

FSHO FACTSHEET

HOUSING AS A PLATFORM FOR ECONOMIC SUCCESS for FOSTER YOUTH

“They say home is where your heart is. Try to live without a heart. Having a place to call my own, finally gave me a feeling of being stable, and being protected. A sigh of relief.”

- Antonio, FYI Participant, Ohio.

For many years [as required by law](#), state and county Independent Living Supervisors, have revised and extended a robust menu of self-sufficiency services to prepare foster youth over age 14 for success in adulthood. As a result, many young people “age out” of foster care and go on to college, the military, find gainful employment, and take an infinite variety of exciting paths. All but three states (Kentucky, Rhode Island, and Nevada) offer youth the opportunity to participate in extended foster care up to the age of 21 in a variety of developmentally appropriate placements (including independent apartments). Furthermore, the Families First Prevention Services Act allows all states to receive federal reimbursement through [“Chafee”](#) funding for independent living services and supports to help youth move towards independence through age 23.

Despite this laudable progress in child welfare practice, foster youth and the professionals charged with their care continue to be faced with an [alarming lack of standardization of housing options to ease the transition to adulthood](#). When offered, housing options tend to be offered in a frustratingly unpredictable manner. This lack of standardization and predictability is trauma-inducing, stymies basic planning efforts, and consigns nearly **25 percent of the 20,000 who emancipate from foster care to homelessness annually** ([U.S. Children’s Bureau, 2020](#); [NCHCW, 2018](#)).

[Fostering Stable Housing Opportunities Act \(FSHO\) was signed into law on December 27, 2020](#)

In 2017, youth studied best practices in the field of independent living programs for youth dating back to the early 80sⁱ, reviewed [twenty years of academic research illuminating obvious and persistent system-level failures](#) and took matters into their own hands. Led by foster care alumni from [ACTION Ohio](#), Youth Advisory Boards nationwide worked with Congress, the U.S. Department of Housing and Urban Development, [NCHCW](#), [PHADA](#), and the [Center on Budget and Policy Priorities](#) to synchronize existing federal programs to facilitate transition planning and eliminate the yawning gaps through which more than 5,000 youth fall into homelessness each year.

[The Fostering Stable Housing Opportunities Act \(FSHO\) which became law on December 27, 2020](#) synchronizes [HUD’s Family Unification Program for youth \(also known as the Foster youth to Independence Initiative\) or “FYI/FUP”](#) for all youth at risk of homelessness upon emancipation. Child welfare staff nationwide can now work in partnership with their local PHA staff to access a three-year voucher, if needed, “on demand” perfectly timed with a young person’s plan to rent their own apartment (at any point prior to their 25th birthday)ⁱⁱ. If a youth voluntarily enrolls in [HUD’s Family Self-Sufficiency Program \(FSS\)](#) or a similar program, they will be rewarded for increasing their income *and* extend their voucher for an additional two years (for a total of five). FSS participants bank increases in their rent into an “escrow” account – allowing youth to build wealth, plan for their future, and move towards true economic independence.

To ensure that youth have access to this guaranteed, universal option to rent permanent housing of their own, we must all familiarize ourselves (and others) with the basics of [Foster Care Transition plans](#)ⁱⁱⁱ and HUD’s thirty year old Family Unification Program. In this Fact Sheet, we offer an overview of FUP/FYI eligibility and how to access the program through a local level partnership between public child welfare agencies and local public housing authorities.

Basics of the Fostering Stable Housing Opportunities Act (FSHO)

It is important to keep in mind, that while FSHO represents a major shift in American social policy, it does not create a NEW program. FSHO simply synchronizes HUD’s thirty-year-old Family Unification Program with child welfare transition planning efforts and eliminates geographic disparities. FSHO also codifies HUD’s FUP-FSS Demonstration Program which

was established in 2016. The FUP-FSS Demonstration allows PHAs to enroll youth in FSS to work with a coordinator to develop a plan for economic self-sufficiency, create an escrow (savings) account designed to reward participants for increasing their earned income, and extend their FUP vouchers by two years for a total of five.

The basic components of FSHO are below as follows:

- h** Streamlines access to FUP/FYI vouchers for all Public Housing Agencies (PHAs) capable of administering housing choice vouchers, making it possible to serve foster youth regardless of where they live in the country.
- h** Codifies FUP eligibility for youth ages 18-24, who are planning to transition out of foster care, and are at risk of homelessness. Though FSHO is not intended to turn FUP/FYI into emergency housing solutions (in fact it is designed to eliminate the need for youth to operate in a state of crisis), youth who are at risk of homelessness at any point prior to the age of 25 are eligible.
- h** Extends a FUP/FYI voucher for up to an additional 24 months as they are working toward self-sufficiency, including participating in a Family Self-Sufficiency program, workforce development training, or pursuing a degree or postsecondary credentials.
- h** Requires coordination between PHAs and Public Child Welfare Agencies to identify eligible recipients and help housing agencies to connect youth to supportive services.
- h** Requires PHAs to submit information to the Secretary to monitor program outcomes

What is the Family Unification Program and how does FYI streamline it?

HUD's Family Unification Program (FUP) is **the only national housing program aimed at preventing family separation due to homelessness and easing the transition to adulthood for aging-out youth**. HUD provides Housing Choice Vouchers ("Section 8") to local public housing authorities (PHAs) who apply to administer the program. These PHAs are then required to work in partnership with the local public child welfare agency to identify youth and families to refer to the program. FUP has existed since 1990 for families and youth were added as an eligible population in 2000. However, FUP is only available sporadically and distributed haphazardly to PHAs. The FSHO legislation was written to correct these flaws.

While waiting for FSHO to pass, ACTION Ohio and NCHCW met with HUD Sec. Carson and his leadership team in March 2019 to point out that the HUD Secretary had the authority to implement FSHO by distributing FUP vouchers "on demand" anywhere in the US, in increments as small as one through HUD's ultra-flexible Tenant Protection Fund (for which FUP has been an eligible use since 1990). Dr. Carson agreed and thus, saw no reason to wait. He established the "Foster Youth to Independence Initiative" in July 2019. In October 2020, HUD used Congressional Appropriations to establish a funding stream for FYI (FUP remains an eligible use of Tenant Protection Funds). Since 2019, PHAs nationwide have taken advantage of FYI to house 1,000 young adults.

[By establishing FYI in 2019, Sec. Carson provided communities nationwide with proof of concept and a two-year head start on the implementation of FSHO.](#) Homelessness is no longer an option for youth leaving care. To learn more about how to make sure your community is prepared to offer this resource, please visit www.nchcw.org/fyi or www.fosteractionohio.org.

ⁱ For a thorough overview of best practices for independent living for youth, please read Mark Kroner's seminal work, "[Housing Options for Independent Living Programs](#)" published in 1998 by CWLA Press.

ⁱⁱ HUD Notice PIH 2020-30 Extends the CARES Act Covid-19 Waiver allowing youth to be referred to FYI and FUP through their 26th birthday. The waiver is set to expire on June 30, 2020

ⁱⁱⁱ For an excellent overview of basic Foster Care Transition Planning, please see the "Transition Plan Toolkit" prepared in "The U.S. Department of Education (ED), in partnership with the U.S. Department of Health and Human Services (HHS), the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Transportation (DOT), the U.S. Department of Labor (DOL), and youth and practitioners involved in the child welfare system, developed this toolkit to help youth access the resources needed to successfully transition into adulthood, continue on to postsecondary education, and meaningful careers."

<https://www2.ed.gov/about/inits/ed/foster-care/youth-transition-toolkit.pdf>