

Department of Children and Youth Memo 25-051

TO: Children Services Stakeholders

FROM: Laura Graf, Deputy Director Policy

DATE: July 8, 2025

SUBJECT: Adoption Assistance Subsidy Agreements

Background

Under federal law (Sections 475(3) and 473(a)(3) of the Act), Title IV-E Agencies have the authority to negotiate Adoption Assistance (AA) agreements based on a child's individual needs and the family's circumstances. There are some needs that may be identified in the original AA negotiation that will be time-limited, i.e., child care. Federal guidance received on May 12, 2025, stated that an AA agreement may include a specific reduction in the subsidy amount that takes effect when the child reaches a certain age or when a specific condition or circumstance occurs. However, the Title IV-E agency does not automatically suspend or reduce the subsidy payment without the agreement of the parents, either in the original AA agreement or an amended AA agreement. The purpose of these negotiated reductions is to ensure that financial support aligns with the evolving needs of the child's care and well-being.

To clarify, a Title IV-E agency cannot amend an existing AA agreement without the consent of the adoptive parent(s) as outlined in the initial AA agreement. This process ensures that families remain actively engaged in financial planning and that subsidy modifications are implemented in a way that prioritizes the child's long-term stability and support.

Purpose

The purpose of this memo is to provide guidance on how Title IV-E agencies may incorporate negotiated reductions into AA agreements while ensuring compliance with federal requirements and maintaining adoptive parent(s) involvement in all subsidy amendments.

Contact

If you have any questions or concerns, contact your assigned Title IV-E Developer.