

Regulation of Private Domestic Adoption Expenses

To find statute information for a particular State, go to the <u>State Statutes Search</u>.

A private, independent, or direct-placement adoption is an adoption arranged between a birth family and an adoptive family without using a public agency. A placement arranged in this way between families in the United States is referred to as a private/independent domestic adoption. Private adoption agencies or attorneys may assist in completing a private domestic adoption. Unlike adoption of a child from foster care through a public agency, which involves fewer expenses and minimal fees, in a private/independent adoption, costs are typically much higher as the adoptive family is expected to pay many of the expenses.¹

Approximately 47 States, the District of Columbia, American Samoa, Guam, the Northern Mariana Islands, and Puerto Rico have laws that provide some regulation of the fees and

¹ For a comparison of the types of adoptions and their relative costs, see Child Welfare Information Gateway's Exploring the Pathways to Adoption.



WHAT'S INSIDE

Birth parent expenses

Payments for arranging an adoption

Payments for relinquishing a child

Agency costs and fees

Reporting to the court



expenses that adoptive parents are expected to pay when arranging a private-placement or independent domestic adoption.² Some of the fees and expenses addressed in the statutes include expenses of the expectant mother during pregnancy and childbirth; placement costs, such as agency fees; and legal and attorney expenses for adoptive and birth parents.

BIRTH PARENT EXPENSES

In private or independent adoptions, the adoptive parents may pay some of the birth mother's expenses, particularly in the case of a pregnant woman planning to place her infant for adoption. Approximately 45 States, the District of Columbia, American Samoa, the Northern Mariana Islands, and Puerto Rico specify in their statutes the type of birth parent expenses a prospective adoptive family is allowed to pay.³ The actual dollar amount is usually limited to "reasonable and customary."

The types of expenses most commonly allowed by statute include the following:

- Maternity-related medical and hospital costs
- Temporary living expenses of the mother during pregnancy
- Counseling fees
- Attorney and legal fees and guardian ad litem fees

 Travel costs, meals, and lodging when necessary for court appearances or accessing services

Approximately seven States explicitly prohibit adoptive parents from paying certain types of expenses.⁴ Costs such as educational expenses, vehicles, vacations, permanent housing, or any other payment for the monetary gain of the birth parent often are excluded. In 17 States, the statutes do not exclude specific types of expenses but do indicate that any expense not expressly permitted by law or considered by the court to be unreasonable cannot be paid by the adoptive parents.⁵

Approximately 18 States specify time limits for the payment of the birth mother's living expenses or psychological counseling.6 The time limits set for these payments range from 30 days up to 6 months after the child's birth or placement. For example, Iowa allows postplacement counseling for 60 days but limits payment of living expenses to 30 days. New York limits payment of living expenses to 60 days prior to the child's birth and 30 days thereafter. Oklahoma allows payments for postplacement counseling for up to 6 months but limits other expenses to 2 months beyond placement of the child. In nine States, the payment of expenses may not exceed a set dollar amount unless the court grants an exception.7

² Hawaii, Rhode Island, Wyoming, and the Virgin Islands do not currently address the issue of adoption expenses in statute. The word "approximately" is used to stress the fact that States frequently amend their laws. This information is current through May 2022.

³ Hawaii, Massachusetts, Nebraska, Rhode Island, Wyoming, Guam, and the Virgin Islands do not currently address the issue of birth parent expenses in statute. The District of Columbia addresses the issue in its municipal regulations.

⁴ Illinois, Kentucky, Minnesota, Montana, New Hampshire, North Dakota, and Wisconsin

⁵ Arizona, California, Delaware, Georgia, Kansas, Louisiana, Maine, Missouri, New Mexico, Ohio, Oklahoma, Pennsylvania, South Carolina, Utah, Virginia, West Virginia, and Wisconsin

⁶ Florida, Idaho, Illinois, Indiana, Iowa, Louisiana, Michigan, Minnesota, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Tennessee, and Vermont

⁷ Arizona (\$1,000), Connecticut (\$1,500), Florida (\$5,000), Idaho (\$2,000), Indiana (\$4,000), Iowa (\$2,000), Louisiana (\$7,500), Ohio (\$3,000), and Wisconsin (\$5,000)

PAYMENTS FOR ARRANGING AN ADOPTION

In an independent adoption, a prospective adoptive parent often uses an agent to locate a pregnant woman considering adoption for her unborn child. To ensure that no one, including a person acting as intermediary or a member of the birth family, profits from the placement of a child, most States restrict the activities of these agents or intermediaries. Approximately 26 States, American Samoa, the District of Columbia, the Northern Mariana Islands, and Puerto Rico prohibit the payment of any fee for connecting an adoptive family with a pregnant woman or obtaining consent to adoption; in these States, fees may be paid only for the provision of adoption services, such as arranging for the home study.8 An additional 12 States require that the placement of children be done by licensed child-placing agencies or other authorized professionals.9

PAYMENTS FOR RELINQUISHING A CHILD

To avoid the appearance of "baby selling," laws in 31 States, American Samoa, the Northern Mariana Islands, and Puerto Rico disallow any person from offering, or any

birth parent from accepting, a payment of money or anything of value in exchange for relinquishing a child for adoption. Making a payment for anything beyond the expenses authorized in statute is expressly prohibited. California and Nevada prohibit a birth parent from obtaining financial benefit when he or she has no intention of completing the adoption. Georgia and Louisiana allow an adoptive parent to seek reimbursement of any expenses paid if a person accepts any payment knowing that the birth mother is not pregnant or is concurrently accepting payments from another prospective adoptive parent.

In 14 States, payment of allowable expenses cannot be construed to obligate the birth parent to consent to the adoption. However, in Montana, North Carolina, and Vermont, if the adoption is not completed, the adoptive parent is not required to make any additional payment of expenses unless there is a prior written agreement to make a specific payment regardless of the outcome of the adoption proceeding. Idaho and Puerto Rico require reimbursement of expenses to prospective adoptive parents if the birth parent decides not to place the child for adoption.

⁸ Alabama, Arizona, California, Delaware, Florida, Georgia, Iowa, Kansas, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, South Carolina, South Dakota, Vermont, Virginia, West Virginia, and Wisconsin

⁹ Colorado, Illinois, Indiana, Kentucky, Massachusetts, Nevada, New Jersey, New Mexico, New York, Oklahoma, Tennessee, and Texas. For more information on this issue, see Information Gateway's <u>Use of Advertising and Facilitators in Adoptive Placements</u>.

¹⁰ Alabama, Arizona, Arkansas, Colorado, Delaware, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Minnesota, Missouri, Nevada, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, and Wisconsin

¹¹ Florida, Illinois, Louisiana, Maine, Michigan, Minnesota, Montana, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Vermont, and Wisconsin

AGENCY COSTS AND FEES

The fees charged by agencies as well as the extent to which they are regulated by State authorities vary from State to State. In 35 States, the Northern Mariana Islands, and Puerto Rico¹², the statutes simply authorize agencies to collect fees that are reasonable or cover the actual cost of the adoption services provided. Approximately 10 States specify a dollar amount for agency fees or specific services that agencies provide. Approximately 17 States provide for a reduction or waiver of fees for adoptive families that meet specified income criteria. Nevada waives fees when the family is adopting a child with special needs. In extension of the special needs.

Agencies typically provide preplacement services, such as the preparation of home studies of adoptive families,¹⁷ compilation of social and medical histories of birth families, birth family counseling, and postplacement services. Sometimes agencies also will receive payment for birth parent expenses and make appropriate disbursements.

REPORTING TO THE COURT

Approximately 41 States, the District of Columbia, American Samoa, Guam, the Northern Mariana Islands, and Puerto Rico require that an accounting of all adoptionrelated expenses be made to the court that has jurisdiction over the adoption proceedings.¹⁸ Typically, the accounting is made in the form of a sworn statement or affidavit. In some States, this statement is attached to the adoption petition. In other States, the accounting must be filed prior to the court hearing on the adoption. In South Carolina, receipts for the birth mother's living expenses must be submitted, and any living expense for which a receipt is not presented may be disallowed.

In private and independent adoptions, the court has the discretion to review all disbursements made for adoption-related expenses, including payments made to or on behalf of the birth parents. In five States, the statutes permit the court to disallow or modify any expense that it finds unreasonable, unnecessary, or not permitted by State law.¹⁹

¹² In Puerto Rico, if the person seeking to adopt a child resides in any State of the United States, they shall be responsible for obtaining the home study. Furthermore, the social worker who prepares the study shall appear before the court to testify as to the suitability of the adoption. The adoptive party shall be responsible for paying for the home study and the travel expenses of the social worker.

¹³ Alaska, Arizona, Colorado, Connecticut, Delaware, Florida, Georgia, Indiana, Iowa, Kansas, Louisiana, Maryland, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, and Wisconsin

¹⁴ Alabama, California, Idaho, Indiana, Kentucky, Maine, Mississippi, North Carolina, Oregon, and Wisconsin specify a dollar amount in statute or regulation for some specific services.

Alabama, Alaska, Arizona, California, Colorado, Delaware, Minnesota, Mississippi, Nebraska, Nevada, New Jersey, North Carolina, Oregon, South Dakota, Virginia, Washington, and Wisconsin
Nevada, in § 127.008, defines a "child with special needs" as a child for whom placement with an adoptive parent is made

¹⁶ Nevada, in § 127.008, defines a "child with special needs" as a child for whom placement with an adoptive parent is made more difficult because of the child's age, race, or number of siblings; or because the child suffers from a severe or chronic medical, physical, mental, or emotional condition.

¹⁷ For more information, see Information Gateway's <u>The Adoption Home Study Process</u>.

¹⁸ Connecticut, Hawaii, Massachusetts, Mississippi, Nebraska, Rhode Island, South Dakota, Texas, Wyoming, and the Virgin Islands do not currently require an accounting of expenses to the court.

¹⁹ Alabama, Arizona, Kansas, Kentucky, and Michigan

This publication is a product of the State Statutes Series prepared by Child Welfare Information Gateway. While every attempt has been made to be complete, additional information on these topics may be in other sections of a State's code as well as agency regulations, case law, and informal practices and procedures.

SUGGESTED CITATION:

Child Welfare Information Gateway. (2022). Regulation of private domestic adoption expenses. U.S. Department of Health and Human Services, Administration for Children and Families, Children's Bureau. https://www.childwelfare.gov/topics/systemwide/laws-policies/statutes/expenses/



U.S. Department of Health and Human Services Administration for Children and Families Administration on Children, Youth and Families Children's Bureau





This material may be freely reproduced and distributed. However, when doing so, please credit Child Welfare Information Gateway. This publication is available online at https://www.childwelfare.gov/topics/systemwide/laws-policies/statutes/expenses/.