



American Foster Futures
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Foster Youth Priority Vehicle Access Program

September 7, 2026

Legislative Objective

Provide eligible foster youth ages 18–22 first chance, after other state agencies, to buy surplus vehicles the State of Texas already sells to the public. The program adds a modest discount, names a designated nonprofit administrator, so TFC, TxDOT, DFPS and TPWD do not have to stand up a new car desk, and leaves existing retirement rules, university surplus, and DPS law-enforcement transfers untouched.

This is not a new fleet, a loan program, or a change in when an agency retires a vehicle. It changes who stands in line and at what price.

Why it Matters

As a former ward of the State of Texas, I can tell you that aging out of care without a car means missed shifts in bad weather, missed class, missed medical appointments, and missed childcare¹. Put simply, young adults have a better chance of success in life if they have reliable transportation, especially in a state as vast as Texas. Not only that, but Texas also already owns the vehicles and already runs the sale. Moving verified youth ahead of the public auction, political sub-divisions and assistance organizations, with a discount set in the General Appropriations Act, is the smallest statutory change that puts those cars to work for the youth the state just raised.

Who Can Buy

An eligible individual DFPS verifies, through a limited data match with the designated administrator, was in DFPS conservatorship, is 18 through 22, and is in or has aged out of foster care, extended foster care, or Preparation for Adult Living (PAL). The buyer must hold a valid Texas driver's license, carry active liability insurance, have completed a two-hour administrator taught financial literacy and vehicle responsibility course and show the funds to close. If no eligible youth closes during the youth window, the vehicle sells under current law.

¹ AFF Founder and ED, Stephen Benavides, spent nearly 6 six years in the care of Texas. He experienced 7 group homes throughout the state, many at the high end of the level system, 4 foster homes and homelessness as a runaway. He was eventually emancipated at the age of 17 in Dallas County, TX.



Who Does What

Actor	Does	Does not
TFC, TxDOT, and other disposing agencies	Set the official list price. Hold the vehicle. Close title. Run auctions and delegated yard sales.	Certify foster status. Take walk-up “foster youth” calls. Coordinate with the buyer before or after sale.
Designated nonprofit administrator (AFF is the applicant)	Verify eligibility after the DFPS data match. Match a youth to a posted vehicle. Pay for as-is inspection out of operating funds. Help assemble funds and sit at close. Report each September 30.	Set the state price. Run the auction. Take title. Take a lien. Warehouse a vehicle. Take a vehicle another agency still needs.
DFPS	Confirm care history through a limited data match (name, DOB, care-history flag) within two business days.	Run a separate car desk.

How Surplus Vehicle Sales Work Now

- **Tex. Gov’t Code § 2175.184(a):** during the 10 business days after posting, a state agency, political subdivision, or assistance organization may take the property at the commission-set price. A transfer to a state agency has priority over any other transfer.
- **Tex. Gov’t Code § 2175.184(b):** a political subdivision or assistance organization that takes property under this section may not sell, lease, or otherwise dispose of it before the second anniversary of acquisition unless the commission authorizes the disposition.
- **Tex. Gov’t Code § 2175.065:** TFC may delegate disposal to an agency that can show cost savings. A delegated TxDOT or TPWD yard sale is still a Chapter 2175 sale.
- **Tex. Gov’t Code § 2175.186–.187:** if no § 2175.184 transfer occurs, TFC sells by competitive bid, auction, or direct sale, including an internet auction posted at least 10 days.
- **Tex. Gov’t Code § 2175.304** leaves higher-education surplus outside the standard TFC process. § 2175.308 (DPS transfers to local law enforcement or disadvantaged-area school districts) does not change.



Proposed Order of Sale After Bill

- 1. Another state agency that still needs the unit.
- 2. A certified eligible youth 18–22. Title transfers from the disposing agency to the youth. The administrator does not take title.
- 3. Cities, counties, school districts, and other assistance organizations.
- 4. Then the public auction or internet sale.

Priority access must be attached to every Chapter 2175 disposal method used for passenger vehicles — TFC storefront, delegated agency yard, and internet auction — not only Austin walk-up sales. § 2175.304 and § 2175.308 stay as written. A passenger vehicle means a car, SUV, van, or light truck with a GVWR of 10,000 pounds or less. Units that still carry unremoved emergency equipment are ineligible until the disposing agency certifies the equipment has been stripped.

Proposed Statutory Amendments

- **Amend § 2175.184(a) so that, after state agencies and before political subdivisions and other assistance organizations, a certified eligible youth may take a posted passenger vehicle at the commission price minus the GAA discount.**
- **Amend § 2175.065 and §§ 2175.186–.187** so the same youth window (10 business days for interest and 10-15 business days to close) applies to delegated sales and auctions-in-place before the vehicle is offered to the public.
- **Amend § 2175.184(b)** so the two-year anti-flip hold is waived or shortened to 12 months when title is in the name of a certified eligible youth.
- Add new § 2175.1845 defining eligibility; passenger-vehicle class (car, SUV, van, or light truck, GVWR 10,000 pounds or less); the GAA discount cap; the designated administrator; program funding, a DFPS–administrator data match; program notice to posted lists; direct title to the youth; and the September 30 report.



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Program Cost and Fiscal Illustration

TFC sets the list price. Eligible buyers pay that price minus a discount set in the General Appropriations Act, capped at 50 percent. Opening ask is 50 percent; the Legislature can negotiate down to 20–30 percent after LBB scores volume. The fiscal note has two pieces: forgone surplus revenue versus list price, plus the administrator’s year-1 pilot budget and any future appropriations. Collected sale proceeds stay in the existing surplus path — owning agencies and General Revenue — not a direct payment to the administrator. A GAA rider may later reappropriate a slice of those proceeds to offset administration.

***Illustration Only — not a scored fiscal note.**

Cost of Lost Revenue Formula

- R = forgone state surplus revenue in one year
- N = youth who qualify that year (varies)
- b = share who actually close (Unknowable, set at 25%)
- d = discount off TFC’s official price (set at 50%)
- P = estimated median TFC list price of the cars they buy

Formula: $R = N \times b \times d \times P$ | Eligibility 18–22 only.

Input	Value	Unit / format	Why
N	800	Youth (annual age-outs)	Midpoint of 700–900 Texas youth who turn 18 in DFPS care each year and age out unless they stay in extended care (TNOYS / DFPS Data Book).
b	25.0%	Close rate	Planning assumption. Last lock 3 Sep 2026: 25%. Change this cell to 50% to recover the prior case.
d	50.0%	Discount off TFC list price	Opening ask. Cap at 50% in the GAA; negotiate to 20–30% after volume is scored. Do not hard-code 50% in statute.
P	\$12,000	USD per vehicle (TFC list)	Midpoint of the \$12k–\$15k range used around DPS surplus in the H.B. 1851 fiscal materials. TFC can produce actual list-versus-sale prices; until then this is the planning ticket.

Administrator Operating Budget (Year-1 Pilot)



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Year 1 is a five-FTE pilot in high-volume DFPS regions (DFW, Houston, Austin, San Antonio, El Paso): one Executive Director and four regional coordinators, with a small DFW office and higher travel. If the pilot works, staffing can scale to seven (one ED and six coordinators) before any statewide build-out. Program administrator will not warehouse vehicles.

Budget category	Description	Est. Annual Cost
Executive salary & benefits	1 Executive Director (~\$110,000 base + 30% state benefits/taxes)	\$143,000
Regional staff & benefits	Four full-time regional coordinators in high-volume DFPS regions (~\$60,000 base each + 30% benefits)	\$312,000
DFW office rent	Small commercial space for the year-1 pilot, ~1,200 sq. ft. averaged at \$30/sq. ft.	\$36,000
Office utilities & tech	High-speed internet, phone lines, and utilities (~\$500/month)	\$6,000
Equipment & supplies	Laptops, office furniture, software licenses, and general supplies for 5 FTEs	\$8,000
Regional travel allowance	Higher per-person mileage for 4 coordinators covering high-volume regions	\$40,000
Inspections, program & marketing	As-is pre-close inspections paid by AFF, transfer processing, outreach	\$40,000
TOTAL EST. PILOT BUDGET	Year-1 high-volume pilot (5 FTEs). Scale to 7 FTEs only after the pilot works.	\$585,000

Hiring Preference: the administrator will recruit former and current foster youth into coordinator roles where they meet the job requirements. That is an operating practice, not a statutory quota.

Combined Planning Totals (illustration)

Line	Year 1	Year 2 and after
Forgone list-price revenue (illustration)	\$1,200,000	\$1,200,000
Administrator operations (pilot)	\$585,000	\$585,000
Combined planning total	\$1,785,000	\$1,785,000

*See end of document for hypothetical revenue recycling model.

How a Sale Works (operations, not statute)



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- Youth applies to the designated administrator. DFPS confirms eligibility through a limited data match (name, date of birth, and care-history flag) with a two-business-day turnaround. The administrator does not certify status on its own.
- Buyer completes a financial-responsibility and vehicle-ownership certification course offered by the administrator, shows a valid driver's license, active insurance and the ability to finalize the transaction.
- The administrator watches TFC and delegated agency posting channels (public lists, posted notices, and any data share TFC later agrees to) and alerts matched youth in the region via website and phone application (phone app completed).
- During the statutory 10-business-day window, an eligible youth signals interest in a posted vehicle.
- If two or more eligible youth want the same vehicle, the administrator applies published selection criteria rules (region, license and insurance ready, funds in hand, first complete file, hardship) and documents the choice.
- Vehicles remain as-is from the State. Independent inspection is the administrator's cost and comes out of operating funds. If the vehicle is not safely operable, it returns to the disposing agency. If it passes and the youth can close, TFC or the delegated agency titles directly to the youth.
- The administrator sits at close but does not take title. TFC storefront title packets take approximately 21 days; build that gap into insurance and close planning.
- Distance is the youth's choice. A youth who wants a posted vehicle in another region travels or declines; the State and the administrator do not fund transport. That keeps buying local. The administrator confirms insurance at day 30 and files one report each September 30 with TFC, DFPS, and the Legislature.

The only reason an administrator would ever hold title is to convey immediately when a youth cannot appear at close. That is unnecessary if the disposing agency titles directly to the youth, which is the rule in this draft.

What this bill does not do

- Does not put a youth ahead of HHSC, DPS, TxDOT, or any agency that still needs the vehicle.
- Does not touch university surplus (§ 2175.304) or rewrite § 2175.308.
- Does not make the administrator a lender, an auctioneer, the State's pricing desk, a title holder, or a warehouse.
- Does not add a second statutory hold on top of the existing 10-business-day posting window.



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Ask of the 2027 Session

- **File as a Chapter 2175 amendment: amend §§ 2175.184, 2175.065, and 2175.186–.187; add new § 2175.1845 (eligibility, notice, GAA price rule, designated administrator, report).**
- Preferred hold rule: waive or shorten § 2175.184(b) to 12 months for a certified youth. Keep the two-year hold if that is the price of a hearing.
- Tell bill counsel to write the fallback if the 10-day window ends mid-close.
- Place the discount (opening ask 50 percent, negotiable to 20–30 percent, never hard-coded above the GAA cap) and the year-1 pilot administration cost in the GAA, after LBB has a volume estimate. Route collected proceeds to owning agencies and GR first. If the Legislature recycles revenue, reappropriate a capped slice to the administrator; do not pay AFF directly from the sale.
- Before the fiscal note: send the TFC / Comptroller records request and brief TFC, OVFM, DPS fleet, TxDOT surplus, and DFPS PAL.
- Meanwhile, the applicant nonprofit should finish the TFC assistance-organization filing so it can match youth to posted cars under current § 2175.184 while the bill is pending. AFF still does not take title or warehouse vehicles.

Revenue Recycling Model

Summary: To increase probability of passage and to create a semi-self-funding social assistance program, AFF has included this model as a potential rider to this legislation. Youth payments under the current proposal follow current surplus-proceeds rules into the owning agency and General Revenue. Agencies already forgo the discount, and they keep their remaining portion of what the youth pay. If the Legislature recycles revenue, it reappropriates a capped slice of collected proceeds



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through the GAA to offset administration. Program administrator never receives sale proceeds directly. Year 1 GR funds the five-FTE pilot. From year 2, a slice of prior-year collections can offset operations. At 200-plus closes, the remaining agency/GR share still exceeds the pilot budget.

Five-Year Outlook — collected proceeds to agencies/GR first; GAA may reappropriate a capped slice to admin (40% of prior-year collections, not more than ops)

Line	Year 1	Year 2	Year 3	Year 4	Year 5	5-year total
Vehicles closed	200	225	250	275	300	1,250
List value of those vehicles	\$2,400,000	\$2,700,000	\$3,000,000	\$3,300,000	\$3,600,000	\$15,000,000
Cash youth pay (to owning agency / GR)	\$1,200,000	\$1,350,000	\$1,500,000	\$1,650,000	\$1,800,000	\$7,500,000
Forgone surplus (the discount)	\$1,200,000	\$1,350,000	\$1,500,000	\$1,650,000	\$1,800,000	\$7,500,000
Slice reappropriated to admin (not paid direct)	—	\$480,000	\$540,000	\$585,000	\$585,000	\$2,190,000
Owning agency / GR keep after slice	\$1,200,000	\$870,000	\$960,000	\$1,065,000	\$1,215,000	\$5,310,000
Administrator operating budget (pilot)	\$585,000	\$585,000	\$585,000	\$585,000	\$585,000	\$2,925,000
State GR still required for operations	\$585,000	\$105,000	\$45,000	—	—	\$735,000
Combined state picture (forgone + ops GR)	\$1,785,000	\$1,455,000	\$1,545,000	\$1,650,000	\$1,800,000	\$8,235,000

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