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Second Chance Homes: Federal Funding, Programs, and Services

Edith Fairman Cooper, Domestic Social Policy Division

December 27, 2006

Abstract. This report describes second chance homes, discusses legislation in the 109th Congress related to such homes, and describes federal funding provided through TANF and other programs to assist needy teen mothers who live in second chance homes. Evaluations of the effectiveness of a SCH also are discussed.

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CRS Report for Congress

Second Chance Homes: Federal Funding, Programs, and Services

Updated December 27, 2006

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Prepared for Members and
Committees of Congress

Second Chance Homes: Federal Funding, Programs, and Services

Summary

Second chance homes for unwed teenage mothers are not a new concept in the nation. Before the mid-1880s, support for unwed teen mothers was primarily provided by family, friends, and churches. In 1883, Charles Crittenton founded the first “rescue home” (named for his daughter Florence) that eventually became a chain of what later were called private maternity homes, to better support such mothers and ensure that no repeat out-of-wedlock pregnancies occurred. Subsequently, an extensive network of private maternity homes was established across the nation.

In 1935, with the passage of the Aid to Families with Dependent Children (AFDC) program, financial support and other services through federal funding were established primarily to help widows care for their children, and for the first time to assist unwed mothers. After the framework of the private maternity home began to disintegrate, a renewed interest in such homes occurred during the 1995 Senate welfare reform debate when agreement was made to support the “second chance home” concept.

With the passage of the welfare reform bill in August 1996, a block grant program to states for Temporary Assistance for Needy Families (TANF) was created to replace AFDC. States were given the flexibility to use their TANF funds to assist unwed teen mothers under 18 and their children who lived in a second chance home. Although TANF is a significant source of funds for second chance homes, there is no single primary federal funding source for such homes.

On October 10, 2003, the Runaway, Homeless, and Missing Children Protection Act, in which maternity group homes (that is, second chance homes) were added as an allowable activity under the act’s Transitional Living Program projects, was signed into law (P.L. 108-96). This act reauthorized programs under the Runaway and Homeless Youth Act (RHYA) and Missing Children’s Assistance Act. RHYA is up for reauthorization in the 110th Congress.

In the 109th Congress, three bills were introduced that would have amended RHYA to include provisions related to maternity group homes — S. 6 (the Marriage, Opportunity, Relief, and Empowerment Act of 2005), H.R. 3908 (the Charitable Giving Act), and S. 1780 (the CARE Act of 2005). Each was referred to the appropriate committee. No further action occurred.

To date there have been very few rigorous evaluations of the effectiveness of second chance homes. HHS reports, however, that there have been several analyses regarding service delivery approaches of different programs that documented how the programs worked and provided descriptions of the teen mothers and their children. As a result, insights have been gained regarding the needs of the mothers and their children, as well as in some cases, program outcomes, such as subsequent employment, education, or subsequent pregnancies.

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Second Chance Homes: Federal Funding, Programs, and Services

Introduction

Second chance homes (SCHs, also referred to as maternity group homes) for unwed teenage mothers are not a new concept in the nation. They are a revival of an old institution, called the “maternity home,” in a new form to provide a safe, stable environment for teen mothers and their children who cannot live at home. Such teens are assisted in becoming self-sufficient, developing job skills, learning how to become good mothers, obtaining help in gaining access to child care, and in planning for the future. Renewed interest in such homes occurred in 1995 during the welfare reform debate. With the passage of the welfare reform bill in 1996, the state block grant for Temporary Assistance for Needy Families (TANF) was created. TANF allowed the use of SCHs as a form of adult-supervised setting for unwed teenage mothers in which they could live apart from their parents and still be eligible for cash assistance. In the 109th Congress, legislation has been introduced that would amend the Runaway and Homeless Youth Act (RHYA) to explicitly authorize funding for maternity group homes through its Transitional Living Program, and to evaluate such homes. When the 108th Congress reauthorized the RHYA, maternity group homes were added as an allowable use of funds under TLP.

This report describes second chance homes, discusses legislation that was introduced in the 109th Congress related to such homes, and describes federal funding provided through TANF and other programs to assist needy teen mothers who live in second chance homes. Evaluations of the effectiveness of a SCH also are discussed.

What Are Second Chance Homes?

There is no one definition for second chance homes because, according to the Department of Health and Human Services (HHS), second chance homes “can refer to a group home, a cluster of apartments, or a network of homes that integrate housing and services for teen mothers and their children who cannot live at home because of abuse, neglect or other extenuating circumstances.”¹ TANF law defines a second chance home as “an entity that provides individuals ... with a supportive and supervised living arrangement in which such individuals are required to learn parenting skills, including child development, family budgeting, health and nutrition,

¹ U.S. Dept. of Health and Human Services, *Second Chance Homes: Providing Services for Teenage Parents and Their Children*, p. 3.

and other skills to promote their long-term economic independence and the well-being of their children.”² The law lists a “maternity home” as a distinct entity from a second chance home and requires state welfare agencies to assist unwed teen mothers in locating such a home. It does not, however, define a maternity home or indicate how one differs from a second chance home. The Social Policy Action Network (SPAN), which was a private nonprofit national resource center for these homes,³ defined second chance homes as “places of refuge for the most vulnerable teen mothers and their children. They are community-based institutions that build social capital.”⁴ Depending on a community’s need, such homes can be located in both urban and rural areas of a state.⁵

The purpose of a second chance home is to assist and support young teen mothers in becoming self-sufficient by completing high school and developing job skills, to learn how to become good mothers by properly caring for their child, to help them gain access to child care, and to provide advice in planning for the future. According to SPAN, the main criteria for second chance homes is that they serve parenting teens (some will accept pregnant teens and allow them to remain in the residence with their infants for at least six months or longer after birth), and that they are residential.⁶ SPAN indicated that second chance homes not only provided a stable, nurturing atmosphere for teen mothers, but safe, nurturing environments for their offspring.⁷ Second chance homes were said to be unique because most offered access on site “to child care, education, job training, counseling, and advice on parenting and life skills.” Staff also assist the residents in obtaining outside social services, child care and in making future plans.⁸

Second chance homes can be individually operated or can be operated and funded by agencies with broader missions and services. Churches and nonprofit organizations across the nation have operated group homes for teen mothers for a number of years. After the passage of the 1996 welfare reform law, several states joined the effort to create and operate second chance homes by supporting programs

² Compilation of the Social Security Laws, Including the Social Security Act, as Amended, and Related Enactments Through January 1, 1999, Title IV, Part A, Section 408(5)(B)(iii), at [http://www.ssa.gov/OP_Home/ssact/title04/0408.htm].

³ The Social Policy Action Network no longer exists.

⁴ Social Policy Action Network, *What Are Second Chance Homes?* (Washington, DC: Social Policy Action Network) (Hereafter cited as SPAN, *What Are Second Chance Homes?*)

⁵ Jacqueline Greer, SPAN Policy Associate, *Second Chance Homes: State Contacts* (Washington, DC: Social Policy Action Network, June 24, 2002).

⁶ Jacqueline Greer, SPAN Policy Associate, telephone conversation with author, June 24, 2002. (Hereafter cited as Greer, telephone conversation).

⁷ SPAN, *What Are Second Chance Homes?*

⁸ Kathy Reich and Lisa M. Kelly, *Starting a Second Chance Home: A Guide for Policymakers and Practitioners* (Washington, D.C.: Social Policy Action Network, January 2001), p. 4. (Hereafter cited as Reich and Kelly, *Starting a Second Chance Home*.)

that were community-based or conducted by faith-based groups using TANF or state funds.⁹

History of Maternity and Second Chance Homes

Second chance homes provide a substitute living arrangement for unwed teenage mothers and their children who cannot live at home due to extenuating circumstances, such as violence, physical abuse, or unsafe living conditions.¹⁰ Earlier versions of this concept can be traced back to the mid-1880s. Before that time, support for unwed teen mothers was primarily provided by family, friends, and churches. In 1883, however, Charles Crittenton, a wealthy businessman and philanthropist, founded the first “rescue home” (named for his daughter Florence) that eventually became a chain of what later were called private maternity homes, to better support such mothers. Through moral and religious instruction, directors of these establishments tried to ensure that the mother did not bear more out-of-wedlock children. Subsequently, an extensive network of private maternity homes for “women in crisis” was established across the nation. The Florence Crittenton homes, described as one of the best known networks of maternity homes in 19th century America, “shielded mothers from psychological or material worries during and after their confinement; ... provided nutritional and medical services that encouraged healthy deliveries; ... helped stressed individuals become better prepared to mother; and ... helped arrange adoptions” for mothers who lacked the means to raise their offspring.¹¹ The average length of stay in the homes was about 20 months, and 60% of the mothers put their children up for adoption.¹²

In 1935, when the Aid to Families with Dependent Children (AFDC) program was enacted, primarily to help widows care for their children, federal funding to assist unwed mothers was established for the first time. George Liebmann, an attorney and former counsel to the Maryland Department of Social Services, reports that as a result of the AFDC program, the framework of the local maternity homes began to disintegrate. Through the AFDC program, cash aid was extended to unwed mothers to support and care for children in their own homes. Eventually, and also as a result of changing social attitudes toward non-marital births, maternity homes were widely viewed as obsolete. Around 1980, Liebmann indicates in a 1995 article,¹³ the number of maternity homes “bottomed out,” and since that time the number of homes has been struggling upward. A survey of maternity homes

⁹ Ibid.

¹⁰ U.S. Dept. of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, *Second Chance Homes: Providing Services for Teenage Parents and Their Children*, at [<http://aspe.hhs.gov/search/hsp/2ndchancehomes00/index.htm>].

¹¹ Ibid.

¹² George Liebmann, “Back to the Maternity Homes,” *The American Enterprise*, Jan. /Feb. 1995, vol. 6, p. 50.

¹³ Ibid., p. 51.

conducted in the mid-1990s revealed that 215 such residences were located across the nation.¹⁴

In September 1995, during the Senate's welfare reform debate, there was support for the SCH concept, with passage of an amendment to provide \$150 million (over six years) as seed money for states to support community-based homes for teen mothers under the age of 18. The SCH concept differed from the maternity home by requiring young mothers from unstable families to live with their children under adult supervision in the SCH as a condition for receiving welfare. Although included in two versions of the welfare reform bills that subsequently were vetoed by President Clinton, the SCH concept and principles attracted support in states and communities and revived interest in the concept.¹⁵

On August 22, 1996, the welfare reform bill (the Personal Responsibility and Work Opportunity Reconciliation Act) was enacted into law (P.L. 104-193). The law established block grants to states for Temporary Assistance for Needy Families and replaced the AFDC program. Funds may be used through TANF for second chance homes at state discretion. In addition, TANF (1) prohibits cash assistance to unmarried teen parents (under 18) unless they live with their own parents, guardians, or another adult relative, or other appropriate adult supervised living arrangement; (2) requires states to provide or assist unwed teen parents, who are on welfare and because of extenuating circumstances cannot live at home, in locating a second chance home, maternity home, or other appropriate supervised living arrangement; and (3) defines second chance homes.¹⁶

SPAN reported that a renewal of interest in second chance homes could be attributed to three factors — (1) a decrease in state welfare caseloads directed more attention to the needs of young teen mothers and their need for secure, stable housing; (2) state welfare surpluses brought attention to options, such as second chance homes, which initially appeared to be too expensive at the beginning of welfare reform; and (3) President George W. Bush made second chance homes one of the mainstays of his philosophy of compassionate conservatism.^{17 18}

¹⁴ Ibid.

¹⁵ For a history of the welfare reform debate and subsequent law, see CRS Report RS20807, *Short History of the 1996 Welfare Reform Law*, by Vee Burke and Joe Richardson.

¹⁶ P.L. 104-193, Title IV, Part A, Block Grants to States for Temporary Assistance for Needy Families, Section 408(5)(A)(B).

¹⁷ SPAN, *What Are Second Chance Homes?*

¹⁸ Compassionate conservatism was initially embraced by presidential candidate George W. Bush as a political philosophy, according to Stephen Goldsmith, a domestic policy adviser to the Bush campaign. Goldsmith states that “compassionate conservatism serves as a true bridge from the era of big government as a way to solve social problems to a new era in which we will have a full and healthy trust in the people of this nation to govern themselves.” Stephen Goldsmith, “What Compassionate Conservatism Is — and Is Not,” *Hoover Digest*, no. 4, 2000, at [<http://www.hooverdigest.org/004/goldsmith.html>].

Goals of Second Chance Homes

Second chance home providers may set various kinds of goals for their residents and the program in general to attain. SPAN suggested that a primary goal should be understood and supported by the entities funding the program, state and local social service agencies, community groups, and the teen mothers.¹⁹ For example, Massachusetts administrators chose safety as the state's primary goal for SCH providers. Consequently, state officials made contracts with private agencies to establish 27 second chance homes to provide safe and stable housing for unwed teen mothers and their children. New Mexico chose education as its primary goal and focuses on providing secure housing for teen mothers and assistance in preventing additional pregnancies, so that they can complete high school and strive to go to college.

Proponents maintain that short- and long-term goals that might be established for second chance homes include stressing the importance of protecting and nurturing the children of the mothers, reuniting teens with and stabilizing their families, building the self-esteem of the mothers, suggesting alternatives to abortion, and keeping foster care mothers united with their children, among others.²⁰

What Teen Families Are Served?

Most teen mothers who live in and are assisted by second chance homes have experienced troubled lives. Many such mothers have undergone difficulties, which might include living in poverty stricken and oftentimes abusive families, suffering persistent neglect, and possibly using drugs. A new challenge they must confront is parenthood. Living in a structured second chance home might not be easy for some teen mothers because in a large number of cases, such a setting might be the first time they are required to follow strict rules and meet certain expectations.²¹ Because of such backgrounds of potential residents, not all second chance homes are qualified to serve all teen mothers. SPAN noted that generally, teen mothers under age 14 might be better suited for foster care because of their inability to assume primary responsibility for the care of their offspring.²² Consequently, second chance home providers have to determine whether there are teen mothers that they will not serve.

SPAN gave several tips that second chance home providers could consider when deciding which teen mothers can or cannot be assisted. These tips included — determining the age range of teens to admit; deciding what time limits, if any, will be set for periods spent at the home; deciding whether teen fathers will be provided residential services; and determining how to handle custody issues (that is, whether minor teen mothers living in such residences will remain in the custody of their parents, or be in the custody of the state). Because of the criteria that most second chance homes apply, some teen mothers will not be accepted. In such instances,

¹⁹ Reich and Kelly, *Starting a Second Chance Home*, p. 6.

²⁰ *Ibid.*, p. 7.

²¹ *Ibid.*, p. 13.

²² *Ibid.*, p. 14.

SPAN advised, program providers should be aware of alternatives that are available to such teens.²³

Information in SPAN's *Second Chance Homes National Directory* indicated that of the 95 second chance home providers who responded to their survey, all (except two, which specifically indicated that they also assist pregnant teens) served teen families (which consist of a mother and child²⁴), and assisted such mothers of ages that ranged from as young as 12 to as old as 29. The time limit of stay ranged from no limit, to one or no more than two years. Some of the providers precisely indicated certain limits, such as, when the mother completed high school and found permanent housing, or when the child turned three years of age. Others indicated the time limit as it related to the type of housing or the specific program in which the mother was involved, such as two years for those living in group homes, and two years for those involved in a foster care Independent Living program. HHS reports that in some cases, second chance home providers involve the fathers of the offspring and assist them in obtaining access to services that they might need in becoming good parents, and in acquiring skills that will lead to employment.²⁵ The SPAN *Second Chance Homes National Directory* lists 54 second chance homes that provide services to teen fathers.

Growth of Second Chance Homes

SPAN reported in its *Second Chance Homes National Directory*²⁶ that “a growing number of states and communities have found a way to break the cycle of poverty and abuse for ... teen mothers” through creating second chance homes. Although funds for second chance homes were not specifically provided in the 1996 welfare reform law, several states decided to provide their own funding or use TANF funds to establish second chance homes. No state or community, however, directly operates a SCH, but instead contracts with nonprofit organizations to operate the homes. Among the first states to allow funding for a network of such homes were Massachusetts, Maryland, Michigan, and New Mexico. In 1999, statewide networks for such homes began in Texas, Rhode Island, and Nevada. In 2001, Georgia began a statewide program to operate second chance homes. Several communities in Missouri, Connecticut, Oregon, Texas, Washington, and Vermont have used Department of Housing and Urban Development (HUD) funding to open second

²³ Ibid., p. 15.

²⁴ Greer, Telephone conversation.

²⁵ U.S. Dept. of Health and Human Services, *Second Chance Homes: Providing Services for Teenage Parents and Their Children*, p. 3.

²⁶ SPAN, *Second Chance Homes: National Directory* (Washington, DC: Social Policy Action Network, November 2001).

chance homes.²⁷ On the other hand, SPAN stated that because of a lack of funding, some second chance homes have been closed in various states.²⁸

SPAN listed information about 95 second chance homes that were operating throughout the nation in its November 2001 *National Directory* (the latest data available). Such information includes what was described as “vital statistics” for the homes (that is, whether families and/or pregnant teens are helped, time limit of residency, if any, age of persons helped, etc.), services that residents receive, budget information, and contact information. Also listed were 37 additional second chance homes that currently were operating but where similar information about the homes could not be obtained. Information was gathered from the homes through a written survey distributed in summer and fall 2001 and provided through telephone interviews. The directory listed a total of 132 second chance homes that were operating in 30 states in the nation. SPAN did not claim that the list was exhaustive, but planned to produce annual updated editions to include information about additional second chance home providers as it became available.²⁹ As far as it is known, annual updates to the directory were not produced.

Reauthorization Legislation

Legislation was enacted to reauthorize the Runaway and Homeless Youth Act for FY2004 through FY2008, and to authorize funding for maternity group homes through TLP, as previously mentioned. On May 1, 2003, H.R. 1925, the Runaway, Homeless, and Missing Children Protection Act, was introduced by Representative Phil Gingrey to reauthorize programs under the Runaway and Homeless Youth Act and the Missing Children’s Assistance Act. On October 10, 2003, the measure was signed into law (P.L. 108-96). Title I of the law amends the Runaway and Homeless Youth Act’s section regarding eligibility for assistance to establish a Transitional Living Program (TLP), by specifying that plans to establish group homes include maternity group homes, and that services provided include, as appropriate, parenting skills. A definition for maternity group homes was included as a new subsection. For FY2004, \$105 million was authorized for RHYA, and such sums as necessary for FY2005 through FY2008. No specific funding, however, was recommended for maternity group homes. RHYA is up for reauthorization in the 110th Congress.

²⁷ SPAN, *Second Chance Homes: Advice for the States* (Washington, DC: Social Policy Action Network, 1999).

²⁸ Greer, telephone conversation.

²⁹ SPAN, *Second Chance Homes: National Directory*, pp. 2, 101-103.

Appropriations Funding Affecting Second Chance Homes

Between FY2002 and FY2006, congressional funding for the Runaway and Homeless Youth Program has fluctuated between \$88 million to a high of nearly \$90 million in FY2003. For an appropriations history of the Runaway and Homeless Youth Program, see CRS Report RL31933, *The Runaway and Homeless: Administration, Funding, and Legislative Action*, by Edith Fairman Cooper. For FY2007, the President requested the same amount enacted for the program in FY2006, that is, \$87,837,000. The President, however, did not request separate funding for maternity group homes. The Administration proposes awarding 193 TLP grants for FY2007 that would include maternity group homes to provide transitional living opportunities for pregnant and parenting homeless teens. Furthermore, the Administration for Children and Families (ACF) announced that it will begin using vouchers to provide maternity group home services in order to reach more vulnerable youth. ACF estimates that \$4 million will be used to support about 100 vouchers to pregnant and parenting homeless teens. It states further that a competitive grant would be awarded to a national organization for issuing the vouchers. Also, that national group would be responsible for recruiting and accrediting various maternity group home programs throughout the nation and for working with existing grantees to identify youths seeking those types of specialized services.³⁰ The Runaway and Homeless Youth Program is currently funded at FY2006 levels under a continuing resolution, (CR, P.L. 109-383) through February 15, 2007.

Legislation in the 109th Congress

On January 24, 2005, S. 6, the Marriage, Opportunity, Relief, and Empowerment Act of 2005 (MORE Act), was introduced by Senator Rick Santorum and referred to the Senate Finance Committee. Title III, Subtitle H of the bill would have amended RHYA to require an evaluation of maternity group homes and require the evaluator to submit a report to Congress regarding the status, activities, and accomplishments of such homes (supported by grant funds) no later than two years after the date in which the Secretary of HHS entered into a contract for the evaluation, and biennially thereafter. The bill would have authorized \$33 million for FY2006 for maternity group homes eligible under RHYA, and such sums as necessary for FY2007. Identical provisions were included in S. 1780, introduced by Senator Santorum on September 28, 2005, and referred to the Senate Finance Committee. No further action occurred.

On September 27, 2005, Representative Roy Blunt introduced H.R. 3908, the Charitable Giving Act of 2005, which not only would have amended the Internal Revenue Code to provide incentives for individuals and businesses to increase

³⁰ U.S. Dept. of Health and Human Services, Administration for Children and Families, "Runaway and Homeless Youth Program, *Fiscal Year 2007 Justification of Estimates for Appropriations*, pp. D-42 (hereafter cited as *Fiscal Year 2007 Justification of Estimates for Appropriations*).

contributions to charities, but also would have amend RHYA to include maternity group homes for homeless youth within TLP. Referred to the House committees on Ways and Means and Education and the Workforce, no further action occurred. This provision, however, was similar to language already enacted in P.L. 108-96.

Selected Federal Programs and Services

There is no single primary federal funding source for second chance homes. There are a variety of federal, state, and local programs, however, through which funding can be obtained for second chance homes. SPAN indicated that second chance homes were expensive to operate. It reported that such costs ranged from \$8,000 to \$65,000 per year per teen family, depending on the location of the home, the ability of the providers to coordinate services in a community, and the level of care needed by teen families.³¹ Not all SCH providers receive federal funding to operate second chance homes. For example, in Massachusetts, funding for some SCHs is received only from the state Department of Social Services, the United Way and/or state grants and contracts, while other homes receive funding from various sources, including individual donors, non-profits and foundations, faith-based groups, county or city governments, as well as federal grants.³²

Major federal sources for second chance homes are available via programs administered by HHS and the Department of Housing and Urban Development (HUD). How much funding is being used for second chance homes through these avenues, however, cannot be determined. Such decisions are made according to the discretion of the agency administering the program. As mentioned above, some second chance homes have been closed in various states because of a lack of funding.³³

Selected HHS and HUD programs that can be used as funding sources for second chance homes are discussed below.³⁴ For FY2007, all federal programs are operating under a CR until February 15, 2007.

³¹ Kathy Reich, *Second Chance Homes: Finding the Funding*, (Washington, DC: Social Policy Action Network, October 2000), p. 2 (Hereafter cited as Reich, *Second Chance Homes: Finding the Funding*.)

³² *Second Chance Homes: National Directory*, pp. 40-58.

³³ Greer, telephone conversation.

³⁴ A list of resources to assist pregnant and parenting teens was compiled for HHS's Family and Youth Services Bureau. The list, which includes information about available federal funding resources for second chance homes, is presented as U.S. Dept. of Health and Human Services, Administration for Children and Families, "Pregnant and Parenting Teens Resources," Prepared for the Family and Youth Services Bureau by the National Clearinghouse on Families & Youth, Publications, April 2005, at [<http://www.ncfy.com/p&pteens.htm>].

U.S. Department of Health and Human Services

Programs administered by HHS that may provide assistance to unwed teen mothers through second chance homes include the Runaway and Homeless Youth Transitional Living Program, TANF, Social Services Block Grants, Child Welfare Services Program (Title IV-B of the Social Security Act), and the Foster Care Program (Title IV-E, of the SSA). According to HHS, the two largest federal funding sources for second chance homes within the department are TANF and the Social Services Block Grant. These two programs, HHS states, “provide funds to states that may be important sources of support for young parents and can be used to fund second chance homes.” Each program is discussed below.

Runaway and Homeless Youth Program — Transitional Living Program. The Runaway and Homeless Youth Program (RHYP) is authorized under Title III of the Juvenile Justice and Delinquency Prevention Act of 1974. Amended by the Runaway, Homeless, and Missing Children Protection Act (P.L. 108-96) in the 108th Congress, the program authorizes the HHS Secretary to make grants to states that would assist public and private entities in creating and operating a community-based care system for runaway and homeless youth³⁵ and their families. As previously stated, the Runaway and Homeless Youth Act is up for reauthorization in the 110th Congress.

For FY2002, the Administration proposed a new Maternity Group Homes (or SCH) initiative as a program component of TLP to allow young single mothers to participate in transitional living opportunities. Concern that such mothers are vulnerable to abuse and neglect, often end up on welfare, in foster care, in homeless shelters or on the streets, and that their children are at risk of becoming teen parents themselves, prompted this proposal. Competitive grants would have been offered to faith-based and community-based groups to provide a safe and nurturing adult-supervised living environment for unwed teen mothers (aged 16 to 21) and their children who cannot live safely with their own families.

For FY2002, the Administration requested \$33 million specifically for maternity group homes as a component of TLP. Congress appropriated, however, a total of \$39.7 million for TLP, without specifying funds for maternity group homes but including an additional \$19 million over the FY2001 TLP appropriation to ensure that pregnant and parenting homeless teens would be able to access transitional living opportunities and support through their communities.³⁶

Since FY2002, funding for the needs of pregnant and parenting teens has been given to various organizations that already were receiving TLP funds and were

³⁵ The Runaway and Homeless Youth Act (42 U.S.C. §§ 5701, et seq.) defines a homeless youth as an individual 16 to 21 years of age, who cannot live in a safe environment with a relative and who has no other alternative living arrangement (42 U.S.C. § 5732a(3)).

³⁶ U.S. Congress, Committee of Conference, *Making Appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the Fiscal Year Ending Sept. 30, 2002*, conference report to accompany H.R. 3061, 107th Cong., 1st sess., H.Rept. 107-342 (Washington: GPO, 2001), pp. 104-105.

directly serving that teen population.³⁷ When the 108th Congress reauthorized the Runaway and Homeless Youth Act, maternity group homes were explicitly added as an allowable use of funds under TLP.

For FY2003 through FY2006, the President requested annual funding of \$10 million for maternity group homes, separate from TLP funding. Congress, however, never appropriated specific funding for such homes. Both pregnant and parenting teens would have been assisted through community- or faith-based maternity group homes.³⁸ Congress was aware of the need for funding residential services for young mothers and their children, and that pregnant and parenting teens were eligible for and served by TLP. Congress expected that the Family and Youth Services Bureau would continue providing technical assistance to enable TLP grantees and their community partners to address the unique needs of young mothers and their children, as well as to assist interested entities in identifying funding sources currently available to provide residential services to this population. For FY2007, the President did not request separate funding for Maternity Group Homes.

Temporary Assistance for Needy Families Block Grant. As mentioned above, there are certain restrictions on the use of federal TANF funds for unwed teen parents. TANF funds cannot assist unwed teen mothers under 18 unless they live with their own parents, adult relatives, or live under adult supervision. Also, teen parents who have not completed high school must go to school, or enter a GED program, or participate in a state-approved alternative education or training program.³⁹ Furthermore, states may use TANF funds for operating a SCH and maternity group home (TANF makes a distinction between the two homes), but not for constructing the living quarters.⁴⁰ Other restrictions on the use of TANF funds include prohibiting their use for remodeling such buildings, or paying for medical services.

Teen mothers living in such homes may be given cash assistance or vouchers through TANF funds. Also, funds may be used for financing any service that states want to provide in second chance homes. Such services might include pre-pregnancy family planning services, including abstinence education and birth control. There is no limit on the amount of TANF funding a state may use for a SCH.

There is a federal five-year time limit for receiving TANF assistance for teen parents who are heads of households or who are married to a head of household. Some states as well have their own shorter time limits on recipients receiving TANF

³⁷ Spokesman at FYSB, telephone conversation with author, Apr. 8, 2003.

³⁸ U.S. Dept. of Health and Human Services, "Consolidated Runaway and Homeless Youth Program," *FY2003 Justifications*, p. H-50.

³⁹ Reich, *Second Chance Homes: Finding the Funding*, p. 4.

⁴⁰ This restriction is based on the general rule of Comptroller General decisions regarding a state's use of TANF funds. U.S. Dept. of Health and Human Services, Administration for Children and Families, Office of Family Assistance, "Helping Families Achieve Self-Sufficiency: A Guide on Funding Services for Children and Families through the TANF Program," Dec. 12, 1999.

funds; however, states also have discretion in implementing time limit policies. According to Kathy Reich who worked for SPAN,⁴¹

States could exempt teens from time limits while they are living in Second Chance Homes by declaring that the home provider acts as head of household. Even if states decide against this, they will have discretion under TANF to exempt up to 20 percent of their welfare caseloads from the lifetime limit for reasons related to family hardship or domestic violence. The definition of “hardship” is left to the states to determine and could encompass teens living in Second Chance Homes.

Social Services Block Grant. The Social Service Block Grant (SSBG), Title XX of SSA, is “designed to reduce or eliminate dependency; achieve or maintain self-sufficiency for families; help prevent neglect, abuse or exploitation of children and adults; prevent or reduce inappropriate institutional care; and secure admission or referral for institutional care when other forms of care are not appropriate.”⁴² States are free to designate eligible populations, which typically include low-income children and families, the disabled, and the elderly.

SSBG funds can be used for any services related to second chance homes at the discretion of the state. Funds are provided to states by formula based on total population. There are no limitations on how much states can earmark for SCH or any other use, and no time limit on assistance. States must report to HHS, however, about how SSBG funds are spent and who is served. There are several federal restraints on how SSBG funds can be used. Similar to TANF restrictions, these include no use for construction, purchasing facilities, or major capital improvements. Neither can SSBG funds be used for medical care, other than for family planning; cash assistance; unlicensed child care; education services that are generally available in the public schools; or social services provided by hospitals, nursing homes, or prisons, except services to help drug or alcohol dependent persons and individuals in rehabilitation for those problems. In addition, funds cannot be used to purchase food or pay for housing, except in short-term emergencies.⁴³

Child Welfare Services Program (Title IV-B, Subpart 1 of SSA) . The goal of the Child Welfare Services program is to assist state public welfare agencies in protecting children from abuse or neglect. These state services include — interventions that will allow children to remain in their homes, if possible; services that provide alternative placements, such as foster care or adoption, if children cannot remain at home; and services to reunite children with their families, if appropriate. All such services are available to children and their families regardless of income. States have wide discretion over Title IV-B funds and can use them to provide

⁴¹ Reich, *Second Chance Homes: Finding the Funding*, pp. 4-5.

⁴² U.S. Department of Health and Human Services, Administration for Children and Families, Social Services Block Grant, *Fiscal Year 2003 Justification of Estimates for Appropriations Committees*, p. D-8.

⁴³ 42 U.S.C. § 1397d. For information about SSBG funding as well as a detailed discussion about the program, see CRS Report 94-953 EPW, *Social Services Block Grant (Title XX of the Social Security Act)*, by Melinda Gish.

services for teen mothers in a SCH, if the state considers it appropriate (that is, in the best interest of the teen mother).⁴⁴

Foster Care Program (Title IV-E of SSA). The purpose of the Foster Care Program is to assist states to provide proper care for children who are removed from their families because of abuse, neglect, or abandonment. Through the Title IV-E program, funds are provided to states for foster care maintenance payments; administrative costs to manage the program, including costs for statewide automated information systems; and training of staff and foster and adopting parents. If a teen mother meets federal eligibility criteria (that is, she has been removed from a welfare eligible family) and the state and the court decide that a licensed second chance home is the appropriate placement, the state may be reimbursed for part of the costs for maintaining a teen mother and her child in a SCH. This program operates as an open-ended entitlement to states.

John H. Chafee Foster Care Independence Program. In 1999, the Independent Living program, which was originally authorized in 1986 under Section 477 of Title IV-E of SSA, was replaced with the John H. Chafee Foster Care Independence Program (CFCIP, P.L. 106-169). Under CFCIP, states have more flexibility and extra resources for child welfare services that are designed to assist teens in foster care with making a transition to an independent productive adulthood. Services are provided to foster children under 18 and to former foster care youth who are 18 to 21.⁴⁵ Various services are provided such individuals to assist them in making the transition to independent living, including, but not limited to, “educational assistance, career exploration, vocational training, job placement, life skills training, home management, health services, substance abuse prevention, preventive health activities, and room and board.”⁴⁶

Mandatory funding for CFCIP is \$140 million. States can use CFCIP funds, which are disbursed through formula grants, to provide second chance homes for 18- to 21-year-old unwed mothers who have been in foster care. Also, funds can be used to support foster care teens who live in a SCH. States are restricted from using more than 30% of the program’s funds for room and board.⁴⁷

⁴⁴ For information about funding levels regarding Title IV-B and Title IV-E of SSA, see CRS Report RL31746, *Child Welfare Issues in the 108th Congress*, by Emilie Stoltzfus. For more detailed discussions about Title IV-B and Title IV-E programs, see CRS Report RL31242, *Child Welfare: Federal Program Requirements for States*, by Emilie Stoltzfus.

⁴⁵ U.S. Dept. of Health and Human Services, Administration for Children and Families, Independent Living, *Fiscal Year 2003 Justification*, p. C-21.

⁴⁶ *Ibid.*

⁴⁷ For more detailed information about CFCIP and its funding, see CRS Report RS22501, *Child Welfare: The Chafee Foster Care Independence Program*, by Adrienne L. Fernandes.

U.S. Department of Housing and Urban Development

Second chance homes provide housing as well as programs and services. There are several funding sources through HUD programs that can be used for second chance homes — the Community Development Block Grants (CDBG) program, the Supportive Housing Program, and the Emergency Shelter Grants (ESG) program.⁴⁸ They are discussed below.

Community Development Block Grants. The CDBG program, authorized as Title I of the Housing and Community Development Act of 1974, as amended (P.L. 93-383), provides assistance to state and local governments by awarding formula grants to cities, urban counties, and states for community and economic development that will assist low- and moderate-income individuals.⁴⁹ Such development might be broadly used by states and communities for acquiring, constructing, or revitalizing permanent housing for low-income families, temporary and transitional housing, developing community and economic activities, creating and retaining jobs, reviving neighborhoods, and public services, among other activities.

CDBG funds may be used for second chance homes. SPAN reported that many such homes nationwide received CDBG funds. Furthermore, it stated that there were no limits on how much funding states and eligible communities could allocate for a SCH, but there were some federal restrictions related to the program.⁵⁰ States and grantees were required to prepare an action plan that determined how funds are to be spent and that allowed communities to participate in the program. The annual action plan had to include the local community's objectives and indicate how the funds would be used. Also, grantees were required to certify that at least 70% of the funds received during either a one, two, or three-year period that it indicated, would primarily benefit low- and moderate-income families.⁵¹

Supportive Housing Program. The Supportive Housing Program (SHP), authorized as Title IV, Subtitle C of the McKinney-Vento Homeless Assistance Act of 1987, as amended (P.L. 100-628), is administered by HUD's Community Planning and Development office, which generates supportive housing and services for the homeless, through the Homeless Assistance Grant.⁵² Stable housing is provided for

⁴⁸ For information about these programs and their funding levels, see CRS Report RL32869, *The Department of Housing and Urban Development (HUD): FY2006 Budget*, coordinated by Richard Bourdon.

⁴⁹ Community Development Block Grants/Entitlement Grants, *The Catalog of Federal Domestic Assistance*, at [http://12.46.245.173/pls/portal30/SYSTEM.PROGRAM_TEXT_RPT.SHOW?p_arg_names=prog_nbr&p_arg_values=14.218].

⁵⁰ Reich, *Second Chance Homes: Finding the Funding*, p. 14.

⁵¹ Community Development Block Grants/Entitlement Grants, *The Catalog of Federal Domestic Assistance*, at [http://12.46.245.173/pls/portal30/SYSTEM.PROGRAM_TEXT_RPT.SHOW?p_arg_names=prog_nbr&p_arg_values=14.218].

⁵² The Supportive Housing Program is one of four programs funded through homeless (continued...)

the homeless while they increase their job skills and income to enable them to live as independently as possible. SHP funds may be used for (1) transitional housing within a 24-month period, and up to six months of follow-up assistance for former residents to help them adjust to living independently; (2) permanent housing for homeless persons with disabilities to maximize their ability to live independently; (3) supportive services to help meet the immediate or long-term needs of homeless persons and families; (4) supportive services that are not provided in conjunction with supportive housing for homeless persons; and (5) “safe havens” for homeless mentally ill persons who live on the streets and are not yet ready for supportive services.⁵³

Funding for SHP, which is awarded as competitive grants, is provided through the Homeless Assistance Grants account. Consequently, SHP funding assistance is restricted only to homeless persons and to homeless families with children.⁵⁴ SPAN indicated that SHP funding could be used to acquire, rehabilitate, or lease housing (that is, second chance homes), for homeless unmarried teenage mothers. Also, SHP funding could be used to provide supportive services for such mothers including “child care, employment assistance, outpatient health services, food, and case management.”⁵⁵ Furthermore, agencies could use the funds to assist these homeless teen mothers with permanent housing, counseling concerning employment and nutrition, security services, and ways to find additional help at the federal, state, and local levels.⁵⁶

Grants can be awarded to state and local governmental organizations and other governmental entities, to private nonprofit groups, and to community mental health organizations that are public nonprofit groups. The following limitations are placed on financial assistance received through SHP grants: (1) SHP grant awards for acquiring or rehabilitating buildings cannot exceed \$200,000 (but can be increased up to \$400,000 for high-cost areas and for new construction); (2) SHP grant awards for operating costs cannot exceed 75% of the funds awarded; (3) SHP grant awards for supportive services costs cannot exceed 80% of the funds awarded; (4) SHP grant awards for administrative costs cannot exceed 5% of the funds awarded; and (5) SHP grant awards for leasing costs cannot exceed three years. Grants may be made available for operating and supportive services costs for up to three years. Grant

⁵² (...continued)

assistance grants. The other three are the Shelter Plus Care Program, Emergency Shelter Care Program, and Section 8 Moderate Rehabilitation Assistance for Single-Room Occupancy Dwellings.

⁵³ Supportive Housing Program, *The Catalog of Federal Domestic Assistance*, at [http://12.46.245.173/pls/portal30/CATALOG.SEARCH_PGM_TXT_DYN.SHOW?p_arg_names=prog_nbr_in&p_arg_values=14.235&p_arg_names=keyword_in&p_arg_values=supportive%20housing%20program&p_arg_names=_title&p_arg_values=].

⁵⁴ Ibid.

⁵⁵ Reich, *Second Chance Homes: Finding the Funding*, p. 12.

⁵⁶ Ibid.

recipients must match an equal amount of funds from other sources for acquiring, rehabilitating, and building new structures.⁵⁷

If persons live in substandard housing, live with friends or relatives, or are wards of the state, HUD does not consider them to be homeless. In order to continue to receive SHP assistance, individuals must remain homeless.⁵⁸

Emergency Shelter Grants Program. The purpose of the Emergency Shelter Grants Program (ESG), authorized as Title IV, Subtitle B of the McKinney-Vento Homeless Assistance Act of 1987, as amended (P.L. 100-628), is fivefold — (1) to assist in improving the quality of emergency shelters and transitional housing for the homeless; (2) to make more shelters available to such persons; (3) to cover the costs of operating shelters; (4) to provide fundamental social services to homeless persons; and (5) to help prevent homelessness.⁵⁹ Funding for ESG is provided through the Homeless Assistance Grant (see the Supportive Housing Program above). Formula grant allocations are distributed to states, cities, urban counties, and territories, which receive funds based upon population. States must distribute ESG funds to local governments, or to nonprofit groups with local government approval, including second chance home providers.⁶⁰

ESG funds for second chance homes can be used to convert and rehabilitate structures, cover operating expenses for the homes, encourage homelessness prevention, and provide necessary services, such as employment, health care, drug abuse, and education to homeless unwed teen mothers. No more than 30% of such funds can be used by state and community grantees for prevention and essential services, unless waived by HUD, and no more than 5% of funds can be used for administering the grant.⁶¹

⁵⁷ Supportive Housing Program, *The Catalog of Federal Domestic Assistance*, at [http://12.46.245.173/pls/portal30/CATALOG.SEARCH_PGM_TXT_DYN.SHOW?p_arg_names=prog_nbr_in&p_arg_values=14.235&p_arg_names=keyword_in&p_arg_values=supportive%20housing%20program&p_arg_names=_title&p_arg_values=].

⁵⁸ Reich, *Second Chance Homes: Finding the Funding*, p. 13.

⁵⁹ Emergency Shelter Grants Program, *The Catalog of Federal Domestic Assistance*, at [http://12.46.245.173/pls/portal30/SYSTEM.PROGRAM_TEXT_RPT.SHOW?p_arg_names=prog_nbr&p_arg_values=14.231].

⁶⁰ *Ibid.*

⁶¹ *Ibid.*

Evaluations of Second Chance Homes

To date there have been very few rigorous evaluations on the effectiveness of second chance homes.⁶² HHS reports, however, that there have been several analyses regarding service delivery approaches of different programs that documented how the programs worked and provided descriptions of the teen mothers and their children. As a result, insights have been gained regarding the needs of the mothers and their children, as well as in some cases, program outcomes, such as subsequent employment, education or subsequent pregnancies.⁶³

Successful outcomes have been reported, according to HHS, by several states or programs related to reductions in repeat pregnancies, compared with the state average, higher rates of mothers completing school, lower rates of child abuse and neglect, improvements in the health of mothers and children, higher rates of mothers becoming employed, and a reduction in their dependency upon welfare.⁶⁴ New Mexico, which began its state-sponsored second chance homes project in 1990 and has the oldest operation of such homes in the nation, operates 10 second chance homes with the capacity to serve 80 teen families. All needy teen mothers and their children are served (as long as the mothers stay in school). New Mexico has had less than 1% of its residents experience repeat pregnancies while living in the homes.⁶⁵ The mothers are allowed to stay until they are 22 years of age. Services provided include supervision, case management, family planning, educational assistance, job training, health care, counseling, life skills training, and child care.⁶⁶

Massachusetts, which was one of the first states to create a network of second chance homes (beginning in December 1995), operates 15 such homes statewide through state centralized services and assists pregnant and parenting teens ages 13 to 19. Data collected through its Department of Transitional Living Programs indicate that there were fewer repeat pregnancies (about 2%⁶⁷) among teen mothers living in second chance homes than the statewide average.⁶⁸ Furthermore, SPAN reported that over half of the teen mothers in Massachusetts who left second chance homes in 1998 made notable progress in school, in learning to manage their personal budgets, maintaining the health requirements of their children, such as

⁶² U.S. Dept. of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, *Second Chance Homes: Providing Services for Teenage Parents and Their Children*, Oct. 2000, at [<http://aspe.hhs.gov/search/hsp/2ndchancehomes00/index.htm>].

⁶³ Ibid.

⁶⁴ Ibid.

⁶⁵ Jacqueline Greer, SPAN Policy Associate, *Second Chance Homes: State Contacts*, sent via email, June 24, 2002. (Hereafter cited as Greer, *Second Chance Homes: State Contacts*.)

⁶⁶ *Fast Facts About the New Mexico Teen Residents* (Washington, D.C.: Social Policy Action Network).

⁶⁷ *Notes on Funding and Evaluating of Second Chance Homes* (Washington, D.C.: Social Policy Action Network)

⁶⁸ Ibid.

immunizations, and in mastering good parenting methods.⁶⁹ The homes provide services such as counseling, case management, and some on-site GED training, and child care.⁷⁰ Massachusetts once had 21 second chance homes across the state and had the capacity to help 120 teen families on TANF and 16 teen families in the child welfare system. SPAN reported, however, that because of a lack of funding, Massachusetts closed some of its second chance homes. Consequently, the housing capacity to assist such teens might have diminished. It remained, however, the state with the largest network of such homes and, according to SPAN, was a good model of how state-run homes should work.⁷¹

Texas, which began operating second chance homes in 1999 and has four sites, serves teen mothers on TANF under age 18 and their children as well as pregnant teens eligible for Medicaid. Services provided include case management, counseling, mentoring, parenting classes, child care, school-to-work services, and transportation. Its home located in San Antonio reports that 90% of babies born to residents weigh more than the average birth weight for teen births, which are expected to be high risk for low birth-weight.⁷²

HHS cautions that there are limitations in using these results to make informed policy decisions about designing programs to assist such mothers because: (1) results were based upon the participants' self-reports that were not independently validated for accuracy, (2) information was based on the reports of a very small number of mothers; and (3) results reflected the outcomes of mothers who remained with the programs or were tracked after leaving the programs. HHS found that in nearly all cases, there was no other group used to compare outcomes in order to determine whether participating in second chance homes specifically made a difference compared with what could have otherwise occurred.⁷³

The need for evaluation, HHS concluded, is being recognized as a fundamental part of a new program's design. Such information, HHS believed, not only could inform program operators and sponsors about the general success of a second chance home in accomplishing intended outcomes, but could be useful in informing others interested in starting or redesigning a second chance home.

⁶⁹ *Second Chance Homes in the Federal Budget*, (Washington, D.C.: Social Policy Action Network, January 2002).

⁷⁰ Greer, SPAN Policy Associate, *Second Chance Homes: State Contacts*.

⁷¹ Greer, telephone conversation.

⁷² SPAN, *Notes on Funding and Evaluating of Second Chance Homes*.

⁷³ U.S. Dept. of Health and Human Services, *Second Chance Homes: Providing Services for Teenage Parents and Their Children*, October 2000.

HHS suggests four key issues and challenges that might be considered as more program administrators try to conduct accurate program evaluations. They are:

- “Program size and capacity” — Most second chance homes accommodate a very small number of teen mothers and their children at one time, usually six or eight. Because of the small numbers, rigorous impact evaluations are more difficult.
- “Measurements” — Determining certain outcomes for mother and child, such as acquiring a high school diploma or GED, might be easily quantified. Other outcomes, such as good parenting skills or increased self-esteem, might not be easily or quickly determined and might not surface for extended periods of time.
- “Comparison” — For rigorous impact evaluation, there is a need to use two comparable groups. Second chance homes participants, however, would be difficult to separate into two distinct groups. “Neither program operators nor researchers,” HHS states, “would support the denial of services to teens and their children for purely research purposes.” Often, however, there are places where there is more demand for service than the ability to serve. In such instances, applicants who are not selected, HHS suggests, could be included in a study to compare outcomes.
- “Follow-up and tracking” — Certain key outcomes needed to determine the effectiveness of second chance homes can be measured only after an extended period of time. These outcomes include long-term employment, subsequent higher earning and self-sufficiency, and child development outcomes. Many of the evaluations of second chance homes have data collected about participants while in the program. Tracking such teens after they have left a program, however, has proven to be very difficult.⁷⁴

⁷⁴ Ibid.