights terminated and are legally free to be adopted. Today, most national estimates fall well below the mark of the true number of children who need homes. President Clinton's Adoption 2002 plan calls for 54,000 adoptions from foster care in the year 2002 — a goal that is barely adequate to meet the need for homes for children who are parentless and legally free to be adopted today. Recognizing that policymakers and the public did not have this basic information on child welfare, the Institute for Children, over a twoyear period, gathered, updated and confirmed data for each state and the District of Columbia. [See the Sidebar on Methodology of the State-by-State Study.]

"53,642 foster children were legally free for adoption at the start of fiscal 1997."

As shown in Table I, the Institute found that:

- At the close of fiscal 1996, 526,112 children were in state-run substitute care.
- More than half of these children were concentrated in seven states.
- Based on written documentation from 47 states, 53,642 foster children were legally free for adoption.
- The actual number of legally free children was higher, since Connecticut and Montana reported that the number was "not available" and Arizona and the District of Columbia left the survey question blank.
- 22,491 foster child adoptions were finalized in 47 states in fiscal 1996.

Methodology of the State-By-State Study

To conduct its two-year study of public agency child welfare, the Institute for Children (IFC) designed a survey template that could be used for all 50 states and that addressed a number of critical questions about child welfare. IFC researchers then identified the most appropriate recipient ("contact person") for the survey within each state's child welfare agency. Surveys were sent to the contact person in each state, and the IFC subsequently contacted every state and secured updates and verification. Many states were initially reluctant to divulge information and others had difficulty synthesizing the requested data. Some states were unable to procure certain figures, leaving sections or individual questions blank or marked "NA." However, upon completion of the study, written verification on key questions was secured from all 50 states.

States' tracking methods and fiscal years vary. Therefore the statistics reflected in this report are limited to what states could provide in writing and within the study deadlines. Furthermore, the number of children in care changes daily; the figures reflected here were the most current available upon completion of the study in May 1997.

States' procedures for termination of parental rights also vary. Most states petition for legally freeing a child for adoption when it becomes clear that he can never return to his biological family. However, a few states will not file a petition or consider a child free to be adopted until an adoptive placement has been found. This practice leads to slow transitions from foster care to adoption. Thus the number of children legally free for adoption as indicated by the states and cited in this report is likely lower than the number of children who will soon need an adoptive home and who could be considered ready to be adopted.

States had difficulty supplying data. Thirty-one states changed contact persons during the two-year study. The District of Columbia was unable to provide any data for 1996; all calls and faxes during 1997 went unanswered. Four of the states with the highest prevalence rates could not identify the number of free-to-be-adopted children for whom the state was actively seeking an adoptive home. North Carolina's figure for finalized adoptions is not reliable as it includes adoptions finalized in previous years. New York, with the highest number of foster children legally free for adoption, could not provide the number of 1996 finalized adoptions. South Dakota does not keep records on the number of children whose adoptions were finalized in the last fiscal year; the same is true for Tennessee. Contacts in several states indicated that they did not have reporting systems in place that would provide all the data requested by the IFC, which was far less comprehensive than the data required by the federal government.

TABLE I

State of the Children, Fiscal Year 1996

	Out attenta Oana	Foster Child	Foster Children	Children in
State	Substitute Care Population	Adoptions Finalized During FY 96	Legally Free for Adoption at Start of FY 97	Care/1000 <u>Children</u>
Alabama	3,901	158	698	4
Alaska	1,880	93	204	10
Arizona*	5,666	333	left blank	5
Arkansas	2,238	76	212	3
California	93,985	3,845	7,209	11
Colorado	13,448	454	769	14
Connecticut*	6,679	142	not available	8
Delaware	925	48	74	5
D.C.**	2,558	97	left blank	22
Florida	10,440	1,397	1,796	3
Georgia	17,053	420	1,224	9
Hawaii	2,495	60	565	8
Idaho	801	57	100	2
Illinois	51,728	1,961	2,266	17
Indiana	9,650	464	803	6
lowa	5,369	380	500	7
Kansas	5,086	386	1,045	7
Kentucky	7,912	198	449	8
Louisiana	6,034	350	788	5
Maine	2,550	113	428	8
Maryland	7,694	400	450	6
Massachusetts	12,463	1,124	1,305	9
Michigan	17,003	2,189	3,790	7
Minnesota	17,561	275	1,056	14
Mississippi	3,210	107	324	4
Missouri	10,172	374	499	7
Montana*	1,921	77	not available	8
Nebraska	3,440	202	377	8
Nevada	3,198	110	117	8
New Hampshire	1,551	64	60	5
New Jersey	8,282	613	917	5 4
New Mexico	1,655	221	186	3
New York*	52,369	left blank	12,027	12
North Carolina	6,848	783	466	4
North Dakota	1,663	325	11	10
Ohio	18,420	1,201	3,588	6
Oklahoma	6,000	417	970	7
Oregon	9,660	558	367	12
Pennsylvania	21,329	352	1,966	7
Rhode Island	1,803	260	320	8
South Carolina	5,250	175	340	6
South Dakota*	722	not available	108	4
Tennessee*	12,500	not available	756	10
Texas	15,573	582	1,430	3
Utah	2,326	124	108	3
Vermont	1,413	34	118	10
Virginia	7,201	278	700	4
Washington	10,552	422	880	7
West Virginia	3,132	180	757	7
Wisconsin*	9,681	not available	507	7
Wyoming	1,122	12	12	8
Totals:	526,112	22,491	53,642	8
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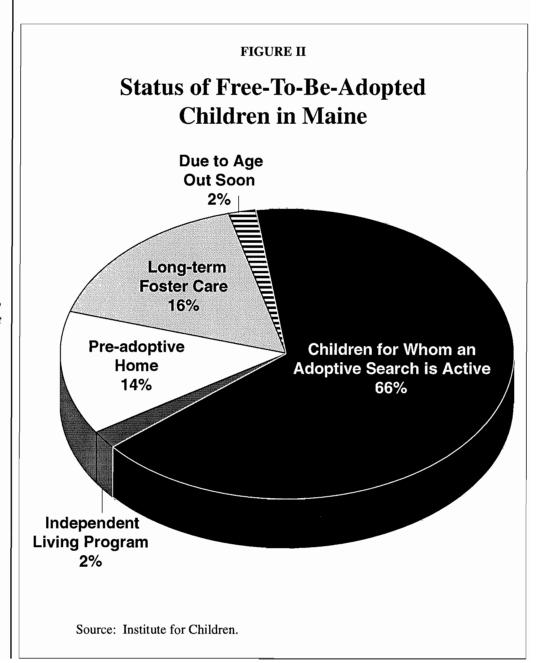
^{*} States with INCOMPLETE DATA

See Appendix for details on data in the table.

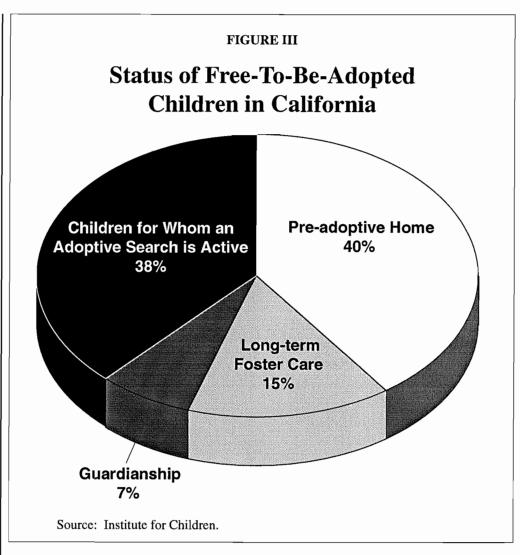
Source: Institute for Children.

^{** 1995} data used; 1996 not provided

Because the foster care population is constantly in flux, the numbers reported here are changing daily. Some of the children reported as free to be adopted at the end of 1996 were already in pre-adoptive homes; others have since been adopted. In the meantime, newly freed-for-adoption children have joined the ranks of foster children who wait for permanent families. The Institute for Children asked the states to provide a breakdown of the status of children who were legally free to be adopted. Many were already in pre-adoptive homes, but for a significant number of others, adoption was not a goal, despite the fact that their biological parents' rights had been terminated. Figures II, III and IV show the status of TPR children in three diverse states: Maine, California and Wisconsin.



"No effort was being made to place for adoption 20 percent of free-to-be-adopted children in Maine."



"California was making no effort to place for adoption 15 percent of its free-to-be-adopted foster children."

- No effort was being made to place for adoption 20 percent of the free-to-be-adopted children in Maine and 15 percent in California.⁴²
- By contrast, only 4 percent of free-to-be-adopted children were in long-term foster care or an Independent Living Program in Wisconsin.

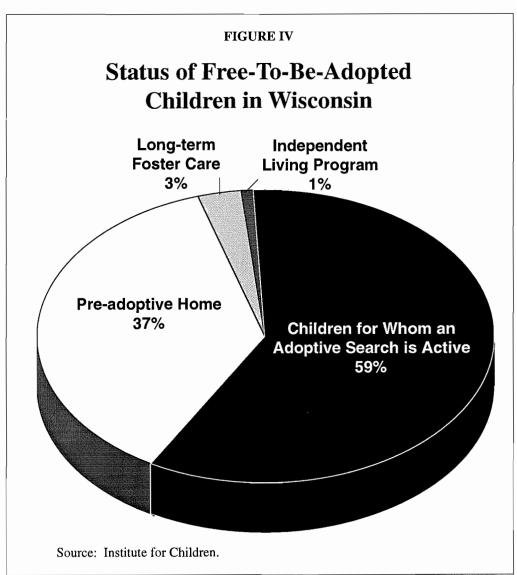
As Table I shows, nationwide, eight of every 1,000 children were in substitute care at the end of fiscal 1996. In some states, the prevalence of foster care placement was much higher than the national average. In Illinois, it was 17 of every 1,000; Colorado and Minnesota reported that 14 of every 1,000 children were in foster care; and the District of Columbia, reporting for 1995, had a prevalence rate of 22, almost three times the national average. Interestingly, substitute care prevalence rates do not seem to be predicated on the size of the state's total child population or by the presence of large urban centers. Included among the 10 states with the highest prevalence rates were California, New York and Illinois, which have extremely large child populations. Also included among the 10 jurisdictions with the highest prevalence rates were North Dakota, Vermont and the District of Columbia, which have

very small child populations. Rural states (Oregon, Alaska) were just as likely to have high prevalence rates as jurisdictions with large urban centers (New York, District of Columbia).

More than twice as many children were legally free to be adopted at the beginning of fiscal 1997 as were adopted in all of fiscal 1996. The six states with the highest numbers of adoptions in 1996 all began the 1997 fiscal year with greater numbers of free-to-be-adopted foster children still needing adoptive placements than the total placed during the prior year. For example, Ohio finalized 1,201 adoptions during 1996, but began the new fiscal year with another 3,588 foster children legally free for adoption. [See Figure V.]

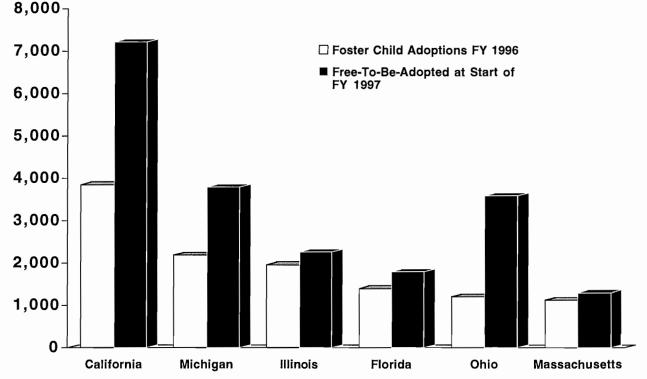
Many Would Adopt Foster Children

There is no shortage of Americans who would consider adopting a foster child. A survey commissioned by the Institute for Children and conducted by The Polling Company in Washington, D.C., found that 71 percent of



"In Wisconsin, only 4 percent of free-to-be-adopted children were in long-term foster care or an Independent Living Program."





Source: Institute for Children.

"71 percent of those polled said they would consider a foster child if adopting." individuals polled would, if deciding to adopt, consider adopting a child who had spent time in foster care.⁴³ Support for adopting a child who had been in foster care was high among all groups, regardless of income, geographical location, race or political affiliation.

Among Generation Xers, 76 percent responded favorably. So did 73 percent of baby boomers. Even 71 percent of pre-retirees and 62 percent of senior citizens said if they *were* adopting, they would consider a foster child.

- Those from high socioeconomic backgrounds and low socioeconomic backgrounds were equally likely to consider adopting a foster child (79 percent and 78 percent, respectively).
- Middle-class respondents were still very willing to consider adopting a foster child, but at a slightly lower level of enthusiasm (69 percent).
- Eighty-one percent of women under age 50 were willing to consider a foster child, compared to 68 percent of men under age 50.

"The 'special needs' designation has been broadened to become almost meaningless."

Some will argue that the reason foster children are not adopted is that so many of the children awaiting adoption have "special needs." This assertion paints an inaccurate and unfair picture of the children in foster care. Formal recognition of the need for adoptive placements for children with disabilities extends at least as far back as the 1955 National Conference on Adoption. Even 40 years ago, professionals recognized that some children were being subjected to "foster care drift" when they could instead be adopted.⁴⁴ When the Title IV-E Adoption Assistance Program was authorized by Congress in 1980, its intent was to encourage adoption — rather than longterm foster care — for children with special needs. A child was to be so categorized only after the state had determined that the child could not be adopted without the federal funding triggered by categorization as having special needs. In part because states can garner extra federal funds for special needs children, the designation has been broadened to become almost meaningless.

- In 1993, all but three states used "race" or "race plus age" as a trigger for special needs categorization.⁴⁵
- In the same year 20 states used "emotional ties to foster parents" as a trigger for labeling a child as having special needs.⁴⁶ This means that if a child is growing up and forming attachments to the people who care for him, and he is a foster child, in 20 states he is classified as special needs.
- Some states use religion as a trigger for special needs categorization.47
- In 1993, Florida, Louisiana and Wisconsin reported that 100 percent of public agency adoptions were special needs adoptions.⁴⁸

There are many consequences to this practice. More than two-thirds of all foster children awaiting adoptive placement at the end of fiscal 1990 had been categorized as having special needs.⁴⁹ Special needs children are wrongly viewed as less desirable, sometimes even called "unadoptable." Prospective adoptive parents, unaware of the overuse of the term, may be dissuaded from the adoption process. Meanwhile, the needs of severely disabled children are downplayed, as they become included in the same category as a child who is biracial or has a sibling.

The notion that certain children are not adopted from foster care because would-be adoptive parents are interested only in healthy white babies is a myth. Evidence shows that no child is unadoptable. For example, Jim Jenkins of the Children with AIDS Project in Phoenix — a nonprofit group that takes no government funding — has recruited more than 1,000 parents to adopt AIDS orphans and HIV-positive babies. California's Child SHARE (Shelter Homes: A Rescue Effort) is an entirely privately funded nonprofit

organization that works through a network of religious communities in Los Angeles County to recruit foster and adoptive parents. Child SHARE provides training workshops, parent-led support groups, emergency child care and baby-sitting. It also maintains church-based co-ops to provide clothes, toys and other supplies for foster children. With its comprehensive support mechanisms, Child SHARE achieves remarkable results that lead to stability and permanency for children: 70 percent of children in Child SHARE homes stay until they are reunited or adopted, eliminating the trauma of multiple placements; additionally, more than 15 percent of children in care are adopted by their Child SHARE foster family. The success of these private efforts makes the public child welfare bureaucracy appear by comparison even more ineffective.

Reshaping the Foster Care System

With more than 50,000 foster children legally free for adoption, a favorable attitude by a preponderance of Americans toward considering the adoption of a foster child and a large number of families seeking to adopt, why are more foster children not adopted? Why are so many reaching age 18 and exiting the system, still without a permanent home?

The system itself must bear much of the blame because of the flaws cited previously in this study. Both federal and state governments must reduce the barriers to adoption of foster children through private agencies. Further, the system must reward efforts to increase adoptions and penalize laggard performance.⁵⁰ The federal government should:

- Base payments to states on program efficacy, with emphasis on how effectively the states secure safe, permanent homes for children — either in the biological or an adoptive family.
- Require states to follow a 12-month timetable from the day a child enters foster care until he is either reunified with his biological family (with a one-time extension to 24 months) or adopted, and grant funding accordingly.
- Redefine "special needs" to mean children with physical or other types of handicaps that would either require ongoing medical attention or otherwise result in increased costs to adoptive families.
- Require states to report publicly each year the number of foster children in state care, the number free to be adopted but not in preadoptive or guardianship placements and the number of stateapproved adoptive families who have been recruited and are seeking to adopt.
- Give greater autonomy over foster care to the states to encourage more initiatives in the private, voluntary sector.

"Both federal and state governments must reduce the barriers to adoption of foster children through private agencies."

States in turn should:

- Enact policies and practices that have as their goal a 12-month maximum stay, so that foster care is viewed as a truly temporary form of caring for vulnerable children.
- Grant biological parents no more than 12 months to prove their fitness to resume custody of their children.
- Give unwed noncustodial biological parents 30 days from the birth of a child to formalize their parental rights or forfeit the right to contest adoption.
- Prohibit race-based delays in adoption.
- Terminate parental rights for abandoned children after 30 days and allow adoption through private agencies without placement in foster care.
- Require Departments of Social Services (or equivalent agencies) to practice concurrent planning from the first day a child enters foster care; this way, by the time a child has been freed for adoption, an adoptive home should have been identified.
- Require Departments of Social Services (or equivalent agencies) to secure adoptive homes for children within 30 days after the termination of parental rights or contract the adoption process out to a private agency.

Child welfare policy must shift away from reliance on government programs, toward an expanded role for the private, charitable sector. The focus should be on the well-being of children, rather than the growth of staterun programs. Since no program can ever replace the love and commitment of a caring family, the ultimate goal *must* be a permanent home for every one of America's children.

The authors express their gratitude to Ted Kulik, Shamim Nielsen, Amory Downes, Angelica Marin, Kirby Files, Marya Klugerman, Adriana Best and Tim Cull for their valuable contributions to the two-year Institute for Children study of public child welfare agencies. The Institute for Children gratefully acknowledges the dedication and attention to detail of The Polling

Company, Washington, D.C.

NOTE: Nothing written here should be construed as necessarily reflecting the views of the National Center for Policy Analysis or as an attempt to aid or hinder the passage of any bill before Congress.

"The focus should be on the well-being of children rather than the growth of state-run programs."

Notes

- ¹ "Substitute care" is out-of-home placement under the supervision of a public child welfare agency. In this report, the term "foster care" is used as an umbrella term for out-of-home, government-run substitute care, including care in foster families (including kinship care foster families), group homes and other institutions. The term does not refer to children who are receiving family preservation services in their biological family home. The American Public Welfare Association reported that at the end of fiscal year 1990, 74 percent of children in substitute care were in foster homes, 3 percent were in non-finalized adoptive homes (that is, they were already with their adoptive families but the formal process was not yet complete), 16 percent were in group homes or emergency care, less than 1 percent were living independently, and 6 percent were in "other" living arrangements. Toshio Tatara, *Characteristics of Children in Substitute and Adoptive Care* (Washington, DC: American Public Welfare Association, 1993), pp. 95-96. This finding based on 28 states reporting, accounting for 276,355 children, about 68 percent of the total substitute care population at the end of fiscal year 1990.
- ² In-care-today figure from original research on all 50 states conducted by the Institute for Children, Cambridge, MA. All-orpart-of-this-year figure based on: (1) In 1994, 698,000 children spent at least part of the year in state-run substitute care. American Public Welfare Association, figures revised July 1996. Committee on Ways and Means, U.S. House of Representatives, 1996 Green Book (Washington, DC: U.S. Government Printing Office, 1996), p. 743; and (2) In an APWA survey of 53 jurisdictions, 62.3 percent of respondents indicated that "substitute care population will increase." Toshio Tatara, "U.S. Child Substitute Care Flow Data for FY 92 and Current Trends in the State Child Substitute Care Populations," VCIS Research Notes No. 9, American Public Welfare Association, Washington, DC, August 1993, p. 10. Note on APWA figures: several states indicated that they included status offenders and juvenile delinquents in the substitute care data submitted to the APWA. Tatara, Characteristics of Children in Substitute and Adoptive Care, p. 17.
- ³ The American Almanac 1996-1997 Statistical (Austin, TX: Hoover's, 1996), p. 257; and "Average Baseball Ticket Up to \$11.98," Associated Press dispatch, March 28, 1997.
- ⁴ 1996 Green Book, p. 695; Robyn Lipner and Belinda Goertz, "Child Welfare Priorities and Expenditures," W-Memo, vol. 2, no. 8, American Public Welfare Association, p. 3.
- ⁵ Children's Rights Project, "Children's Rights Fact Sheet," American Civil Liberties Union, January 1995, p. 1.
- ⁶ 1996 Green Book, p. 707.
- ⁷ U.S. General Accounting Office, Foster Care: Services to Prevent Out-of-Home Placements Are Limited by Funding Barriers, GAO/HRD-93-76, June 1993, p. 62.
- ⁸ Daryl Bell-Greenstreet, "Foster Care Review Board Fails in its Duty Toward Children," *The Arizona Republic*, May 2, 1995, p. B4.
- ⁹ Children's Rights Project, A Force for Change (New York: American Civil Liberties Union, 1993), p. 2.
- ¹⁰ Tatara, Characteristics of Children in Substitute and Adoptive Care, p. 106, with 15 states reporting and accounting for 208,125 children or about 51 percent of total substitute care population at the end of fiscal 1990.
- ¹¹ Federal Register (1987). Cited in "Effectiveness of Family Reunification Services: An Innovative Evaluative Model," Social Work, vol. 37, no. 4, July 1992.
- 12 National figure based on (1) Tatara, Characteristics of Children in Substitute and Adoptive Care, pp. 71-72; this finding based on 24 states reporting, accounting for 106,713 children, about 53 percent of the total estimated number of children exiting substitute care during fiscal year 1990; and (2) Tatara, "U.S. Child Substitute Care Flow Data for FY 92 and Current Trends in the State Child Substitute Care Populations," p. 10 (APWA survey data of 53 jurisdictions, with 62.3 percent of respondents indicating that "substitute care population will increase"). New York figure based on interview with Pat O'Brien, You Gotta Believe! New York, February 12, 1996.
- Deborah Daro and Ching-Tung Wang, "Current Trends in Child Abuse Reporting and Fatalities: NCPCA's 1996 Annual Fifty State Survey," National Committee to Prevent Child Abuse. Available on the Internet at http://www.childabuse.org/5096sum.html. Data based on information from 39 states.
- ¹⁴ Ibid. Data based on information from 37 states.
- 15 Ibid.; "Child Abuse Rates Remain High," National Committee to Prevent Child Abuse. Available on the Internet at http://www.child abuse.org/rsrchl.html; and David Wiese and Deborah Daro, "Current Trends in Child Abuse Reporting and Fatalities: The Results of the 1994 Annual Fifty State Survey," National Committee to Prevent Child Abuse, April 1995, p. 5.

- 16 "Consider Foster Parenting," Massachusetts Department of Social Services. Available on the Internet at http:// www.state.ma.us/dss/foster.html.
- 17 1996 Green Book, p. 734. The period during which the reported increase took place was from 1986 to 1988.
- 18 Cohort Two: A Study of Families and Children Entering Foster Care 1991-93. Available on the Internet at http:// www.ncn.com/~rilg/CWP/cohort2/cohort.htm.
- ¹⁹ 1996 Green Book, p. 735.
- ²⁰ Tatara, Characteristics of Children in Substitute and Adoptive Care, pp. 56-57. This finding based on 19 states reporting, accounting for 112,726 children, about 46 percent of the total estimated number of children entering substitute during fiscal year 1990.
- ²¹ Ibid., p. 23.
- ²² American Public Welfare Association, figures revised July 1996. Cited in 1996 Green Book, p. 743.
- ²³ For the District of Columbia only, a 1995 figure of 2,558 was used. The District of Columbia did not provide 1996 data.
- ²⁴ The American Public Welfare Association's figures show that fiscal 1994 began with 444,000 children in care; during the year 254,000 entered the system and 230,000 exited, making a total of 698,000 children served. American Public Welfare Association, figures revised July 1996. Cited in 1996 Green Book, p. 743. The 650,000 figure for 1997 is a conservative estimate, considering that when the 50 states, the District of Columbia, Guam and Puerto Rico reported to the APWA on trends in substitute care growth, 33 of the jurisdictions stated that their substitute care populations would grow and another 11 predicted their substitute care populations would remain the same. Of the nine states that reported that their substitute care population would decrease, none stated that it would decrease by more than 10 percent. See Tatara, "U.S. Child Substitute Care Flow Data for FY 92 and Current Trends in the State Child Substitute Care Populations," p. 10 (APWA survey data of 53 jurisdictions, with 62.3 percent of respondents indicating that "substitute care population will increase").
- ²⁵ American Public Welfare Association, figures revised July 1996. Cited in 1996 Green Book, p. 743.
- ²⁶ Toshio Tatara, "A Comparison of Child Substitute Care Exit Rates Among Three Different Racial/Ethnic Groups in 12 States, FY 84 to FY 90," VCIS Research Notes No. 10, American Public Welfare Association, June 1994, p. 1.
- ²⁷ Tatara, Characteristics of Children in Substitute and Adoptive Care, pp. 51-52. This finding based on 23 states reporting, accounting for 121,879 children, about 50 percent of the total estimated number of children entering substitute care during fiscal year 1990.
- ²⁸ Tatara, "A Comparison of Child Substitute Care Exit Rates Among Three Different Racial/Ethnic Groups in 12 States, FY 84 to FY 90," p. 6.
- ²⁹ Robert M. Goerge et al., Foster Care Dynamics 1983-1992: A Report From the Multistate Foster Care Data Archive, The Chapin Hall Center for Children at the University of Chicago, 1994, p. 10, pp. 40-41.
- ³⁰ Tatara, Characteristics of Children in Substitute and Adoptive Care, p. 90.
- 31 Robert M. Goerge et al., Foster Care Dynamics 1983-1992; A Report From the Multistate Foster Care Data Archive, pp. 40-41.
- ³² Coalition for the Homeless, "Blueprint for Solving New York's Homeless Crisis," New York City, a report to Mayor David Dinkins, p. 101, cited in Pat O'Brien, "Youth Homelessness and the Lack of Relational Planning for Older Foster Children," You Gotta Believe! not dated.
- ³³ A National Evaluation of Title IV-E Foster Care Independent Living Program for Youth: Phase II Final Report, vols. I and II (Rockville, MD: Westat, Inc. 1991), cited in U.S. General Accounting Office, Child Welfare: Complex Needs Strain Capacity to Provide Services, GAO/HEHS-95-208, September 1995, pp. 14-15.
- ³⁴ In a small percentage of cases, parents voluntarily relinquish their rights.
- 35 Office of Inspector General, Barriers to Freeing Children for Adoption, Department of Health and Human Services, February 1991, pp. 7-8.
- ³⁶ Ibid., p. 10.
- ³⁷ Tatara, Characteristics of Children in Substitute and Adoptive Care, pp. 148-149, accounting for 9,173 children or 46 percent of the total estimated number of children awaiting adoptive placement at the end of fiscal 1990.

- 38 Ibid.
- ³⁹ Pre-adoptive homes are typically those of foster families who have been identified as potential adoptive parents for children currently in their care.
- ⁴⁰ Public Law 96-272, The Adoption Assistance and Child Welfare Act of 1980. 1996 Green Book, p. 695.
- ⁴¹ For other causes of this bias, see Conna Craig, "What I Need Is A Mom: The Welfare State Denies Homes to Thousands of Foster Children," *Policy Review*, Summer 1995.
- 42 Guardianship, shown in the California figure, is legal custody.
- 43 The "1996 Post-Election Survey" was administered by The Polling Company in Washington, DC. A comprehensive survey including 74 questions was administered by telephone to 1,200 respondents November 5-7, 1996. The sample consisted of 800 actual voters, 259 registered nonvoters and 141 nonregistered adults. The margin of error for the entire sample is ±2.8 percent at the 95 percent confidence level. The margin of error for the voting subsample is ±3.5 percent at the 95 percent confidence level. Participants in the survey were asked the following question devised by the Institute for Children: "Assume for a moment that you have decided to adopt a child. In so doing, would you consider a child who is, or has been, in foster care? Would you strongly consider, somewhat consider, consider only a little bit or not at all consider adopting a child who had spent time in foster care?" The Polling Company factored as positive responses only "strongly consider" and "somewhat consider" into its conclusions; the answer "consider only a little bit" was coded as a negative response.
- ⁴⁴ Michael Shapiro, A Study of Adoption Practice (vol. III): Adoption of Children with Special Needs, cited in Katherine A. Nelson, On The Frontier of Adoption: A Study of Special-Needs Adoptive Families, (New York: Child Welfare League of America, 1985), pp. 2-3.
- ⁴⁵ Patrick Curtis et al., *Child Abuse and Neglect: A Look at the States* (Washington, DC: Child Welfare League of America, 1995), pp. 86-87.
- ⁴⁶ Ibid.
- 47 1996 Green Book, p. 713.
- ⁴⁸ Patrick Curtis et al., Child Abuse and Neglect: A Look at the States, pp. 90-91.
- ⁴⁹ Tatara, *Characteristics of Children in Substitute and Adoptive Care*, pp. 143-145. Data are from 18 states, accounting for 9,134 children, or 46 percent of the total estimated number of children awaiting adoptive placement at the end of fiscal 1990.
- ⁵⁰ The Institute for Children has presented the recommendations listed here, beginning in 1993, in key states whose governors are making foster care reform a top priority, as well as to members of Congress.

Appendix

Notes to Table I

The most critical and complete data from the states is presented in Table I. Some of the additional information provided by the states is summarized in the following notes.

Alabama

Fiscal year ended: 30 September 1996. Data reported as of: 30 September 1996. The Alabama Department of Human Resources reported that of the 698 children who were legally free for adoption, an adoptive home search was active for approximately 200; the department did not report the reasons that a search was not active for the remaining free-to-be-adopted children. Contact: Ms. Carole Burton, Alabama Department of Human Resources, S. Gordon Persons Building, 50 Ripley Street, Montgomery, AL 36150; phone: (334) 242-1374; fax: (334) 242-0939.

Alaska

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Alaska Department of Health and Social Services reported that about 9 percent of the state's free-to-be-adopted children for whom an adoptive search was not active were assigned to "long-term foster care." Contact: Ms. Suzanne Maxson, Alaska Department of Health and Social Services, Division of Family and Youth Services, P.O. Box 110630, Juneau, AK 99811-0630; phone: (907) 465-3631; fax: (907) 465-3397.

Arizona

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Arizona Department of Economic Security left blank the IFC survey question on the number of children who were legally free for adoption. However, the Department reported that, as of 30 June 1996, 612 children had had their parental rights terminated and that an adoptive home search was active for 137 foster children. Contact: Ms. Carole Linker, Arizona Department of Economic Security, 1717 W. Jefferson, P.O. Box 6123, Phoenix, AZ 85005; phone: (602) 542-3981; fax: (602) 542-3330.

Arkansas

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Arkansas Department of Human Services/Division of Children and Family Services reported that there were 212 foster children legally free for adoption and that an adoptive home search was active for 209 of these children. Contact: Mr. Alden Roller, Department of Human Services/Division of Children and Family Services, P.O. Box 1437, Little Rock, AR 72203; phone: (501) 682-8462; fax: (501) 682-8991.

California

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The California Department of Social Services reported that relating to the figure for children in foster care, "only the children in the custody of county welfare departments are included. Children in the custody of other agencies, principally delinquents and status offenders in the custody of county probation officers, are not included." Of the 3,845 reported adoptions, "3,254 were of children who had been in the custody of public adoption agencies and 591 were of children who had been in the custody of private adoption agencies. Probably about 70 completed public adoption agency cases were unreported. This total does not include Independent Adoptions or Intercountry Adoptions." Also, the actual number of finalized adoptions was "slightly higher due to incomplete reports." Contact: Mr. Joseph Magruder, California Department of Social Services, 744 P Street, M.S. 1967, Sacramento, CA 95814; phone: (916) 323-0524; fax: (916) 445-9125.

Colorado

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Colorado Department of Human Services reported as "NA" the number of children for whom an adoptive home search was active, as well as the number of children for whom the state was not seeking adoptive homes. Contact: Ms. Donna Pope, Colorado Department of Human Services, 1575 Sherman Street, 2nd floor, Denver, CO 80203; phone: (303) 866-5976; fax: (303) 866-4191.

Connecticut

Fiscal year ended: 30 June 1996. Data reported as of: 31 December 1996. The Connecticut Department of Children and Families responded "Not Available" to the IFC survey question on the number of foster children legally free for adoption. The Department reported in April 1997: "We do not have any other info available. Our new computer system reporting capability has yet to produce this info." Contact: Ms. Jean Watson, Department of Children and Families, 505 Hudson Street, Hartford, CT 06106; phone: (860) 550-6463; fax: (860) 566-3453.

Delaware

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Delaware Department of Children and Their Families reported that of the 74 children legally free for adoption, 31 were in pre-adoptive homes at the close of fiscal 1996. Contact: Ms. Mary Anne Kenville, Delaware Department of Children and Their Families, 1825 Falkland Road, Wilmington, DE 19805; phone: (302) 633-2655; fax: (302) 633-2652.

District of Columbia

Fiscal year ended: 31 December 1995. Data reported as of: 31 December 1995. During the study, the District of Columbia Department of Social Services was in receivership. The Institute for Children received only one response to its many inquiries, which provided three figures for fiscal 1995: 2,558 children in substitute care, 721 children in foster family care, 97 adoptions finalized in fiscal 1995. Contact: Mr. Jesse Winston, District of Columbia Department of Social Services, 609 H Street N.E., Washington, DC 20002; phone: (202) 724-2023; fax: (202) 727-9460.

Florida

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Florida Department of Children and Families reported that less than half of the children who had a goal or permanency plan for adoption were legally free to be adopted. Contact: Ms. Gloria Walker, Florida Department of Children and Families, Family Safety and Preservation, Permanency Planning Unit, 2811-E Industrial Plaza Drive, Tallahassee, FL 32301; phone: (904) 487-2383; fax: (904) 488-0751.

Georgia

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Georgia Department of Human Resources reported that of the 1,224 children who were legally free for adoption, the state was "still looking for home[s]" for 203 children. Contact: Ms. Liz Bryant, Georgia Department of Human Resources, 2 Peachtree Street, N.W. Suite 13-400, Atlanta, GA 30303; phone: (404) 657-3552; fax: (404) 657-3624.

Hawaii

Fiscal year ended: 30 June 1996. Data reported as of: 31 December 1996. The Hawaii Department of Human Services reported that of the 565 children legally free for adoption, 289 were in pre-adoptive homes. However, for 163 free-to-be-adopted children, the state was not seeking adoptive homes because those children had been assigned to long-term foster care. Contact: Ms. Lynn Mirikidani, Hawaii Department of Human Services, 810 Richards Street, Suite 400, Honolulu, HI 96813; phone: (808) 586-5698; fax: (808) 586-5700.

Idaho

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Mr. Don Corbridge, Idaho Department of Health and Welfare, Division of Family and Community Services, P.O. Box 83720, Third Floor, Boise, ID 83720; phone: (208) 334-5700; fax: (208) 334-6699.

22 The National Center for Policy Analysis

Illinois

Fiscal year ended: 30 June 1996. Data reported as of: 28 February 1997. Illinois Child and Family Services reported that the figures for children in substitute care and children legally free for adoption were as of 28 February 1997; the reporting period for the number of foster children adopted was fiscal 1996. Contact: Mr. John Hamm, Illinois Child and Family Services, 406 East Monroe Street, Springfield, IL, 62701; phone: (217) 785-1700; fax: (217) 524-0014.

Indiana

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Indiana Division of Family and Children left blank the IFC survey question on the number of free-to-be-adopted children for whom an adoptive home search was active. Contact: Ms. Kaye Clark, Division of Family and Children, Indiana Department of Family and Social Service, Indianapolis, IN 46204; phone: (317) 233-1743; fax: (317) 232-4436.

Iowa

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Mr. Jeff Terrell, Iowa Department of Human Services, Hoover Building, Des Moines, IA 50319; phone: (515) 281-4625; fax: (515) 281-4597.

Kansas

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Ms. Janet Kuntzsch, Kansas Department of Social and Rehabilitation Services, West Hall, 300 SW Oakley, Topeka, KS 66606; phone: (913) 296-8138; fax: (913) 296-4649.

Kentucky

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Ms. Brooke Thomas, Kentucky Cabinet for Human Resources, 275 East Main, 6 West, Frankfort, KY 40601; phone: (502) 564-2147; fax: (502) 564-9554.

Louisiana

Fiscal year ended: 30 June 1996. Data reported as of: 31 December 1996. The Louisiana Department of Social Services reported that the figures for children in substitute care and children legally free for adoption were as of 31 December 1996; the reporting period for the number of foster children adopted was fiscal 1996. Contact: Ms. Sandra C. Schucker, Louisiana Department of Social Services, 333 Laurel Street, P.O. Box 33318, Baton Rouge, LA 70821; phone: (504) 342-4043; fax: (504) 342-9087.

Maine

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Maine Department of Human Services reported the figure for finalized foster child adoptions in fiscal 1996 as "tentative." Contact: Ms. Dana E. Hall, Maine Department of Human Services, Bureau of Child and Family Services, State House Station 11, Augusta, ME 04333; phone: (207) 287-5060; fax: (207) 287-5282.

Maryland

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Ms. Stephanie Pettaway, Maryland Department of Human Resources, 311 W. Saratoga Street, Baltimore, MD 21201; phone: (410) 767-7506; fax: (410) 333-0127.

Massachusetts

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Massachusetts Department of Social Services reported that of the 656 free-to-be-adopted children for whom an adoptive search was active, "649 children had been matched to an adoptive family." Contact: Ms. Phyllis Ward, Department of Social Services Library, 24 Farnsworth, Boston, MA 02210; phone: (617) 727-0900; fax: (617) 261-7438.

Michigan

Fiscal year ended: 30 September 1996. Data reported as of: 30 September 1996. The State of Michigan Family Independence Agency reported that the reason the state was not seeking adoptive homes for 237 free-to-be-adopted foster children was "long-term foster care." Contact: Ms. Julie Tubbs-Lott, State of Michigan Family Independence Agency, 232 Grand Avenue, P.O. Box 30037, Grand Tower, Lansing, MI 48909; phone: (517) 373-8376; fax: (517) 241-7047.

Minnesota

Fiscal year ended: 31 December 1996. Data reported as of: 31 December 1996. The Minnesota Department of Human Services noted that "1996 data is preliminary data based on unedited county reports." Of the 478 children for whom an adoptive home search is active, 186 "had relatives or foster families under consideration." Contact: Ms. Ruth Weidell (adoption) and Ms. Sandy Reuben (foster care), Minnesota Department of Human Services, 444 Lafayette Road, St. Paul, MN 55155-3831; phone: (612) 296-3250; fax: (612) 297-1949.

Mississippi

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Ms. Wanda Gillom, Mississippi Department of Human Services, 750 North State Street, Jackson, MS 39202; phone: (601) 359-4980; fax: (601) 359-4978.

Missouri

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Mr. Arlend Oney, Missouri Division of Family Services, Howerton Building, P.O. Box 88, Jefferson City, MO 65109; phone: (573) 751-2502; fax: (573) 526-3971.

Montana

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Montana Department of Public Health and Human Services reported that the number of children in substitute care was as of 31 July 1996. The Department did not provide figures for the number of children legally free for adoption, the number of children for whom an adoptive home search was active or the number of children for whom the state was not seeking adoptive homes. Contact: Ms. Betsy Stimatz, Montana Department of Public Health and Human Services, Division of Child and Family Services, P.O. Box 8005, Cogswell Building, Helena, MT 59604-8005; phone: (406) 444-5900; fax (406) 444-5956.

Nebraska

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Donald S. Leuenberger, Department of Social Services, P.O. Box 95026, Lincoln, NE 68509; phone: (402) 471-9125; fax: (402) 471-9455.

Nevada

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Ms. Wanda Scott, Department of Human Resources, 6171 W. Charleston Boulevard, Building Number 15, Las Vegas, NV 89158; phone: (702) 486-7633; fax: (702) 486-7626.

New Hampshire

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Ms. Catherine Atkins, Division for Children, Youth and Families, 6 Hazen Drive, Concord, NH 03301; phone: (603) 271-4707; fax: (603) 271-4729.

New Jersey

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Ms. Marylou Sweeny, New Jersey Division of Youth and Family Services, CN 700, Trenton, NJ 08625; phone: (609) 633-3991; fax: (609) 984-5449.

New Mexico

Fiscal year ended: 30 June 1996. Data reported as of: 31 December 1996. The New Mexico Children, Youth and Families Department

24 The National Center for Policy Analysis

reported that figures for the number of children in substitute care and the number of children legally free for adoption were as of December 1996. Contact: Ms. Maryellen Strawniak, New Mexico Children, Youth and Families Department, Protective Services Division, 1120 Paseo de Peralta, Santa Fe, NM 87504; phone: (505) 827-3991; fax: (505) 827-8480.

New York

Fiscal year ended: 31 March 1996. Data reported as of: 30 June 1996. The New York State Department of Social Services left blank the IFC survey question on the number of adoptions finalized in fiscal 1996. (During calendar year 1994, 3,621 adoptions were finalized.) Contact: Mr. Paul Gavry, New York State Department of Social Services, 40 North Pearl Street, Albany, NY 12243; phone: (518) 432-2926; fax: (518) 432-2930.

North Carolina

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The reported number of adoptions finalized in fiscal 1996 may be overrepresentative. The North Carolina Department of Human Resources wrote, on 17 July 1996: "Adoption proceedings are indexed through the Final Orders, but this process does not necessarily happen for adoption cases finalized in that particular year. These adoptions may have taken place in previous years, and we had just indexed them. Therefore, this number does not reflect the number of children whose adoptions were finalized in a year, but rather the number of finalized adoptions over a course of years that have now been indexed in the state." Contact: Ms. Esther T. High, North Carolina Department of Human Resources, Division of Social Services, 325 North Salisbury Street, Raleigh, NC 27603; phone: (919) 733-3801; fax: (919) 715-3581.

North Dakota

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The North Dakota Department of Human Services reported that of the 325 adoptions finalized in fiscal 1996, 25 were categorized special needs. The figure for children who were legally free for adoption was as of 30 September 1996. Contact: Ms. Jean Doll, Administrator, North Dakota Department of Human Services, Children and Family Services Division, State Capitol Building, 600 East Boulevard, Bismarck, ND 58505; phone: (701) 328-3541; fax: (701) 328-2359.

Ohio

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Mr. Dave Hubbell, Ohio Department of Human Services, 65 East State Street, 5th Floor, Columbus, OH 43215; phone: (614) 466-7884; fax: (614) 466-6185.

Oklahoma

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Ms. Midge Woodard, Oklahoma Department of Human Services, P.O. Box 25352, Oklahoma City, OK 73125; phone: (405) 739-8000; fax: (405) 739-8132.

Oregon

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996 (TPR). The Oregon State Office for Services to Children and Families reported that the figure for the number of children in substitute care was as of "calendar year 1996;" and the number of children who were legally free for adoption was as of January 1997. Contact: Ms. Kay Toran, State Office for Services to Children and Families, 500 Summer Street NE, Salem, OR 97310- 1017; phone: (503) 945-5651; fax (503) 581-6198.

Pennsylvania

Fiscal year ended: 30 June 1996. Data reported as of: 31 December 1996. Contact: Ms. Sandy Gallagher, Pennsylvania Department of Public Welfare, Office of Children, Youth, and Their Families, P.O. Box 2675, Harrisburg, PA 17105-2675; phone: (717) 772-7044; fax: (717) 783-6354.

Rhode Island

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Mr. C. Friedman, Rhode Island Department of Children, Youth, and Their Families, 610 Mt. Pleasant Avenue, Building #8, Providence, RI 02908; phone: (401) 277-2583; fax: (401) 457-4541.

South Carolina

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Ms. Carolyn Orf, South Carolina Department of Social Services, P.O. Box 1520, Columbia, SC 29202; phone: (803) 734-5670; fax: (803) 734-6285.

South Dakota

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Ms. Diane Kleinsasser, South Dakota Department of Social Services, 700 Governors Drive, Pierre, SD 57501-2291; phone: (605) 773-3227; fax: (605) 773-6834.

Tennessee

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Ms. Gail Crawford, Tennessee Department of Children's Services, 436 6th Avenue N., 7th Floor, Cordell Hull Building, Nashville, TN 37243-1290; phone: (615) 532-5597; fax: (615) 532-6495.

Texas

Fiscal year ended: 31 August 1996. Data reported as of: 30 June 1996. The Texas Department of Protective and Regulatory Services noted regarding the IFC survey question that asks for the number of children who were legally free for adoption, that its figure, 1,430, refers to children whose parental rights had been terminated and for whom the goal was adoption, but who had not been placed in an adoptive home. Contact: Ms. Cheryl Fell, Texas Department of Protective and Regulatory Services, P.O. Box 149030, Mail Code E558, Austin, TX 78714-9030; phone: (512) 438-3127; fax: (512) 438-3782.

Utah

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Utah Department of Human Services reported that an adoptive home search was active for all 108 foster children who were legally free for adoption at the end of fiscal 1996. Contact: Ms. Marilyn Mills, Utah Department of Human Services, Division of Child and Family Services, 120 North 200 West, Suite 225, Salt Lake City, UT 84103; phone: (801) 538-4078; fax: (801) 538-4553.

Vermont

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Vermont Department of Social and Rehabilitation Services left blank the IFC survey question regarding the total number of free-to-be-adopted children for whom the state was not seeking adoptive homes. Contact: Mr. Phil Zunder, Department of Social and Rehabilitation Services, Osgood Building, 103 South Main Street, Waterbury, VT 05671; phone: (802) 241-2112; fax: (802) 241-2980.

Virginia

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. Contact: Mr. Terry Yearout, Department of Social Services, Theater Row Building, 730 East Broad Street, Richmond, VA 23219; phone: (804) 692-1294; fax: (804) 692-1284.

Washington

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Washington Department of Social Services left blank the IFC survey question regarding the number of free-to-be-adopted children for whom the state was not seeking adoptive homes. Contact: Ms. Cindy Ellingson, Washington Division of Children and Family Services, 14th and Jefferson Streets, P.O. Box 45710, Olympia, WA 98504; phone: (360) 902-7929; fax: (360) 902-7903.

West Virginia

Fiscal year ended: 30 June 1996. Data reported as of: 1 January 1997. The West Virginia Department of Health and Human Resources reported that the figures for children in substitute care and for children who were legally free for adoption were as of 1 January 1997. Contact: Mr. Tom Strauderman, West Virginia Department of Health and Human Resources, Office of Social Services, Bureau for Children and Families, State Capitol Complex, Building 6, Room 850, Charleston, WV 25305; phone: (304) 558-7980; fax: (304) 558-8800.

Wisconsin

Fiscal year ended: 31 December 1996. Data reported as of: 31 December 1996. The Wisconsin Department of Health and Family Services did not provide the number of finalized adoptions in fiscal 1996. The Department noted that for 188 children in pre-adoptive homes at the end of fiscal 1996, "This figure is underreported as caseworkers often do not change the type of placement on the database at the time a child is placed in a pre-adoptive home." Contact: Mr. Mark S. Mitchell, Wisconsin Department of Health and Family Services, P.O. Box 8916, Madison, WI 53708; phone: (608) 266-2860; fax: (608) 264-6750.

Wyoming

Fiscal year ended: 30 June 1996. Data reported as of: 30 June 1996. The Wyoming Department of Family Services noted that the figure for children legally free for adoption was "estimated." Contact: Mr. Bill Rankin, Department of Family Services, Hathaway Building, 3rd Floor, 2300 Capitol Avenue, Cheyenne, WY 82002; phone: (307) 777-3570; fax: (307) 777-3693.

About the Authors

Conna Craig is president and a trustee of the Institute for Children, Inc. She graduated with honors from Harvard College, where she wrote her honors thesis on the relationship between research and legislation on child abuse. Ms. Craig has advised legislators and scholars in China, Hong Kong, Papua New Guinea and the United Kingdom, and has spoken before numerous audiences including policymakers, foster and adoptive parents, service providers and economists. Her published articles include "What I Need Is a Mom: The Welfare State Denies Homes to Thousands of Foster Children," in the Summer 1995 issue of *Policy Review* and condensed in the November 1995 issue of *Reader's Digest*; "What Will Happen to the Children?" a written symposium of seven contributors published in the Winter 1995 issue of *Policy Review*; and various op-eds including "Adoptable children go wanting" in *USA TODAY* in 1996. Ms. Craig was named recipient of the first annual Salvatori Prize for American Citizenship in 1996; the prize recognizes "extraordinary efforts by American citizens who are helping their communities solve problems the government has been unable to solve." Adopted into a family that has to date cared for more than 100 foster children, Ms. Craig has spent her entire life involved in and very much aware of the "client" side of the foster care equation.

Derek Herbert is the Institute for Children's associate director. Mr. Herbert is the Institute's lead researcher on state and federal legislative issues. He directed the Institute's two-year examination of public agency child welfare, and is currently conducting a longitudinal study on privatization of child welfare. His published articles on foster care include "Too Many Kids Waiting for a Home" in *The Wall Street Journal* in 1997. He is a frequent guest on regional and national radio programs, and has spoken to audiences including religious leaders and state and federal policymakers.

About the NCPA

The National Center for Policy Analysis is a nonprofit, nonpartisan research institute, funded exclusively by private contributions. The NCPA developed the concept of Medical Savings Accounts, which were part of the 1996 health care bill passed by Congress and have been adopted by a growing number of states. Many credit NCPA studies of the Medicare surtax as the main factor leading to the 1989 repeal of the Medicare Catastrophic Coverage Act.

NCPA forecasts show that repeal of the Social Security earnings test would cause no loss of federal revenue, that a capital gains tax cut would increase federal revenue and that the federal government gets virtually all the money back from the current child care tax credit. Its forecasts are an alternative to the forecasts of the Congressional Budget Office and the Joint Committee on Taxation and are frequently used by Republicans and Democrats in Congress. The Republican Contract with America included the pro-growth tax changes recommended by the NCPA and the U.S. Chamber of Commerce as early as 1990. The NCPA also has produced a first-of-its-kind, pro-free enterprise health care task force report, written by 40 representatives of think tanks and research institutes, and a first-of-its-kind, pro-free enterprise environmental task force report, written by 76 representatives of think tanks and research institutes.

The NCPA is the source of numerous discoveries that have been reported in the national news. According to NCPA reports:

- Blacks and other minorities are severely disadvantaged under Social Security, Medicare and other age-based entitlement programs;
- Special taxes on the elderly have destroyed the value of tax-deferred savings (IRAs, employee pensions, etc.) for a large portion of young workers; and
- Man-made food additives, pesticides and airborne pollutants are much less of a health risk than carcinogens that exist naturally in our environment.

What Others Say About the NCPA

"...influencing the national debate with studies, reports and seminars."

— TIME

"...steadily thrusting such ideas as 'privatization' of social services into the intellectual marketplace."

— CHRISTIAN SCIENCE MONITOR

"Increasingly influential."

— EVANS AND NOVAK