

CAPITOL REPORT
Senator Luann Ridgeway
March 29, 2005

Adoption Subsidies

Changes are on the horizon in government subsidies given to families who adopt children in foster care.

Missouri currently pays a monthly amount to people who adopt children in foster care. The base subsidy amount per month is \$225. The subsidy could go as high as \$650 per month for an adopted child with behavioral or medical disorders. The subsidy is not subject to taxation.

This provides some financial help for people who choose to adopt one or two children. But legislators are now hearing testimony from people who are adopting a lot more than that. In one case, seven children were adopted. In another case reported in the Kansas City Star, 13 children were adopted into a family with other children. The family now has 22 members in total.

The state is broke. We simply have to deal with the explosion in government growth that occurred under the liberal political leadership of this state during the 1990's.

We can no longer continue to pour money out of the state treasury because there's no more money to pour. Missouri's Constitution requires a balanced budget. It also requires sizeable tax increases to go to a vote of the people. Yet the programs put in place in the 1990's have become hungry animals. They consume millions of taxpayer dollars. They are consuming millions more than we now have.

So we have only three choices:

- 1) Cut education and everywhere else to continue to fund runaway welfare spending; or
- 2) Fundamentally change our welfare programs and spending; or
- 3) Propose a massive multi-million dollar tax increase for voter approval.

The people have clearly stated that they don't want a big tax increase. They wouldn't approve it even if legislators proposed it. I promised I wouldn't raise taxes during the campaign and I will live up to that promise. Tax increases are off of the table.

Education empowers people to obtain a good job so they can be independent and responsible for themselves. This leads to liberty and individual freedom. Funding must be maintained to support quality education in Missouri.

There's only one other option. We have to balance mercy and compassion for those who cannot take care of themselves with the need to remove, from bloated welfare rolls, those who can and should provide for themselves.

Adoption subsidies are available to millionaires. Does this make sense to anybody?

The proposal is not to eliminate adoption subsidies. The proposal is to limit subsidies to lower income families with incomes of up to 200% of the federal poverty level. For example, if a family of four chooses to adopt a foster child, they could have a household income of a little over \$40,000 and still receive the subsidy.

For the family mentioned in the Kansas City Star article, the family of 20 children could earn over \$156,000 per year and still qualify for adoption subsidies. With 13 children at the lowest subsidy of \$225 per child, there would be an additional \$35,100 per year income – all tax free. If the family received the highest subsidy of \$650 per child, there would be an additional \$101,400 per year tax free income.

Let me emphasize this again. The family would have to earn over \$156,000 per year before becoming ineligible for adoption subsidies under the current proposal.

Doesn't this seem reasonable?

Yet I have had at least one woman calling my office telling me she was going to give the adopted child back unless unlimited adoption subsidies continued. I don't even know what to say in the face of such cruelty. Draw your own conclusions.

The bottom line is this. We are trying to get government to live within its means while providing assistance to those truly in need.

Change isn't easy. More change is on the way as our entire social welfare structure is expected to be revamped in the next year. Your input is always welcome.

Contact Information: Senator Luann Ridgeway: State Capitol- Room 419, Phone: (573) 751-2547, Fax: (573) 751-9771

