



# Child Welfare: FY2013 Budget Request of the President and FY2013 Funding

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June 27, 2013

Congressional Research Service

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[www.crs.gov](http://www.crs.gov)

RL34121

## Summary

Child welfare services are intended to prevent the abuse or neglect of children; ensure that children have safe, permanent homes; and promote the well-being of children and their families. The largest amount of federal child welfare funding is provided to states for assistance to children who have been removed from their homes (due primarily to abuse or neglect). In the past decade, the share of this support provided for children who remain in foster care has been on the decline, while the share provided for those who leave foster care for permanent homes (primarily via adoption) has increased. Congress first authorized Title IV-E support for kinship guardianship assistance in FY2009. Although the number of children receiving this assistance remains relatively small, it is growing.

Final FY2013 funding provided for child welfare programs was \$7.868 billion (P.L. 113-6, and after application of the March 1 sequestration order). Final FY2012 funding provided for those same child welfare programs was \$8.009 billion (P.L. 112-74).

Of the \$141 million in reduced child welfare funding (compared to FY2012), about \$55 million resulted from the automatic spending cuts, known as sequestration. Those cuts largely affected funding to states for child welfare-related services to children and their families, including the Stephanie Tubbs Jones Child Welfare Services program, the Promoting Safe and Stable Families program, Education and Training Vouchers (for youth who age out of foster care), grants under the Child Abuse Prevention and Treatment Act (CAPTA), funding for Adoption Incentives, and several competitive grant programs supporting child welfare purposes. The remaining roughly \$86 million difference in appropriated funding authority is tied to a change in the expected cost of the program that provides federal support for foster care, adoption assistance, and kinship guardianship (authorized under Title IV-E of the Social Security Act). That program is exempt from sequestration and receives mandatory funding to meet a part of all eligible foster care, adoption assistance, and kinship guardianship assistance costs incurred by states.

The President's FY2013 budget sought \$8.175 billion for the child welfare programs and related initiatives described in this report, including \$250 million annually (beginning with FY2013) to provide incentives to states that improve their performance with regard to child outcomes and service quality. The Administration also sought legislative authority to end federal and state "cost recovery" of child support payments made on behalf of children in foster care and to instead require that these funds be spent in the child's best interest. This change to the Child Support Enforcement program was estimated to cost the federal treasury \$2 million in FY2013, and a total of \$303 million across 10 years.

As part of its FY2013 budget, the Administration also proposed continued funding of a national survey of well-being for children in foster care, sought increased research funds (\$5 million in FY2013) for competitive grants to improve coordination between entities serving young victims of domestic sex trafficking, and proposed re-purposing certain previously appropriated funding that was expected to go unused (an estimated \$12 million to \$15 million in FY2013) for competitive grants to fund and evaluate programs to reduce pregnancy among youth in foster care. Congress did not authorize, fund, or otherwise enable any of these FY2013 proposals. Finally, the Administration sought to eliminate funding for three programs, authorized under the Victims of Child Abuse Act (Children's Advocacy Centers, Court Appointed Special Advocates, and Child Abuse Training for Judges and Judicial Practitioners). Congress did not follow this proposal, choosing instead to provide a combined \$25 million for the programs.

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Child welfare services are intended to prevent the abuse or neglect of children; to ensure that children have safe, permanent homes; and to promote the well-being of children and their families. Most federal child welfare programs are administered by the Children's Bureau, at the Administration on Children, Youth and Families (ACYF), Administration for Children and Families (ACF), within the U.S. Department of Health and Human Services (HHS). Funding for ACF programs is primarily provided in the annual appropriations bill for the Departments of Labor, HHS, and Education. Several child welfare programs authorized by the Victims of Child Abuse Act are administered by the Office of Justice Programs (OJP) within the Department of Justice (DOJ). Their funding is provided in the annual appropriations bill for the Departments of Commerce and Justice.

This report begins with an overview of the purposes for which federal child welfare funds are appropriated. It discusses FY2013 appropriations for those programs, including the effect of the automatic spending cuts, known as sequestration. Additionally, it reviews the President's FY2013 budget request for child welfare programs (first presented in February 2012). This report does not discuss the President's FY2014 budget request for child welfare.

## **Dedicated Child Welfare Funding by Purpose**

By far, the largest share of dedicated<sup>1</sup> federal child welfare funding (roughly 88% in recent years) is provided to states to assist them in supporting, or otherwise administering aid to, children who have been removed from their birth families primarily due to abuse or neglect. This includes funding to support children in foster care, to assist children who leave foster care permanently to live with adoptive families or with a legal guardian, and for services to youth who have aged out of foster care or are expected to age out of foster care. Remaining funds (roughly 12%) support child welfare-related services to children and their families, including children living in their own homes and those in foster care, or are provided to support child welfare-related research and demonstration projects.

### **Foster Care, Adoption Assistance, and Kinship Guardianship Assistance**

Under Title IV-E of the Social Security Act, funds are provided to support eligible children in foster care as well as those who leave foster care for permanent homes via adoption or guardianship. Funding under the Title IV-E program is provided to eligible states on a mandatory and open-ended basis, which means the federal government reimburses states for a part of the cost of providing this support (and related child placement, training, data collection, and other program administration costs) for every child meeting the federal Title IV-E eligibility criteria. As discussed below (see "Foster Care"), the overall number of children in foster care, as well as the number of those children who are eligible for Title IV-E support, has been in decline for more

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<sup>1</sup> Dedicated federal child welfare funding refers to funding provided specifically for child welfare purposes and that is primarily directed to, or in support of, state child welfare agencies. As a condition of receiving these funds, states must meet various federal child welfare policy requirements. State child welfare agencies frequently use other federal funds to support their child welfare activities. However, these "non-dedicated" child welfare funds (which are not further discussed in this report) are not provided solely for child welfare purposes and do not require states to meet specific child welfare policies as a condition of receiving the funds. Examples of "non-dedicated" federal funding streams used by many states for child welfare purposes include the Temporary Assistance for Needy Families (TANF) block grant and the Social Services Block Grant (SSBG).

than a decade. By contrast, the number of Title IV-E-eligible children leaving foster care for permanent adoptive homes grew significantly during most of that same decade. Accordingly, the share of funding needed to reimburse states for support of children in foster care has been in decline—although it still represents more than half of all federal dedicated child welfare funds—while the share provided to support children in permanent adoptive or guardianship homes has increased to nearly one-third of the total dedicated child welfare funding. (See **Figure 1**.)

### **Services for Youth in, or Formerly in, Foster Care**

Separately, all states receive formula grant funding under the Chafee Foster Care Independence Program (and related Education and Training Vouchers) to provide services and other support to youth who “age out” (or are expected to age out) of foster care without being placed in a permanent family.<sup>2</sup> In contrast to the overall decline in the number of children who are in foster care, the number of children who age out of foster care without placement in a permanent home (sometimes called “emancipating” from care) grew from roughly 23,000 during FY2004 to more than 29,000 during FY2008 and FY2009 and remained above 26,000 for FY2011 (the most recent year for which national data are available). During that time, the annual funding amount dedicated to providing services to these youth has remained largely unchanged at roughly 2% of overall federal funding provided for child welfare purposes. (See **Figure 1**.)

### **Services for Children and Families**

The share of dedicated federal child welfare funds provided, by formula, to all states for child welfare-related services to children and families has remained at around 9% to 10%. These include services or activities to strengthen families to prevent child abuse and neglect or to prevent placement of children in foster care; provide and improve screening, investigation, or other responses to child abuse and neglect allegations; enable children in foster care to be reunited with their families; promote adoption and provide adoption support services; improve monthly caseworker visits to children in foster care; and improve court handling of child welfare proceedings. Formula grant funds to states for these purposes are authorized under the Child Abuse Prevention and Treatment Act (CAPTA State Grants and Community-Based Grants), the Children’s Justice Act,<sup>3</sup> and Title IV-B of the Social Security Act (including all funding for the Stephanie Tubbs Jones Child Welfare Services program and most, but not all, funding under the Promoting Safe and Stable Families program).<sup>4</sup> (See **Figure 1**.)

### **Research, Other Grants, and Incentive Funds**

Finally, in recent years, federal child welfare incentive funding for states and competitive child welfare-related grants to eligible entities (including public child welfare agencies, national or

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<sup>2</sup> These funds may also be used to serve youth who leave foster care for adoption or guardianship at age 16 or older.

<sup>3</sup> Program authority for what are commonly called “Children’s Justice Act grants” is included in Section 107 of CAPTA (42 U.S.C. §5106(c)). However, funding for these grants is not appropriated out of the general treasury but, as stipulated in the Victims of Crime Act (42 U.S.C. §10601(d)(2)), is set-aside from the Crime Victims Fund.

<sup>4</sup> Promoting Safe and Stable Families program funds included in this category are all those distributed by formula to states, territories, or tribes for services to children and families, as well as those set aside for formula distribution to states and territories to support monthly caseworker grants and for formula distribution to state highest courts under the Court Improvement Program.

community-based service agencies, and research organizations) have risen from roughly 2% of all federal child welfare funding to about 3%. Incentive funds are currently provided to encourage adoptions out of foster care. Competitive grant funds are used to provide project-based child and family services, conduct relevant research, or provide related technical assistance. Funds included in this category of child welfare spending are authorized under (1) Title IV-B of the Social Security Act (i.e., funding for Child Welfare, Research, Training and Demonstrations; Family Connection Grants; certain competitively awarded programs or grants included in the Promoting Safe and Stable Families Program<sup>5</sup>; and the National Survey of Child and Adolescent Well-Being (NSCAW));<sup>6</sup> (2) Title IV-E of the Social Security Act (i.e., Adoption Incentives and Tribal technical assistance and IV-E Implementation grants);<sup>7</sup> (3) the Victims of Child Abuse Act (i.e., Court-Appointed Special Advocates, Children's Advocacy Centers, and Child Abuse Training for Judges and Judicial Practitioner), as well as (4) additional acts authorizing funds for Adoption Opportunities and Abandoned Infants Assistance.<sup>8</sup> (See **Figure 1**.)

## Composition of Funding by Purpose

**Figure 1** shows changes in the share of dedicated child welfare funding appropriated by general category across FY2004, FY2008, FY2012, and for FY2013 (after application of sequestration). Funding is shown in nominal dollars, which means it has not been adjusted to account for inflation. Funding amounts shown for the Title IV-E program include the definite budget authority provided, including any subsequently lapsed funding (i.e., funding authority that was not needed to pay the federal share of Title IV-E costs and thus was returned to the federal treasury).<sup>9</sup>

The share of dedicated child welfare funding appropriated to support children once they have been removed from their birth families—whether in foster care, in permanent adoptive or guardianship homes, or via services to youth in or formerly in foster care—held steady at roughly 88% across all of those years. However, the overall share of federal child welfare funding provided for foster care declined across those years by 10 percentage points (64% to 54%), while the funding provided for children moving to permanent (primarily) adoptive homes increased by a corresponding amount (22% to 32%). The share of total dedicated child welfare funds available for all other purposes, including for services to prevent children's entry to foster care, remained relatively static, while the dollar amount made available for those purposes declined between FY2012 and FY2013.

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<sup>5</sup> Promoting Safe and Stable Families (PSSF) program funding included in this category is competitively awarded (i.e., regional partnership grants to address parental substance abuse; PSSF-related research and evaluation; and tribal court improvement).

<sup>6</sup> As of June 2013, funding for this survey was last provided for FY2011.

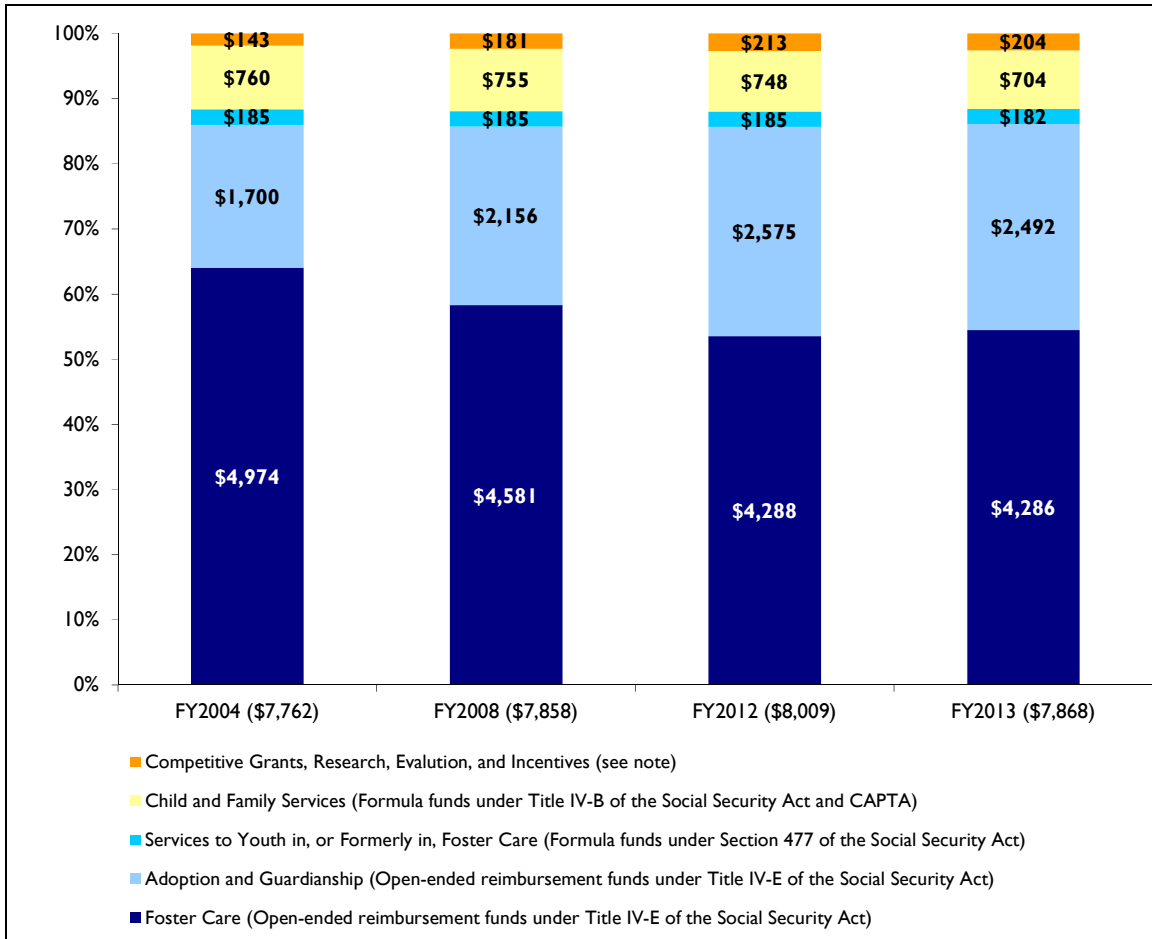
<sup>7</sup> Funding for these grants was first provided for FY2009.

<sup>8</sup> This account also included funding appropriated for Adoption Awareness grants, which as of FY2011 has been incorporated under the Adoption Opportunities account.

<sup>9</sup> Across the past decade, Title IV-E funding authority lapsed (returned to the treasury) in each of FY2004 (\$388 million), FY2008 (\$174 million), and FY2012 (\$313 million).

**Figure I. Dedicated Federal Child Welfare Funding by Purpose, Selected Years**

Nominal dollars in millions; funding amounts shown for Title IV-E Foster Care, Adoption, and Guardianship are based on definite budget authority appropriated, including any lapsed funds.



**Source:** Figure prepared by the Congressional Research Service (CRS).

**Note:** The “Competitive Grants, Research, Evaluation, and Incentives” category includes funds appropriated for – Adoption Incentives (§473A of the Social Security Act, SSA); Child Abuse Discretionary Activities (§§103-105 of CAPTA); Child Welfare Research, Training, and Demonstrations (§426 of the SSA); Family Connection grants (§427 of the SSA); the National Survey of Child and Adolescent Well-Being (§429 of the SSA); competitively awarded PSSF funding (i.e., the set-asides for regional partnership grants to address substance abuse (§436(b)(5) of the SSA), research, evaluation, and technical assistance (§436(b)(1) and §437(b)(1) of the SSA), and tribal court improvement (§438(c)(3)(iv) of the SSA); grants to tribes for technical assistance and IV-E implementation (§476(c) of the SSA); Adoption Opportunities (Title II of P.L. 95-266, as amended and including funding for Adoption Awareness (§§220F and 220G of the Public Health Service Act)); Abandoned Infants Assistance (P.L. 100-505, as amended); and programs authorized under the Victims of Child Abuse Act (i.e., Court Appointed Special Advocates (§§215-219), Children’s Advocacy Centers (§§212-214B), and child abuse training for judicial personnel and practitioners (§221)). Not all of these programs were authorized and/or funded in each of the years shown in this figure.



## **FY2013 Appropriations for Child Welfare Programs**

The President signed the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6) on March 26, 2013. The law provides full-year funding for federal programs for FY2013. The House first passed the full-year funding legislation (H.R. 933) on March 6, 2013. The first House version of the bill was amended and passed by the Senate on March 20, 2013, and one day later (March 21), the House agreed to the bill as amended by the Senate.

P.L. 113-6 provided full-year FY2013 funding for federal programs at \$7.925 billion. However, the final level of child welfare funding available for FY2013 is affected by both an across-the-board rescission (0.2%) determined necessary to meet the statutory cap on discretionary spending and by the March 1 sequestration order. The sequestration order required a 5.0% reduction in funding for all child welfare programs with discretionary funding and a 5.1% reduction in the limited number of child welfare programs that were subject to sequestration and receive mandatory funding.<sup>10</sup> Those reductions lowered total FY2013 child welfare funding to \$7.868 billion.

## **Child Welfare Programs and Sequestration**

Most federal child welfare *programs* are subject to sequestration, which means they are non-exempt.<sup>11</sup> This includes all but one of the programs included in the yellow and orange portions shown at the top of **Figure 1**.<sup>12</sup> These programs provide funding for formula grants for child and family services under Title IV-B of the Social Security Act (Stephanie Tubbs Jones Child Welfare Services Program and the Promoting Safe and Stable Families Program) and under CAPTA, as well as for competitive funding for research, evaluation, and incentives. Additionally, Education and Training Vouchers (ETVs) for youth aging out of foster care were subject to sequestration. ETV funding represents about one-fourth of the total shown in the turquoise portion of **Figure 1**.

However, most federal child welfare *funding* is provided under the Title IV-E Foster Care and Permanency account and is exempt from sequestration. This includes all of the funding shown in the dark and light blue portions of **Figure 1** as provided for foster care, adoption, and guardianship (\$6.863 billion in FY2012 funding versus \$6.777 billion in FY2013 funding). It also includes the largest part (three-fourths) of the funding provided for services to youth aging out of foster care, which is shown in the turquoise portion of **Figure 1**.

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<sup>10</sup> For FY2013, sequestration of all “non-exempt” funding was ordered on March 1, pursuant to the Budget Control Act (P.L. 112-25), as amended by the American Taxpayer and Relief Act (P.L. 112-240). For more information see CRS Report R41965, *The Budget Control Act of 2011*, by (name redacted), (name redacted), and (name redacted); and CRS Report R42949, *The American Taxpayer Relief Act of 2012: Modifications to the Budget Enforcement Procedures in the Budget Control Act*, by (name redacted)

<sup>11</sup> See CRS Report R42050, *Budget “Sequestration” and Selected Program Exemptions and Special Rules*, coordinated by (name redacted).

<sup>12</sup> The single exempt program, Children’s Justice Act grants, is included in the yellow portion of **Figure 1**. They are authorized in CAPTA (§107) but are funded (up to \$20 million annually) via the Crime Victims Fund. While this fund was generally subject to sequestration (see March 1 sequestration order, p. 40), no reduction was applied to the set-aside from this fund (up to \$20 million annually) for the Children’s Justice Act grants. See “Dear Colleague” letter regarding CJA grants from Bryan Samuels, HHS, ACF, ACYF Commissioner, April 3, 2013.

For a complete list of child welfare programs by kind of funding (discretionary or mandatory), and by whether or not they are subject to sequestration (exempt or non-exempt), see **Table 2**.

## **Earlier FY2013 Appropriations Laws or Bills**

### **Temporary FY2013 Funding Measure**

Congress did not act to provide final FY2013 appropriations levels before the start of the fiscal year on October 1, 2012. Initially, FY2013 federal funding was provided, on a temporary basis, under the terms of a continuing resolution (P.L. 112-175). Under that measure, enacted on September 28, 2012, programs receiving discretionary funding were generally supported at the same level they received in FY2012, plus 0.612%, and programs with mandatory funding were maintained at the level of funding authorized under current law. This temporary funding measure expired on March 27, 2013, which is the date the final FY2013 funding measure was enacted (P.L. 113-6).

### **Full-Year Measures Considered During the 112<sup>th</sup> Congress**

As noted above, nearly all the child welfare programs discussed in this report are administered within HHS and are funded via the appropriations made as part of the Labor-HHS-Education appropriations bill. However, neither the House nor the Senate completed action on full-year Labor-HHS-Education appropriations legislation for FY2013 before the close of the 112<sup>th</sup> Congress. In June 2012, the Senate Appropriations Committee approved a Labor-HHS-Education measure that would have provided for full-year funding for FY2013 (S. 3295, S.Rept. 112-176). Separately, the House Appropriations Subcommittee for Labor-HHS-Education approved a draft bill for FY2013 in July 2012, but no further action was taken on this measure by the full House Appropriations Committee. In the 113<sup>th</sup> Congress, the Senate did consider an amendment (S.Amdt. 53) that would have largely incorporated the Senate Appropriations Committee-approved measure into the final FY2013 funding bill. However, this amendment was not approved and thus did not become a part of the final FY2013 funding measure (P.L. 113-6).

Three relatively small child welfare programs are authorized by the Victims of Child Abuse Act and administered by the Department of Justice. The House passed legislation (H.R. 5326, H.Rept. 112-463) in May 2012 to provide full-year funding for Department of Justice-administered programs and the Senate Appropriations Committee approved a measure to do so (S. 2323, S.Rept. 112-158) in April 2012. Both of these measures included some funding for each of the programs authorized by the Victims of Child Abuse Act even though the President's FY2013 budget proposal sought elimination of funding for each of these three programs.

## **The President's FY2013 Budget Request for Child Welfare**

The FY2013 budget request submitted by the Obama Administration on February 13, 2012, anticipated \$8.175 billion in federal support for the child welfare programs and initiatives

discussed in this report.<sup>13</sup> This included about \$7.571 billion in mandatory child welfare funding and \$604 million in discretionary funding. Final FY2013 funding provided via P.L. 113-6—and after application of the March 1 sequestration order and the 0.2% reduction in non-security discretionary spending—was \$7.868 billion, including \$7.282 billion in mandatory funding and \$586 million in discretionary funds. By comparison, for FY2012 Congress provided \$8.009 billion in funding for the child welfare programs discussed in this report, including \$7.386 billion in mandatory funds and \$623 million in discretionary program dollars.<sup>14</sup>

For most programs, the President's FY2013 budget request closely tracked child welfare funding provided by Congress for FY2012 (as part of P.L. 112-55 and P.L. 112-74). The largest difference in funding authorized for FY2012 versus the funding requested in FY2013 reflected changes in the Administration's estimate of funds needed to reimburse eligible state claims (as authorized under current law) related to provision of foster care, adoption assistance, and guardianship assistance. Support for these purposes is authorized under Title IV-E of the Social Security Act on a mandatory and open-ended basis (meaning the federal government is committed to paying a part of the cost of providing this aid to every eligible child). As noted above, P.L. 113-6 provides whatever level of funding necessary to meet the federal share of costs under the Title IV-E program.

The President's FY2013 budget included \$250 million to provide financial incentives to states to improve the child welfare system and \$2 million as part of early implementation of a policy to ensure that child support payments collected on behalf of children in foster care are used in the child's best interest. As discussed below, implementation of these proposals would require legislative authorization (separate from appropriations), and specific legislation to authorize those proposals has not been introduced.

The FY2013 budget also proposed to reinstate funding (\$6 million) to continue a nationally representative and longitudinal survey of children who come into contact with the child welfare system. The study, which was authorized under Section 429 of the Social Security Act and was last funded in FY2011, is known as the National Survey of Child and Adolescent Well-being (NSCAW). Additionally, the Administration proposed to fund competitive grants to reduce pregnancy among foster youth by "repurposing" mandatory funds previously appropriated for abstinence education (under Section 510 of the Social Security Act). HHS estimated funding of between \$12 million and \$15 million for the grants based on the amount of this pre-appropriated money that has not been claimed by states in past years.<sup>15</sup> Neither of these proposals was included in the final FY2013 funding measure (P.L. 113-6).

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<sup>13</sup> The discussion of the President's FY2013 budget request includes the Administration's Title IV-E legislative proposals (submitted in budget proposal of February 2012) as well as the funding levels requested to meet current law Title IV-E program needs just prior to enactment of final FY2013 funding. In general, each year Congress provides definite budget authority for the Title IV-E program at the level of funding estimated by the Administration as necessary under current law.

<sup>14</sup> The FY2013 request amount given includes \$31 million in previously appropriated funding (for three separate grant programs or initiatives), as well as \$20 million in funds to be set aside from the Crime Victims Fund. The final FY2012 funding level includes \$18 million in previously appropriated funding and \$20 million in funds to be set aside from the Crime Victims fund.

<sup>15</sup> The Senate Appropriations Committee, in its bill from the 112<sup>th</sup> Congress, did not provide language to repurpose these funds as requested. However, it would have rescinded any unobligated mandatory funds under this account as of September 27, 2012 (Section 219 of S. 3295 (112<sup>th</sup>)).

On the discretionary side of the budget, the Administration sought an increase of funds for research to support new competitive grants related to preventing and addressing commercial sexual exploitation of children (\$5 million).<sup>16</sup> This funding was not provided in the final FY2013 funding measure (P.L. 113-6). Finally, the President's FY2013 budget sought to eliminate funding for three child welfare programs administered by the Department of Justice and included in the Victims of Child Abuse Act (Children's Advocacy Centers, Court Appointed Special Advocates, and Child Abuse Training for Judicial Personnel and Practitioners). These programs received combined funding of \$24 million in FY2012 and the final FY2013 funding measure (P.L. 113-6) includes support for them.<sup>17</sup>

The following section discusses each of the child welfare legislative proposals included in the President's FY2013 budget as well as his proposals to increase, eliminate, or redirect funding for certain child welfare programs.

## **Legislative Proposals**

Legislative proposals are included in the President's budget when, apart from appropriating the necessary funds, legislative authority does not exist for the Administration to carry out the proposal. Therefore, to allow a legislative proposal to go forward, Congress must both enact the authority for the Administration (in this case HHS) to administer the program as requested and it must appropriate funds for that purpose.

### **Improve the Child Welfare System**

As part of its FY2013 budget request, the Obama Administration sought additional annual mandatory funding authority of \$2.5 billion across 10 years (\$250 million in each of FY2013-FY2022) "for incentive payments to States that demonstrate real, meaningful improvements" on measures of child outcomes and service quality. "These incentives would help States finance innovative services and encourage continuous improvement in the foster care system."<sup>18</sup> (The Administration made a similar proposal in its FY2012 budget request but Congress did not act to provide any additional funds for the proposal at that time.)

In justifying this FY2013 request, the Obama Administration noted that the child welfare system serves "vulnerable children" whose experience of "psychological trauma ... presents a serious barrier to their safety, permanency, wellbeing, and for some, their chances for a successful adoption." It asserts that the federal government should be helping states to enable children who are served by the child welfare system "to achieve safety, permanency and success in life" but that current law "can discourage investment and innovation." The Administration did not propose specific legislation to achieve this reform but noted that it "looks forward to working with Congress to address these critical issues." The reform proposals would be based on the following principals:<sup>19</sup>

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<sup>16</sup> The Senate Appropriations Committee in its bill from the 112<sup>th</sup> Congress would have provided funds for this new initiative (S. 3295 (112<sup>th</sup>)).

<sup>17</sup> In the 112<sup>th</sup> Congress, both the full House (H.R. 5326 (112<sup>th</sup>)) and the Senate Appropriations Committee (S. 2323 (112<sup>th</sup>)) approved legislation that would have continued funding for each of these programs.

<sup>18</sup> *Budget of the United States Government, Fiscal Year 2013*, p. 111.

<sup>19</sup> U.S. Department of Health and Human Services (HHS), Administration for Children and Families, *Fiscal Year 2013* (continued...)

- **Creating financial incentives for states to improve key outcomes for children:** reduce the length of time children stay in foster care; increase their exits from foster care to permanency through reunification, adoption, and guardianship; decrease the rate of child maltreatment recurrence and any maltreatment while in foster care; and reduce the rate at which children re-enter foster care.
- **Improving the well-being of children and youth in the foster care system, transitioning to permanent homes, or transitioning to adulthood,** including by ensuring proper oversight and monitoring of psychotropic medications; providing appropriate therapeutic services using the best research available on effective interventions; building capacity in child welfare and mental health systems to ensure effective interventions are available; and training child welfare staff and clinicians to provide effective, evidence-based interventions that address the trauma and mental health needs of children in foster care; and
- **Reducing costly and unnecessary administrative requirements,** while retaining the focus on children in need.<sup>20</sup>

No legislation to implement this kind of proposal was approved by Congress during the 112<sup>th</sup> Congress and no support for it is included in the final FY2013 funding measure (P.L. 113-6).

### **Child Support Enforcement Proposal Related to Foster Care**

Under current law, states are required to return to the federal government a part of the child support collected on behalf of children who receive federal (Title IV-E) supported foster care maintenance payments, and states may use the remaining funds collected to reimburse their part of the cost of those payments.<sup>21</sup> As part of its FY2013 budget, the Obama Administration sought legislation to require that states use those child support payments in the best interest of the children for whom they are made rather than as general revenue for the state or to reimburse the federal government for a part of its cost of providing this support. (This proposal was also included in the President’s FY2012 budget.)

Because this legislative proposal would end federal “cost recovery” of Title IV-E foster care maintenance payments, it was estimated to increase the federal cost of foster care by \$2 million in FY2013—the first year proposed for implementation of this proposal—rising to roughly \$34 million annually when the proposal is fully launched (total estimated 10-year federal cost to the Title IV-E program: \$303 million). The Administration proposed to make this legislative change effective in conjunction with several other proposed changes in the Child Support Enforcement

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(...continued)

*Justification of Estimates for Appropriations Committees*, February 2013, p. 329 (Hereinafter, HHS, ACF, *FY2013 Budget Justification*).

<sup>20</sup> Ibid. See also U.S. Department of Health and Human Services (HHS), *FY2013 Budget in Brief*, p. 94.

<sup>21</sup> Under the Title IV-E foster care program, state child welfare agencies are required “where appropriate” to work with the state child support enforcement and cash aid agencies to secure to the state assignment of child support rights for children in foster care (Section 471(a)(17) of the Social Security Act). For more on the Child Support Enforcement program, see CRS Report RS22380, *Child Support Enforcement: Program Basics*, by (name redacted).

program that are intended to ensure that a greater share of all child support payments made by noncustodial parents reach the children on whose behalf they are paid.<sup>22</sup>

Legislation to implement this specific proposal was not introduced in Congress during the 112<sup>th</sup> Congress and no support for it is included in the final FY2013 funding measure (P.L. 113-6).

### **Continue Funding for Child Welfare Study on Permanent Basis**

The President's FY2013 budget sought to permanently reinstate mandatory funding (\$6 million) under Section 429 of the Social Security Act for research concerning children who are at risk of abuse or neglect or who have been abused or neglected.<sup>23</sup> First authorized as part of the welfare reform legislation that created the Temporary Assistance for Needy Families (TANF) block grant (P.L. 104-193), this survey, known as the National Survey of Child and Adolescent Well-being (NSCAW), provides nationally representative and longitudinal data on children and families that come into contact with child protective services via an investigation of alleged child abuse or neglect. NSCAW data permit insights into the health, education, and social well-being of all children coming into contact with the child welfare agency, including prevalence of certain risk factors among these children and their caregivers.

Funding of \$6 million was requested for FY2013 to reinstate support of a second phase of the NSCAW study, including collecting a full set of survey data for the third wave of this longitudinal study, providing reports on the survey findings, and archiving these data for researcher use, as well as providing reports on the survey findings. Baseline reports, as well as longitudinal findings, are available from the first NSCAW survey (conducted between 1999 and 2006).<sup>24</sup> For the second NSCAW survey (begun in 2008), baseline data reports are currently available. However, according to HHS, longitudinal analysis (as conducted with the first NSCAW survey) will be contingent on the ability of the Administration to finish data collection and analysis.

Funds were provided for NSCAW in each of FY1997-FY2011.<sup>25</sup> Congress did not act on the Administration's request for this funding in FY2012.<sup>26</sup> Neither does the final FY2013 funding measure (P.L. 113-6) include funding for this survey.

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<sup>22</sup> HHS, ACF, *FY2013 Budget Justifications*, pp. 272-273, 329-330. Under this proposal, states would no longer be required to reimburse the federal government for any part of the current child support payments that it distributes to a family receiving Temporary Assistance for Needy Families (TANF) benefits, and states would also be permitted to discontinue assigning child support payments to a state when a family receives TANF benefits. The proposal includes short-term funding to help states implement this policy. The Administration estimates the overall proposal (related to recipients of TANF and federal foster care assistance) will increase funds provided to families and thereby reduce their reliance on other social service programs, including the Supplemental Nutrition Assistance Program (SNAP) and the Supplemental Security Income (SSI) program.

<sup>23</sup> The permanent extension of mandatory funding for this program is sought under ACF's Children's Research and Technical Assistance account (see HHS, ACF, *FY2013 Budget Justifications*, p. 292) and is noted as a legislative proposal (see *FY2013 Budget Appendix*, p. 519).

<sup>24</sup> For more information on the survey and for a list of research briefs from the NSCAW study, see [http://www.acf.hhs.gov/programs/opre/abuse\\_neglect/nscaw/index.html](http://www.acf.hhs.gov/programs/opre/abuse_neglect/nscaw/index.html).

<sup>25</sup> P.L. 104-193 (which established TANF) required a national child welfare study (now known as NSCAW) and provided mandatory funding for the study for each of FY1996-FY2002. This mandatory ("pre-appropriated") funding was annually rescinded by Congress (in appropriations acts) for each of FY1997-FY2002. However, Congress provided the same level of funding (\$6 million annually) for the study as a discretionary appropriation for each of those same years (i.e., FY1997-FY2002). Continuous authorization (and mandatory funding) of the study (\$6 million annually) was provided as part of a series of laws Congress passed from 2003 through 2005. (Those laws were primarily enacted (continued...))

## **Requests to Increase, Eliminate, or Redirect Certain Funding**

The President's FY2013 budget proposed to increase or eliminate funding for certain child welfare programs. In addition, it sought to redirect (for a specific child welfare purpose) funds previously provided for abstinence education. These proposals did not necessarily require congressional *program* authorization to be carried out. They are instead requests for Congress to appropriate different levels of funding for already authorized activities or to make other changes in appropriations language.

### **Increase Child Welfare Research Funds to Address Commercial Exploitation of Children**

The President's FY2013 budget included \$31 million for Child Welfare Research, Training, and Demonstration activities authorized under Section 426 of the Social Security Act. That amount is \$5 million more than the \$26 million provided under this funding authority in FY2012.<sup>27</sup> The additional money was sought to permit HHS to make competitive grants to public child welfare agencies (state or local) or to public or private nonprofit institutions for improved coordination between entities that come into contact with young victims of domestic sex trafficking (e.g., child welfare agencies, foster care group homes, runaway and homeless youth shelters, law enforcement, and courts).<sup>28</sup> In addition, the grants were sought to help train staff across these entities to better identify and serve children who are being sexually exploited for commercial purposes and for related training and outreach efforts. In making this funding request, the Administration notes:

Each year, approximately 100,000 children in the U.S. are victims of domestic sex trafficking. Many of these youth reside in Federally-funded foster care group homes and runaway and homeless youth shelters. The purpose of this new grant program is to equip child welfare agencies and other community stakeholders who work with youth to prevent and address [commercial sexual exploitation of children].

According to ACF, the proposed grants would be targeted to areas with "elevated rates" of commercial child sex exploitation.<sup>29</sup> P.L. 113-6 does not include funding for this specific proposal.<sup>30</sup>

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(...continued)

to enable short-term extensions of the TANF block grant.) With the enactment of the Deficit Reduction Act of 2005 (P.L. 109-171), NSCAW received annual mandatory funding of \$6 million for each of FY2006-FY2010. For FY2011, Congress provided \$6 million in mandatory funding for the program as part of P.L. 111-242.

<sup>26</sup> For FY2012, the Administration had sought a one-year continuation of NSCAW funding as part of its FY2012 request for a one-year TANF extension. See HHS, ACF, *FY2012 Budget Justifications*, p. 297.

<sup>27</sup> The current \$26 million in funding is used to support certain child welfare training activities and research for Innovative Approaches to Foster Care. The latter currently supports a Permanency Innovation Initiative, which is aimed at identifying specific subpopulations of children at risk of long stays (three years or more) in foster care and developing specific evidence-based strategies that reduce the long stays in care. For more information on this initiative, including the six grantees that have received funding and the specific subpopulations identified and targeted, see <http://cbexpress.acf.hhs.gov/index.cfm?event=website.viewArticles&issueid=123&sectionid=19&articleid=3087>.

<sup>28</sup> For additional and related information, see CRS Report R41878, *Sex Trafficking of Children in the United States: Overview and Issues for Congress*, by (name redacted), (name redacted), and (name redacted).

<sup>29</sup> HHS, ACF, *FY2013 Budget Justifications*, pp. 136-137. The bill approved by the Senate Appropriations Committee in July 2012 (S. 3295, S.Rept. 112-176) would have provided \$5 million for this purpose in FY2013.

## **Redirect Funds to Provide Grants to Reduce Pregnancy Among Foster Youth**

The Administration proposed to redirect (and “re-purpose”) certain already appropriated funds for support of competitive grants to state and local child welfare agencies “with the strongest and boldest plans to reduce pregnancy for youth in foster care.” In justifying its focus on this issue, the Administration cited survey data (from several Midwest states) showing that as many as half of all female youth transitioning out of foster care became pregnant before age 19.<sup>31</sup> It adds:

The circumstances that cause youth to be placed in foster care and the nature of the foster care system itself put them at higher risk for pregnancy. Relationships and connections that ameliorate the risks of an unplanned and early pregnancy—close and trusting relationships with adults, connections to school and community, and access to contraception and information on sexual health—are inconsistently available to youth in the foster care system.<sup>32</sup>

The Administration noted that state or local child welfare agencies seeking a grant for this purpose would need to develop a “comprehensive plan” and that the program would “be designed to expand the evidence base for preventing pregnancy among youth in foster care using both abstinence and comprehensive approaches.” Strategies would include “adapting proven programs for the foster care population and evaluating approaches that are unique to the foster care populations, such as working with the court system and training foster care parents.”<sup>33</sup>

As proposed by the Administration, funding for these grants would be derived from previously appropriated Title V Abstinence Education funding (provided under Section 510 of the Social Security Act).<sup>34</sup> The Administration notes that each year some \$12 million to \$15 million of these appropriated funds are not used because some states do not draw down the money allocated to them under the Title V Abstinence Education program. The Administration proposed FY2013 appropriations language that would cancel any of the appropriated Title V Abstinence Education funding for any state that did not submit an application to receive the funding (as of September 20, 2013) and would simultaneously re-appropriate these funds to HHS for support of “competitive contracts and grants to State and local governments to develop approaches to reduce pregnancy among youth in foster care and to fund age appropriate evidence-based programs that reduce pregnancy, behavioral risk factors underlying teen pregnancy, or other associated risk factors among youth in foster care and for the Federal costs associated with administering and evaluating such contracts and grants.”<sup>35</sup>

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<sup>30</sup> As part of the Violence Against Women Reauthorization Act of 2013 (P.L. 113-4), Congress authorized some new funds for grants related to providing assistance to minor sex trafficking victims. These funds are first authorized for FY2014 and, if appropriated, are to be administered by the Department of Justice in consultation with HHS.

<sup>31</sup> HHS, ACF, *FY2013 Budget Justifications*, pp. 355-356

<sup>32</sup> *Ibid.*, p. 355.

<sup>33</sup> *Ibid.*, p. 356.

<sup>34</sup> Funding for abstinence education was initially included in Section 510 of the Social Security Act by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA, P.L. 104-193). Appropriations for these formula grants to states (\$50 million for each of FY2010-FY2014), which lapsed in June 2009, were reinstated by the Patient Protection and Affordable Care Act (ACA, P.L. 111-148). For more information, see “Title V Abstinence Education” in CRS Report RS20301, *Teenage Pregnancy Prevention: Statistics and Programs*, by (name redacted).

<sup>35</sup> HHS, “General Departmental Management” et al, *Fiscal Year 2013 Justification of Estimates for Appropriations Committees*, February 2012, p. 281. (See proposed appropriations language for “Section 218.”) This proposal is budget (continued...)



This language is not included in the FY2013 final funding measure (P.L. 113-6).<sup>36</sup>

### **Eliminate Funding for Programs Under the Victims of Child Abuse Act**

The Obama Administration's FY2013 budget proposed to end funding for the Court Appointed Special Advocates (CASA) program, Children's Advocacy Centers, and Child Abuse Training for Judicial Personnel and Practitioners. All three of these programs have been authorized to receive funding under the Victims of Child Abuse Act (established by Title II of P.L. 101-647, 1990) and are administered by the Office of Justice Programs within the U.S. Department of Justice. In FY2012, they received combined funding of \$24 million.<sup>37</sup> P.L. 113-6 provides combined funding for each of these programs of \$25 million *after* application of the March 1 sequestration order.

The proposed elimination of funding for Victims of Child Abuse Act programs was described in the President's FY2013 budget (along with some other proposed program cuts) as part of a process of prioritizing funds in a tough fiscal climate so as to ensure that the DOJ's OJP will continue to have resources to support "robust research and evaluation programs, encourage the continued development of evidence-based programs, and maintain funding for programs vital to our state, local, and tribal partners in the criminal justice system."<sup>38</sup> Additionally, the Administration asserted that some of the activities that in past years have been supported by the Victims of Child Abuse Act programs could be supported by the Administration's proposed Children Exposed to Violence Initiative.<sup>39</sup>

### ***Court Appointed Special Advocates (CASA) Funding***

Local CASA programs train volunteers, who are asked by the court to represent the best interests of children in certain child welfare-related cases. For roughly two decades, some federal funds have been provided to the National Court Appointed Special Advocates Association, which makes subgrants to help develop and sustain local CASA programs and provides training and technical assistance for a national network of some 1,000 local CASA program offices.<sup>40</sup>

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neutral and is not discussed as a "legislative" proposal by the Administration as all of the changes requested would be made in appropriations language. However, the proposed appropriation language would grant HHS authority to use these already appropriated funds for a different (albeit related) purpose than is currently authorized in the statute.

<sup>36</sup> The Senate Appropriations Committee bill approved in the 112<sup>th</sup> Congress (Section 219 of S. 3295, S.Rept. 112-176) would have rescinded any unobligated mandatory funds under the Abstinence Education program as of September 27, 2013. However, that legislation did not provide authority for these funds to be used for a new purpose. Therefore, any unobligated balances as of that date (estimated by CBO to be \$22 million) would have been returned to the federal treasury.

<sup>37</sup> For background information on each of these programs and earlier funding, see CRS Report RL32976, *Child Welfare: Programs Authorized by the Victims of Child Abuse Act of 1990*, by (name redacted).

<sup>38</sup> U.S. Department of Justice, Office of Justice Programs, *FY2013 Performance Budget*, February 2012, p.148.

<sup>39</sup> The Administration proposes to reserve funds for the Children Exposed to Violence Initiative (\$23 million) out of the Crime Victims Fund. It states that the initiative "will both advance effective practices at the state, local, and tribal levels and increase our knowledge and understanding of the issue, leading to better, more coordinated and comprehensive policy responses." It further notes that "the program is jointly managed and administered by the OJP, the Office of Community Oriented Policing Services, and the Office on Violence Against Women, and will be closely coordinated with the Department of Health and Human Services." DOJ, OJP, *FY2013 Performance Budget*, p. 104.

<sup>40</sup> While local CASA programs receive funding from diverse sources (which may or may not include subgrants from the National CASA Association), according to its own website the majority of National CASA Association funding is (continued...)

The Administration first proposed elimination of CASA funding in its FY2012 budget. While Congress has not eliminated funding for this program, it did reduce appropriations for CASA in FY2012 to \$4.5 million (compared to \$12.4 million in FY2011 and \$15.0 million in FY2010). For FY2013 funding was increased to \$5.6 million (after application of sequestration to the funding level specified in P.L. 113-6).<sup>41</sup>

Federal funding authority for the CASA program (Section 219 of the Victims of Child Abuse Act, or 42 U.S.C. §13014) was recently extended as part the Violence Against Women Reauthorization Act of 2013 (P.L. 113-4). That law extended this funding authority at \$12 million annually for each of FY2014-FY2018.

### ***Child Abuse Training of Judicial Personnel and Practitioners***

Support for the Child Abuse Training of Judicial Personnel and Practitioners (to improve the handling of child abuse and neglect proceedings) is authorized in Subtitle C of the Victims of Child Abuse Act (42 U.S.C. §§13021-13024). Funding provided under this authority has been awarded annually to the National Council of Juvenile and Family Court Judges (NCJFCJ) for support of its Model [Dependency] Courts initiative.<sup>42</sup> There are 36 “model” dependency courts spread across urban and rural locations in 27 states and the District of Columbia.<sup>43</sup>

The Administration first proposed elimination of the child abuse training for judicial personnel and practitioners grant as part of its FY2012 budget. While Congress did not completely eliminate this program support in FY2012, it did reduce funding provided for this training program to \$1.5 million in FY2012 (compared to \$2.0 million in FY2011 and \$2.5 million in FY2010). For FY2013, funding for this grant program was reduced to \$1.4 million after application of sequestration to level of funding provided in P.L. 113-6.<sup>44</sup>

Specific funding authority for this training program (\$2.3 million annually) had expired with FY2005, but Congress continued to provide funds for it in each fiscal year. In 2013, as part of the Violence Against Women Reauthorization Act (P.L. 113-4), Congress extended annual funding authority for this grant program at \$2.3 million for each of FY2014-FY2018.

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provided via a Department of Justice grant. See [http://www.casaforchildren.org/site/c.mtJSJ7MPIsE/b.5301303/k.6FB1/About\\_Us\\_\\_CASA\\_for\\_Children.htm](http://www.casaforchildren.org/site/c.mtJSJ7MPIsE/b.5301303/k.6FB1/About_Us__CASA_for_Children.htm).

<sup>41</sup> The text of P.L. 113-6 indicates a \$6 million appropriation for CASA in FY2013. However, after application of several rescissions called for in P.L. 113-6, as well as the March 1 sequestration order, the final FY2013 funding level (as included in a table prepared by the Department of Justice) is just under \$5.6 million.

<sup>42</sup> The Model Courts initiative predates by several years the separate Court Improvement Program (CIP). Model courts funding (authorized under the Victims of Child Abuse Act) is administered by DOJ and has been provided to a single grantee (NCJFCJ), which makes grants to courts that successfully seek to participate in the initiative. Related to this initiative, several seminal court practice publications have been published by NCJFCJ. By contrast, under the CIP (authorized at Section 438 of the Social Security Act) formula grants are awarded to each state highest court to encourage and permit improvements in court handling of child welfare proceedings. The CIP is currently authorized to receive funds (both mandatory and discretionary) for each of FY2012-FY2016; it is administered by ACF (within HHS).

<sup>43</sup> Information on the Model Courts initiative, prepared by the NCJFCJ, is available at <http://www.ncjfcj.org/our-work/dependency-model-courts>.

<sup>44</sup> The text of P.L. 113-6 indicates a \$1.5 million appropriation for this training program in FY2013. However, after application of several rescissions called for in P.L. 113-6, as well as the March 1 sequestration order, its final FY2013 funding level (as included in a table prepared by the Department of Justice) is \$1.4 million.

## ***Children's Advocacy Centers***

Federal CAC funding is authorized, generally, to support efforts to improve the investigation and prosecution of child abuse and neglect cases, especially to ensure that victims of child abuse or neglect are not re-traumatized by the handling of these cases. Specifically, the law provides that the funds are for the development and support of local CACs, establishment and operation of regional CACs, and related training and technical assistance. Federal funding for these activities<sup>45</sup> is authorized in Subtitle A of the Victims of Child Abuse Act of 1990 (42 U.S.C. §§13001-13004) and has been awarded annually to the National Children's Alliance (NCA).<sup>46</sup> The NCA makes subgrants to help create or maintain local Children's Advocacy Centers. In addition, the NCA acts as an accrediting body for local CACs and, along with four federally authorized regional Child Advocacy Centers (located in Philadelphia, PA; St. Paul, MN; Huntsville, AL; and Colorado Springs, CO), provides training and technical assistance to local CACs. Funds from this account also are awarded to other organizations that provide training related to improving the investigation and prosecution of child abuse and neglect cases. Combined annual federal funding authority for these activities was set at \$20 million for each of FY2004 and FY2005 by P.L. 108-21 (2003) and has not been extended.<sup>47</sup> Despite expiration of the funding authority, however, Congress has continued to provide annual funding for CACs.

FY2013 was the first budget in which the Obama Administration sought to eliminate funding for the Children's Advocacy Centers (CACs), including related training and technical assistance. For FY2012, the Administration requested \$20.0 million for CACs but Congress provided just \$18.0 million.<sup>48</sup> Final FY2013 funding for Children's Advocacy Centers and related training and technical assistance is \$17.7 million after application of sequestration to the funding level provided in P.L. 113-6.<sup>49</sup>

## **Title IV-E Program Funding**

As noted at the beginning of this report, by far the largest share of federal support for child welfare programs is provided under the Title IV-E foster care, kinship guardianship, and adoption assistance program.<sup>50</sup> The Title IV-E program is an annually appropriated entitlement and

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<sup>45</sup> Funding for this program has sometimes been referred to in appropriations language/reports as simply "Victims of Child Abuse Act of 1990" funding, although the amount provided in the line item was presumed to be for the purposes authorized in Subtitle A of that act. The Administration refers to the funding in its budget documents as the "VOCA – Improving Investigation and Prosecution of Child Abuse" program.

<sup>46</sup> Local CACs receive funding from diverse sources, which may or may not include subgrants from NCA. The NCA, however, serves as an accrediting agency for the circa 750 local CACs. For more information, see the organization's website at <http://www.nationalchildrensalliance.org/mediaroom>.

<sup>47</sup> Separately, P.L. 109-162 authorized training and technical assistance funds of \$7.5 million (for each of FY2006-FY2010) related to purposes of Children's Advocacy Centers. However, that law referenced but did not amend the Victims of Child Abuse Act funding authorization for this program and no funds were appropriated under this separate funding authority.

<sup>48</sup> Congress provided \$18.6 million for these activities in FY2011; for FY2010 it provided \$22.5 million.

<sup>49</sup> The text of P.L. 113-6 indicates a \$19 million appropriation for Children's Advocacy Centers and related training and technical assistance in FY2013. However, after application of several rescissions called for in P.L. 113-6, as well as the March 1 sequestration order, the final FY2013 funding level (as included in a table prepared by the Department of Justice) is just above \$17.7 million.

<sup>50</sup> For more information on this program see, CRS Report R42792, *Child Welfare: A Detailed Overview of Program Eligibility and Funding for Foster Care, Adoption Assistance and Kinship Guardianship Assistance under Title IV-E of* (continued...)

Congress typically provides the amount of funding that is estimated by the Administration as necessary under current law. This section of the report describes the meaning of an annually appropriated entitlement, before discussing some of the trends and assumptions behind the Title IV-E funding request.

## **An Appropriated Entitlement**

The Title IV-E federal foster care, kinship guardianship, and adoption assistance program is authorized on an indefinite basis (its funding authorization never expires) and as an open-ended entitlement. The open-ended funding means that states with an approved Title IV-E plan (and, more recently, tribes with such a plan), are entitled to receive reimbursement for a certain percentage of all eligible program costs. In general, those eligible costs are tied to costs incurred in providing assistance and related program activities on behalf of children who meet federal Title IV-E eligibility criteria.<sup>51</sup>

To ensure adequate funds are annually appropriated for the program, each year the Administration estimates how much money will be necessary to reimburse states (and any tribes) for the federal share of the eligible foster care, adoption assistance, and kinship guardianship costs they incur. Congress typically provides this definite level of budget authority as part of its annual appropriations process. In the event that the definite amount of funding Congress provides exceeds the amount needed to pay the eligible claims submitted by states (or tribes), these excess funds are eventually returned to the Treasury. For example, at the end of FY2012, \$313 million in Title IV-E funding authority remained “unobligated” and was returned to the federal treasury. On the other hand, if the definite sum turns out to be less than the needed amount, HHS may access the additional funds necessary to meet the federal obligations under this program by using the “indefinite” budget authority included in annual appropriations bills.<sup>52</sup>

## **Assumptions Included in a Title IV-E Funding Request**

Because nearly all Title IV-E funding is linked to assistance or other activities provided on behalf of children eligible to receive Title IV-E foster care maintenance payments, adoption assistance, or kinship guardianship assistance, the trend in the caseload is of great importance to the overall estimate of needed Title IV-E funds. Other factors including changes in the authorizing statute may also be significant. Finally, changes in spending amounts shown also reflect inflation.

### **Caseload**

**Figure 2** shows the growth in the overall Title IV-E caseload from FY1995-FY2012, and as projected by HHS for FY2013. The caseload grew from 367,000 children in FY1995 to nearly 608,000 in FY2010 and was at 598,000 for FY2011. Beginning with FY2011, these caseload data

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*the Social Security Act*, by (name redacted).

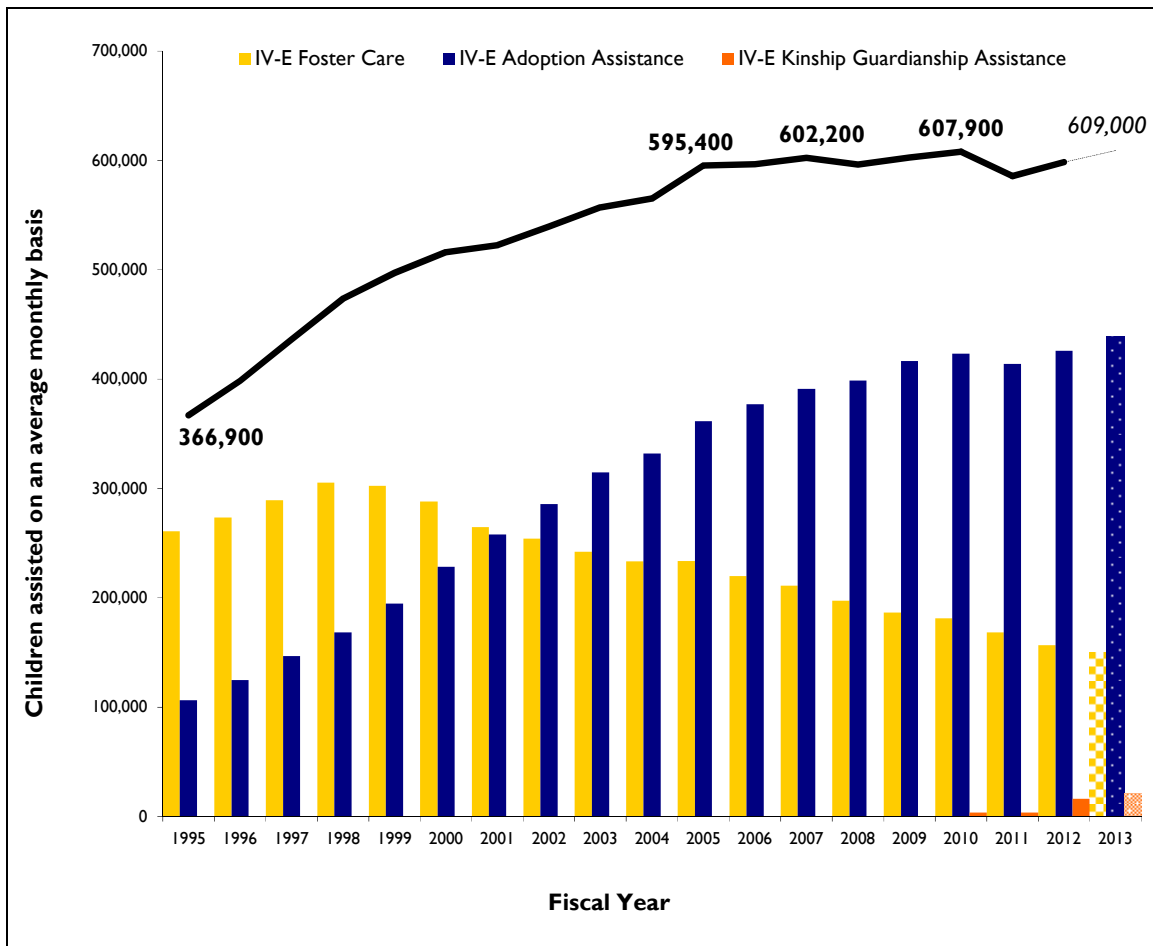
<sup>51</sup> For more on “appropriated entitlements,” see “Important Budget Concepts” in CRS Report R42010, *Labor, Health and Human Services, and Education: FY2012 Appropriations*, coordinated by (name redacted).

<sup>52</sup> Beginning with the annual appropriation bill for FY2003, Congress has regularly provided additional funding authority of “such sums as may be necessary” to allow HHS to reimburse states for any eligible amounts in the last quarter of the fiscal year that are *above* the definite amount appropriated for that fiscal year.

were being reported by states on revised forms. Therefore the FY2011 and subsequent data may not be entirely comparable to data for FY2010 and earlier years.

The general upward trend in the overall Title IV-E eligible caseload, however, masks significant changes in its composition. Specifically, since peaking at 305,000 in FY1998, the number of children receiving Title IV-E *foster care* assistance on a monthly basis has been in steady decline and was reported as 181,000 in FY2010 and 157,000 for FY2012. By contrast, the number of children receiving Title IV-E *adoption assistance* on a monthly basis showed steady increases from 106,000 in FY1995 to 423,000 in FY2010, and after a slight reported dip for FY2011 had increased again to 425,000 for FY2012. Congress first authorized Title IV-E support for kinship guardianship assistance in FY2009. Although the number of children currently receiving this assistance remains small, it has grown from about 100 in FY2009 to 16,000 in FY2012.

**Figure 2. The Title IV-E Caseload**



**Source:** Figure prepared by the Congressional Research Service.

**Notes:** Data shown are based on expenditures claims made by states for FY1995-FY2012 (with minor adjustments for FY2010 and FY2012 based on CRS communications with selected states). The form on which states report claims data was revised for FY2011 and claims data for that and succeeding years may not be comparable to claims data in preceding years. Data for FY2013 is as projected by HHS (in the FY2014 ACF Budget Justifications).

## **Adoption Assistance**

For FY2012 Congress provided definite budget authority of \$2.495 billion for Title IV-E adoption assistance. However, just \$2.363 billion was needed to pay Title IV-E adoption assistance claims for that year. As of early FY2013, HHS estimated it would need slightly more than this—\$2.369 billion—to pay Title IV-E adoption assistance claims in FY2013.<sup>53</sup> P.L. 113-6 provides whatever level of funding is necessary to meet federal costs for Title IV-E adoption assistance under current law.

The Administration's FY2013 budget request noted continued growth in the number of children who receive Title IV-E adoption assistance (see **Figure 2**). More than 423,000 children received Title IV-E adoption assistance on an average monthly basis during FY2010. This monthly assisted number showed its first reported dip in FY2011<sup>54</sup> but rose, again, to nearly 426,000 during FY2012. Further, HHS projects the average monthly number of children receiving Title IV-E adoption assistance will increase to 439,000 for FY2013.<sup>55</sup>

States' continued success in finding permanent adoptive homes for children in foster care, combined with recent changes to federal law that expanded federal eligibility for Title IV-E adoption assistance, are factors contributing to the ongoing growth in the adoption assistance caseload. The number of children annually adopted with public child welfare agency involvement roughly doubled between FY1995 and FY2000, and since that latter year has been at or above 50,000 each year. During FY2009, the number of adoptions that involved public child welfare agencies reached an annual recorded high of 57,100, and for FY2011 that number remained relatively high at more than 51,500.

As noted above, some increase in the Title IV-E adoption assistance caseload is expected due to continued implementation of the Fostering Connections to Success and Increasing Adoptions Act of 2008 (P.L. 110-351). That law broadened eligibility for federal adoption assistance; FY2013 will be the fourth year of a nine-year phase-in of the new eligibility criteria. Under the new criteria, any income and resource tests, or family structure requirements (linked to the child's birth parents/family), no longer apply. Instead, any child who the state finds has "special needs" is eligible for Title IV-E adoption assistance.<sup>56</sup> The broadened eligibility is being phased in (based

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<sup>53</sup> HHS, ACF, *FY2014 Budget Justifications*, (April 2013) p. 302.

<sup>54</sup> As noted earlier, there were significant changes in the reporting form used to determine the Title IV-E caseload beginning with FY2011. Therefore data quality issues, rather than actual changes in the caseload size, may explain the apparent dip. Alternatively, or in addition, some of the reported caseload decline could be due to children who joined the adoption assistance caseload in the late 1990s and early 2000s (after passage of the Adoption and Safe Families Act, ASFA) leaving the caseload upon reaching age 18. Finally, some part of the decline could be linked to the continued application of income standards to eligibility. The income and resources test (linked to a child's biological parents) still applied to the majority of adoptees from foster care in FY2011 and will not be completely removed until FY2018. For more information see "Title IV-E Adoption Assistance" in CRS Report R42792, *Child Welfare: A Detailed Overview of Program Eligibility and Funding for Foster Care, Adoption Assistance and Kinship Guardianship Assistance under Title IV-E of the Social Security Act*, by (name redacted).

<sup>55</sup> HHS, ACF, *FY2014 Budget Justifications*, p. 309.

<sup>56</sup> The statute provides that for a child to be determined as having special needs the state must determine that (1) the child cannot or should not be returned home (to his or her birthparents); (2) reasonable but unsuccessful efforts have been made to place the child for adoption without provision of adoption and/or medical assistance (unless these efforts would not be in the child's best interest); and (3) the child has a specific condition or factor that makes it reasonable to conclude that he or she will not be placed for adoption without provision of adoption and/or medical assistance. States are permitted to define the specific conditions or factors that apply in their state. However, federal law provides the following examples of factors or conditions that might affect the state's ability to place a child for adoption: the child's (continued...)

on the age of the child) and will apply to any child adopted out of foster care as of FY2018. The new eligibility rules also apply to any child with special needs who has been in foster care for 60 continuous months, regardless of the child's age, and to any sibling of a child for whom the broadened eligibility rules apply (provided the sibling will be placed in the same adoptive family and is determined by the state to have special needs). For FY2013, the new federal adoption assistance eligibility criteria apply principally to children who are adopted at age 10 or older.

## **Foster Care**

For FY2012 Congress provided definite budget authority of \$4.288 billion for Title IV-E foster care. However, just \$4.180 billion was needed to pay Title IV-E foster care claims for that year. As of early FY2013, HHS estimated it would need \$4.286 billion to pay Title IV-E foster care claims in FY2013.<sup>57</sup> P.L. 113-6 provides whatever level of funding is necessary to meet federal costs for Title IV-E foster care under current law.

In explaining its request for Title IV-E funding, the Administration cited a continued decline in the overall (and Title IV-E eligible) foster care caseload. At the same time, HHS noted that decreasing costs associated with that decline are offset by costs associated with continued implementation of changes in the law made by the Fostering Connections to Success and Increasing Adoptions Act of 2008 (P.L. 110-351).<sup>58</sup>

The latter changes include further implementation of requirements made to safeguard children in care and ensure their well-being (e.g., diligent search and notice to all adult relatives of a child placed in foster care and planning related to educational stability of children in foster care). State expenditures to meet these and other Title IV-E child protection and related requirements—including longer-standing rules that require a state to ensure that each child in foster care has a written case plan that is regularly reviewed and updated and includes an appropriate “permanency” goal (e.g., reuniting with family, adoption, or guardianship)—are the primary reason that states continue to spend more on Title IV-E foster care (as opposed to Title IV-E adoption assistance) despite the smaller foster care caseload.<sup>59</sup>

In addition, P.L. 110-351 gave states the option (as of FY2011) to amend their Title IV-E state plans so that otherwise eligible youth in foster care may receive Title IV-E foster care assistance beyond their 18<sup>th</sup> birthday (and up to age 21).<sup>60</sup> As of May 2013, 20 jurisdictions had submitted

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(...continued)

age; ethnic or minority race background; membership in a sibling group; or any mental, physical, or emotional disabilities. (See Section 473(c) of the Social Security Act.)

<sup>57</sup> HHS, ACF, *FY2014 Budget Justifications* (April 2013) p. 302.

<sup>58</sup> HHS, ACF, *FY2013 Budget Justifications*, p. 330.

<sup>59</sup> Apart from expenditures related to meeting the Title IV-E requirements intended to protect the safety and well-being of children in foster care and to promote their well-being, the per capita foster care expenditures of states may appear somewhat overstated because states are permitted, in limited circumstances, to claim federal reimbursement for some foster care costs on behalf of a larger group of children than those on whose behalf a Title IV-E foster care maintenance payment is made. See “Title IV-E Administrative Spending for Foster Care” in CRS Report R42792, *Child Welfare: A Detailed Overview of Program Eligibility and Funding for Foster Care, Adoption Assistance and Kinship Guardianship Assistance under Title IV-E of the Social Security Act*, by (name redacted).

<sup>60</sup> States with an approved Title IV-E amendment authorizing them to provide Title IV-E assistance to youth in foster care beyond age 18 are also required to extend Title IV-E assistance beyond age 18 to otherwise eligible youth who at age 16 or older leave foster care for adoption or kinship guardianship. Thus this provision could also affect the number (continued...)

Title IV-E plan amendments to HHS/ACF indicating that they intend to exercise the option to provide foster care to some, or all, of the older youth in foster care who meet federal eligibility requirements. Eighteen of those had their plan amendments approved, including the District of Columbia Title IV-E agency and 17 state Title IV-E agencies (Alabama, Arkansas, California, Illinois, Indiana, Maine, Maryland, Michigan, Minnesota, Nebraska, New York, North Dakota, Oregon, Tennessee, Texas, Washington, and West Virginia). Two additional states had their extended care plan amendments under review or revision (Massachusetts and Pennsylvania).<sup>61</sup>

### ***Decline in Overall Foster Care Caseload***

Despite this potential expansion of Title IV-E foster care recipients, HHS estimates that the average monthly number of children and youth receiving Title IV-E foster care assistance will decline to 150,000 in FY2013. By comparison, more than 168,000 children received Title IV-E foster care assistance on an average monthly basis in FY2011 and some 157,000 did so during FY2012.<sup>62</sup>

The decline in the number of children receiving Title IV-E foster care assistance is driven in some part by a decrease in the *total* number of children who are in foster care (those who are eligible for Title IV-E and those who are not). On the last day of FY2000, there were an estimated 552,000 children in foster care, while on the last day of FY2011, the most recent year for which national data are available, some 401,000 children were in care. This represents a total foster care caseload decline of 29% from the last day of FY2000 to the last day of FY2011. For the first half of that decade, states achieved foster care caseload declines primarily by increasing exits from foster care to other permanent homes (e.g., adoption). States have continued to be successful at finding adoptive homes for many children leaving foster care. However, since roughly FY2005 many have also shown increased ability to reduce the number of children entering foster care. These changes in entries to and exits from foster care (combined with shortened lengths of time in care) have led to the decrease in total foster care caseload.

### ***Erosion in Share of Foster Care Caseload Eligible for Federal Assistance***

Not all children in foster care meet the federal Title IV-E eligibility requirements, however, and current administrative data show that the share of all children in foster care who are Title IV-E eligible is declining.<sup>63</sup> In FY2000, roughly 52% of children in foster care received Title IV-E foster care assistance compared to roughly 40% in FY2011.<sup>64</sup> Although Title IV-E criteria are multifaceted, the program's static income test is sometimes blamed for this erosion in IV-E

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(...continued)

of children receiving these other kinds of Title IV-E assistance as well. For more information on this option, see CRS Report R40218, *Youth Transitioning from Foster Care: Issues for Congress*, by (name redacted).

<sup>61</sup> Reflects information received from HHS, ACF, ACYF, Children's Bureau staff, as of May 16, 2013.

<sup>62</sup> HHS, ACF, *FY2014 Budget Justifications*, p. 308.

<sup>63</sup> For a discussion of Title IV-E eligibility criteria see "Federal Foster Care Eligibility" in CRS Report R42792, *Child Welfare: A Detailed Overview of Program Eligibility and Funding for Foster Care, Adoption Assistance and Kinship Guardianship Assistance under Title IV-E of the Social Security Act*, by (name redacted)

<sup>64</sup> CRS calculation based on average monthly number of children receiving Title IV-E foster care assistance (as shown in unpublished Title IV-E expenditure claim data provided to CRS by HHS, ACF, Office of Legislative Affairs and Budget) compared to the total number of children in foster care on the last day of the given fiscal year (as reported by states via the Adoption and Foster Care Analysis Reporting System, AFCARS).



eligibility status.<sup>65</sup> Specifically, to meet the federal foster care income test a child must have been removed (to foster care) from a home that met the income criteria for a “needy” family under his/her state’s prior law cash welfare program (as the program existed in July 1996 and without adjustment for inflation).<sup>66</sup> States were able to establish their own need standards under that prior law program, and these income tests vary significantly. However, the median state need standard (annualized for a family of three) is \$7,740, an amount that represents 41% of the federal poverty guideline for a family of that size in 2012. (In 1996 this same dollar amount represented roughly 60% of the federal poverty guideline for a family of three.) In a large majority of states (73%, or 37 states), eligibility for federal Title IV-E foster care assistance is limited to children removed from homes with countable income that is less than 50% of the 2012 federal poverty guideline (for a family of three).<sup>67</sup>

### **Kinship Guardianship Assistance**

For FY2012 Congress provided definite budget authority of \$80 million for Title IV-E kinship guardianship assistance. However, just \$74 million was needed to pay Title IV-E guardianship assistance claims for that year. As of early FY2013, HHS estimated it would need \$123 million to pay Title IV-E guardianship claims in FY2013.<sup>68</sup> P.L. 113-6 provides whatever level of funding is necessary to meet federal costs for Title IV-E kinship guardianship assistance under current law.

The request for increased funding for this Title IV-E component reflects expected growth in the number of children who will be eligible for guardianship assistance as more states (and some tribes) implement this relatively new Title IV-E program option.<sup>69</sup> In an average month, close to 16,000 children received Title IV-E guardianship assistance during FY2012 (which is the third full year that states could claim this Title IV-E funding), and HHS expected this number to grow to 20,500 for FY2013.<sup>70</sup>

The kinship guardianship assistance component of the Title IV-E program was authorized by the Fostering Connections to Success and Increasing Adoptions Act of 2008 (P.L. 110-351). States are not required to provide this assistance but may choose to do so. As of May 2013, 33 Title IV-E agencies (30 states, the District of Columbia, and two tribes) had submitted Title IV-E plan amendments to enable them to make claims for federal support of guardianship assistance provided on behalf of eligible children and all but two of those agencies had received final

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<sup>65</sup> See, for example, HHS, ACF, *FY2013 Budget Justifications*, p. 330.

<sup>66</sup> The prior law cash welfare program was known as Aid to Families with Dependent Children (AFDC). It was repealed by Congress in 1996 (P.L. 104-193) and replaced by the Temporary Assistance for Needy Families (TANF) block grant.

<sup>67</sup> CRS calculations based on unpublished 1996 need standard data (for a family of three) received from HHS compared to the federal poverty guidelines. “States” as discussed here include all 50 states and the District of Columbia (i.e., total of 51 states). Many states paid monthly benefits (referred to as “payment standards”) that were less than a state’s need standard. States determined their own need standard, as required by federal law, and this standard represented the maximum amount of countable income a family could have and be eligible for AFDC. Federal law additionally established that no family could be eligible for AFDC if it had *gross* income above 185% of the state’s need standard. The median (annualized) *gross* income limitation for a family of three is just below \$14,320, which was 75% of the 2012 federal poverty guidelines for a family of three (versus 110% of that federal poverty guideline in 1996).

<sup>68</sup> HHS, ACF, *FY2014 Budget Justifications*, (April 2013) p. 302. CRS communications with HHS, ACF, OLAB, June 2013.

<sup>69</sup> HHS, ACF, *FY2013 Budget Justifications*, p. 330.

<sup>70</sup> Information provided by HHS, ACF, Office of Legislative Affairs and Budget, June 2013.

approval of those plan amendments from HHS/ACF. In addition to the District of Columbia Title IV-E agency, and the tribal Title IV-E agencies (Port Gamble S'Klallam and the Confederated Tribes of Salish and Koontenai), the 30 state Title IV-E agencies with approved kinship guardianship options are Alabama, Alaska, Arkansas, California, Colorado, Connecticut, Hawaii, Idaho, Illinois, Indiana, Louisiana, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nebraska, New Jersey, New York, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Vermont, Washington, and Wisconsin.<sup>71</sup>

### **Tribal Access to Title IV-E Funding**

The Fostering Connections to Success and Increasing Adoptions Act of 2008 (P.L. 110-351) provided new access to Title IV-E funds by permitting tribes (beginning with FY2010) to seek direct Title IV-E funding.<sup>72</sup> With limited exceptions, tribes (or tribal organizations or consortia) must meet the same requirements to receive this funding as states.<sup>73</sup> The Port Gamble S'Klallam tribe (in Washington) was the first tribe to win approval of its Title IV-E plan, and as of April 1, 2012, it is able to seek direct federal Title IV-E funding.<sup>74</sup> In March 2013, the Confederated Tribes of Salish and Koonteni (in Montana) received approval of its Title IV-E plan. Other tribes are expected to follow the lead of these tribes.

States remain obligated to provide assistance to all eligible children who live in the state, including those living on tribal land, provided those eligible children do not otherwise have access to such assistance.<sup>75</sup> Also, under current law, as was true previously, tribes and states may enter into a Title IV-E agreement, whereby the state agrees to pass through to the tribe certain Title IV-E dollars to support tribal children in foster care for whom the tribe is given responsibility.<sup>76</sup> Given these facts, the change in authority is expected to enhance the ability of tribes to govern their own child welfare services while having a relatively limited federal fiscal impact.<sup>77</sup>

## **Funding for Child Welfare by Program**

**Table 1** lists the federal funding streams dedicated to child welfare purposes that were included in this analysis. It also briefly describes those purposes and shows final funding levels for FY2010-FY2013. Title IV-E program funding shown for foster care, adoption assistance, and guardianship

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<sup>71</sup> Information provided by HHS, ACF, Children's Bureau, May 2013.

<sup>72</sup> The act amended the Social Security Act, adding a new Section 479B to accomplish this change.

<sup>73</sup> See Section 479B(b) of the Social Security Act and Tribal Child Welfare Interim Final Rule, *Federal Register*, January 6, 2012, pp. 896-958.

<sup>74</sup> HHS, ACF News, "First Native American Tribe Approved to Operate Guardianship, Foster Care, and Adoption Assistance Program," March 20, 2012.

<sup>75</sup> HHS, ACF, ACYF, Children's Bureau, *Child Welfare Policy Manual*, Section 9.2, Q&A 5; §301(d) of the Fostering Connections to Success and Increasing Adoptions Act of 2008 (P.L. 110-351).

<sup>76</sup> Current law makes explicit this authority, which was included in a more general sense prior to amendments made by P.L. 110-351. See Section 471(a)(32) and Section 479B(e) of the Social Security Act.

<sup>77</sup> Soon after this change was enacted, the Congressional Budget Office (CBO) estimated it would increase outlays under Title IV-E by \$237 million over 10 years (FY2009-FY2018). CBO Cost Estimate, "H.R. 6893, Fostering Connections to Success and Increasing Adoptions Act of 2008," as signed by the President on October 7, 2008, December 23, 2008.

assistance reflects final definite budget authority provided for each of those components. Finally, while this was not true for the Title IV-E program, most federal child welfare programs were subject to sequestration. The final FY2013 funding levels shown here reflect the March 1 sequestration order as implemented in Administration operating plans for FY2013.

**Table I. Recent Federal Funding Dedicated to Child Welfare**

(Dollars in millions; amounts shown in italics are previously appropriated or provided funds.)

Table TOTAL	FINAL	FINAL	FINAL	FINAL
	FY2010	FY2011 <sup>a</sup>	FY2012	FY2013
	\$8,432	\$8,030	\$8,009	\$7,868

**TITLE IV-B, SUBPART 1 of the SOCIAL SECURITY ACT**

<b>Stephanie Tubbs Jones Child Welfare Services:</b> Formula grants to states, territories, and tribes to improve child welfare services.	282	281	281	263
<b>Child Welfare Training, Research, and Demonstration:</b> Competitive grants to public agencies, nonprofits or universities for child welfare-related research or demonstration and for workforce training.	27	27	26	24
<b>Family Connection Grants:</b> Competitive grants to eligible public or nonprofit entities to support kinship navigator programs, special family finding efforts, family group decision-making meetings, and/or residential family treatment programs. <sup>b</sup>	15	15	15	14
<b>National Survey of Child and Adolescent Well-Being (NSCAW):</b> Competitive grant to support longitudinal study of children at risk of, or exposed to, child abuse or neglect. <sup>c</sup>	6	6	0	0

**TITLE IV-B, SUBPART 2 of the SOCIAL SECURITY ACT**

<b>Promoting Safe and Stable Families (PSSF Total)</b>	428 <sup>d</sup>	428	408	387
<i>Mandatory funding (subtotal)</i>	365 <sup>d</sup>	365	345	327
<i>Discretionary funding (subtotal)</i>	63	63	63	60
<b>Services (subtotal):</b> Formula grants to states, tribes, and territories for family support, family preservation, time-limited family reunification, and adoption promotion and support services. <sup>e</sup>	348	348	328	311
<b>Court Improvement Program (subtotal):</b> Formula grants to state highest courts and (as of FY2012) competitive grants to tribal highest courts for improved handling of child welfare proceedings.	32 <sup>d</sup>	32	32	30
<b>Regional Partnership Grants to Address Substance Abuse (subtotal):</b> Competitive grants to regional partnerships to meet child welfare needs resulting from parental substance abuse.	20	20	20	19
<b>Caseworker Visits (subtotal):</b> Formula grants to states and territories for improved caseworker visits.	20	20	20	19
<b>Research (subtotal):</b> HHS-supported research, evaluation, and technical assistance.	8	8	8	8

**TITLE IV-E of the SOCIAL SECURITY ACT**

<b>Foster Care:</b> Open-ended reimbursement of eligible state or tribal claims for children in foster care and for related data collection, administrative, and training costs. <sup>f</sup>	4,681	4,456	4,288	4,286
<b>Adoption Assistance:</b> Open-ended reimbursement of eligible state or tribal claims for subsidies to special needs adoptees and related administrative and training costs. <sup>f</sup>	2,462	2,362	2,495	2,369
<b>Kinship Guardianship Assistance:</b> Open-ended reimbursement of eligible state or tribal claims for subsidies to eligible children who leave foster care for legal guardianship with a relative and for related administrative and training costs. <sup>f</sup>	49	29	80	123

	FINAL	FINAL	FINAL	FINAL
	FY2010	FY2011 <sup>a</sup>	FY2012	FY2013
<b>Technical Assistance and Tribal Implementation:</b> Competitive grants for technical assistance to tribes and states (to improve services to and outcomes for Indian children served) and for implementation funds (to tribes preparing to submit a Title IV-E plan to claim direct federal support). <sup>g</sup>	3	3	3	3
<b>Adoption Incentives:</b> Bonus funds to states that increase foster child adoptions.	40	39	39	37

**CHAFEE FOSTER CARE INDEPENDENCE PROGRAM (CFCIP) (§477 of the SOCIAL SECURITY ACT)**

<b>CFCIP (Total)</b>	<b>185</b>	<b>185</b>	<b>185</b>	<b>183</b>
<b>Basic Program (subtotal):</b> Formula grants to states for provision of independent living services to youth who have, or are expected to, “age out” of foster care.	140	140	140	140
<b>Education and Training Vouchers (subtotal):</b> Formula grants to states to provide vouchers for education and training to youth who age out of care or youth who leave care for adoption and guardianship at age 18 or older.	45	45	45	43

**CHILD ABUSE PREVENTION AND TREATMENT ACT (CAPTA)**

<b>CAPTA (Total, excludes Children’s Justice Act grants)</b>	<b>97</b>	<b>94</b>	<b>94</b>	<b>88</b>
<b>Basic State Grants (subtotal):</b> Formula grants to states and territories to improve their child protection services.	27	26	26	25
<b>Discretionary Activities (subtotal):</b> Competitive grants for demonstration, research, or other activities to prevent or treat child maltreatment.	29	26	26	24
<b>Community-Based Grants for Child Abuse Prevention (subtotal):</b> Formula grants to lead entity in each state and territory to support community-based programs to prevent child abuse and neglect. <sup>h</sup>	42	42	42	39
<b>Children’s Justice Act Grants:</b> Formula grant to states and tribes to improve the handling of child abuse and neglect cases. <sup>i</sup>	20	20	20	20

**OTHER PROGRAMS**

<b>Adoption Opportunities:</b> Competitive grants to eliminate barriers to adoptions, especially special needs adoptions.	26	39 <sup>i</sup>	39 <sup>i</sup>	37
<b>Adoption Awareness:</b> Competitive grants to train staff in nonprofit health centers about adoption counseling. AND competitive grants for a public campaign about adoption of children with special needs.	13	i	i	i
<b>Abandoned Infants Assistance:</b> Competitive grants to prevent abandonment of infants exposed to HIV/AIDS or drugs and for services and programs to address needs of abandoned children.	12	12	12	11

**VICTIMS OF CHILD ABUSE ACT**

<b>Children’s Advocacy Centers:</b> Competitive grants for services to child victims of abuse (and non-offending family members), to coordinate child abuse investigations in ways that reduce their trauma, and for related training and technical assistance.	22.5	18.6	18.0	17.7
<b>Court Appointed Special Advocates:</b> Competitive grants to support court advocates for child victims of abuse and neglect.	15.0	12.4	4.5	5.6
<b>Training for Judicial Practitioners and Personnel:</b> Competitive grant to improve handling of child abuse and neglect cases.	2.5	2.0	1.5	1.4

**Source:** Prepared by the Congressional Research Service (CRS) based on final appropriations laws and final agency budget operating plans for FY2013.

- a. P.L. 112-10 provided final FY2011 funding levels. It was not accompanied by a conference report or explanatory statement that indicated exact appropriation amount or budget authority provided by program. FY2011 funding levels used to create this table are based on the enacted funding or budget authority levels as given for FY2011 in the U.S. Department of Health and Human Services (HHS), Administration for Children and Families (ACF), *FY2013 Justification of Estimates for the Appropriations Committee*. For the Title IV-E program, the numbers shown are different than estimates shown in this table as it was included in earlier versions of this report. Those previous numbers had relied on the current law estimate for the Title IV-E program as included in ACF's FY2012 budget justifications.
- b. Funds for these grants were appropriated (for FY2009-FY2013) as part of the Fostering Connections to Success and Increasing Adoptions Act of 2008 (P.L. 110-351). They are therefore assumed in the President's Budget, but do not appear in annual appropriations language.
- c. Funds for this survey (\$6 million) were appropriated as part of the Deficit Reduction Act of 2005 (P.L. 109-171) for each of FY2006-FY2010 and as part of P.L. 111-242 for FY2011.
- d. For FY2010, the amount shown as PSSF total funding (as well as the mandatory funding subtotal, and the Court Improvement Program subtotal) includes \$20 million in funding that was appropriated separate from the PSSF program. All of those funds ("pre-appropriated" via P.L. 109-171) were designated specifically for the Court Improvement Program and were not authorized under PSSF. For FY2011-FY2013, all funding for the Court Improvement Program was provided as a set-aside of the total PSSF program funding.
- e. The law does not stipulate a certain amount of funding for PSSF services, instead the funding level shown here is the amount of mandatory and discretionary funds reserved in the law for tribal child welfare agencies (Section 436(b)(3) and Section 437(b)(3) of the Security Act) plus any other mandatory or discretionary funds remaining (for state and territorial child welfare agencies) after additional statutory set-aside of PSSF funds for Court Improvement Program, grants related to substance abuse, grants related to caseworker visits, and funds for research and technical assistance.
- f. Each year, the appropriation for this Title IV-E account includes an advance amount to permit HHS to make payments for the first quarter of the next year. For purposes of annual comparison, the full amount appropriated (including the advance) is shown as part of funding made available each year.
- g. Funds for these grants (\$3 million for FY2009 and every succeeding fiscal year) were appropriated as part of P.L. 110-351.
- h. This program also authorizes a 1% set-aside of appropriated funds for grants to tribes and migrant programs.
- i. Program authority for these grants is included in Section 107 of CAPTA; however, that act does not authorize funding for these grants. Instead, annual funding for these grants is reserved from the Crime Victims Fund (as provided by the Victims of Crime Act, P.L. 98-473, as amended). The Crime Victims Fund is not a part of the general treasury. Therefore, funding for Children's Justice Act grants is not shown in annual appropriations acts.
- j. According to the HHS, Administration for Children and Families (ACF) discretionary budget operating plans (available at <http://www.hhs.gov/asfr/ob/docbudget/2011operatingplan.html>), the funding previously appropriated for Adoption Awareness programs (authorized by the Children's Health Act of 2000, P.L. 106-310) has been transferred to the Adoption Opportunities program effective with FY2011. The President's FY2011 and FY2012 budgets requested this change. There was no final conference report for the FY2011 appropriations act (P.L. 112-10) but the HHS operating plan suggests this funding was combined for that year. For FY2012, both the Senate committee-approved bill (S. 1599) and the House-introduced bill (H.R. 3070) proposed incorporating the Adoption Awareness funding in the Adoption Opportunities program funding in FY2012. The FY2013 President's request continued to assume that these funds are combined.

**Table 2. Federal Child Welfare Programs: Kind of Funding Authority and Sequestration Status**

(For program funding, purpose, and statutory location see **Table 1.**)

<b>Mandatory Funding Authority</b>	<b>Subject to Sequestration</b>	<b>Discretionary Funding Authority</b>	<b>Subject to Sequestration</b>
Title IV-E Foster Care, Adoption Assistance and Kinship Guardianship Assistance	No	Stephanie Tubbs Jones Child Welfare Services Program	Yes
Promoting Safe and Stable Families Program (PSSF) (Includes funding for state and tribal child and family services, Court Improvement Program grants, research and evaluation, Regional Partnership Grants and Monthly Caseworker Visit Grants.)	Yes	Promoting Safe and Stable Families Program (PSSF) (including funding for state and tribal child and family services, Court Improvement Program grants, and research and evaluation)	Yes
Chafee Foster Care Independence Program (general program)	No	Chafee Education and Training Vouchers	Yes
Family Connection Grants	Yes	Child Welfare Research, Demonstrations, and Training	Yes
Children's Justice Act Grants (Funded as a set aside from the Crime Victims Fund.) <sup>a</sup>	No	Child Abuse Prevention and Treatment Act (CAPTA), including State Grants, Discretionary Research and Activities, and Community-Based Grants to Prevent Child Abuse and Neglect	Yes
		Adoption Opportunities	Yes
		Abandoned Infants Assistance	Yes
		Victims of Child Abuse Act Programs (Court Appointed Special Advocates, Children's Advocacy Centers, and Child Abuse Training for Judicial Personnel	Yes

**Source:** Congressional Research Service.

- a. Funding provided by the Crime Victims Fund is subject to sequestration and some previous versions of this report indicated these grants, provided for from that fund, would also be subject to sequestration. However, according to an April "Dear Colleague letter," sent by HHS, ACF, ACYF to state Children's Justice Act grantees, the statutory set-aside from that fund was not subject to sequestration.

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