



September 2015

# CHILD WELFARE

## Steps Have Been Taken to Address Unregulated Custody Transfers of Adopted Children

# GAO Highlights

Highlights of [GAO-15-733](#), a report to congressional requesters

## Why GAO Did This Study

Parents have the legal responsibility to protect and care for their children. However, recent media reports have illuminated a practice involving unregulated custody transfers of adopted children. Commonly referred to as “rehoming,” this practice involves parents who turn to the internet or other unregulated networks to find a new home for their child. These media reports found instances in which adopted children were placed in dangerous situations where they were harmed by the adults who received them. GAO was asked to review issues related to unregulated transfers of adopted children.

GAO examined (1) the reasons adoptive families consider unregulated child custody transfers, and services that exist to support these families before they take such an action; (2) what is known about the prevalence of these transfers; and (3) actions selected states and federal agencies have taken to address such transfers. GAO reviewed relevant federal laws, regulations, and policies and selected state laws and proposed legislation. GAO also interviewed officials from federal agencies, 19 child welfare and adoption organizations, 15 adoption agencies, and 7 states selected primarily because of legislative activity on unregulated transfers. GAO also searched online activity on selected social media sites to find illustrative examples of families who may be considering unregulated transfers.

The Departments of Health and Human Services, Homeland Security, and State provided technical comments. The Department of Justice had no comments.

View [GAO-15-733](#). For more information, contact Kay E. Brown at (202) 512-7215 or [brownke@gao.gov](mailto:brownke@gao.gov).

September 2015

## CHILD WELFARE

### Steps Have Been Taken to Address Unregulated Custody Transfers of Adopted Children

## What GAO Found

Some adoptive families may consider giving their children to another family outside of the courts and child welfare system—an “unregulated child custody transfer”—because of a crisis within the adoptive family and difficulties accessing support services, according to officials GAO interviewed from selected states, child welfare and adoption organizations, and adoption agencies. Children adopted internationally or from foster care may need special care or counseling because of a history of institutionalization and trauma. Some parents, particularly those who adopted internationally, may not be prepared to deal with their adopted child’s complex needs. Federal regulations require agencies facilitating international adoptions to provide parents with at least 10 hours of pre-adoption training. In contrast, about half of the states require agencies facilitating foster care adoptions to provide at least 27 hours of training, according to data obtained from Department of Health and Human Services (HHS) officials in May 2015. Many officials said adoptive parents may experience challenges finding mental health services for their families, such as therapists familiar with adoption issues. Many officials also said parents who adopt children with more severe needs may have difficulty finding and paying for intensive services such as residential treatment, which can cost thousands of dollars per month. Officials said these challenges may lead families to seek out unregulated transfers.

Little is known about the prevalence of unregulated transfers. Because they happen without any oversight, these transfers are difficult to track and no federal agency keeps statistics on their occurrence. GAO’s observations of social media sites found that some parents have been using online forums to seek new homes for their adopted children. During a 15-month period, GAO identified 23 instances in which a parent posted that they were seeking a new family for their child. Because GAO did not investigate these posts and because discussions between online participants can be continued privately, GAO was unable to determine whether these participants intended to pursue a legal placement or an unregulated transfer, or whether such a transfer actually took place.

Selected states and federal agencies have taken some steps to address unregulated transfers. GAO identified at least 15 states in which there was legislative and other activity in recent years intended to address these transfers. Seven of the 15 states had enacted legislation and 3 made changes to state child welfare programs as of July 2015. The most common approaches were criminalizing unregulated transfers or actions that may lead to these transfers, and restricting the advertisement of children for placement. In addition, activity in several states involved improving post-adoption services, which many officials said was a key need for families who resort to unregulated transfers. However, federal officials and others said addressing service needs can be difficult and time-consuming, and funding for these services is limited. At the federal level, several agencies established an interagency working group on unregulated transfers in October 2013. Officials from the Department of State said they plan to revise international pre-adoption training requirements that may include an increased number of minimum hours. HHS issued a memorandum in May 2014 encouraging states to promote post-adoption services and to review their policies to address unregulated transfers.

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**Abbreviations**

HHS	Department of Health and Human Services
Justice	Department of Justice
MAPP	Model Approach to Partnerships in Parenting
PRIDE	Parent Resources for Information, Development, and Education
State Department	Department of State
USCIS	U.S. Citizenship and Immigration Services

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September 16, 2015

The Honorable Lloyd Doggett  
Ranking Member  
Subcommittee on Human Resources  
Committee on Ways and Means  
House of Representatives

The Honorable Jim Langevin  
House of Representatives

Recent media reports have illuminated a practice involving transfers of adopted children to new homes outside of the courts or child welfare system. Commonly referred to as “rehoming,” this practice involves parents who turn to the internet or other unregulated networks to find new homes for their children.<sup>1</sup> These media reports highlighted cases of parents of adopted children who engaged in these unregulated child custody transfers because they were unable or unwilling to meet the complex emotional and behavioral needs of their children. The reports found that unregulated transfers occurred without background checks of the new families, and that in some instances, children were placed in dangerous situations without the knowledge of child welfare officials or other authorities. For example, one media report found that a child was placed in a home with an adult convicted of possessing child pornography. Another media report described a case where two young girls adopted from foster care were placed by their adoptive parents in the home of a family friend. One of the adults in the new home was subsequently convicted of sexually assaulting one of the girls, according to the media report.

In some instances, parents used online forums on social media sites to seek new homes for their children, according to media reports. For example, Reuters News reported following a bulletin board on such a site

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<sup>1</sup>Following the media reports, the term “rehoming” became widely used to describe the behavior of parents seeking new homes for their children, biological and adopted, outside the purview of the courts or the public child welfare system. For the purposes of our report, we refer to rehoming as an unregulated child custody transfer and we focused on how this practice relates to adopted children.

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for 5 years during which new homes were sought for 261 adopted children. It found that at least 70 percent of these children had been adopted internationally. The remaining children were adopted domestically from foster care or through private adoption agencies and other means, such as private attorneys.

Parents have a legal responsibility to protect and care for their children, and unregulated transfers can put children in dangerous situations when they are placed with unfit adults. While many requirements related to child welfare and adoptions are determined by states, federal law requires states to establish systems for reporting and responding to cases of child abuse and neglect.<sup>2</sup> Several federal agencies may also play a role with respect to children who could be subject to unregulated transfers. The Department of State (State Department) conducts some oversight activities for international adoptions (also called intercountry adoptions), including serving as the U.S. Central Authority for the Hague Adoption Convention,<sup>3</sup> collecting data on children adopted into the United States, and setting requirements for agencies that want to be accredited to conduct international adoptions. The Department of Homeland Security's U.S. Citizenship and Immigration Services (USCIS) issues federal regulations, forms, and policy guidance related to international adoption and adjudicates immigration applications. The Department of Health and Human Services (HHS) oversees federal programs that support child

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<sup>2</sup>As a condition of receiving federal funding under the Child Abuse Prevention and Treatment Act, as amended, states must comply with these and other requirements. See 42 U.S.C. § 5106a(b)(2). The Act defines child abuse and neglect as, at a minimum, any recent act or failure to act on the part of a parent or caretaker, which results in death, serious physical or emotional harm, sexual abuse or exploitation, or an act or failure to act which presents an imminent risk of serious harm. 42 U.S.C. § 5101 note. Consistent with this definition, states define what constitutes abuse, neglect, abandonment, or exploitation of children. It is possible that parents could be charged under state laws if a child is harmed as the result of an unregulated child custody transfer.

<sup>3</sup>The Hague Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption (Hague Adoption Convention) is an international agreement to establish safeguards to ensure that international adoptions take place in the best interests of the child. The Intercountry Adoption Act of 2000 implements the Hague Adoption Convention in the United States by setting accreditation and other requirements for entities facilitating international adoptions of children from countries that are parties to the Convention. Pub. L. No. 106-279, 114 Stat. 825 (codified at 42 U.S.C. §§ 14904-14954). The Intercountry Adoption Universal Accreditation Act of 2012 extends these requirements to entities facilitating international adoptions of children from countries that are not parties to the Convention. Pub. L. No. 112-276, § 2, 126 Stat. 2466 (2013) (codified at 42 U.S.C. § 14925).

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welfare services, including adoption support, and provides some financial assistance for certain adoptions, primarily from foster care. HHS also collects some data on children adopted from or relinquished to the child welfare system. However, requirements for domestic adoptions, including those from foster care, are generally set by individual states. The Department of Justice (Justice) is involved in enforcing applicable federal criminal laws to protect children and supporting law enforcement agencies in investigating child exploitation, internet crimes against children, or other relevant crimes.

You asked us to explore issues related to unregulated child custody transfers. This report examines:

1. the reasons adoptive families consider unregulated child custody transfers, and services that exist to support these families before they take such an action;
2. what is known about the prevalence of these transfers; and
3. actions selected states and federal agencies have taken to help address such transfers.

To address our objectives, we reviewed relevant federal laws, regulations, and policies; conducted a search of related literature; and conducted interviews with 45 agencies, states, and organizations to acquire a range of perspectives on this topic. Those we interviewed included officials from the State Department, USCIS, HHS, and Justice; representatives from 19 organizations that work on child welfare and adoption issues; officials from state child welfare and other relevant offices in 7 selected states; and representatives from 15 international and domestic adoption agencies. The 7 states selected for in-person and phone interviews were chosen based on factors such as the presence of legislative activity within the state related to unregulated transfers and a state's post-adoption programs.<sup>4</sup> These states are Colorado, Florida, Illinois, Louisiana, Ohio, Virginia, and Wisconsin. We reviewed relevant documents to corroborate information obtained in our interviews. In

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<sup>4</sup>In this report, we define legislative activity within a state to include enacted laws as well as proposed legislation that has been introduced in the state legislature, even if not enacted. To identify states that had a variety of post-adoption programs, we asked representatives from child welfare and adoption organizations that we interviewed to identify states that, in their opinion, had comprehensive programs.

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addition, we searched online forums on selected social media sites to find illustrative examples of families who may be considering unregulated transfers. These online forums focused on dissolutions of adoptions, behavioral challenges of adopted children, and related issues. We identified online activity on these forums, and reviewed materials that were posted over a 15-month period (January 1, 2014, through April 1, 2015). The online posts we identified did not provide sufficient information to determine whether the posters intended to pursue an unregulated transfer, or to pursue an adoption or other legal placement. We did not further investigate or otherwise attempt to verify the accuracy of these posts. Because of our methodology for reviewing these forums and because discussions between online participants can be continued privately, we were unable to determine whether a child was actually transferred to another family and, if so, whether it was done through a court-approved process or through an unregulated transfer.<sup>5</sup>

Through our interviews with representatives from child welfare and adoption organizations and others, we identified at least eight additional states that had legislative activity related to unregulated transfers since we began our review: Arkansas, Maine, Maryland, Massachusetts, Nebraska, New York, North Carolina, and South Carolina. We reviewed information on relevant laws and other activity provided by child welfare and other agency officials in our seven selected states as well as these eight identified states. Since we did not attempt to identify all relevant activity in all states, there may be other states with legislative or other activity that are not included in our review. To examine federal efforts related to unregulated transfers, we reviewed relevant documents obtained in our interviews with federal officials. We also reviewed relevant federal laws, regulations, and policies as well as GAO criteria on internal controls.<sup>6</sup> Because children adopted domestically as infants and those in biological families may be less likely to have mental health issues due to trauma and institutionalization, and reports of unregulated transfers have primarily pertained to children adopted internationally or from foster care, our report will focus on international and foster care adoptions. See

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<sup>5</sup>Our review was not designed to determine the legality of the posters' actions. However, we provided the information we collected to the Department of Justice, and in cases where sufficient information was available, to state law enforcement.

<sup>6</sup>GAO, *Standards for Internal Control in the Federal Government*, [GAO/AIMD-00-21.3.1](#) (Washington, D.C.: Nov. 1, 1999).

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appendix I for additional information on our objectives, scope, and methodology.

We conducted this performance audit from October 2014 to September 2015 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Background

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### Unregulated Child Custody Transfers

An unregulated child custody transfer, commonly referred to as rehomeing, is not an adoption. It is a practice in which parents seek new homes for their children and place them without the safeguards and oversight of the courts or the child welfare system.<sup>7</sup> This practice does not pertain exclusively to adopted children; biological children may also be subject to unregulated transfers. However, media reports and child welfare and adoption organizations have focused on unregulated transfers of adopted children that involve families who may be unable or unwilling to deal with the emotional and behavioral challenges that may be caused by a child's pre-adoption conditions. For example, some adopted children may have histories of long-term institutionalization (e.g., orphanages), abuse, or other traumatic experiences that affect their behavior.

An adoption may be terminated as a result of a disruption, which occurs before the adoption is finalized, or a dissolution, which occurs after the adoption has been finalized, generally in a legal proceeding. Under these circumstances, the child would go into the child welfare system or be

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<sup>7</sup>The State Department refers to an unregulated child custody transfer as an "informal secondary placement." The department uses this term to describe the transfer of legal custody, or attempt thereof, without professional involvement, and to a family that potentially has not been approved to adopt.

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legally adopted by another family.<sup>8</sup> In contrast, unregulated transfers occur when parents intend to permanently transfer custody of their child to a new family without following these steps. Sometimes the parents will use a document called a power of attorney to delegate to the new family certain authority for the care and control of the child, although such documents do not terminate the legal relationship between the adoptive parents and the child. Because power of attorney arrangements are generally not overseen by any state or federal agency, information on the whereabouts of a child subject to an unregulated transfer using a power of attorney can be limited or unknown. In addition, because families who engage in an unregulated transfer do not follow the steps required for a legally recognized adoption, there may be no checks to ensure that the new home is an appropriate place for the child.

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## The Adoption Process and Roles of Federal, State, and Other Agencies

There are different ways that a child can be adopted in the United States. International adoptions involve a child who was born in another country. Domestic adoptions can be adoptions from foster care, which involve children in the child welfare system whose biological parents have had their parental rights terminated. Other domestic adoptions include those conducted through private adoption agencies, attorneys, and others. Most domestic adoptions handled through private adoption agencies, attorneys, and others primarily involve infants or adoptions by a stepparent.

Unregulated transfers do not follow the adoption process, which generally involves many steps to help ensure that the child is legally adopted and placed in an appropriate and permanent home. While the adoption process can be different depending on the state and type of adoption, it typically consists of:

- a home study performed by a licensed professional to assess the suitability of the prospective parents, such as their health, finances, and criminal history;

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<sup>8</sup>According to State Department officials, the term “secondary placement” describes cases in which parents work with appropriate professionals (e.g., doctors, counselors, social workers, and attorneys) to transfer legal custody of an adopted child to another family that has been approved to adopt. State Department officials said in some cases, when a child’s needs exceed the parents’ ability to provide appropriate support, a secondary placement can be in the child’s best interests as long as it involves appropriate authorities, such as social services, medical professionals, counselors, and the court.

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- an immigration application and petition, in the case of an international adoption;
  - pre-adoption training for prospective parents, either online or in-person, for a specified number of hours on topics such as the adoption process and issues related to attachment and bonding;
  - final approval of the adoption by a court, either in the United States or the child's country of origin; and
  - post-placement or post-adoption services, in some cases, which can range from information and referral services and peer support groups to more intensive services for children with severe behavioral needs.<sup>9</sup> For example, these intensive services can include mental health counseling, respite care programs to provide temporary relief for caregivers by placing children in short-term accommodations outside the home, and residential treatment, which involves extended treatment services to children while they reside outside the home.

Multiple federal, state, and other agencies can be involved in different stages of the adoption process, depending on the type of adoption. Fees also vary by type of adoption; while foster care adoptions may not have any fees, international adoptions can involve substantial financial investments from families.<sup>10</sup>

**International adoptions.** As required under federal law and State Department regulations, international adoptions are generally conducted

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<sup>9</sup>According to State Department officials, post-placement services are provided to families after a child is placed with the family and before the adoption is finalized, while post-adoption services are provided after the adoption is finalized. These officials also said that, with respect to international adoptions, U.S. accrediting regulations do not require international adoption agencies to provide specific post-adoption services, although these agencies must notify prospective adoptive parents in the adoption contract of whether such services are included or available for additional fees.

<sup>10</sup>According to State Department data, international adoption agencies reported charging up to \$64,357 for all services for an adoption, with half charging less than \$31,120 and half charging more in fiscal year 2014.

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through accredited adoption agencies or approved persons.<sup>11</sup> USCIS is involved in adjudicating immigration petitions for these children as well as setting federal home study requirements for international adoptions and determining the suitability and eligibility of prospective adoptive parents.<sup>12</sup> The State Department also sets requirements for pre-adoption training that international adoption agencies and approved persons must provide for prospective parents. There are no federal requirements for post-adoption monitoring for international adoptions, according to State Department officials.<sup>13</sup> However, officials said some countries of origin require adoptive families to provide periodic reports (e.g., according to the State Department's website, one country requires families to provide reports every 6 months for 2 years following an international adoption). Individual states may also have separate licensing requirements for international adoption agencies operating in their state.

**Foster care adoptions.** Foster care adoptions are typically conducted by state, county, and local child welfare agencies or private adoption agencies with which they contract. For these adoptions, states set requirements for home studies, pre-adoption training, and post-adoption services.

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<sup>11</sup>Under the Intercountry Adoption Act of 2000, as amended, the State Department sets accreditation requirements for those facilitating international adoptions. See 42 U.S.C. §§ 14901-14954, 22 C.F.R. pt. 96. For example, the State Department generally requires these entities to be approved or accredited by the Council on Accreditation, a non-profit organization. See Memorandum of Agreement Between the U.S. Department of State and the Council on Accreditation Regarding Performance of Duties as an Accrediting Entity Under the Intercountry Adoption Act of 2000, 74 Fed. Reg. 40,771 (July 18, 2006) and Extension of Agreement Between the United States Department of State and the Council on Accreditation, 76 Fed. Reg. 42,761 (July 19, 2011).

<sup>12</sup>See generally 8 C.F.R. pt. 204 (immigrant petitions).

<sup>13</sup>State Department officials said the Intercountry Adoption Act of 2000, as amended, gives limited authority to the department to regulate international adoption agency practices after an adoption has been finalized. However, officials said State Department regulations do require certain activities for international adoption agencies after a child is placed with a family until the adoption is finalized. For example, during this period they said agencies are required to monitor and supervise the placement, provide or arrange for counseling if the placement is in crisis, and facilitate a safe disruption should the adoption not be finalized. See 22 C.F.R. § 96.50.

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**Private domestic adoptions.** States also set requirements for home studies, pre-adoption training, and post-adoption services for private domestic adoptions, generally through state licensing standards and other requirements for private adoption agencies, attorneys, and others.

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## Federal Funding That States May Use for Adoption Services

Some federal funding is available for adoption services, in addition to any funding from state, local, or other sources. Funding appropriated for Title IV-E of the Social Security Act<sup>14</sup> makes up the large majority of federal funding dedicated to child welfare, comprising about 89 percent of federal child welfare appropriations (approximately \$7.4 billion of nearly \$8.3 billion) in fiscal year 2015, according to the Congressional Research Service.<sup>15</sup> While the majority of these Title IV-E funds support children in the foster care system, the Title IV-E Adoption Assistance program provides grants to states for a portion of their costs to support families who adopted children with special needs, generally from foster care. For example, states provide ongoing monthly Adoption Assistance payments (subsidies) to eligible families that can be used to help pay for the costs of care for the child, which might include therapy and other post-adoption services. Funds appropriated for this program totaled about \$2.5 billion in fiscal year 2015, comprising about 34 percent of Title IV-E program funding.

In addition, Title IV-B of the Social Security Act, which is the primary source of federal child welfare funding available for child welfare services, also provides funds that states can use to support adoptions by any

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<sup>14</sup>Title IV-E is codified at 42 U.S.C. §§ 670-679c. Title IV-E programs include Foster Care, Adoption Assistance, Kinship Guardianship Assistance, Title IV-E Plan Development and Technical Assistance, Chaffee Foster Care Independence Program, Chaffee Educational and Training Vouchers, and Adoption and Legal Guardianship Incentive Payments.

<sup>15</sup>Congressional Research Service, *Child Welfare: An Overview of Federal Programs and Their Current Funding*, R43458 (Washington, D.C.: Feb. 12, 2015). According to the Congressional Research Service, the \$8.3 billion in dedicated federal child welfare funding includes funding provided through multiple programs, including those under Title IV-E and IV-B of the Social Security Act, the Child Abuse Prevention and Treatment Act, the Victims of Child Abuse Act of 1990, and others.

family.<sup>16</sup> For example, states may use funds to support pre- and post-adoption services, although funds can also be used for a variety of other purposes to keep children safe and in stable families. Federal appropriations for Title IV-B comprised about 8 percent of dedicated federal child welfare appropriations (approximately \$664 million of nearly \$8.3 billion) in fiscal year 2015. Table 1 provides a summary of federal child welfare funding that states can use for adoption services, including programs under Title IV-E and IV-B of the Social Security Act.

**Table 1: Summary of Federal Funding Available to States for Adoption Services, Fiscal Year 2015**

Federal program	FY 2015 funding level	Program description
Adoption Assistance program under Title IV-E of the Social Security Act	\$2.5 billion	Provides funds to states for a portion of their costs to support the adoption of children with special needs. <sup>a</sup> Funds are available for a one-time payment to assist with the costs of adopting a child and for monthly subsidies to adoptive families to assist with the care of an eligible child. Additionally, funds are available for program administrative costs; training for staff and adoptive parents; adoptive parent recruitment; and other related expenses.
Child Welfare Services program under Title IV-B of the Social Security Act, Subpart I	\$269 million	Provides funds to states to: (1) protect and promote the welfare of all children, (2) prevent the abuse, neglect, and exploitation of children, (3) support at-risk families through family preservation and unification services, (4) promote the safety, permanence, and well-being of children in foster care and adoptive families, and (5) provide training, professional development and support to ensure a well-qualified child welfare workforce.
Promoting Safe and Stable Families program under Title IV-B of the Social Security Act, Subpart II	\$380 million <sup>b</sup>	Provides funds to states to: (1) provide supportive services to prevent child maltreatment among at-risk families, (2) assure children's safety at home and preserve intact families in which children have been maltreated, when the family's problems can be addressed effectively, (3) address problems of families whose children have been placed in foster care so that reunification may occur in a safe and stable manner, and (4) provide support services as necessary to adoptive families so that they can make a lifetime commitment to their children. HHS expects states to spend 20 percent of this funding on adoption promotion and support services.

<sup>16</sup>Title IV-B is codified at 42 U.S.C. §§ 621-629m. For purposes of Title IV-B, HHS regulations define child welfare services as public social services directed to accomplish the following purposes: protecting and promoting the welfare and safety of all children, preventing or remedying child neglect, abuse, exploitation, or delinquency, preventing the unnecessary separation of children from their families, restoring children safely to their families, assuring that children are adequately cared for while away from their homes, and placing children in suitable adoptive homes when returning them to their families is not possible. 45 C.F.R. § 1357.10(c). Title IV-B programs include Stephanie Tubbs Jones Child Welfare Services, Promoting Safe and Stable Families Program, Family Connection Grants, Child Welfare Research, Training, or Demonstration Projects, and the National Survey of Child and Adolescent Well-Being.

Federal program	FY 2015 funding level	Program description
Adoption and Legal Guardianship Incentive Payments program under Title IV-E of the Social Security Act	\$38 million	Provides funding incentives to eligible states that increase the number of adoptions and legal guardianships of children from foster care.
Adoption Opportunities program under the Child Abuse Prevention and Treatment Act	\$39 million	Provides grants for projects designed to eliminate barriers to adoption and to help find permanent families for children who would benefit from adoption, particularly children with special needs. Major program areas include improving information on adoptions, increasing placements of children in foster care, post-adoption services, and others.

Source: GAO summary of information from federal laws and agency documents, including Department of Health and Human Services budget documents. | GAO-15-733

Note: Funding level refers to enacted budget authority for fiscal year 2015, as described in HHS budget documents. This table is not intended to be an exhaustive list of federal funding available to states for adoption services; other federal funding sources may be available for this purpose that are not included here. In addition, funding may also be available from state or other sources for adoption services.

<sup>a</sup>Each state determines whether a particular child has special needs, in accordance with the statutory definition. 42 U.S.C. § 673. Often the child must be older, a member of a minority group, a member of a sibling group, or have physical, mental, or emotional disabilities.

<sup>b</sup>According to HHS officials, \$404.8 million was appropriated for the Promoting Safe and Stable Families program in fiscal year 2015, including \$345 million in mandatory funds that were subject to a 7.3 percent reduction due to sequestration. After this reduction, officials said \$380 million was available for the program in fiscal year 2015.

In addition to these programs, states may use savings generated from changes made to the eligibility criteria for the Title IV-E Adoption Assistance program for adoption services. These changes made additional children eligible for federal Title IV-E Adoption Assistance payments, thereby potentially freeing up state funds previously used for this purpose.<sup>17</sup> The Preventing Sex Trafficking and Strengthening Families Act requires states to use 30 percent of these savings for post-adoption and related services.<sup>18</sup> In addition, states may use different combinations of federal funds not specifically dedicated to child welfare to

<sup>17</sup>The Fostering Connections to Success and Increasing Adoptions Act of 2008 phases out income eligibility requirements for the Title IV-E Adoption Assistance program and requires states to spend an amount equal to any savings resulting from this change on services authorized under Title IV-B or IV-E. Pub. L. No. 110-351, § 402, 122 Stat. 3949, 3975-79 (amending 42 U.S.C. § 673).

<sup>18</sup>Pub. L. No. 113-183, § 206, 128 Stat. 1919, 1939-40 (2014) (amending 42 U.S.C. § 673(a)(8)). Specifically, the Act requires that states spend no less than 30 percent of any such savings on post-adoption services, post-guardianship services, and services to support and sustain positive permanent outcomes for children who otherwise might enter into foster care under the responsibility of the state. At least two-thirds of this amount is required to be spent on post-adoption and post-guardianship services.

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support adoption services, such as funds available under the Temporary Assistance to Needy Families block grants, Medicaid, and Social Services Block Grants.<sup>19</sup> While states can use federal funds to support adoption services for families, we reported in January 2013 that federal funding for services designed to prevent children from entering foster care—such as adoption support services—can be limited.<sup>20</sup>

HHS does not collect information on how much states spend in federal funds specifically for post-adoption services. In addition, our prior work has shown that some states may not have information on the extent to which they use these federal funds for adoption services. Although states are to use savings generated from changes to the Title IV-E Adoption Assistance program for child welfare services, we reported in May 2014 that only 21 states reported calculating these savings for fiscal year 2012, and 20 states reported difficulties performing the calculations.<sup>21</sup> In 2014, the Donaldson Adoption Institute attempted to collect information on states' annual post-adoption service budgets, excluding Title IV-E

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<sup>19</sup>Temporary Assistance to Needy Families is a federal block grant that supports four overarching goals, one of which is to provide assistance to needy families so that children can live in their homes or the homes of relatives. The goals of the Social Services Block Grant program include preventing or remedying child abuse, among others, and a wide variety of services, including counseling and referrals to services, may be supported with these funds. Medicaid is a joint federal-state program that finances health care services for certain low-income individuals, nearly half of whom are children. We previously reported that in spring 2011, 31 states reported spending Temporary Assistance to Needy Families funds, and in fiscal year 2010, 44 states reported spending Social Services Block Grant funds for purposes covered under Title IV-B. See GAO, *Child Welfare: States Use Flexible Federal Funds, but Struggle to Meet Service Needs*, [GAO-13-170](#) (Washington, D.C.: Jan. 30, 2013).

<sup>20</sup>[GAO-13-170](#).

<sup>21</sup>GAO, *Foster Care: HHS Needs to Improve Oversight of Fostering Connections Act Implementation*, [GAO-14-347](#) (Washington, D.C.: May 29, 2014). In this report, we recommended that HHS provide guidance on how states could calculate savings resulting from changes to federal Title IV-E Adoption Assistance eligibility criteria. The Preventing Sex Trafficking and Strengthening Families Act, enacted in September 2014, requires states to calculate the savings resulting from the Title IV-E Adoption Assistance program changes for each fiscal year and report annually to HHS the methodology used to make the calculation, the amount of any savings, and how such savings were spent. HHS issued guidance to states in May 2015 that provides a standard methodology for calculating these savings and instructions on how to submit an alternative methodology for HHS approval. See Department of Health and Human Services, *Adoption Savings Calculation Methodology*, ACYF-CB-PI-15-06 (Washington, D.C.: May 22, 2015).

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Adoption Assistance program subsidies.<sup>22</sup> However, it reported that some states were unable to distinguish this budget item, especially when the primary programs that served adoptive families also served other families. It also reported that states with county-administered child welfare programs were unable to report total state budgets for post-adoption services. The Institute reported that annual budgets for these services ranged from \$85,000 to \$11.2 million in the 21 states that provided responses to the survey it conducted.

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### Characteristics of Children Adopted Internationally and from Foster Care

International adoptions in the United States have changed over time from a system that predominantly involved the adoption of infants and toddlers to one that has involved an increasing proportion of older children and those with special needs. According to State Department data, less than 8 percent of children adopted internationally in fiscal year 2013 were younger than 1 year compared to over 40 percent in fiscal year 2004. In addition, one study reported in 2013 that nearly half of more than 1,000 parents surveyed who adopted internationally said their children had diagnosed special needs.<sup>23</sup>

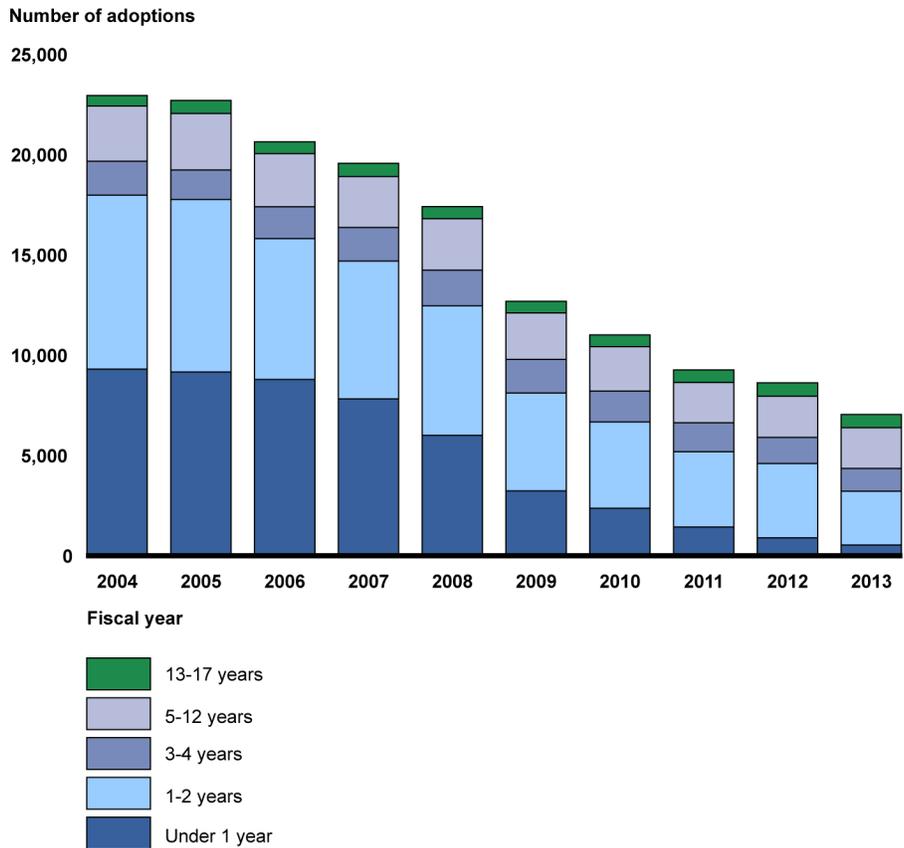
The State Department, HHS, and others have reported that the changing landscape of international adoptions is attributable to many different factors, including positive cultural factors and socio-economic conditions in other countries that have made it easier for biological families to take care of their children or to adopt domestically—decisions that have impacted the number of children eligible for adoption by U.S. families. About 7,000 children were adopted internationally in fiscal year 2013 compared to nearly 23,000 in fiscal year 2004 (see fig. 1).

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<sup>22</sup>The Donaldson Adoption Institute is a research organization that focuses on four areas: the adoption experience, foster care adoptions, adoption support services, and the modern family. See S. Livingston Smith, *Supporting and Preserving Adoptive Families: Profiles of Publically-Funded Post-Adoption Services* (New York, NY: The Donaldson Adoption Institute, April 2014).

<sup>23</sup>E. Pinderhughes, J. Matthews, G. Deoudes, and A. Pertman, *A Changing World: Shaping Best Practices Through Understanding Of the New Realities of Intercountry Adoption* (New York, NY: The Donaldson Adoption Institute, October 2013). In this study, surveyed parents selected from the following categories of special needs: physical or medical need, growth delay, mental or emotional need, other developmental delay, or other.

**Figure 1: Number and Age of Internationally Adopted Children, Fiscal Years 2004 through 2013**



Source: GAO analysis of State Department data | GAO-15-733.

Children in foster care may also be more likely to have special needs than children in the general population. According to a national survey conducted in 2008 and 2009, more than 42 percent of children ages 18 months to 17 years who were placed in a foster family home following an investigation of abuse and neglect were found to be at risk for an

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emotional or behavioral problem and potentially in need of mental health services.<sup>24</sup>

Multiple studies have shown that abuse and other maltreatment can cause changes in the brain development of children, and these changes may leave them more vulnerable to depression, post-traumatic stress disorder, and other behavioral or mental health issues.<sup>25</sup> Studies show that children who are institutionalized—for example, in orphanages prior to being adopted by a family—are often subject to deprivation and neglect. Young children with a history of institutional care often show poor attention, hyperactivity, difficulty with emotion regulation, elevated levels of anxiety, and increased rates of attachment disorders. For example, they may develop Reactive Attachment Disorder, which is characterized by serious problems in emotional attachments to others. The physical, emotional, and social problems associated with this disorder may persist as the child grows older.

Families who adopt children with severe behavioral or mental health issues may face situations which can put the family in crisis. For example, the adopted child may be violent toward siblings or parents. One study reported in 2014 that in 23 percent of cases where adoptions were dissolved, the adopted child was a threat to the safety of other children in the home.<sup>26</sup>

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<sup>24</sup>H. Ringeisen, C. Casanueva, K. Smith, and M. Dolan, *National Survey of Child and Adolescent Well-Being II Baseline Report: Children's Services*, OPRE Report #2011-27f (Washington, D.C.: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services, November 2011).

<sup>25</sup>See, for example, F. Juffer, J. Palacios, L. Le Mare, E. J. Sonuga-Barke, W. Tieman, M.J. Bakermans-Kranenburg, P. Vorria, M. van IJzendoorn, and F. Verhulst, "Development of Adopted Children with Histories of Early Adversity," *Monographs of the Society for Research in Child Development*, vol. 76, no. 4 (2011), and D. Johnson and M. R. Gunnar, "Growth Failure in Institutionalized Children," *Monographs of the Society for Research in Child Development*, vol. 76, no. 4 (2011).

<sup>26</sup>S. Livingston Smith, *Keeping the Promise: The Case for Adoption Support and Preservation* (New York, NY: The Donaldson Adoption Institute, March 2014).

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## Families May Choose an Unregulated Child Custody Transfer Due to an Adoption in Crisis and Challenges Accessing Services

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### Families May Be Unprepared for the Challenges of Adopting Children with Special Needs, Particularly for International Adoptions

Families may choose an unregulated child custody transfer because they were not sufficiently prepared for the challenges they experienced in their adoption, according to many child welfare and adoption stakeholders we interviewed.<sup>27</sup> This lack of preparation may include inadequate information about the child's health, an insufficient home study to make a good match, and minimal pre-adoption training for parents.

Many stakeholders we interviewed—including officials from selected states, child welfare and adoption organizations, and adoption agencies—expressed concern with the adequacy of the information provided to prospective parents on the behavioral and mental health conditions of a child adopted internationally. Access to accurate information is critical to ensuring that a family is aware of the type of ongoing support they may need for the child. However, officials from 11 of 19 child welfare and adoption organizations and 5 of 15 adoption agencies said families who adopt internationally often do not receive complete information on a child's medical and behavioral needs before adopting. State Department officials explained that some low-income countries lack sufficient mental health care providers, making it difficult for international adoption agencies to ensure that children are accurately evaluated prior to

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<sup>27</sup>In this report, we refer to different types of organizations when reporting information from our interviews with 7 selected states, 19 child welfare and adoption organizations, and 15 adoption agencies. References to "stakeholders" include responses from officials in all three of these groups. We interviewed these stakeholders using a semi-structured interview protocol, which included open-ended questions on the reasons that families may consider unregulated transfers, among other topics. The reasons provided by these stakeholders were volunteered in response to open-ended questions and thus, the counts of organizations citing such responses vary. In addition, in this report we use qualifiers, such as "several" and "many," in some cases to quantify responses from stakeholders across these three groups. For additional information on these qualifiers, see appendix I.

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adoption. USCIS officials also said some countries do not allow prospective adoptive parents to review medical history documents until after an adoption is finalized for privacy reasons.

Many stakeholders also expressed concern that families may not have undergone an adequate home study to ensure they are a good match for their adopted child, and several noted that the home study is a critical point in the pre-adoption process, when social workers or adoption agency staff try to determine how families will handle challenges when parenting their adopted child. According to HHS officials, requirements for what should be assessed during a home study are determined by individual states for foster care adoptions. Home study requirements are determined by USCIS and the State Department for international adoptions.<sup>28</sup> However, officials from 4 of 7 selected states and 8 of the 15 adoption agencies we interviewed expressed concerns about inconsistencies in the quality of home studies conducted by child welfare and adoption agencies across states. For example, Ohio officials said all child welfare and adoption agencies in their state are required to use a detailed home study format. They said they may not accept home studies conducted in other states that have less stringent requirements unless additional supporting documentation is provided, such as a background check and safety check of the home.

Families also may not have received sufficient or targeted pre-adoption training to ensure they were prepared for their child's specific needs, particularly for international adoptions, according to most stakeholders we interviewed. For foster care adoptions, states each set their own training requirements for prospective parents, according to HHS officials. About half of all states require agencies facilitating these adoptions to provide prospective parents with at least 27 hours of training, according to data obtained from HHS officials in May 2015. Our seven selected states have requirements of 18 to 47 hours of training for foster care adoptions with some in-person required training in each state, according to state officials. Many of our selected states also use similar training models for foster care adoptions, including Parent Resources for Information, Development, and Education (PRIDE) and Model Approach to Partnerships in Parenting (MAPP), which were developed by various child

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<sup>28</sup>See 22 C.F.R. § 96.47, 8 C.F.R. § 204.311.

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welfare organizations.<sup>29</sup> In contrast, State Department regulations require 10 hours of training for international adoptions, all of which can be online. This training must cover topics defined by the federal regulations.<sup>30</sup> Officials we interviewed from 5 of our selected states, 12 child welfare and adoption organizations, and 11 adoption agencies told us that this training may be insufficient, particularly since an increasing proportion of children adopted internationally are older and have special needs due to an extensive history of institutionalization and trauma. State Department officials told us they are considering revisions to pre-adoption training requirements for international adoptions, which we discuss later in the report.

States may set training requirements for international adoptions above the 10-hour minimum or may have required training topics. Two of our seven selected states require more than 10 hours of training, according to state officials. For example, Wisconsin officials told us the state requires 18 hours of training, and the same topics are required for international and foster care adoptions. This training covers issues such as attachment in adoptive placement, the effects of abuse and neglect, and cultural sensitivity. In addition, this training includes opportunities to cover issues specific to the individual child (see table 2).

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<sup>29</sup>The PRIDE training model was created by the Child Welfare League of America. The PRIDE model has 14 specific steps with a focus on planning, development, and support. The MAPP training model was created by the California Evidence-Based Clearinghouse for Child Welfare. All MAPP programs are based on core concepts including safety, well-being, and permanence, and include trauma-informed practice methods.

<sup>30</sup>The Intercountry Adoption Act of 2000, as amended, requires international adoption agencies to provide prospective parents with a training program that includes counseling and guidance for the purpose of promoting a successful international adoption. 42 U.S.C. § 14923(b)(1)(A)(iii). State Department regulations set forth the minimum required hours and topics to be covered, as well as how the training may be delivered. See 22 C.F.R. § 96.48. Training topics include, among other things, the international adoption process, the conditions of the country the prospective parent wishes to adopt from, the effects of malnutrition, institutionalization, attachment disorders, and other factors that may affect internationally adopted children, and raising a multicultural family. Although the regulations allow for training to be delivered online, they also require that the adoption agency provide “additional in-person, individualized counseling and preparation, as needed, to meet the needs of the prospective adoptive parent(s) in light of the particular child to be adopted and his or her special needs, and any other training or counseling needed in light of the child background study or the home study.”

**Table 2: Pre-Adoption Training Requirements in GAO’s Seven Selected States, Reported as of July 2015**

State	Foster care adoptions	International adoptions <sup>a</sup>
Colorado	<ul style="list-style-type: none"> <li>• Minimum training: 47 hours</li> <li>• Content: Required topics</li> <li>• Delivery: In-person, online, and independent components</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum training: State requirement of 20 hours total</li> <li>• Content: State required topics</li> <li>• Delivery: In-person component</li> </ul>
Florida	<ul style="list-style-type: none"> <li>• Minimum training: 21 hours</li> <li>• Content: Required topics; Parent Resources for Information, Development, and Education (PRIDE) and Model Approach to Partnerships in Parenting (MAPP) models</li> <li>• Delivery: In-person component</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum training: No state requirement (10 hours under federal requirement)</li> <li>• Content: No state requirements</li> <li>• Delivery: Can be fully online</li> </ul>
Illinois	<ul style="list-style-type: none"> <li>• Minimum training: 42 hours</li> <li>• Content: PRIDE model</li> <li>• Delivery: In-person and online components</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum training: No state requirement (10 hours under federal requirement)</li> <li>• Content: No state requirements</li> <li>• Delivery: Can be fully online</li> </ul>
Louisiana	<ul style="list-style-type: none"> <li>• Minimum training: 30 hours</li> <li>• Content: MAPP model</li> <li>• Delivery: In-person and independent components</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum training: No state requirement (10 hours under federal requirement)</li> <li>• Content: State required topics</li> <li>• Delivery: Can be fully online</li> </ul>
Ohio	<ul style="list-style-type: none"> <li>• Minimum training: 36 hours</li> <li>• Content: Required topics similar to MAPP model</li> <li>• Delivery: In-person component</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum training: No state requirement (10 hours under federal requirement)</li> <li>• Content: State required topics</li> <li>• Delivery: Can be fully online</li> </ul>
Virginia	<ul style="list-style-type: none"> <li>• Minimum training: 27 hours</li> <li>• Content: PRIDE model or other curricula pre-approved by the state</li> <li>• Delivery: In-person and online components</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum training: No state requirement (10 hours under federal requirement)</li> <li>• Content: State required topics</li> <li>• Delivery: Can be fully online</li> </ul>
Wisconsin	<ul style="list-style-type: none"> <li>• Minimum training: 18 hours</li> <li>• Content: Curriculum based on PRIDE and other models</li> <li>• Delivery: In-person and online components</li> </ul>	<ul style="list-style-type: none"> <li>• Minimum training: State requirement of 18 hours total</li> <li>• Content: State required topics</li> <li>• Delivery: Can be fully online</li> </ul>

Source: GAO analysis of information provided by officials from selected state child welfare agencies. | GAO-15-733

<sup>a</sup>Agencies or persons providing adoption services for international adoptions are subject to State Department regulations, which set forth the minimum required hours (10 hours) and topics to be covered, as well as how the training may be delivered. See 22 C.F.R. § 96.48. State requirements may vary. We did not attempt to determine the extent to which any state requirements in this table overlap with the federal requirements.

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State Department officials said international adoption agencies may also have their own training requirements beyond those of federal and state agencies. For example, officials from one international adoption agency said they require 30 hours of training for parents wishing to adopt abroad. This includes training on grief and loss, the child's country of origin and cultural differences, the impact of institutionalization, and potential challenges and service needs. These officials said this expanded training is more costly for both the agency and prospective parents, and that some prospective parents thought the training was too cumbersome or expensive.

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### Families May Have Difficulties Accessing Needed Post-Adoption Services

Officials in most of the selected states, child welfare and adoption organizations, and adoption agencies we interviewed expressed concern that families may choose an unregulated transfer when they cannot access post-adoption services to help them cope with or avoid reaching a crisis point in their adoption. Several of these stakeholders explained that an adopted child may deal with continuing issues of attachment, identity, and loss of previous caregivers or biological parents.<sup>31</sup> While services to help adoptive families can include information, referrals, and peer support groups, families who adopted children with severe behavioral needs may need more intensive services, such as mental health counseling, respite care, and residential treatment.<sup>32</sup> Many stakeholders we interviewed suggested that families considering unregulated transfers may particularly need these intensive services.

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<sup>31</sup>Stakeholders noted that some adoptive parents need post-adoption services to deal with issues such as attachment and loss over their inability to have a biological child.

<sup>32</sup>In our report, "intensive services" refers to advocacy services, case management, clinical services, counseling, crisis intervention, home-based services, psychological evaluations, respite care, and residential treatment. Respite care provides parents with short-term, out-of-home child care services that offer temporary relief for families. Residential treatment facilities provide a range of long-term, out-of-home services including educational, medical, psychiatric, and mental health services, and can serve as an alternative to hospitalization or incarceration for youth who cannot live at home and receive services in their communities. However, there is no uniform definition of residential treatment facilities, and HHS reported in 2006 that states identified at least 71 different types of residential facilities treating children with mental illness. See GAO, *Residential Facilities: Improved Data and Enhanced Oversight Would Help Safeguard the Well-Being of Youth with Behavioral and Emotional Challenges*, [GAO-08-346](#) (Washington, D.C.: May 13, 2008) and Department of Health and Human Services, *State Regulation of Residential Facilities for Children with Mental Illness*, DHHS Pub. No. (SMA) 06-4167 (Rockville, Md.: Center for Mental Health Services, Substance Abuse and Mental Health Services Administration, 2006).

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All seven of our selected states provide some kind of post-adoption services for families who adopted from foster care and internationally.<sup>33</sup> For example, Wisconsin officials said the state provides parent training, a 24-hour information hotline, referral services, and mechanisms to link families to support groups and mentors, which are available to all adoptive families. Other types of services these selected states provide include lending libraries, newsletters, and brochures for parents. However, the seven selected states offered limited intensive services, particularly for international adoptions, according to our analysis of the information gathered from selected state officials. Officials from three states said their state offers counseling and other intensive services, such as case management and crisis intervention, to both families who adopted from foster care and internationally. However, officials from the six states that offer respite care and the four states that provide residential treatment told us their states provide these services exclusively to families who adopted from foster care. Some of these services have maximum time limits or are offered on a case-by-case basis. For example, Louisiana officials said their state offers respite care for up to 1 month, and Florida and Illinois officials said their states offer residential treatment services to families who adopted from foster care on a case-by-case basis.

In addition, our seven selected states provide varying levels of financial support to eligible adoptive families through subsidies and cash assistance programs, according to the information gathered from selected state officials.<sup>34</sup> For example, Ohio officials described a state program that uses Title IV-B and state revenue funds to provide up to \$10,000 per child per year to pay service providers in 2014, with an additional \$5,000 available per year if the child is recommended for residential treatment by a mental health provider. In addition, all of our selected states received federal funds under the Title IV-E Adoption Assistance program to provide

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<sup>33</sup>Colorado officials told us that the state supports post-adoption services for families adopting internationally. However, Colorado does not directly fund those services. Instead, the state partners with private organizations that fund post-adoption services for families adopting internationally.

<sup>34</sup>States can use various federal and state funding sources to provide financial assistance to adoptive families, including funds under Title IV-B and IV-E of the Social Security Act, Social Services Block Grants, Temporary Assistance for Needy Families, and state revenue. In addition, some children, particularly those adopted from foster care, may be eligible for Medicaid, which may cover the cost of some post-adoption services.

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subsidies to eligible adoptive families; the maximum subsidy amounts ranged from \$400 to \$2,700 per month in 2014.<sup>35</sup> However, they are generally only available to eligible families who adopted children with special needs from foster care, and information is limited on how much families use their subsidies for services, such as counseling, versus other expenses for their adopted child, such as food, clothing, and day care. The Donaldson Adoption Institute reported in April 2014 on a variety of post-adoption services provided by 49 states that responded to survey questions about such services. It found that about one-third of these states offered almost no post-adoption services other than a subsidy for adoptive families.<sup>36</sup> In addition, the report found that the majority of these states had services that were open exclusively to families who adopted from foster care.

Officials in four of our seven selected states told us that the need for post-adoption services exceeded the funding available from state and federal programs. Our prior work has shown that child welfare agencies have struggled to meet the service needs of families. Our 2013 report found that local child welfare officials in four states we reviewed reported service gaps in multiple areas, including counseling and mental health services.<sup>37</sup> We also reported that state and local child welfare agencies may face difficult decisions when determining which activities—aimed at preserving families and preventing a child from entering foster care—to prioritize and fund, particularly in light of the ongoing fiscal challenges these agencies face.

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<sup>35</sup>According to selected state officials, the maximum amount that a family receives may be dependent on the child's age, as determined by each state. Under the Title IV-E Adoption Assistance program, the amount of each subsidy is to be determined through an agreement between the adoptive parents and the state child welfare agency, which shall take into consideration the circumstances of the adopting parents and the needs of the child being adopted. However, the amount may not exceed the amount of the foster care maintenance payment that would have been paid if the child had been in a foster family home. 42 U.S.C. § 673(a)(3).

<sup>36</sup>Smith, *Supporting and Preserving Adoptive Families*, 16. The report found that 17 states had post-adoption programs that provided several services, including some type of specialized counseling; 19 states had programs that provided some mid-level services, such as training or support groups; and 13 states had almost no programs other than an adoption subsidy.

<sup>37</sup>[GAO-13-170](#).

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Similar to our selected states, officials from 12 of the 15 adoption agencies we interviewed said they provide some level of post-adoption services to families, such as information and referrals. Officials in 4 of the 15 adoption agencies said they provide intensive services, ranging from trauma-focused therapy to a weekend respite care program. Officials from six adoption agencies noted that resource constraints have affected their ability to provide post-adoption services. Officials from the Council on Accreditation—the organization responsible for accrediting agencies for international adoptions—said some international adoption agencies have struggled to maintain their businesses due to the decrease in the number of international adoptions overall (a decrease of 70 percent between fiscal years 2003 and 2014). They said while some larger agencies have been better able to provide services because they are financially stable, this can be a challenge for other agencies.

Another limitation to accessing post-adoption services that many stakeholders expressed concern about was the cost of intensive services, which can be expensive for all families. Officials in 3 of 7 selected states, 6 of 19 child welfare and adoption organizations, and 5 of the 15 adoption agencies we interviewed said services can be expensive, particularly intensive services such as mental health counseling and residential treatment. We have previously reported that the cost to support a youth in a residential setting can amount to thousands of dollars per month.<sup>38</sup>

In addition to cost, adoptive families may have challenges finding mental health providers that are “adoption competent”—that is, knowledgeable about adoption-related issues, according to officials from five selected states, seven child welfare and adoption organizations, and eight adoption agencies. These stakeholders said mental health providers who do not understand issues unique to adoptive families will likely be less effective in helping these families work through issues. For example, one official told us adoptive families need therapists who can distinguish between normal adolescent behavior and a child acting out due to grief and loss resulting from his or her adoption. Several stakeholders also noted that families in rural areas may have even more difficulty accessing effective mental health providers. We reported in 2013 that a Florida behavioral health service provider had been advertising a child

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<sup>38</sup>[GAO-08-346](#).

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psychiatrist position for 5 years without success.<sup>39</sup> In a 2011 report, we found that child psychiatrists and psychologists were among the most difficult specialist referrals to obtain for children in low-income families covered by Medicaid and the Children's Health Insurance Program, both of which can cover children adopted from foster care and internationally.<sup>40</sup>

Lastly, families may not know about available services from their child welfare or adoption agency, and therefore do not seek help when needed, according to officials from four selected states and five adoption agencies. For example, Virginia officials said families that did not adopt from foster care may not know about support services they can access through their local child welfare agency. Wisconsin officials also said they struggle to find sufficient resources to provide outreach to all adoptive parents about state resources. Officials from two selected states also raised concerns that families may not remember whether their adoption agency provides post-adoption services. They explained that some families may not need services for years after an adoption is final because issues may not arise until the child reaches adolescence. By that point, families may no longer have contact with their adoption agency.

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### Families May Be Reluctant to Seek Help for Fear of Repercussions and Associated Stigma

Families in need of help may be reluctant to ask child welfare agencies for assistance, according to officials from three child welfare and adoption organizations and four adoption agencies. For example, these officials noted that there is a stigma associated with contacting child welfare agencies since those agencies are also generally responsible for investigating cases of child abuse. A few of these officials further noted that families, including those who adopted from foster care and internationally, may fear that contacting an agency will prompt an investigation into how they care for all of their children. They also said families may be afraid that they will not be able to adopt again if they are involved with a child welfare agency.

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<sup>39</sup>[GAO-13-170](#).

<sup>40</sup>The Children's Health Insurance Program is a federal-state program that provides health care coverage to children 18 years of age and younger living in low-income families whose incomes exceed the eligibility requirements for Medicaid. For a discussion on children served by Medicaid and the Children's Health Insurance Program, see GAO, *Medicaid and CHIP: Most Physicians Serve Covered Children but Have Difficulty Referring Them for Specialty Care*, [GAO-11-624](#) (Washington, D.C.: June 30, 2011).

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Officials in five of our seven selected states acknowledged the dilemma that families face if they contact child welfare agencies for services. In addition, officials in one selected state said parents cannot voluntarily relinquish custody of a child in their state (e.g., for care or services) without being charged with child abandonment. Officials in all seven selected states said families who decide to relinquish custody to the state may be required to pay ongoing child support.

Similarly, families who adopted internationally may also be hesitant to reach out to their adoption agency. Representatives from 9 of the 15 adoption agencies we interviewed told us that families may be ashamed or embarrassed to contact the agency to discuss problems. Representatives from one adoption agency explained that families have gone through a rigorous home study process to prove that they will provide a good home to an adopted child. Thus, they said these families may be reluctant to contact their agency and admit that they are facing challenges in their adoptions.

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## Little Is Known about the Prevalence of Unregulated Transfers

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### Unregulated Child Custody Transfers Are Difficult to Track

Because unregulated child custody transfers are an underground practice that happens outside the purview of the courts and the child welfare system, they are difficult to track, and no federal agency keeps statistics on their occurrence.<sup>41</sup> These transfers may involve an exchange of a power of attorney that may not be filed with or approved by a court of law, although it may be signed by both parties and notarized. State laws vary, but generally a parent may use a power of attorney to temporarily grant another person certain powers regarding their child's care and physical custody, such as the authority to make medical and educational decisions.<sup>42</sup> For example, a military service member may sign a power of attorney to allow a family member or friend to take care of and make medical decisions for his or her child while he or she is deployed. However, because a power of attorney does not terminate the legal parent-child relationship, the adoptive parent still retains certain rights and responsibilities. For example, according to HHS, delegating responsibility

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<sup>41</sup>Given the lack of data on unregulated transfers, several stakeholders we interviewed suggested that federal and state child welfare agencies examine data on adoption dissolutions. While adoption dissolutions—the termination of the legal parent-child relationship after the adoption is finalized, which typically involves a court—and unregulated transfers are different practices, these stakeholders noted that dissolution data could provide information on the number of families who have encountered significant challenges with their adoptions. However, data on adoption dissolutions are also limited. To improve knowledge about these issues, section 208 of the Preventing Sex Trafficking and Strengthening Families Act requires HHS to promulgate regulations to collect data on children who enter foster care after finalization of an adoption. Pub. L. No. 111-183, § 208, 128 Stat. 1919, 1940-41 (2014) (codified at 42 U.S.C. § 679(d)). HHS proposed regulations in February 2015 to require states to collect information on whether children entering the child welfare system have been previously adopted, among other things. Adoption and Foster Care Analysis and Reporting System, 80 Fed. Reg. 7132 (Feb. 9, 2015).

<sup>42</sup>The specific powers that can be granted to another person depend on state law and the content of the power of attorney document. State laws may limit what parental authority may be delegated. For example, some states will not allow a parent to delegate the power to consent to a minor child's marriage or adoption.

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for a child through a power of attorney does not insulate adoptive parents from state laws regarding imminent risk of serious harm.

State laws determine any time limits (e.g., 1 year) for grants of power of attorney, and also establish the procedures required to make such an arrangement effective. For example, officials in three of our seven selected states told us their state laws do not require power of attorney documents to be approved by a court, and officials in one selected state said their laws require court approval in certain circumstances.<sup>43</sup>

However, officials in three of these selected states said they were not aware of any mechanisms in their states to track expired power of attorney documents to determine if families are attempting to use them to permanently transfer custody.

Unregulated transfers are also difficult to track because many adoptions are not monitored after the adoption is finalized. For those international adoptions subject to reporting requirements set by individual countries, reporting may occur for a limited time. For example, according to the State Department website, one country requires adoptive parents to provide information about the adoption at certain time intervals for the first 2 years. Officials from the State Department and several adoption agencies we interviewed told us that while parents may sign a contract when they adopt a child saying they will report the required information to the adoption agency, parents may not comply with post-adoption reporting requirements, and agencies have little leverage to enforce compliance. In addition, officials in our seven selected states said their state does not specifically monitor whether adopted children remain with their families after the adoption is finalized.<sup>44</sup>

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<sup>43</sup>Officials in the remaining three states either did not provide us with this information or said their state does not have a power of attorney process for child custody.

<sup>44</sup>Families who receive a Title IV-E Adoption Assistance subsidy may be required to submit an annual affidavit stating that the child is still in their care, according to selected state officials. However, HHS officials said that under federal law and HHS policy, child welfare agencies may not terminate or suspend these subsidies solely because adoptive parents do not submit an annual affidavit, letter, or other certification stating that the child is still in their care. HHS published a Federal Register notice in March 2015 to solicit public comment on its policies on suspending and terminating Title IV-E Adoption Assistance subsidies. Notice for Public Comment on the Title IV-E Adoption Assistance Program's Suspension and Termination Policies, 80 Fed. Reg. 17,058 (March 31, 2015). See table 5 for more information on this effort.

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## Observations of Social Media Sites Found Families Seeking New Homes for Their Adopted Children

Our observations of forums on social media websites indicate that some parents have been using these venues to seek new homes for their children. We observed posts in five social media forums and found a total of 23 posts in which a person wrote that they were seeking a new family for their child.<sup>45</sup> Among the 9 posts that included information on a child's age, those ages ranged from 7 to 16. Generally, parents in these forums who said they wanted to transfer a child indicated that they were in distress or crisis, and most often said they were seeking a new home because of the child's behavioral issues or severe mental illness. These children included those who were adopted from foster care and internationally. For example, one post asked for a new home for a 7-year-old boy who had been diagnosed with numerous mental illnesses, including Reactive Attachment Disorder, Oppositional Defiance Disorder, and autism, and who was physically abusive to his siblings and family pets. Several posters responded with information about their family and location or said that they had sent the poster a private message. Another poster wrote that her son, who she adopted internationally, had been diagnosed with multiple mental illnesses and was currently hospitalized for psychiatric reasons, and she was seeking a new home for him.

In addition, we found 40 cases in which a person posted that they wanted to adopt a child. In some cases, posters wrote that they had successfully completed a home study. In other cases it was not clear whether they had undergone a home study. For example, only a third of the posts we observed in one online forum referenced a home study—either that the person seeking to adopt had completed one or the person seeking a new home for the child required one. Some posters said they had adopted children already in the home, and some wrote they had adopted a previously adopted child, although it was unclear whether they had legally adopted the child or whether the child was transferred without court oversight.

It is possible that conversations on the specifics of transferring a child were held either through private messages within the social media platform or by another means, such as email or phone. Because we did not investigate these posts further and because discussions between online participants can be continued privately, we were unable to

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<sup>45</sup>The online posts did not provide sufficient information to determine whether the posters intended to pursue an unregulated transfer, or to pursue an adoption or other legal placement.

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determine whether a child was actually transferred to another family. Similarly, we were unable to determine, if such a transfer occurred, whether it was done through official means or an unregulated transfer.

**Mother posts regarding her 15-year old daughter adopted from foster care**

She writes that she has several children adopted from the foster care system. All are doing well except for one daughter, who has been diagnosed with Reactive Attachment Disorder, bipolar disorder, and Attention Deficit Hyperactivity Disorder. Replies offer advice, sympathy, and tell of similar situations. One poster asks whether she is looking for a new family. The mother replies that she is, and the poster asks for a private message. Approximately 2 months later, another poster asks whether the mother is still seeking a new family, and she replies yes. Again, the poster asks for a private message.

**Mother posts regarding her 13-year old daughter adopted from foster care**

She writes that she is searching for a new home for her daughter, who was adopted from the foster care system. The daughter is 13 and has been diagnosed with Reactive Attachment Disorder, mood disorder, and Attention Deficit Hyperactivity Disorder. The mother says the daughter does well with adults other than her parents, and would be better in a family in which she would be the only child in the home. Four posters reply that they have sent the mother a private message.

**Man posts he wants to adopt**

He writes that he is thinking about private adoption, adding that “we could make a great home for a child.” (In a subsequent post, he clarifies that his wife is unable to have any more children.) A woman replies that she has a 14-year-old girl, and he posts his email address.

**Mother posts regarding her 10-year old internationally adopted son**

She writes that she is searching for a new home for her son. The mother says the son has Reactive Attachment Disorder, Attention Deficit Hyperactivity Disorder, Post-Traumatic Stress Disorder, Oppositional Defiance Disorder, mood disorder, and depression. The mother also says that her son is currently in an inpatient psychiatric facility, was treated previously in an inpatient facility, and lived for several months in a residential center. The mother says he gets aggressive when things do not go his way and has run away from home on several occasions. She is looking for a home with a very strong male influence since her son does not seem to respond to women.

**Mother posts regarding her 7-year-old adopted son**

She writes that he has autism, Reactive Attachment Disorder, Attention Deficit Hyperactivity Disorder, Oppositional Defiance Disorder, and bipolar disorder. She said the son acts out physically by hitting and kicking siblings and pets. She asks for a private message with location and family information. Two posters reply saying they have sent a private message, and another poster replies with location and family information.

**Woman posts she wants to adopt**

A woman posts saying she is a single mother and is interested in “adopting from disruption.” Two posters reply with information on children who need new homes—one with a 10-year-old and an 11-year-old, and one with a 6-year-old adopted internationally. Other posters reply asking for private messages about the children. In addition, another poster says she has sent a private message to the original poster about a child.

Source: GAO observations of social media sites. | GAO-15-733

## Selected States and Federal Agencies Have Taken Some Steps to Address Unregulated Transfers

### Activity in the 15 States GAO Reviewed Mainly Involved Efforts to Deter Unregulated Transfers

We identified 15 states in which laws were enacted, proposed legislation was introduced, or recent changes had been made to child welfare programs that were intended to safeguard children who may be subject to unregulated transfers. These included the seven states we selected for interviews as well as eight states recommended by representatives from child welfare and adoption organizations because of legislative activity initiated in these states during the course of our review.<sup>46</sup> Of these 15 states, 7 enacted legislation and 3 made changes to child welfare programs. In addition, legislators in 10 of the 15 states introduced proposed legislation that had not been enacted as of July 2015 (see table 3).

**Table 3: Activity in the 15 States GAO Reviewed to Address Unregulated Child Custody Transfers, as of July 2015**

State	Enacted laws	Made changes to state child welfare programs	Proposed legislation introduced
Arkansas	X		
Colorado	X		
Florida	X		X
Illinois		X	
Louisiana	X		
Maine	X		
Maryland			X
Massachusetts			X

<sup>46</sup>Legislative and other activity to address unregulated transfers began to emerge in states after media reports brought attention to the practice in 2013. We reviewed activity in the 15 states as of July 2015.

State	Enacted laws	Made changes to state child welfare programs	Proposed legislation introduced
Nebraska			X
New York		X	X
North Carolina			X
Ohio			X
South Carolina			X
Virginia	X	X	X
Wisconsin	X		X

Source: GAO analysis of relevant state laws, proposed legislation, and other information provided by state child welfare and other state agency officials. | GAO-15-733

Note: GAO did not attempt to identify all relevant legislative and other activity in all 50 states. Thus, there may be other states with such activity not included in this table. In addition, some proposed legislation included in the table may no longer be pending.

These selected laws, proposed legislation, and other actions within the 15 states reflect a variety of approaches to addressing unregulated transfers.<sup>47</sup> The most common approaches were to criminalize unregulated transfers or actions that may lead to these transfers, and to restrict the advertising of children or potential homes for placement. Other approaches may deter unregulated transfers by requiring that parents or certain other individuals report cases in which custody of a child may have been transferred. Some approaches may help prevent transfers from occurring. These included revising requirements for preparing prospective parents for adoption and increasing outreach about services available to families after adopting (see table 4).

<sup>47</sup>As described in table 4, some of these approaches have been adopted, while others have been proposed but not adopted.

**Table 4: Approaches to Address Unregulated Child Custody Transfers in the 15 States GAO Reviewed, as of July 2015**

Approach	States with activity involving this approach
<b>Deter unregulated transfers</b>	
Criminalize unregulated transfers or actions that may lead to unregulated transfers	Enacted laws: Arkansas, Florida, Louisiana, Maine, and Wisconsin Proposed legislation introduced: Maryland, Massachusetts, Nebraska, New York, North Carolina, Ohio, South Carolina, and Virginia
Restrict advertising of children or potential homes for placement, and/or provide for penalties for violations	Enacted laws: Arkansas, Colorado, Florida, Louisiana, Maine, and Wisconsin Proposed legislation introduced: Maryland, Massachusetts, Nebraska, New York, North Carolina, and Ohio
Provide information to new adoptive parents on legal implications of engaging in unregulated transfers	Enacted laws: Louisiana and Maine Proposed legislation introduced: Florida and Massachusetts
Require certain adoptive parents to notify the state child welfare agency or their placement agency when they feel they cannot care or are no longer caring for an adopted child	Enacted laws: Arkansas Proposed legislation introduced: Massachusetts
Require certain individuals (e.g., teachers and medical practitioners) to report to the child welfare agency in specified circumstances that may indicate possible unregulated child custody transfers (e.g., if they suspect the child is not living with his or her family)	Enacted laws: Maine Proposed legislation introduced: Ohio
Provide local child welfare agencies and service providers with guidance on unregulated transfers (e.g., how to prevent such transfers and what to do when a case is identified)	Made changes to state child welfare programs: New York
<b>Improve adoption policies and pre- and post-adoption services to prevent unregulated transfers</b>	
Revise requirements for home studies	Proposed legislation introduced: Wisconsin
Revise pre-adoption training requirements for prospective parents	Proposed legislation introduced: Massachusetts and Wisconsin
Require agencies to provide information on a child's health conditions to prospective parents for certain types of adoptions	Proposed legislation introduced: Florida and Massachusetts
Improve post-adoption services, including increased outreach to families about available services	Enacted laws: Arkansas and Virginia Made changes to state child welfare programs: Illinois, New York, and Virginia Proposed legislation introduced: Florida, Massachusetts, South Carolina, and Wisconsin
<b>Other</b>	
Study options to address unregulated transfers and adoption disruptions and dissolutions	Enacted laws: Wisconsin Made changes to state child welfare programs: New York and Virginia Proposed legislation introduced: Ohio
Require the state child welfare agency to review and determine whether to terminate adoption subsidies for adoptive parents no longer responsible for providing care and support to the child	Enacted laws: Arkansas

Approach	States with activity involving this approach
Require parents who adopted a child in another country to re-adopt in state court	Proposed legislation introduced: Wisconsin
Collect information on whether certain children in the child welfare and juvenile justice systems had been adopted before	Proposed legislation introduced: Wisconsin
Set additional requirements for international adoption agencies and attorneys (e.g., licensing standards and records to be kept)	Proposed legislation introduced: Florida, South Carolina, and Wisconsin

Source: GAO analysis of relevant state laws, proposed legislation, and other information provided by state child welfare and other state agency officials. | GAO-15-733

Note: This table is intended to be illustrative and not present an exhaustive list of all actions taken by these states to address unregulated child custody transfers.

The five states that enacted laws to criminalize unregulated transfers or actions that could lead to these transfers made the following changes:

- Arkansas and Louisiana enacted laws that define the practice of “re-homing” and impose criminal penalties for those engaging in it. The laws provide that those who commit the offense of re-homing, which each state defines differently but generally includes transferring physical custody of a child to a non-relative without court approval with the intent of avoiding permanent parental responsibility (or assisting in such a transfer), will be subject to a fine of up to \$5,000 and imprisonment for up to 5 years.<sup>48</sup>
- Similarly, Florida enacted a law establishing the crime of “unlawful desertion of a child,” which provides that a caregiver who deserts a child (leaves the child with a non-relative with the intent to not return and provide for the child’s care) under circumstances in which the caregiver knew or should have known that the child would be exposed to unreasonable risk of harm commits a third degree felony.<sup>49</sup>
- Maine also enacted a similar law, modifying its definition of “abandonment of a child.” This law provides that a person is guilty of child abandonment if they transfer physical custody of a child to a non-relative without court approval with the intent to avoid or divest

<sup>48</sup>Ark. Code Ann. § 5-27-211; La. Rev. Stat. Ann. § 14:46.4. In Arkansas, re-homing applies only to adopted minors. The laws in Arkansas and Louisiana outline certain exceptions, such as placements made by or with state child welfare agencies or licensed adoption agencies.

<sup>49</sup>Fla. Stat. § 827.10.

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themselves of permanent parental responsibility. The law specifies that violation of this provision constitutes different classes of crimes, depending on the age of the child.<sup>50</sup>

- Wisconsin enacted a law that placed parameters on parental delegations made through a power of attorney, and established criminal penalties for unauthorized transfers of children across state lines. This law provides that delegations to a non-relative of a child's care and custody under a power of attorney may be effective for no longer than 1 year unless approved by a juvenile court, and those who violate this provision are subject to a fine of up to \$10,000 and/or imprisonment for up to 9 months. In addition, the law states that any person who sends a child out of the state, brings a child into the state, or causes such actions to occur for the purpose of permanently transferring physical custody of the child to a non-relative is guilty of a misdemeanor.<sup>51</sup>

Six states enacted laws to restrict the advertising of children or potential homes for adoption or other permanent placement. Specifically, Arkansas, Colorado, Florida, Louisiana, Maine, and Wisconsin created or expanded prohibitions on who can place such advertisements, limited the purposes for which these advertisements can be placed, restricted the public media that can be used (e.g., the internet), and/or provided penalties for violations.<sup>52</sup>

Officials from selected states, child welfare and adoption organizations, and adoption agencies we interviewed discussed some trade-offs and considerations in implementing these approaches to deterring unregulated transfers. For example, several stakeholders said a power of attorney can be used for legitimate purposes, such as a military parent

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<sup>50</sup>To be codified at Me. Rev. Stat. Ann. tit. 17-A, § 553. The law provides for an affirmative defense if a person temporarily transferred physical custody of the child for a designated short-term period due to incarceration, military service, medical treatment, or incapacity, with a specific intent and time period for the return of the child.

<sup>51</sup>Wis. Stat. §§ 48.979 (delegation of power by parent), 948.25 (unauthorized interstate placements of children). The law in Wisconsin outlines certain exceptions to the interstate placement penalties, such as placements of children approved by a court in the sending or receiving state.

<sup>52</sup>Ark. Code Ann. 5-27-211; Colo. Rev. Stat. § 19-5-213.5; Fla. Stat. § 63.212; La. Rev. Stat. Ann. 14:46.4; to be codified at Me. Rev. Stat. Ann. tit. 18-A, § 9-313; Wis. Stat. § 48.825.

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transferring custody of their child to a trusted friend while on deployment. They noted that placing additional conditions on power of attorney transfers can create a burden for these families. In addition, officials from three selected states and three child welfare and adoption organizations questioned how states could enforce the use of a power of attorney. Officials from one national organization specializing in adoption law said courts that may be involved in approving power of attorney agreements have other priorities and may not have time to monitor these agreements. Several stakeholders also said families often go online to access adoption resources and peer support forums. They said states need to consider the information that these online forums provide to adoptive families when considering laws related to the internet.

In addition to approaches that would deter unregulated transfers, 4 of the 15 states we reviewed enacted laws or made changes to child welfare programs to improve post-adoption services for families. Specifically:

- Arkansas enacted a law that directed the state child welfare agency to adopt rules to ensure that post-adoptive services are provided to all parents who seek assistance to prevent their adoptions from being disrupted.<sup>53</sup>
- Virginia enacted a law and made changes to its state child welfare programs to improve post-adoption services based on recommendations from a study it conducted on unregulated transfers.<sup>54</sup> The law requires the state registrar to issue, along with new adoptive birth certificates, a list of available post-adoption services, and requires the state child welfare agency to provide a list of such services to the registrar and publish it on its website.<sup>55</sup> In addition, Virginia officials said the state child welfare agency plans to modify the solicitation for its post-adoption services contracts to allow

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<sup>53</sup>Ark. Code Ann. § 9-9-405. Arkansas also modified its definition of “abandonment” to exclude situations in which a child has disrupted his or her adoption and the adoptive parent has exhausted the available resources. Ark. Code Ann. §§ 9-27-303, 12-18-103.

<sup>54</sup>Virginia Commission on Youth, *Unlawful Adoption of a Child—Study of Senate Bill 411, 2014 Regular Session of the Virginia General Assembly*, Report Document No. 460 (Richmond, VA: October 31, 2014).

<sup>55</sup>Va. Code Ann. §§ 32.1-261, 63.2-1220. Virginia’s child welfare agency published a brochure in July 2015 that lists available post-adoption services on its website. See <http://www.dss.virginia.gov/family/ap/>.

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services to be provided by multiple regional providers rather than one statewide provider. Virginia officials said the intent of this change is to increase access to services for families statewide.

- Illinois and New York also made changes to their child welfare programs to increase outreach specifically to new parents who adopted from foster care, although these states did not make statutory changes. Illinois developed a pilot project for agencies facilitating foster care adoptions to host celebrations and social events to build relationships with these families and connect them with other families. New York developed a brochure for adoption agencies to provide to new adoptive parents that includes information on unregulated transfers and possible sources of help with post-adoption needs.

While many stakeholders we spoke with highlighted families' challenges with accessing pre- and post-adoption services as key reasons for unregulated transfers, they also commented on possible challenges in implementing certain policy options to improve access to and availability of such services. For example, officials from nearly half of the child welfare and adoption organizations we spoke with said building a strong infrastructure for adoption services can be a lengthy and costly task. They said states have been trying to bolster services, but have had limited success. Given limited funding, officials from most selected states, child welfare and adoption organizations, and adoption agencies we interviewed expressed concern about the level of support for post-adoption services. Many of these stakeholders said families experiencing difficulties in their adoptions need services, and unregulated transfers are a last resort for desperate families who feel they have no other option. They also stated that improving access to effective services may ultimately help all families meet the needs of their adopted children.

## Federal Agencies Have Taken Steps to Improve Adoption Services and Share Information on Unregulated Transfers with States

Federal agencies have made some collaborative and individual efforts to address unregulated transfers, mainly by raising awareness of the need for improved pre- and post-adoption services and by sharing information with states (see table 5). In some instances they have also collaborated with non-governmental organizations that have relationships with state child welfare and law enforcement agencies, such as the Association of Administrators of the Interstate Compact on the Placement of Children<sup>56</sup> and the National Association of Attorneys General.<sup>57</sup>

**Table 5: Examples of Actions Taken by Federal Agencies and Their Partners to Address Unregulated Child Custody Transfers, as of July 2015**

Action	Federal agencies and partners involved	Status
Established an interagency working group	Department of State, Department of Homeland Security's U.S. Citizenship and Immigration Services (USCIS), Department of Health and Human Services (HHS), and Department of Justice (Justice)	Began in October 2013; ongoing
Began efforts to revise pre-adoption training requirements for international adoptions	Department of State	Began in November 2014; ongoing
Revised certain international adoption immigration applications and petitions to ask for information on whether the family previously applied or experienced a disruption or dissolution	USCIS	Completed February 2015
Issued a memorandum to state child welfare agencies that provided information on the practice of unregulated transfers, and encouraged states to review their laws and policies and promote post-adoption services	HHS	Issued May 2014
Compiled information on existing state laws and pending legislative activity to address unregulated transfers	Justice, in collaboration with the National Association of Attorneys General	Completed June 2015

<sup>56</sup>The Association of Administrators of the Interstate Compact on the Placement of Children is composed of members from all states (including the District of Columbia and the U.S. Virgin Islands) and establishes rules for carrying out the terms of the Interstate Compact on the Placement of Children. This compact is an agreement among all states that is enacted into law by each state, and establishes uniform legal and administrative procedures that must be followed before a child can be placed from one state to another for purposes of foster care, adoption, or certain other circumstances.

<sup>57</sup>The National Association of Attorneys General is an organization whose members are the attorneys general from all states and the District of Columbia, and the chief legal officers of five territories, which seeks to foster interstate cooperation on legal and law enforcement issues, conduct policy research and analysis of issues, conduct training, and facilitate communication.

Action	Federal agencies and partners involved	Status
Through a cooperative agreement, provided funding to develop training for mental health providers on adoption issues	HHS	Awarded in October 2014; completion expected in September 2019
Through a cooperative agreement, provided funding to develop evidence-based pre- and post-adoption interventions and services	HHS	Awarded in October 2014; completion expected in September 2019
Solicited public comment on HHS's policies on suspending and terminating Title IV-E Adoption Assistance subsidies, noting that there currently is no recourse for state child welfare agencies if adoptive parents do not respond to requests for information about whether the parents are providing any support to or remain legally responsible for their adopted child	HHS	Federal Register notice published March 2015; public comments due in June 2015; ongoing
Began efforts to revise federal websites to provide families with information on post-adoption services from state, local, and private resources	Department of State, in collaboration with USCIS, HHS, and Justice	Begin in July 2015; ongoing
Began efforts to raise awareness of unregulated transfers through public awareness and outreach campaigns	Association of Administrators of the Interstate Compact on the Placement of Children	Began in October 2014; ongoing
Began efforts to track cases of child custody transfers that violate the Interstate Compact on the Placement of Children	Department of State and the Association of Administrators of the Interstate Compact on the Placement of Children	Began in June 2015; and ongoing

Source: GAO summary of documents and information provided by the State Department, USCIS, HHS, Justice, Association of Administrators of the Interstate Compact on the Placement of Children, and the National Association of Attorneys General. | GAO-15-733

As shown in table 5, the State Department established an interagency working group in October 2013 to develop a coordinated federal response to unregulated transfers. Other federal agency participants are USCIS, HHS, and Justice. With input from the group, the State Department began work to revise regulations regarding international pre-adoption training requirements. State Department officials said the revisions may potentially include an increased number of minimum required hours and additional required content, drawing from training curriculum used by child welfare agencies for prospective parents in foster care adoptions. In addition, the revisions may include required in-person components for training. State Department officials said they plan to provide proposed revisions to the Office of Management and Budget by the end of 2015 for review, and the proposed regulations will be subject to a public comment period before being finalized. In addition, in February 2015, USCIS issued revised immigration applications and petitions which are used by certain

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families applying to adopt from certain countries.<sup>58</sup> The revisions included a requirement that families disclose whether they have previously filed international adoption applications or petitions and the result of the filings (i.e., approval, denial, withdrawal). Additionally, the revisions require families to disclose if they have experienced a disruption or dissolution of an international adoption in the past.

HHS has also taken a number of actions to help improve access to adoption services. For example, it issued a memorandum in May 2014 to states that encouraged them to promote services to all adoptive families and outlined various sources of available federal funds.<sup>59</sup> The memo also shared information on how unregulated transfers may violate state laws and encouraged states to review their laws and policies. In addition, HHS awarded two cooperative agreements with 5-year project periods in October 2014 to national organizations to improve post-adoption services. The National Adoption Competency Mental Health Training Initiative aims to build a web-based training curriculum for child welfare professionals and mental health practitioners to meet the mental health needs of adopted children, develop a national certification process for those completing it, and evaluate its outcomes and effectiveness. The National Quality Improvement Center for Adoption/Guardianship Support and Preservation aims to develop evidence-based pre- and post-adoption interventions and services for prospective and current adoptive families. Interventions and services will be evaluated at six to eight selected sites (e.g., state, county, or tribal child welfare agencies). Both projects are expected to be completed in September 2019. HHS officials also noted that information on pre-adoption requirements and post-adoption services, by state, is available on HHS's Child Welfare Information Gateway, a website that provides information, resources, and tools on child welfare, child abuse and neglect, out-of-home care, adoption, and other topics.<sup>60</sup> In addition, they said HHS has been involved in discussions with states regarding post-adoption services over the years. For example, HHS hosted a conference on the needs of adopted

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<sup>58</sup>These revisions apply to immigration applications and petitions for adoptions of children from countries that are not parties to the Hague Adoption Convention.

<sup>59</sup>Department of Health and Human Services, *Rehoming of Adopted Children: Responsibilities for States and Opportunities in the Provision of Post-adoption Services*, ACYF-CB-IM-14-02 (Washington, D.C.: May 30, 2014).

<sup>60</sup>See <https://www.childwelfare.gov/>.

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children—including post-adoption services—in August 2012, and was involved in a forum on unregulated transfers and services for adoptive families in February 2014 through the National Association of State Adoption Programs, Inc.<sup>61</sup>

Because states are responsible for much of the work to improve adoption services, the interagency working group has collaborated with national organizations to share information with states. Specifically, Justice worked with the National Association of Attorneys General to gather information on existing state laws and pending legislative proposals to address unregulated transfers.<sup>62</sup> Research fellows at the National Association compiled this information for all states. The organization also requested information from all state attorneys general offices, and received responses from six states and the District of Columbia. The organization completed this work in June 2015, and Justice officials said they are reviewing the study and will work with the interagency working group to determine next steps, if any, to be taken.<sup>63</sup> In addition, the Association of Administrators of the Interstate Compact on the Placement of Children is working to develop a national outreach campaign to raise awareness about unregulated transfers and provide information on alternatives to this practice. Officials from the Association said they are in the process of soliciting funds from private and non-profit organizations to support such a campaign.

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<sup>61</sup>For results from the August 2012 conference on the needs of adopted children, see Department of Health and Human Services, *Domestic and International Adoption: Strategies to Improve Behavioral Health Outcomes for Youth and Their Families* (Rockville, Md.: Substance Abuse and Mental Health Services Administration, Jan. 28, 2015). The National Association of State Adoption Programs, Inc. is a professional peer organization that provides a forum through which state adoption program managers can pool their expertise and promotes networking activities among states.

<sup>62</sup>Information was gathered on state laws on child abuse, neglect, and abandonment, intrastate or interstate transfers of child custody, and voluntary relinquishment of child custody to the state. Information was also gathered on any legislative proposals and pending criminal cases involving unregulated transfers in each state.

<sup>63</sup>In addition to efforts by the federal interagency working group, the National Conference of State Legislatures has also begun to compile information on states that have enacted laws to address unregulated transfers. This organization provides information and resources to all state legislators and their staff, and aims to improve the quality and effectiveness of state legislatures, promote policy innovation and communication among them, and ensure they have a strong, cohesive voice in the federal system.

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Despite these efforts, federal officials acknowledged that gaps in services for adoptive families remain, and determining how to provide them is a difficult task for public and private agencies working with these families. For example, HHS officials noted limitations to the federal government's ability to support post-adoption services. They said that while all adopted children will need some level of support after an adoption is final, the main source of federal support—the Title IV-E Adoption Assistance program—is limited, and is generally available only to families who adopted eligible children from foster care. Consistent with our findings in previous reports, HHS officials said funds from other federal programs that states can use to support services for private adoptions, including international adoptions, are limited.<sup>64</sup> Officials said families who cannot afford services on their own must often rely on services supported by state and local funding or those provided by private adoption agencies, and funds from these sources are also limited. HHS officials told us that the administration included in its fiscal year 2016 budget request a legislative proposal that would provide an increase of \$587 million over 10 years for pre- and post-adoption services. They said this funding would target services to families with children who may be subject to unregulated transfers as well as those at risk of entering foster care due to an adoption in crisis.

Federal officials said they will continue to examine ways to address unregulated transfers. For example, the State Department has developed a charter to outline its goals and plans for future work. State Department officials said they will use this charter to facilitate future efforts with the interagency working group.

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## Agency Comments and Our Evaluation

We provided a draft of this report to the Secretaries of Health and Human Services, Homeland Security, and State and the Attorney General of the United States for review and comment. The Departments of Health and Human Services, Homeland Security, and State provided technical comments that were incorporated, as appropriate. The Department of Justice had no comments.

We are sending copies of this report to relevant congressional committees, the Secretaries of Health and Human Services, Homeland Security, and State, the Attorney General of the United States, and other

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<sup>64</sup>[GAO-13-170](#).

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interested parties. In addition, this report will be available at no charge on GAO's website at <http://www.gao.gov>.

If you or your staffs have any questions about this report, please contact me at (202) 512-7215 or [brownke@gao.gov](mailto:brownke@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff that made key contributions to this report are listed in appendix II.

*Kay E. Brown*

Kay E. Brown  
Director  
Education, Workforce and Income Security Issues

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# Appendix I: Objectives, Scope, and Methodology

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GAO examined (1) the reasons adoptive families consider unregulated child custody transfers, and services that exist to support these families before they take such an action; (2) what is known about the prevalence of these transfers; and (3) actions selected states and federal agencies have taken to help address such transfers. To address these objectives, we used a variety of methods. Specifically, we

- conducted interviews with 45 agencies and organizations, including officials from federal and selected state agencies, child welfare and adoption organizations, and adoption agencies, to acquire a range of perspectives on this topic;
- reviewed relevant federal laws and regulations, selected state laws, and federal and selected state policies;
- reviewed and analyzed documentation provided by officials we interviewed;
- conducted a search of related literature and reviewed relevant articles; and
- searched online forums on selected social media sites to find illustrative examples of families who may be considering unregulated transfers.

Because children adopted domestically as infants and those in biological families may be less likely to have mental health issues due to trauma and institutionalization, and reports of unregulated transfers have primarily pertained to children adopted internationally or from foster care, our report focuses on international and foster care adoptions.

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## Interviews of Child Welfare and Adoption Stakeholders

To understand why families consider unregulated child custody transfers, what training and services are available to adoptive families, and actions selected states and federal agencies have taken to help address such transfers, we conducted interviews with 45 agencies, states, and organizations, including federal officials, representatives from national child welfare and adoption organizations, officials from selected states, and representatives from adoption agencies. Federal officials we interviewed included those from the Department of State (State Department), the Department of Homeland Security's U.S. Citizenship and Immigration Services (USCIS), the Department of Health and Human Services (HHS), and the Department of Justice (Justice).

We interviewed representatives from 19 organizations that work on child welfare and adoption issues. The 19 organizations we interviewed were selected to represent a variety of views on adoption and child welfare-related policy, training, and research. For example, these organizations

specialized in certain aspects of adoption, including adoption law, home studies, pre-adoption training, and post-adoption services. We interviewed the following child welfare and adoption organizations and experts: American Academy of Adoption Attorneys; American Bar Association's Center on Children and the Law; Association of Administrators of the Interstate Compact on the Placement of Children; Center for Adoption Policy; Center for Adoption Support and Education; Child Welfare League of America; Coalition for Children, Youth, and Families; Congressional Coalition on Adoption Institute; Council on Accreditation; the Donaldson Adoption Institute; Joint Council on International Children's Services; Madeline Freundlich; Maureen Flatley; National Center for Missing and Exploited Children; National Center on Adoption and Permanency; National Conference of State Legislatures; North American Council on Adoptable Children; Spaulding for Children; and Voice for Adoption.

In addition, we interviewed officials from state child welfare agencies and other relevant offices in seven selected states: Colorado, Florida, Illinois, Louisiana, Ohio, Virginia, and Wisconsin. These states were chosen based on factors such as legislative activity related to unregulated transfers in the state, as identified by representatives from child welfare and adoption organizations during our initial interviews, and the state's post-adoption programs.<sup>1</sup> These states also provided variety in numbers of adoptions in relation to the state's population. Interviews with officials were conducted through site visits to Florida and Wisconsin, and phone calls to the remaining states. In the states selected, the team conducted interviews with officials from state child welfare agencies and other relevant offices, such as those from state attorney general offices, departments of justice, and adoption agency licensing offices.

Finally, we interviewed representatives from 15 international and domestic adoption agencies. The adoption agencies we interviewed were selected from those either recommended by national organization representatives or those licensed or accredited in the states we visited in-person to achieve variation in agency size, including budget and staff and

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<sup>1</sup>In this report, we define legislative activity within a state to include enacted laws as well as proposed legislation that has been introduced in the state legislature, even if not enacted. To identify states that had a variety of post-adoption programs, we asked representatives from child welfare and adoption organizations that we interviewed to identify states that, in their opinion, had comprehensive programs.

types of adoptions facilitated.<sup>2</sup> For example, 11 of the 15 adoption agencies facilitate international adoptions.<sup>3</sup> The remaining 4 agencies facilitate domestic adoptions only, such as through the child welfare system (through a contract with the state child welfare agency) or privately.

In the report we refer to different types of organizations when reporting information from our interviews with the 7 selected states, 19 child welfare and adoption organizations, and 15 adoption agencies. References to “stakeholders” include responses from officials in all three of these groups. In our interviews with stakeholders, we used a semi-structured interview protocol that included open-ended questions about reasons that families may consider unregulated transfers, types of services adoptive families may need to prevent them from resorting to these transfers, and types of services that are available to adoptive families. Information was volunteered by officials in each interview in response to these open-ended questions. Thus, the counts of organizations citing such responses vary.

In addition, in the report we use qualifiers, such as “several” and “many,” in some cases to quantify responses from stakeholders across our interviews with the three groups (41 agencies, states, and organizations in total). These qualifiers are defined as follows:

- “All” stakeholders represents 41
- “Most” stakeholders represents 21-40
- “Many stakeholders” represents 10-20
- “Several” stakeholders represents 4-9
- “A few” stakeholders represents 2-3

We reviewed relevant documents to corroborate information obtained in our interviews.

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<sup>2</sup>Domestic adoption agencies are typically licensed by states. International adoption agencies are accredited by the Council on Accreditation, a nonprofit organization.

<sup>3</sup>Nine of the 11 agencies that facilitate international adoptions also facilitate domestic adoptions.

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## Review of Federal and Selected State Laws, Regulations, and Policies

To examine federal efforts related to unregulated transfers, we reviewed relevant documents obtained in our interviews with federal officials. We also reviewed relevant federal laws, regulations, and policies on agency roles and responsibilities as well as GAO criteria on internal controls.<sup>4</sup>

To examine selected state efforts related to unregulated transfers, we reviewed information on recently enacted laws, proposed legislation, and other documents provided by child welfare and other agency officials in our seven selected states. Through our interviews with representatives from child welfare and adoption organizations and others, we identified at least eight additional states that had initiated legislative activity related to unregulated transfer since we began our review: Arkansas, Maine, Maryland, Massachusetts, Nebraska, New York, North Carolina, and South Carolina. For these eight identified states, we also reviewed relevant laws, proposed legislation, and other documents provided by child welfare and other agency officials in these states. For proposed legislation, we reviewed only the version confirmed by the state officials. We did not do further research on the status of these proposals; therefore, additional changes may have been made that are not reflected in this report, and some proposed legislation included in the report may no longer be pending. We asked officials in the 15 selected and identified states to confirm whether their state had enacted a law, introduced proposed legislation, or took other relevant activity as of July 2015. We did not report on such activity after this date. Since we did not attempt to identify all activity related to unregulated transfers in all states, there may be other states with relevant legislative or other activity not included in our review.

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## Literature Search

We conducted a search of literature related to unregulated child custody transfers in order to gather information about why families may consider these transfers, what policies exist to safeguard children who might be subject to such transfers, what training is required to adopt, and what services are available to adoptive families. While our search resulted in some literature on adoption dissolutions and disruptions as well as services for adoptive families, we were unable to locate academic literature regarding unregulated transfers.

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<sup>4</sup>GAO, *Standards for Internal Control in the Federal Government*, [GAO/AIMD-00-21.3.1](#) (Washington, D.C.: Nov. 1, 1999).

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## Searches of Online Forums on Selected Social Media Sites

We searched online forums on selected social media sites to find illustrative examples of families who may be considering unregulated child custody transfers. Using keywords such as “rehoming” and “adoption disruption,” we searched selected social media sites to locate online forums—such as groups and message boards—that parents might use to seek new homes for their children. For example, these forums were characterized on the sites as support groups for parents who wish to dissolve an adoption or whose children have behavioral issues. The results of our searches were not exhaustive as we were unable to ascertain whether we identified most or all social media sites and forums with online activity that may relate to unregulated child custody transfers.

We observed posts by participants in eight forums on two websites over a 15-month time period (January 1, 2014, through April 1, 2015). We analyzed posts on two of the eight forums that involved individuals who posted that they were seeking a new family for their child or who posted that they wanted to adopt a child. We did not find posts involving individuals seeking a new family for their child in the remaining six forums. The online posts we identified did not provide sufficient information to determine whether the posters intended to pursue an unregulated transfer, or to pursue an adoption or other legal placement. Since we did not investigate individual cases, our approach did not allow us to determine whether the information posted by online participants was accurate. Moreover, because discussions between online participants can be continued privately, we were unable to determine whether a child was actually transferred to another family and, if so, whether this was done through a court-approved process or through an unregulated transfer.<sup>5</sup> One of the eight forums we observed was shut down in March 2015 by the social media site that hosted it.

We conducted this performance audit from October 2014 to September 2015 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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<sup>5</sup>Our review was not designed to determine the legality of the posters’ actions. However, we provided the information we collected to the Department of Justice, and in cases where sufficient information was available, to state law enforcement.

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# Appendix II: GAO Contact and Staff Acknowledgments

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## GAO Contact

Kay E. Brown, (202) 512-7215 or [brownke@gao.gov](mailto:brownke@gao.gov)

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## Staff Acknowledgments

In addition to the contact name above, the following staff members made key contributions to this report: Elizabeth Morrison, Assistant Director; Elizabeth Hartjes; Nhi Nguyen; and Amy Sweet. Also contributing to this report were: Susan Aschoff; Laurel Beedon; Maurice Belding; Sarah Cornetto; Sara Edmondson; Kirsten Lauber; Ashley McCall; Mimi Nguyen; Brynn Rovito; and Almeta Spencer.

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