



# Social Services Block Grant (Title XX of the Social Security Act)

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## **Summary**

The Social Services Block Grant (SSBG) is a flexible source of funds that states use to support a wide variety of social services activities. States have broad discretion over the use of these funds. In FY2007, the most recent year for which expenditure data are available, the largest expenditures for services under the SSBG were for foster care services, child care, and special services for the disabled. The FY2010 Consolidated Appropriations Act (P.L. 111-117) maintained SSBG funding at \$1.7 billion and maintained states' authority to transfer up to 10% of their Temporary Assistance for Needy Families (TANF) block grants to the SSBG. The SSBG has received an annual appropriation of \$1.7 billion since FY2002. In addition to annual funding levels, the SSBG received supplemental appropriations in FY2006 and FY2008 for necessary expenses resulting from major natural disasters. This report provides funding and background information for the SSBG.

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## **Introduction**

Title XX of the Social Security Act permanently authorizes the Social Services Block Grant (SSBG) as a “capped” entitlement to states. This means that states are entitled to their share of funds, as determined by formula, out of an amount of money that is capped in statute at a specific level (also known as a funding ceiling). Although social services for certain welfare recipients have been authorized under various titles of the Social Security Act since 1956, the SSBG in its current form was created in 1981 (P.L. 97-35). Block grant funds are given to states to help them achieve a wide range of social policy goals, which include promoting self-sufficiency, preventing child abuse, and supporting community-based care for the elderly and disabled. The FY2010 Consolidated Appropriations Act (P.L. 111-117) included \$1.7 billion for the SSBG, the same level of annual funding the block grant has received since FY2002. In addition to annual funding levels, the SSBG has occasionally received supplemental appropriations, most recently in FY2008. A special SSBG program for enterprise communities and empowerment zones was authorized in 1993 (P.L. 103-66), but is not currently funded. At the federal level, the SSBG is administered by the Department of Health and Human Services (HHS). Legislation amending Title XX is typically reported by the House Ways and Means Committee and the Senate Finance Committee.

## **Use of Funds**

### **Goals**

Federal law establishes the five broad goals for the SSBG. Social services funded by states must be linked to one or more of these goals. The five goals are:

- achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;
- achieving or maintaining self-sufficiency, including reduction or prevention of dependency;
- preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating or reuniting families;
- preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; and
- securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions.

### **Services**

States have broad discretion in spending SSBG funds to support these broad goals. The following are examples of social services, as specified in law, that relate to the SSBG’s broad goals:

child care, protective services for children and adults, services for children and adults in foster care, services related to the management and maintenance of the home, adult day care, transportation, family planning, training and related services, employment services, referral and counseling services, meal preparation delivery, health support services, and services to meet the special needs of children, the aged, the mentally retarded, the blind, the emotionally disturbed, the physically handicapped, and alcoholics and drug addicts.

In 1993, HHS issued a regulation establishing uniform definitions for 28 SSBG service categories. State spending is not limited to these services; instead, these service categories are used as guidelines for reporting purposes. (Spending on an activity that falls outside the scope of services defined in regulation is characterized under “other services” on annual reports.) In addition to supporting social services, SSBG funds may be used for administration, planning, evaluation, and training. (See **Table 4** for a full list of the service categories reported on by states.) States may also transfer up to 10% of their SSBG allotments to block grants for health activities and low-income home energy assistance.

## **Prohibited Uses**

Although the SSBG can be used for a broad array of activities, some restrictions are placed on the use of title XX funds. Funds cannot be used for the following: (1) purchase of land, construction, or major capital improvements; (2) cash payments as a service or for costs of subsistence or room and board (other than costs of subsistence during rehabilitation, temporary emergency shelter provided as a protective service, or in the case of vouchers for certain families as allowed under welfare reform); (3) payment of wages as a social service (except wages of welfare recipients employed in child day care); (4) most medical care (except family planning rehabilitation services, initial detoxification of certain individuals, or medical care provided as an “integral but subordinate component of a social service”); (5) social services for residents of institutions (including hospitals, nursing homes, and prisons); (6) educational services generally provided by public schools; (7) child care that does not meet applicable state or local standards; (8) services provided by anyone excluded from participation in Medicare or certain other Social Security Act programs; or (9) items or services related to assisted suicide (this provision was added in 1997, under P.L. 105-12). Under extraordinary circumstances, the law does allow HHS to waive the two of these prohibitions (use of the SSBG for the purchase of land or capital improvements, or for the provision of medical care).

## **Eligibility**

There are no federal eligibility criteria for SSBG participants. Thus, states have total discretion to set their own eligibility criteria. One exception is that welfare reform established an income limit of 200% of poverty for recipients of services funded by TANF allotments that are transferred to the SSBG.

## **Allocation of Funds**

SSBG funds are allocated to states according to the relative size of each state’s population. Grants to Puerto Rico, Guam, the Virgin Islands, and Northern Marianas are based on their share of Title XX funds in FY1981. No match is required for federal SSBG funds, and federal law does not

specify a sub-state allocation formula. In other words, states have complete discretion for the distribution of SSBG funds within their borders. **Table 1** displays estimated FY2010 allotments.

**Table 1. Estimated FY2010 SSBG Allotments to States and Territories**

State / Territory	Allotment (\$)	State / Territory	Allotment (\$)
Alabama	25,937,984	Nevada	14,378,345
Alaska	3,830,729	New Hampshire	7,374,897
Arizona	35,527,187	New Jersey	48,682,478
Arkansas	15,888,351	New Mexico	11,040,897
California	204,871,919	New York	108,159,098
Colorado	27,247,614	North Carolina	50,784,890
Connecticut	19,629,594	North Dakota	3,585,448
Delaware	4,846,793	Ohio	64,269,293
District of Columbia	3,297,234	Oklahoma	20,274,180
Florida	102,293,798	Oregon	21,003,578
Georgia	53,496,013	Pennsylvania	69,682,789
Hawaii	7,193,079	Rhode Island	5,928,892
Idaho	8,403,785	South Carolina	24,704,142
Illinois	72,035,420	South Dakota	4,462,587
Indiana	35,563,808	Tennessee	34,506,919
Iowa	16,747,274	Texas	133,978,262
Kansas	15,558,791	Utah	14,826,434
Kentucky	23,772,435	Vermont	3,481,978
Louisiana	24,062,369	Virginia	43,224,403
Maine	7,382,626	Washington	36,253,950
Maryland	31,489,458	West Virginia	10,156,017
Massachusetts	36,149,315	Wisconsin	31,395,836
Michigan	56,450,124	Wyoming	2,930,336
Minnesota	29,131,407	American Samoa	48,518
Mississippi	16,359,083	Guam	293,103
Missouri	32,947,093	Northern Mariana Islands	58,621
Montana	5,368,579	Puerto Rico	8,793,103
Nebraska	9,946,041	Virgin Islands	293,103

**Source:** Table prepared by the Congressional Research Service (CRS) based on data from HHS, available online at <http://www.acf.hhs.gov/programs/ocs/ssbg/docs/esalloc10.html>.

**Notes:** Figures are based on the annual SSBG appropriation of \$1.7 billion, as proposed in the Obama Administration's FY2010 Budget and provided in the FY2010 Consolidated Appropriations Act (P.L. 111-117).

## Transfer of TANF Funds to SSBG

The 1996 welfare reform law replaced Aid to Families with Dependent Children (AFDC) with a block grant to states, called Temporary Assistance for Needy Families (TANF), under Title IV-A of the Social Security Act. The law allowed states to transfer up to 10% of their annual TANF allotments into the SSBG. Under provisions of the Transportation Equity Act of 1998 (P.L. 105-178), the amount that states could transfer into SSBG was reduced to 4.25% of their annual TANF allotments, beginning in FY2001. However, this provision was superseded in FY2001 by the FY2001 Consolidated Appropriations Act, which maintained the 10% transfer authority level.

Likewise, the FY2002 appropriations bill presented to the President maintained the 10% transfer authority for FY2002. Earlier, the House had passed its version of a Labor/HHS/Ed appropriations bill (H.R. 3061) proposing to maintain the 10% transfer authority, while the Senate's amended version proposed a 5.7% transfer level. (The Senate Appropriations Committee had recommended a 5.9% transfer authority level in S. 1536; however, the full Senate, in passing an amended H.R. 3061, would have reduced it to 5.7% as a partial offset to funding proposed in S.Amdt. 2084, which provides increased funding for Hispanic education programs.) Ultimately, appropriations acts maintained the transfer authority at 10% in FY2003-FY2009 as well.

There has been some confusion about whether or not the Deficit Reduction Act (DRA, P.L. 109-171) permanently reinstated the 10% transfer authority. This law reauthorized TANF, through the end of FY2010, *in the manner authorized for FY2004*.<sup>1</sup> In that fiscal year, the Social Security Act capped states' authority to transfer TANF funds to the SSBG at 4.25%, but this law was superseded by the FY2004 Consolidated Appropriations Act (P.L. 108-199), which maintained the practice of allowing 10% transfers from TANF to the SSBG. In the wake of the DRA, Congress has continued to ensure that the transfer ceiling stays at 10% by including language to that effect in appropriations legislation.

Over the course of FY1997-FY2008, states annually transferred more than \$9 billion of their TANF funds to the SSBG. In FY2008 alone, 45 states transferred \$1.18 billion to the SSBG, with 28 of those states taking advantage of the higher transfer ceiling by moving more than 4.25% of their TANF funds to the SSBG (see **Table A-1** in **Appendix A** for FY2008 state-by-state data).<sup>2</sup> Funds transferred from TANF to the SSBG can be used only for children and families whose income is less than 200% of the federal poverty guidelines. Under welfare reform law, states also may use SSBG funds for vouchers for families that are not eligible for cash assistance because of time limits under the welfare reform program, or for children who are denied cash assistance because they were born into families already receiving benefits for another child.

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<sup>1</sup> The conference report for the DRA notes that the House version of the bill increased the maximum transfer to SSBG to 10%, while the Senate bill had no provision. The conference report recedes to the Senate with regard to the transfer authority.

<sup>2</sup> See FY2008 TANF Financial Data available online at <http://www.acf.hhs.gov/programs/ofs/data/index.html>. Here, "state" includes Puerto Rico and the District of Columbia.



## **Funding**

### **FY2010 Appropriations**

On December 16, 2009, President Obama signed the Consolidated Appropriations Act, 2010, into law as P.L. 111-117. The measure provided \$1.7 billion for the SSBG, reflecting the conference report (H.Rept. 111-366) filed on the bill, H.R. 3288, on December 8, 2009. The House and Senate agreed to the conference report on December 10 and December 13, respectively. P.L. 111-117 also maintained the states' authority to transfer up to 10% of their TANF funds to the SSBG.

Prior to the passage of H.R. 3288, both the House and Senate had initiated the L-HHS-ED appropriations process for FY2010. Although the full Senate did not pass a bill to provide L-HHS-ED appropriations for FY2010, the Senate Appropriations Committee did report such a bill (S.Rept. 111-66, H.R. 3293) on August 4, 2009, which sought to maintain funding for the SSBG at the annual level of \$1.7 billion. Meanwhile, on July 24, 2009, the House passed its FY2010 L-HHS-ED appropriations bill, H.R. 3293, which also sought to maintain funding for the SSBG at \$1.7 billion. Prior to consideration by the full House, this bill was reported by the House Committee on Appropriations on July 22, 2009 (H.Rept. 111-220).

### **FY2010 Budget Request by the Obama Administration**

In May 2009, the Obama Administration released their detailed FY2010 Budget, which requested that funding for the SSBG be maintained at \$1.7 billion in FY2010. This was a contrast to recent President's Budgets submitted by the Bush Administration, which had proposed funding reductions and, ultimately, full elimination of the SSBG.

### **FY2009 Appropriations**

President Obama signed The FY2009 Omnibus Appropriations Act (P.L. 111-8) into law on March 11, 2009. The FY2009 Omnibus funded the SSBG at an annual level of \$1.7 billion in FY2009, rejecting the proposed cuts in the FY2009 budget request submitted by President Bush. The Omnibus also maintained states' authority to transfer up to 10% of their TANF block grants to the SSBG.

Prior to the passage of the FY2009 Omnibus Appropriations Act, Congress had passed two continuing resolutions (CRs) for FY2009 (P.L. 110-329 and P.L. 111-6). Both CRs also rejected cuts proposed by the Bush Administration, maintaining SSBG funding at \$1.7 billion. The first of the two CRs (P.L. 110-329) was signed into law by President Bush on September 30, 2008, and remained in effect until March 6, 2009. The second CR (P.L. 111-6) was signed into law by President Obama on March 6, 2009, and lasted until it was superseded by the FY2009 Omnibus on March 11, 2009.

In addition to annual appropriations contained in the FY2009 Omnibus, many programs also received FY2009 funding from the American Recovery and Reinvestment Act (ARRA), signed into law by President Obama on February 17, 2009 (P.L. 111-5). The original Senate-passed version of this bill (H.R. 1) would have appropriated \$400 million in SSBG funds, to be obligated to states within 60 calendar days from the date at which they become available for obligation. The

original House-passed version of H.R. 1, meanwhile, included no funds for SSBG. Ultimately, the enacted version of this legislation adopted the House position on this and, as a result, the SSBG received no supplemental funds from the ARRA.<sup>3</sup>

## **FY2009 Budget Request by the Bush Administration**

President Bush's FY2009 budget, released on February 4, 2008, originally called for \$1.2 billion in funding for the SSBG in FY2009, a \$500 million decrease from the authorized funding level. However the Bush Administration subsequently submitted to Congress two amendments to the initial budget request, which combined to reduce the proposed FY2009 SSBG funding level to \$0.<sup>4</sup>

In addition to the proposed cut for FY2009, the Bush Administration budget also proposed a plan to permanently eliminate the SSBG beginning in FY2010. The Administration contended that the grant's flexibility and lack of state reporting requirements make it difficult to measure its performance, and that the broad array of services funded through the SSBG often overlap with other federal programs.

## **Recent Supplemental Appropriations**

### **FY2008 Supplemental Appropriation**

The first FY2009 CR (P.L. 110-329) included, as Division B, the Disaster Relief and Recovery Supplemental Appropriations Act of 2008. This law provided \$600 million in supplemental funds for the SSBG in FY2008. These funds were appropriated on the last day of FY2008 and were not allotted to states by HHS until FY2009. The supplemental funds were appropriated for necessary expenses resulting from "major disasters" (as declared by the President and defined in title IV of the Stafford Act) occurring during 2008, including hurricanes, floods, and other natural disasters. The appropriation also made these funds available for necessary expenses resulting from Hurricanes Katrina and Rita.

The appropriations language specified that in addition to other uses permitted by Title XX of the Social Security Act, states could use their supplemental SSBG funds to provide social and health services (including mental health services) for individuals, as well as to support the repair, renovation, or construction of health care facilities, mental health facilities, child care centers, and other social services facilities affected by related disasters.

The appropriations language explicitly required HHS to distribute funding to eligible states based on "demonstrated need in accordance with objective criteria that are made available to the public." HHS outlined their criteria in Information Memorandum Transmittal No. 02-2009, *FY2008 SSBG Supplemental Appropriation of Disaster Assistance Funds Awarded in FY2009*,

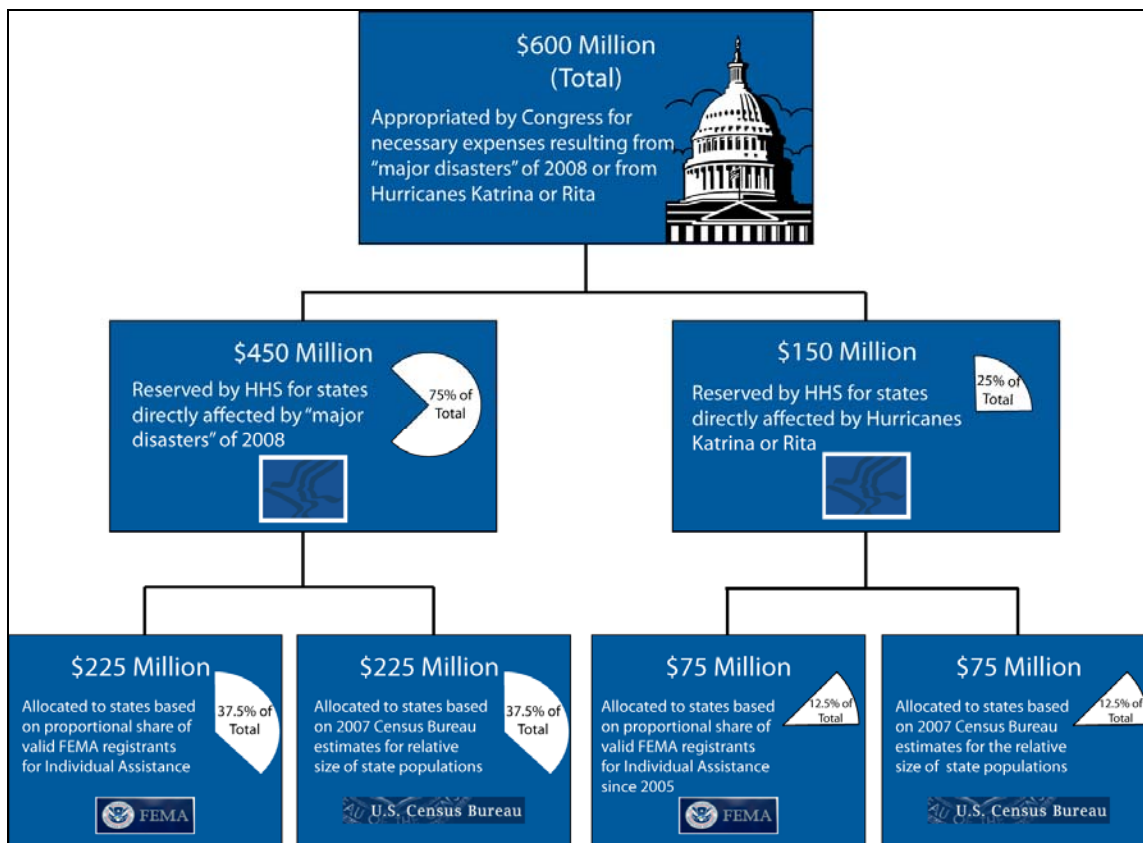
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<sup>3</sup> For more information about human services programs in the American Recovery and Reinvestment Act, see CRS Report R40211, *Human Services Provisions of the American Recovery and Reinvestment Act*, by Gene Falk et al.

<sup>4</sup> These two amendments to the FY2009 President's Budget can be found on the Government Printing Office (GPO) website at <http://www.gpoaccess.gov/USbudget/fy09/amndsup.html> (see H.Doc. 110-123 and H.Doc. 110-141).

which was issued by the Department on January 6, 2009.<sup>5</sup> **Figure 1** illustrates how the criteria selected by HHS were used to allocate funds to states.

**Figure 1. HHS Allocation Methodology for the FY2008-FY2009 SSBG Supplemental**



**Source:** Figure prepared by the Congressional Research Service based on data from HHS.

As specified in the Information Memorandum, HHS identified criteria to determine which disasters qualified for supplemental SSBG funds. First, HHS specified that qualifying major disasters were those that occurred between January 1, 2008, and the date of enactment of the supplemental appropriation (September 30, 2008); in addition, Hurricanes Katrina and Rita were considered to qualify automatically based on appropriations language. Second, HHS restricted qualifying disasters to those which triggered authorizations for Federal Emergency Management Agency (FEMA) Individual Assistance. The FEMA Individual Assistance program provides money or direct assistance to individuals, families, and businesses in an affected area whose property has been damaged or destroyed and whose losses are not covered by insurance. HHS chose Individual Assistance data to serve as a proxy for “demonstrated need,” noting that these data represent individual households that have declared a loss associated with the disaster and who have registered for assistance.

Nineteen states and the Commonwealth of Puerto Rico were directly affected by qualifying disasters in 2008, as determined by the HHS criteria. Based on these same criteria, four states

<sup>5</sup> See the Information Memorandum online at [http://www.acf.hhs.gov/programs/ocs/ssbg/procedures/IM\\_0109.html](http://www.acf.hhs.gov/programs/ocs/ssbg/procedures/IM_0109.html).

were deemed to be eligible for supplemental funds as a result of the lasting effects of Hurricanes Katrina and Rita (all but one of these states had also been affected by disasters in 2008). In total, 20 states and the Commonwealth of Puerto Rico were eligible to receive some share of the \$600 million in supplemental funds under the HHS methodology.

As shown in **Figure 1**, the HHS methodology called for three-fourths of the supplemental funds (\$450 million) to be reserved for the states that were directly affected by major disasters occurring in 2008. One-fourth of the supplemental (\$150 million) was then dedicated to the states facing ongoing needs as a result of Hurricanes Katrina and Rita. From there, funds in each category were allocated to states using two equally-weighted sets of data: (1) the proportional share of FEMA registrants for Individual Assistance (that is, individuals from affected communities who validly registered with FEMA after the natural disaster), and (2) the relative size of state populations according to 2007 data from the Census Bureau’s American Community Survey. **Table 2** displays the amounts allocated, arranged in order of allocation size.

**Table 2. State Allocations for SSBG Funds from the FY2008-FY2009 Supplemental**  
 Arranged by size of allocation in descending order

State	Allocation	Percent of Total
Texas	\$218,852,848	36.48%
Louisiana	\$129,737,880	21.62%
Florida	\$35,384,592	5.90%
Illinois	\$30,502,439	5.08%
Mississippi	\$28,136,577	4.69%
Indiana	\$18,139,459	3.02%
Georgia	\$18,111,127	3.02%
Wisconsin	\$15,964,973	2.66%
Alabama	\$13,092,588	2.18%
Puerto Rico	\$12,427,602	2.07%
Missouri	\$12,188,291	2.03%
Tennessee	\$11,689,137	1.95%
Iowa	\$11,157,944	1.86%
Colorado	\$8,931,072	1.49%
Kentucky	\$7,732,381	1.29%
Arkansas	\$7,386,653	1.23%
Oklahoma	\$6,540,619	1.09%
Nevada	\$4,640,930	0.77%
Nebraska	\$3,570,592	0.60%
West Virginia	\$3,386,574	0.56%
Maine	\$2,425,722	0.40%
<b>Total</b>	<b>\$600,000,000</b>	<b>100.00%</b>

**Source:** Table prepared by the Congressional Research Service (CRS) based on data from HHS.

## **FY2006 Supplemental Appropriation**

The FY2006 Defense Appropriations Act (P.L. 109-148) included supplemental SSBG funding in the amount of \$550 million. These funds were for expenses related to the consequences of the Gulf Coast hurricanes of 2005. The Defense Appropriations Act expanded the potential services for which the additional \$550 million could be used to include “health services (including mental health services) and for repair, renovation and construction of health facilities.”

Factors used to allocate these supplemental funds included the number of FEMA registrants from hurricanes Katrina, Rita, and Wilma, as well as the percent of individuals in poverty in each state. HHS distributed funds to all states that took in evacuees, not just the states that were directly affected, noting in a February 8, 2006 press release that the Bush Administration had promised no state would be unfairly disadvantaged for providing services to those affected by the storms.<sup>6</sup> Although all states received a portion, Louisiana (\$221 million), Mississippi (\$128 million), Texas (\$88 million), Florida (\$54 million), and Alabama (\$28 million) received the bulk of funding from the supplemental (94%).

On May 25, 2007, an FY2007 supplemental appropriations act was signed into law (P.L. 110-28), extending the availability of the supplemental SSBG funds for expenditure through the end of FY2009. In practical terms, this provision gave states until September 30, 2009, to spend all of their supplemental funds. According to HHS, a balance of almost \$39 million out of the \$550 million in supplemental funds remained unspent as of October 1, 2009 (see **Table B-1** in **Appendix B** for state-by-state data), suggesting about 93% of total funds were spent prior to the close of the fiscal year. Notably, the Terms and Conditions of SSBG grant agreements give states 90 days after the end of the grant period to finalize spending for funds they had obligated as of September 30, 2009. As a result, this estimate—though collected at the end of FY2009—may not reflect final expenditures from the FY2006 supplemental. After accounts have been finalized, unspent funds will revert to the U.S. Treasury.

## **Additional Funding History**

**Table 3** shows SSBG funding levels from 1985 on, including the high of \$2.8 billion, which was provided annually from FY1991-FY1995. Although \$2.8 billion was the originally authorized entitlement ceiling for FY1996, Congress reduced funding to \$2.38 billion in that year. Welfare reform legislation (P.L. 104-193) subsequently set the annual SSBG entitlement ceiling at \$2.38 billion in each of fiscal years 1997 through 2002. Under the welfare reform law, the ceiling was scheduled to return to a permanent level of \$2.8 billion in FY2003.

After welfare reform was enacted, Congress passed an appropriations measure for FY1997 (P.L. 104-208) that contained \$2.5 billion for the SSBG, exceeding the ceiling established in the welfare reform law. For FY1998, President Clinton requested that the amount authorized by welfare reform (\$2.38 billion) be appropriated. However, Congress approved an FY1998 appropriations bill (P.L. 105-78) containing \$2.299 billion for the SSBG. The Senate Appropriations Committee explained the reduction by stating that funding is provided for social services through other federal programs (S.Rept. 105-58). The House Appropriations Committee

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<sup>6</sup> See <http://www.hhs.gov/news/press/2006pres/20060208a.html>.

expressed concern that HHS lacks information on the effectiveness of SSBG-funded activities (H.Rept. 105-205).

In 1998, the Transportation Equity Act (TEA, P.L. 105-178) permanently reduced the SSBG entitlement ceiling to \$1.7 billion, beginning in FY2001. However, the entitlement ceiling has not always reflected the actual appropriation. For example, the \$1.725 billion appropriation level for FY2001 (H.R. 4577) exceeded the \$1.7 billion ceiling by \$25 million. In addition, a TEA provision limited the authority for states to transfer TANF funds to the SSBG beginning in FY2001 (reducing the transfer cap from 10%, as established in welfare reform, to 4.25%). However, each annual appropriation from FY2001 onward has included override to reinstate the higher cap, effectively enabling states to transfer up to 10% of their TANF funds to the SSBG.

**Table 3** shows SSBG entitlement ceilings and appropriations from FY1985-FY2010. Also shown for FY1997-FY2008 are the amounts transferred from TANF to SSBG.

**Table 3. SSBG Funding, FY1985-FY2010**  
(\$ in billions)

Fiscal Year	Ceiling	Appropriation	Fiscal Year	Ceiling	Appropriation	Transfer from TANF
<b>1985</b>	2.7	2.725 <sup>a</sup>	<b>1997</b>	2.380	2.5	0.36
<b>1986</b>	2.7	2.584 <sup>b</sup>	<b>1998</b>	2.380	2.299	1.12
<b>1987</b>	2.7	2.7	<b>1999</b>	2.380	1.909	1.32
<b>1988</b>	2.750 <sup>c</sup>	2.7	<b>2000</b>	2.380	1.775	1.10
<b>1989</b>	2.7	2.7	<b>2001</b>	1.700	1.725	0.93
<b>1990</b>	2.8	2.762 <sup>d</sup>	<b>2002</b>	1.700	1.700	1.03
<b>1991</b>	2.8	2.8	<b>2003</b>	1.700	1.700	0.93
<b>1992</b>	2.8	2.8	<b>2004</b>	1.700	1.700	0.77
<b>1993</b>	2.8	2.8	<b>2005</b>	1.700	1.700	0.92
<b>1994</b>	2.8	2.8	<b>2006</b>	1.700	1.700+0.550 <sup>e</sup>	0.97
<b>1995</b>	2.8	2.8	<b>2007</b>	1.700	1.700	1.17
<b>1996</b>	2.381	2.381	<b>2008</b>	1.700	1.700+0.600 <sup>f</sup>	1.18
			<b>2009</b>	1.700	1.700	data not available
			<b>2010</b>	1.700	1.700	data not available

**Source:** Table prepared by the Congressional Research Service (CRS) based on budget documents and HHS data.

- a. Amount includes \$25 million earmarked for training of daycare providers, licensing officials, and parents, including training in the prevention of child abuse in child care settings (P.L. 98-473).
- b. The entitlement ceiling for FY1986 was \$2.7 billion. However, the Gramm-Rudman-Hollings legislation sequestration of funds for that period reduced the funding by \$116 million.
- c. The 1987 Budget Reconciliation Act (P.L. 100-203) included a \$50 million increase in the Title XX entitlement ceiling for FY1988; however, these additional funds were not appropriated.
- d. The FY1990 appropriation included a supplemental appropriation of \$100 million (P.L. 101-198). The Gramm-Rudman-Hollings legislation sequestration of funds for FY1990 reduced funding by \$37.8 million to \$2.762 billion.

- e. The FY2006 Labor-HHS-Education Appropriations Act maintained regular SSBG funding at \$1.7 billion. The FY2006 Defense Appropriations Act (P.L. 109-148) provided an additional \$550 million in SSBG funding, for necessary expenses related to the consequences of hurricanes in 2005.
- f. The Consolidated Appropriations Act of 2008 (P.L. 110-161) maintained regular SSBG funding at \$1.7 billion. However, the first FY2009 CR (P.L. 110-329) included, as Division B, the Disaster Relief and Recovery Supplemental Appropriations Act of 2008, which provided \$600 million in supplemental funds for the SSBG. These funds were appropriated on the last day of FY2008, but were not allotted to states until FY2009.

## Legislation

Other than appropriations legislation, no bills in the 109<sup>th</sup> Congress or 110<sup>th</sup> Congress that proposed changes to the SSBG were enacted into law. As part of welfare reauthorization bills in the 109<sup>th</sup> Congress, proposals were introduced to increase funding for the SSBG, but these were not passed. (S. 667 would have increased funding for the SSBG by \$1 billion over five years, and both H.R. 751 and S. 6 would have provided \$1.975 billion for the SSBG in FY2006 and \$2.8 billion in FY2007.) Instead, a scaled-back version of welfare reauthorization, which included none of the SSBG provisions, was encompassed in reconciliation legislation and signed into law (P.L. 109-171) on February 8, 2006. However, it is possible that the next round of welfare reauthorization (due in FY2010) may include similar proposals with respect to the SSBG. In addition, the 111<sup>th</sup> Congress has shown some interest in amending Title XX of the Social Security Act to establish an elder justice program (S. 795, H.R. 2006).

## State Reporting Requirements

Each year, states are required to submit an intended use plan, often called a “pre-expenditure report,” as a prerequisite to receive SSBG funds. The pre-expenditure report must be submitted 30 days prior to the start of the fiscal year.<sup>7</sup> States must also submit a revised report if their planned uses for SSBG funds change during the course of the year. In pre-expenditure reports, states outline their plans for SSBG funds, including the types of services to be supported, and the categories and characteristics of individuals to be served (e.g., children, adults 59 and younger, adults 60 and older, and the disabled).

States are also required to report annually on their actual SSBG expenditures in each of the 29 service categories. For this report, submitted within six months after the end of the reporting period, states use a standard post-expenditure reporting form.<sup>8</sup> HHS published regulations (November 15, 1993) to implement this requirement and to provide states with a uniform set of service category definitions.

HHS does not require that states submit pre-expenditure reports using a standard format like the one required for post-expenditure reporting (most states simply submit a narrative or chart of their proposed activities and the individuals to be served). However, HHS issued a new Information Memorandum on December 31, 2008 (Transmittal No. 01-2009), asking states to voluntarily include additional documentation as part of their pre-expenditure reports.<sup>9</sup> Specifically, HHS

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<sup>7</sup> This refers to September 1, provided the state operates on a federal fiscal year; alternately, this means June 1 if the state operates on a July-June fiscal year.

<sup>8</sup> See OMB Form No. 0970-0234.

<sup>9</sup> Information Memorandum Transmittal No. 01-2009, *Linking the Social Services Block Grant (SSBG) Pre- and Post-* (continued...)

requested that states submit a copy of the form used for post-expenditure reports, completed with *estimated* (rather than actual) expenditures and recipient data. For states that submit this form as part of their pre-expenditure report, the additional documentation will allow for a more accurate analysis of the extent to which SSBG funds are spent “in a manner consistent” with the state’s intended use plan.

## Recent Expenditures

**Table 4** shows national SSBG expenditures from FY2007, the most recent year for which data are available. Expenditures are separated into those made from the annual SSBG allocation and those made from funds transferred from the TANF block grant, and are displayed by service category. In FY2007, the largest expenditures for services under the SSBG were for foster care services (14.9%), child care (13.7%), and special services for the disabled (13.0%).

**Table 4. Total SSBG Expenditures by Service Category, FY2007**

Service Category	SSBG Expenditures Made From:		Total SSBG Expenditures (\$)	Percent of Total
	SSBG Allocation (\$)	Funds Transferred from TANF (\$)		
Adoption Services	24,947,660	14,319,141	39,266,801	1.40%
Case Management	125,879,577	63,213,488	189,093,065	6.70%
Congregate Meals	6,050,505	7,945	6,058,450	0.20%
Counseling Services	22,759,992	4,146,655	26,906,647	0.90%
Day Care—Adults	16,239,128	1,020,089	17,259,217	0.60%
Day Care—Children	104,975,323	284,403,390	389,378,713	13.70%
Education and Training Services	10,199,189	1,425,953	11,625,142	0.40%
Employment Services	14,041,772	126,579	14,168,351	0.50%
Family Planning Services	21,622,592	17,659,129	39,281,721	1.40%
Foster Care Services—Adults	24,265,742	6,345,923	30,611,665	1.10%
Foster Care Services—Children	139,583,337	281,341,721	420,925,058	14.90%
Health-Related Services	16,006,943	1,509,049	17,515,992	0.60%
Home-Based Services	146,771,403	25,236,087	172,007,490	6.10%
Home-Delivered Meals	28,242,874	66,407	28,309,281	1.00%
Housing Services	7,284,082	6,557,513	13,841,595	0.50%
Independent/Transitional Living	8,193,096	2,496,071	10,689,167	0.40%

(...continued)

*Expenditure Reports*, HHS, Dec. 31, 2008. [http://www.acf.hhs.gov/programs/ocs/ssbg/procedures/IM\\_01\\_2009.html](http://www.acf.hhs.gov/programs/ocs/ssbg/procedures/IM_01_2009.html).



<b>Service Category</b>	<b>SSBG Expenditures Made From:</b>		<b>Total SSBG Expenditures (\$)</b>	<b>Percent of Total</b>
	<b>SSBG Allocation (\$)</b>	<b>Funds Transferred from TANF (\$)</b>		
Information and Referral	10,670,473	5,662,258	16,332,731	0.60%
Legal Services	10,255,681	5,311,674	15,567,355	0.50%
Pregnancy and Parenting	4,285,888	2,461,822	6,747,710	0.20%
Prevention and Intervention	37,116,766	93,323,764	130,440,530	4.60%
Protective Services—Adults	156,612,136	5,092,684	161,704,820	5.70%
Protective Services—Children	108,580,914	161,127,910	269,708,824	9.50%
Recreation Services	893,401	307,642	1,201,043	0.00%
Residential Treatment	60,756,207	54,140,450	114,896,657	4.10%
Special Services—Disabled	298,771,491	68,065,226	366,836,717	13.00%
Special Services—Youth at Risk	18,308,126	8,269,281	26,577,407	0.90%
Substance Abuse Services	4,604,774	1,297,493	5,902,267	0.20%
Transportation	16,489,622	1,337,298	17,826,920	0.60%
Other Services	96,538,358	40,720,216	137,258,574	4.80%
Administrative Costs	115,569,892	18,922,684	134,492,576	4.70%
<b>Total SSBG Expenditures</b>	<b>1,656,516,944</b>	<b>1,175,915,542</b>	<b>2,832,432,486</b>	<b>100.00%</b>

**Source:** Table prepared by the Congressional Research Service (CRS) based on data included in the Social Services Block Grant Program Annual Report 2007. Full report available at <http://www.acf.hhs.gov/programs/ocs/ssbg/reports/2007/index.html>.

## Appendix A. TANF Transfers to SSBG in FY2008

**Table A-I. TANF Transfers to the SSBG in FY2008**

State	Total Federal TANF Funds <sup>a</sup> (\$)	TANF Funds Transferred to SSBG <sup>b</sup> (\$)	Percent of TANF Funds Transferred to SSBG	SSBG Allocation (\$)	Total SSBG Funds With TANF Transfer (\$)
Alabama	147,700,943	10,440,846	7.07%	25,967,809	36,408,655
Alaska	93,334,627	5,100,000	5.46%	3,783,365	8,883,365
Arizona	244,430,813	22,530,846	9.22%	34,817,291	57,348,137
Arkansas	160,236,821	2,000,000	1.25%	15,871,213	17,871,213
California	4,041,837,875	365,558,000	9.04%	205,852,681	571,410,681
Colorado	266,637,015	14,962,638	5.61%	26,839,308	41,801,946
Connecticut	266,788,107	26,678,810	10.00%	19,789,436	46,468,246
Delaware	37,894,350	3,082,353	8.13%	4,819,038	7,901,391
District of Columbia	135,115,494	3,935,917	2.91%	3,283,531	7,219,448
Florida	695,963,305	62,274,578	8.95%	102,142,136	164,416,714
Georgia	521,296,600	7,000,000	1.34%	52,872,242	59,872,242
Hawaii	240,945,411	9,890,001	4.10%	7,258,393	17,148,394
Idaho	39,838,529	1,441,201	3.62%	8,280,199	9,721,400
Illinois	585,056,960	41,574,111	7.11%	72,454,005	114,028,116
Indiana	280,729,268	2,000,000	0.71%	35,648,447	37,648,447
Iowa	156,937,453	12,962,008	8.26%	16,837,945	29,799,953
Kansas	113,904,183	7,191,254	6.31%	15,606,980	22,798,234
Kentucky	238,298,672	0	0.00%	23,749,035	23,749,035
Louisiana	197,118,593	16,397,199	8.32%	24,210,309	40,607,508
Maine	85,718,142	3,961,250	4.62%	7,462,091	11,423,341
Maryland	343,747,454	22,909,803	6.66%	31,708,453	54,618,256
Massachusetts	465,561,116	45,937,113	9.87%	36,346,751	82,283,864
Michigan	775,687,696	71,149,002	9.17%	57,003,700	128,152,702
Minnesota	344,373,625	9,440,000	2.74%	29,175,346	38,615,346
Mississippi	137,949,056	9,321,860	6.76%	16,433,975	25,755,835
Missouri	220,961,137	21,705,174	9.82%	32,990,099	54,695,273
Montana	78,235,657	1,998,226	2.55%	5,333,738	7,331,964
Nebraska	81,149,276	0	0.00%	9,984,645	9,984,645
Nevada	76,791,792	2,604,454	3.39%	14,090,671	16,695,125
New Hampshire	70,214,738	2,644,753	3.77%	7,424,379	10,069,132
New Jersey	523,372,393	15,682,000	3.00%	49,262,063	64,944,063

<b>State</b>	<b>Total Federal TANF Funds<sup>a</sup> (\$)</b>	<b>TANF Funds Transferred to SSBG<sup>b</sup> (\$)</b>	<b>Percent of TANF Funds Transferred to SSBG</b>	<b>SSBG Allocation (\$)</b>	<b>Total SSBG Funds With TANF Transfer (\$)</b>
New Mexico	169,528,234	0	0.00%	11,036,382	11,036,382
New York	2,657,316,093	125,639,424	4.73%	109,009,784	234,649,208
North Carolina	571,880,137	16,944,657	2.96%	50,007,073	66,951,730
North Dakota	45,447,041	0	0.00%	3,590,338	3,590,338
Ohio	1,317,125,650	57,167,392	4.34%	64,809,028	121,976,420
Oklahoma	257,483,468	14,585,963	5.66%	20,209,543	34,795,506
Oregon	217,737,307	0	0.00%	20,895,836	20,895,836
Pennsylvania	819,815,516	35,760,250	4.36%	70,244,305	106,004,555
Puerto Rico	22,873,941	0	0.00%	8,793,103	8,793,103
Rhode Island	97,138,519	6,926,593	7.13%	6,028,117	12,954,710
South Carolina	152,664,867	5,000,000	3.28%	24,399,355	29,399,355
South Dakota	39,735,576	2,127,965	5.36%	4,415,001	6,542,966
Tennessee	349,989,058	0	0.00%	34,097,295	34,097,295
Texas	775,021,769	30,735,235	3.97%	132,733,557	163,468,792
Utah	154,216,340	7,407,000	4.80%	14,398,590	21,805,590
Vermont	47,353,181	4,735,318	10.00%	3,522,813	8,258,131
Virginia	176,210,059	15,828,500	8.98%	43,154,524	58,983,024
Washington	457,186,464	9,692,081	2.12%	36,113,019	45,805,100
West Virginia	168,473,121	11,017,631	6.54%	10,267,748	21,285,379
Wisconsin	315,709,686	13,420,500	4.25%	31,374,069	44,794,569
Wyoming	67,351,075	1,850,053	2.75%	2,907,901	4,757,954
<b>Total</b>	<b>20,548,084,203</b>	<b>1,181,211,959</b>	<b>-</b>	<b>1,699,306,655</b>	<b>2,880,518,614</b>

**Source:** Table prepared by the Congressional Research Service (CRS) based on FY2008 data reported by HHS.

- a. The amount in this column is the total amount of federal funding awarded in this year and funds remaining from previous years.
- b. The amount in this column is the total amount of federal TANF funding transferred to SSBG in FY2008, including any adjustments made for previous years. This information comes from TANF financial data reports for FY2008, which is available online at <http://www.acf.hhs.gov/programs/ofs/data/index.html>.

## Appendix B. FY2006 Supplemental SSBG Funding

**Table B-1. Status of State Spending from the FY2006 SSBG Supplemental**  
(as of October 1, 2009)

State	Allocation (\$)	Balance (\$) (Amount Unspent)	Percent Spent
Alabama	27,852,254	113,667	99.59%
Alaska	37,554	37,554	0.00%
Arizona	487,931	182,722	62.55%
Arkansas	3,603,505	2,780,335	22.84%
California	3,051,021	1,945,928	36.22%
Colorado	545,168	112,876	79.30%
Connecticut	113,858	0	100.00%
Delaware	39,178	0	100.00%
District of Columbia	328,256	0	100.00%
Florida	53,808,916	20,055,322	62.73%
Georgia	6,325,537	1,245,651	80.31%
Hawaii	34,153	34,153	0.00%
Idaho	35,224	12,794	63.68%
Illinois	1,351,677	2,942	99.78%
Indiana	381,125	231,653	39.22%
Iowa	126,200	43,966	65.16%
Kansas	191,975	0	100.00%
Kentucky	525,110	0	100.00%
Louisiana	220,901,534	2,484,750	98.88%
Maine	67,995	2,476	96.36%
Maryland	380,188	1,899	99.50%
Massachusetts	331,948	284,422	14.32%
Michigan	734,927	134,038	81.76%
Minnesota	153,936	99,296	35.50%
Mississippi	128,398,427	1,275,270	99.01%
Missouri	797,091	0	100.00%
Montana	41,786	41,786	0.00%
Nebraska	114,925	0	100.00%
Nevada	273,291	217,884	20.27%
New Hampshire	23,717	23,717	0.00%
New Jersey	259,599	0	100.00%
New Mexico	265,277	265,277	0.00%

<b>State</b>	<b>Allocation (\$)</b>	<b>Balance (\$) (Amount Unspent)</b>	<b>Percent Spent</b>
New York	1,182,346	1,182,346	0.00%
North Carolina	1,310,272	751,447	42.65%
North Dakota	13,009	0	100.00%
Ohio	556,283	496,967	10.66%
Oklahoma	932,353	932,353	0.00%
Oregon	177,170	0	100.00%
Pennsylvania	402,568	41,436	89.71%
Rhode Island	69,382	0	100.00%
South Carolina	696,901	234,866	66.30%
South Dakota	21,624	0	100.00%
Tennessee	3,470,718	0	100.00%
Texas	87,951,690	2,846,440	96.76%
Utah	92,669	19	99.98%
Vermont	23,272	23,272	0.00%
Virginia	808,855	808,855	0.00%
Washington	326,206	0	100.00%
West Virginia	132,912	31,233	76.50%
Wisconsin	227,555	9,094	96.00%
Wyoming	20,932	20,932	0.00%
<b>Total</b>	<b>550,000,000</b>	<b>39,009,638</b>	<b>92.91%</b>

**Source:** Table prepared by the Congressional Research Service (CRS) based on data from HHS.

**Notes:** States had until the end of FY2009 (September 30, 2009) to spend down these funds. However, under the Terms and Conditions of their grant agreements, states are given 90 days after the end of the grant period to finalize spending for funds that were obligated as of September 30, 2009. As a result, these numbers—though collected at the end of FY2009—may not reflect final expenditures from the FY2006 supplemental.

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