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Child Welfare: Purposes, Federal Programs, and Funding

What Is the Work of Child Welfare Agencies?

Children depend on adults—usually their parents—to protect and support them. The broadest mission of child welfare agencies is to strengthen families so that children can depend on their parents to nurture them, keep them safe, and provide them with a permanent, stable home. More specifically, child welfare agencies are expected to act to prevent abuse or neglect of children by their parents/caregivers. If abuse or neglect has already happened, the agencies are expected to provide assistance, services, or referrals as needed to ensure children do not re-experience maltreatment. For some children, this means placement in foster care.

Federal child welfare policy has three primary goals: ensuring children's **safety**, enabling **permanency** for children, and promoting the **well-being** of children and their families.

Foster care is understood as a temporary living situation, and a primary task of a child welfare agency is to find children in foster care a permanent home. Most often this is done by offering services that enable children to safely reunite with their parents or relatives. If that is not possible, then the child welfare agency works to find a new permanent family for the child via adoption or legal guardianship. Foster youth who are not reunited or placed with a new permanent family are usually “emancipated” when they reach their state’s legal age of majority. These youth are said to have “aged out” of care.

Children Served

During FY2018 (the most recent data), public child protection agencies screened allegations of abuse or neglect involving 7.8 million children, carried out investigations or other protective responses involving 3.5 million of those children, and provided follow-up services in the homes of some 1.1 million of those children.

Following a child protective services investigation, some children are removed to foster care. During FY2019, more than 251,000 children entered care. The circumstances most often associated with children’s entry to foster care are neglect and/or parental drug abuse. Among the 424,000 children who were in foster care on the last day of FY2019, the majority (82%) lived in family homes (non-relative or relative foster family homes and pre-adoptive homes), 10% lived in a group home or institution, about 7% were on trial home visits, or in supervised independent living; close to 1% had run away.

Among the 249,000 children who formally left foster care during FY2019, more than half returned to their parents or went to live informally with a relative (53%), while 37% left care for a new permanent family via adoption or legal guardianship (including with kin). At the same time, 8% aged out of care, while most of the remainder (1%) were transferred to the care of another agency.

Who Bears Public Responsibility for This Work?

As the U.S. Constitution has been understood, states are considered to bear the primary public responsibility for ensuring the well-being of children and their families. Public child welfare agencies at the state and local levels work with an array of private and public entities—including the courts and social service, health, mental health, education, and law enforcement agencies—to carry out child welfare activities. This work is done consistent with state laws and policies. At the same time, the federal government has long provided technical support and funding intended to improve state child welfare work. Further, by providing funding for this work, the federal government compels states to meet program rules, such as requiring permanency planning protections for all children in foster care. Compliance with these requirements is monitored via federal plan approvals, audits, and reviews.

At the federal level, child welfare programs are administered by the Children’s Bureau within the U.S. Department of Health and Human Services (HHS). At the state level, federal child welfare programs are often administered within the state human services department, or by an independent, state-level child and family services agency. However, some states have county-administered programs supervised by the state agency.

Child Welfare Spending and Programs

State child welfare agencies spent about \$30 billion on child welfare purposes during state FY2016, according to a survey by the research group Child Trends. Most of that spending drew from state and local coffers (56%). Of the remainder, 27% was supplied by federal programs solely dedicated to child welfare—including those authorized in Title IV-E and Title IV-B of the Social Security Act (SSA) and the Child Abuse Prevention and Treatment Act (CAPTA)—and 17% from other federal programs not solely child welfare-focused (principally, these are Social Services Block Grant [SSBG] and Temporary Assistance for Needy Families [TANF]).

Federal child welfare policy requirements are linked only to programs dedicated solely to child welfare purposes. For FY2020, Congress provided about \$10.2 billion for such programs. Most of this was provided in , including as part of the Family First Transition Act (FFTA).

Title IV-E

Title IV-E of the SSA primarily supports provision of foster care, adoption assistance, and (at state option) guardianship assistance to children who meet federal IV-E eligibility rules. Under IV-E, states must provide foster care and adoption aid to eligible children, and the federal government is committed to paying a part of the cost of that aid (50% to 83%, depending on the state), as well as a part of the cost of administering the program (50% in all states) and for training (75% in all states). States may opt to provide Title IV-E guardianship assistance under this same cost sharing structure. Definite budget authority for these Title IV-E costs was given at \$8.4 billion in P.L. 116-94. As part of its COVID-19 response (P.L. 116-

127), Congress authorized a temporary increase in federal support for Title IV-E as assistance payments (retroactive to January 1, 2020). HHS anticipates this change would increase federal IV-E spending in FY2020 by some \$345 million.

HHS estimates 703,000 children received Title IV-E support in an average month during FY2019. Most received adoption assistance (504,000); smaller numbers received foster care (163,000) or guardianship assistance (35,000). In general, a state must only spend IV-E dollars (federal and state) on children who meet federal eligibility criteria. For foster care, this includes an income test (applied to the home the child is removed from), removal requirements (typically, a judge must find that a home is “contrary to the welfare” of the child and that “reasonable efforts” to prevent foster care were made), and placement in a licensed foster family home or other eligible facility. Less than 50% of children in care meet those criteria, although the share varies by state.

Beginning with FY2020, states may choose to fund selected Title IV-E foster care prevention services provided they meet evidence-based and other program rules. Federal support for these IV-E services is 50% of the state’s cost. As of FY2019, IV-E support for evidence-based kinship navigator programs is authorized at the same rate of support. Title IV-E funding is authorized on a permanent and mandatory basis.

Title IV-B

Title IV-B includes the Stephanie Tubbs Jones Child Welfare Services (CWS) and the MaryLee Allen Promoting Safe and Stable Families (PSSF) programs. They authorize formula grants to states and tribes for child and family services. Total FY2020 funding for CWS, PSSF and for related research or other activities authorized in IV-B is \$748 million (including \$45 million in supplemental CWS funding provided as COVID-19 relief in the CARES Act, P.L. 116-136). Annual CWS and PSSF funding is authorized through FY2021.

There are no federal eligibility rules for receipt of Title IV-B services. Funds are used to protect children (CWS); support, preserve, and reunite families (CWS and PSSF); and promote and support adoption (CWS and PSSF). Children served may be living at home or in foster care. States must provide no less than \$1 in nonfederal funds for every \$3 they receive in federal funds. Funding is authorized on a discretionary basis for CWS and on a discretionary and capped mandatory basis for PSSF.

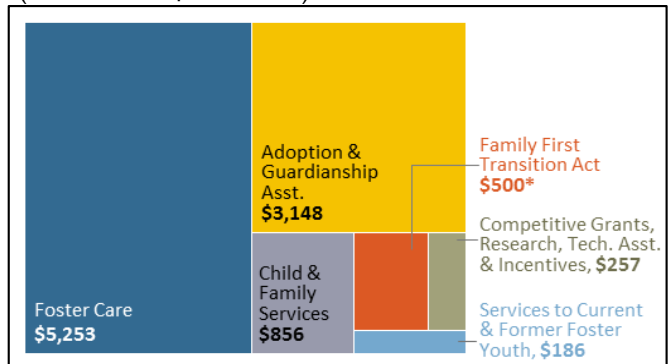
Some PSSF program funding is reserved each year for specific programs, including the Court Improvement Program (\$30 million), grants to improve monthly caseworker visits with foster children (\$20 million), Regional Partnership Grants (RPGs) to improve outcomes for children affected by parental substance use disorder (\$20 million), and for child and family services-related research, evaluation and technical assistance activities (circa \$8 million). For FY2020, P.L. 116-94 directed additional PSSF funds to be used for RPGs (\$9.5 million) and for research and evaluation (\$1.6 million). Separately, \$2.6 million was tagged to support the Title IV-E prevention services clearinghouse and \$19 million to allow states and tribes to develop kinship navigator programs that meet the evidence and other standards required for Title IV-E support.

Family First Transition Act (FFTA)

FFTA provides one-time funds and temporary policy changes to help implement the Family First Prevention Services Act (FFPSA, P.L. 115-123), including a one-time appropriation of

\$500 million to be used by states and tribes for any of the child welfare purposes authorized in Title IV-B, including work related to implementing FFPSA, or to continue support for activities previously supported under a Title IV-E waiver. HHS has distributed this formula funding (and it may be used for multiple years). Separately, FFTA authorized temporary IV-E support to provide “funding certainty” for jurisdictions with a recently ended Title IV-E waiver project (FY2020-FY2021). It also eases access to IV-E prevention funding in FY2020-FY2023. The Congressional Budget Office estimates those temporary changes will cost the federal Treasury about \$305 million (FY2020-FY2029).

Figure 1. Federal Child Welfare Funding by Purpose
(FY2020 total: \$10.2 billion) Dollars shown in millions



Source: Prepared by CRS using funding levels provided in P.L. 116-93, P.L. 116-94, P.L. 116-136 or otherwise provided for FY2020.

Amounts shown for foster care, adoption, and guardianship assistance are based on definite budget authority provided for IV-E in P.L. 116-94. Actual federal spending is expected to be greater due in part to, increased federal support for IV-E assistance as part of COVID-19 response and funding certainty grants authorized in FFTA.

* Includes only funding appropriated by FFTA outside of Title IV-E.

Chafee

Under the Chafee Foster Care Program for Successful Transition to Adulthood, states receive formula grants for services to assist children who experience foster care at age 14 or older, including former foster youth up to age 21 (or 23 in states that offer foster care support to age 21). Funding is separately authorized for Educational and Training Vouchers (ETVs), which may provide up to \$5,000 per year to allow Chafee-eligible youth to attend college or post-secondary training. Funding for Chafee basic grants is authorized on a capped mandatory basis and for ETVs on a discretionary basis. Both funding authorizations are permanent (no expiration date). States are required to provide no less than \$1 for every \$4 in federal Chafee/ETV funding they receive. Combined FY2020 funding is \$186 million.

Child Abuse Prevent and Treatment Act (CAPTA)

CAPTA authorizes grants to states to improve child protective services, and to support community-based efforts to prevent child abuse and neglect. It also funds related research and technical assistance. CAPTA’s discretionary funding authorities expired with FY2015, but support has continued. For FY2020, CAPTA funding totaled \$181 million, including \$90 million for state grants, \$56 million for community-based grants, and \$35 million for research and technical assistance.

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