



CENTER FOR THE RIGHTS
OF ABUSED CHILDREN

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President Donald Trump

The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President,

The Center for the Rights of Abused Children (Center) is driven to protect children, change laws, and inspire people - to ensure every abused child has a bright future. In our work with children, we learned of a wasteful and morally reprehensible practice that robs children of their own money. We are asking for your leadership to correct this wrong.

Children with disabilities and orphaned children, including children whose parents died in honorable service to the United States Military, have been targeted by states seeking to pad their budgets by applying for and taking children's federal benefits administered by Social Security Administration and Veterans' Affairs. This money is vital for children to meet their individual needs, especially for those who enter adulthood straight out of foster care without any kind of parental support.

Please consider:

1. Every year, more than 200,000 abused children enter foster care.¹ An estimated 10-20% of these children could be eligible for Social Security or veteran benefits.²
2. In state fiscal year 2020, forty-two states reported using \$251 million in Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), Social Security Survivor's Benefits (SSSB), Department of Veteran Affairs funds (VA), and child support, to reimburse themselves for the cost of a child's care.³

¹ U.S. Department of Health and Human Services, Children's Bureau, *The AFCARS Dashboard*, (May 1, 2025), 1, available at <https://acf.gov/sites/default/files/documents/cb/2023-afcars-dashboard-printable.pdf>.

² Amy Harfeld, *Five Steps to Ensure Your Clients Are Benefitting from Their Federal Benefits*, American Bar Association, (June 21, 2022), <https://www.americanbar.org/groups/litigation/resources/newsletters/childrens-rights/5-steps-to-ensure-your-clients-are-benefitting-from-their-federal-benefits/>.

³ Kristina Rosinsky, Megan Fischer, and Maggie Haas, *Child Welfare Financing SFY 2020: A survey of federal, state, and local expenditures*, Child Trends (May 2023), 52, https://cms.childtrends.org/wp-content/uploads/2023/04/ChildWelfareFinancingReport_ChildTrends_May2023.pdf.

3. Children's federal benefits represent less than 1% of all funds expended by state child welfare systems—only a small portion of states' child welfare financing but a tremendous resource for children in or exiting care.⁴

Recognizing the unjust violation of children's rights, the Center acted in 2023. Because of our work, Arizona ensures the state child welfare agency will only spend the child's funds to meet current, otherwise unmet needs and *conserves* the balance for the child's future needs.

We have continued to see growing momentum among states to end this practice. Nine states have enacted reforms that conserve all social security benefits. Nineteen have enacted reforms that protect some benefits. Seventeen other states are continuing to work on legislative remedies to this wrongful practice.⁵

To ensure children's rights are uniformly protected, we need decisive action. We have seen your commitment to protecting abused and neglected children, and we now ask for your leadership to stop states from raiding the pockets of our nation's most vulnerable youth.

To assist in this effort, we've attached a model executive order that sets a national standard: children's federal survivor and disability benefits belong to the child—not to government agencies. The order ends the practice of using foster children's Social Security and veterans' survivor benefits to pay agency bills, and requires notification, accounting, and conservation of funds for each child.

We stand ready to assist you in executing this order in any way we can. Please feel free to contact me or my team.

Sincerely,

Darcy Olsen
Founder & CEO

⁴ Center calculation of third-party revenue sources as a percentage of total state and local child welfare agency expenditures. $100(\$251\text{million}/\$31.4\text{ billion}) = 0.7\%$. *Id.* at 1 and 52).

⁵ Children's Advocacy Institute, *Preserving Federal Benefits of Foster Youth*, <https://www.sandiego.edu/cai/advocacy/youth-benefits/>.

EXECUTIVE ORDER PROTECTING THE FEDERAL BENEFITS OF FOSTER CHILDREN

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. Purpose.

Bureaucracies in nearly every state have turned children’s federal survivor and disability benefits into a back-door funding stream.

Today, this order ends that practice.

Across the country, momentum is building to stop it. Most states and jurisdictions nationwide have completely or partially ended this practice or have introduced or are considering legislation to protect and conserve these benefits for the child. More states are moving toward that goal every year—but progress remains uneven and too slow while federal agencies provide little assistance and conflicting guidance.

This order makes it clear: children’s benefits belong to the child. Their benefits are their property, not bureaucratic revenue streams. When a child comes into care, the state is obligated to pay for the basic costs of care; no child should have to pay his or her own way.

Section 2. Findings.

1. The practice of using children’s federal benefits for the cost of foster care has been widespread. Nationwide, child welfare agencies in 49 states and the District of Columbia have taken foster children’s federal benefits—such as Social Security disability and survivors’ benefits—to reimburse government costs.¹

2. Hundreds of millions of dollars are implicated. In state fiscal year 2018, 38 states and D.C. used about \$179 million in children’s Social Security/SSI benefits to offset agency costs.² In 2023, SSA reports about \$190 million in benefits were paid to children

¹ The Marshall Project & NPR, “These States Take Money Meant for Foster Children,” May 17, 2021.

<https://www.themarshallproject.org/2021/05/17/these-states-take-money-meant-for-foster-children>.

² Congressional Research Service, R46975, “Children in Foster Care and Social Security Administration Benefits: Frequently Asked Questions,” Nov. 23, 2021 (incl. SFY2018 \$179M; ~25,424 minors receiving benefits in foster care). <https://sgp.fas.org/crs/misc/R46975.pdf>.

in foster care with a child-welfare agency as representative payee, with state conservation rates ranging from less than 1% to 31%.³

3. Many children receive these benefits and even more may be eligible. As of November 30, 2020, roughly 25,000 children in foster care were receiving Social Security and/or SSI (about 5% of all children in care).⁴ Up to 20% of foster children may be eligible for Social Security, disability, or veterans' benefits.⁵

4. Federal law places the cost of foster care on states—not on the child. Title IV-E requires states with approved plans to make foster care maintenance payments; children's personal assets and benefits are not intended to finance a government's legal obligation.⁶

5. Agencies are frequently designated as representative payees and report using funds to offset costs. Federal reviews document that child-welfare agencies are often appointed payee for minors in foster care and that agencies report using children's benefits for foster-care expenses.⁷

6. Children are often left in the dark. Reporting in major jurisdictions shows thousands of foster children had benefits taken without their knowledge; most were never informed they were entitled to those funds.⁸

7. Misuse undermines long-term outcomes. Youth aging out of foster care face significantly higher rates of homelessness, incarceration, poverty, and long-term dependence on public systems, consequences that could be reduced through proper use and conservation of their federal benefits.⁹

³ Social Security Administration, Federal Register, "Request for Information: Use and Conservation of Social Security Benefits and Supplemental Security Income (SSI) Payments that Representative Payees Receive for Beneficiaries Residing in Foster Care," Nov. 1, 2024, <https://www.federalregister.gov/documents/2024/11/01/2024-25462/request-for-information-use-and-conservation-of-social-security-benefits-and-supplemental-security>.

⁴ *Supra*, note 7 at 17.

⁵ *Id.* at 24.

⁶ 42 U.S.C. § 672.

⁷ U.S. Government Accountability Office, GAO-21-441R, "Social Security Administration: New Data Exchanges with Some States Provide Limited Information on Foster Care Beneficiaries," June 3, 2021. <https://www.gao.gov/assets/gao-21-441r.pdf>

⁸ Spotlight PA & Resolve Philly, "Foster care agencies in Pa. took millions owed to kids in their care, often keeping them in the dark," Apr. 2, 2025. <https://www.spotlightpa.org/news/2025/04/foster-care-social-security-resolve-philly/>.

⁹ See, The Annie E. Casey Foundation, Kids Count Data Center, *Youth transitioning out of foster care: Currently employed part- or full-time by race/ethnicity in United States*, <https://datacenter.aecf.org/data/bar/10872-youth-transitioning-out-of-foster-care-currently-employed-part-or-full-time-by-race-ethnicity?loc=1&loct=1#1/any/false/1698/6285,4411,4039,2638,2597,4880,4758,1353|6259/21138>; The Annie E. Casey Foundation, Kids Count Data Center, *Youth transitioning out of foster care: Experienced homelessness in the past two years in United States*, <https://datacenter.aecf.org/data/tables/10857-youth-transitioning-out-of-foster->

8. Lack of protection is costly. Across the country, states collectively spend billions of dollars each year to compensate for systemic failure to achieve timely permanency for children who exit foster care. These costs come in the form of lower educational attainment, decreased earnings, lost tax revenue, increased healthcare costs, incarceration, housing, and more.¹⁰

9. National momentum is real but uneven. Over 30 states and jurisdictions have taken action to protect children's federal benefits.¹¹

10. Federal guidance is needed to standardize protections, end inconsistent practices, and improve state and federal collaboration. Despite ongoing state efforts, the absence of uniform federal guidance has resulted in inconsistent practices and continued rights violations in some jurisdictions.

Section 3. Policy.

1. Agencies shall screen children entering or already in foster care for eligibility for federal benefits, including Social Security, Supplemental Security Income (SSI), veterans' benefits, and other applicable programs, and shall assist in securing such benefits.

2. Federal benefits belonging to the child shall not be used by agencies to pay for foster care maintenance, administrative costs, or any other costs that the agency is legally obligated to cover under state or federal law.

3. Federal benefits may be used only to meet the child's current, unmet needs or conserved for the child's future benefit, in accordance with fiduciary principles and applicable federal guidelines.

4. Agencies acting as representative payees must meet fiduciary standards, involve children and their legal representatives in financial planning, and ensure full transparency, including regular and accessible reporting of all benefit-related decisions and expenditures.

[care-experienced-homelessness-in-the-past-two-years?loc=1&loct=2#detailed/2/2-52/true/1698,1697/6259/21108](https://datacenter.aecf.org/data/tables/10865-youth-transitioning-out-of-foster-care-incarcerated-in-the-past-two-years?loc=1&loct=2#detailed/2/2-52/true/1698,1697/6259/21108); The Annie E. Casey Foundation, Kids Count Data Center, *Youth Transitioning out of Foster Care: Incarcerated in the past Two Years in United States*, <https://datacenter.aecf.org/data/tables/10865-youth-transitioning-out-of-foster-care-incarcerated-in-the-past-two-years?loc=1&loct=2#detailed/2/2-52/true/1698,1697/6259/21124>.

¹⁰ Jim Casey Youth Opportunities Initiative, *Cost Avoidance The Business Case for Investing In Youth Aging Out of Foster Care* 5 (May 2013), <https://assets.aecf.org/m/resourcedoc/JCYOI-CostAvoidance-2013.pdf>.

¹¹ Children's Advocacy Institute, *Preserving Federal Benefits of Foster Youth*, <https://www.sandiego.edu/cai/advocacy/youth-benefits/>.

5. Agencies shall preserve conserved benefits in a manner that does not jeopardize the child's eligibility for current or future public assistance, including by using ABLE accounts, special-needs trusts, or other permissible financial planning tools.

6. Federal agencies shall issue clear, enforceable guidance; provide rigorous oversight; maintain timely communication with state and local child-welfare agencies; and collaborate with states and tribes to ensure consistent implementation nationwide.

Section 4. Implementation

Within 90 days of this order, the heads of the Social Security Administration (SSA), the Administration for Children and Families (ACF), the Department of Veterans Affairs (VA), the Railroad Retirement Board (RRB), and any other relevant federal agencies shall amend and adopt regulations, policies, and guidance that:

1. Require Screening Children for Potential Federal Benefit Eligibility and to Apply for Benefits on Behalf of a Child

- a. Direct agencies to screen for benefit eligibility within 60 days of entering care.
- b. Direct agencies to determine whether a child may have become eligible for benefits annually following the state agency's initial screening and upon a change in circumstances that may result in a child's eligibility for federal benefits.
- c. Direct agencies to apply for federal benefits on behalf of a child in care.

2. Prohibit the Use of Benefits for Maintenance Costs:

- a. Require that no agency may use a child's federal benefits to pay for foster care maintenance costs or any associated public costs for which the agency is already legally obligated to provide funding.
- b. Limit the use of benefits solely to meeting the child's current unmet needs or conserving them in the child's interest.

3. Define and Enforce Fiduciary Responsibilities:

- a. Establish clear fiduciary standards for representative payees, including heightened standards for agencies serving in this role.
- b. Require agencies to notify children, attorneys, and legal representatives of any benefit-related decisions, including the application for, appeal of a decision regarding, and expenditure of a child's federal benefits and application to become representative payee.
- c. Mandate annual reporting, data collection, and audits to ensure compliance with fiduciary standards.

4. Establish Interagency Communication and Support:

- a. Ensure consistent and timely communication between federal benefit-granting agencies—including local and regional offices—and agencies.
- b. Provide technical assistance and case-specific guidance in a timely manner to support state-level implementation.
- c. Require agencies that are the representative payee for a child to periodically assess whether there is a person who is suitable to assume the role of representative payee and who would better serve the best interests of the child and assist that person to apply to become the representative payee.
 - i. Require the Social Security Administration to establish a process for ongoing input from agencies to identify and recommend potential representative payees in the best interests of a child.

5. Regulate Representative Payee Designation:

- a. Clearly define the process for selecting a representative payee in cases involving foster youth.
- b. Require federal agencies to create a process for agencies to submit recommendations and relevant information regarding individuals or entities best suited to serve as the child's representative payee.
- c. Require federal agencies to give full and fair consideration to any recommendations made by an agency in appointing a representative payee, with priority given to individuals who will act in the child's best interest and have no conflict of interest.

6. Protect Children's Financial Futures:

- a. Provide guidance on creating and managing accounts or trust mechanisms that preserve eligibility for the child's public benefits, such as ABLE accounts and Special Needs Trusts.
- b. Require agencies that are the representative payee for a child to establish an account that is appropriate to use and conserve the federal benefits and any other benefits or awards received on behalf of the child, such as ABLE accounts and Special Needs Trusts.
- c. Encourage financial planning and conservation practices that maximize long-term benefit to the child, including strategies for use upon emancipation, reunification, or some other form of permanency such as adoption or guardianship.

7. Ensure Oversight and Enforcement.

To enforce these policies, federal agencies shall initiate oversight of agency compliance by:

- a. Auditing the frequency and quality of notifications and consultations provided to children, attorneys, and families concerning the application for, use of, and conservation of benefits;

- b. Ensuring that agencies maintain full transparency and accountability to the child, the child’s attorney or legal representative, and family members regarding the management of funds;
- c. Using existing legal authority to revise internal policies and procedures to prohibit the diversion of children’s benefits by government entities and to support compliant benefit protection practices, including procedures for transferring conserved funds upon a child’s exit from foster care;
- d. Identifying and reporting to the President any statutory limitations that restrict federal agencies from preventing misuse, enforcing compliance, increasing accountability, or supporting effective state implementation.

Section 5. Stakeholder Engagement.

In drafting these regulations and policies, the SSA, ACF, VA, RRB and other relevant federal agencies shall solicit input from national and local advocacy organizations with demonstrated expertise in the protection of foster children’s federal benefits, as well as from agencies that have or are currently implementing policies prohibiting misuse and requiring preservation of those benefits.

Section 6. Call to Congress.

Where statutory amendments are necessary—to expressly prohibit the use of survivor and disability benefits for foster care maintenance, strengthen fiduciary standards and enforcement mechanisms; support state-level implementation, and define improper use of benefits by an agency as misuse under the Social Security Act--Congress is urged to act without delay.

Section 7. Definition.

For the purpose of this order, “agency” or “agencies,” unless otherwise provided, means any public agency in a state or tribe, its contractors, or assignees that has responsibility for a child in foster care or that has applied for federal survivor or disability benefits on behalf of a child in foster care.

Section 8. General Provisions.

1. Nothing in this order shall be construed to impair or otherwise affect:
 - a. the authority granted by law to an executive department or agency, or the head thereof; or
 - b. the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.
2. This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

- 3.** This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

DONALD J. TRUMP
President of the United States

Regular meeting