

## Child Welfare: Purposes, Federal Programs, and Funding

### The Work of Child Welfare Agencies

Children depend on adults—usually their parents—to protect and support them. The broadest mission of public child welfare agencies is to strengthen families so that children can depend on their parents to provide them with a safe and loving home. More specifically, child welfare agencies work to prevent abuse or neglect of children by their parents/caregivers. If abuse or neglect has already happened, the agencies are expected to provide aid, 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. The first task of a child welfare agency is to provide services to enable children to safely reunite with their families. If that is not possible, then the agency works to find a new permanent family for the child via adoption or guardianship. Youth in care who are neither reunited nor placed with a new permanent family are typically “emancipated” at their state’s legal age of majority. These youth are said to have “aged out” of care.

### Children Served

During FY2019, public child protection agencies screened allegations of abuse or neglect involving 7.9 million children, carried out in 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 (nonrelative 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, and 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 guardianship. 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?

Under the U.S. Constitution, 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

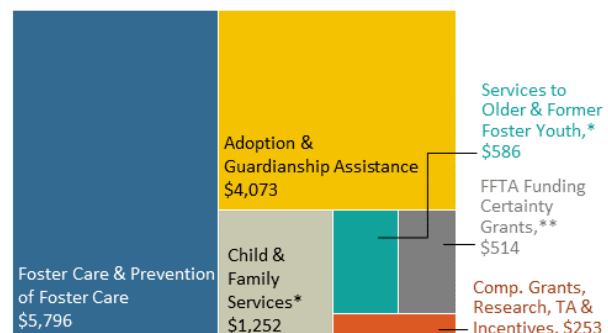
health, education, and law enforcement agencies—to carry out child welfare activities. This work is done consistent with state laws and policies. At the same time the federal government has long provided technical support and funding that is intended to improve state child welfare work. By providing this funding, the federal government compels states to meet certain program rules, such as requiring permanency planning for all children in foster care. Compliance with these child welfare requirements is monitored via federal plan approvals, audits, and reviews.

The Children’s Bureau within the U.S. Department of Health and Human Services (HHS) administers most federal child welfare programs. State level administration may be housed in the state human services department, or by an independent, state-level child and family services agency. Some states have county-administered programs supervised by the state agency.

### Child Welfare Spending and Programs

State child welfare agencies spent about \$33 billion on child welfare purposes during state FY2018, according to a survey by the research group Child Trends. Most of that spending drew from state and local coffers (56%). Of the remainder, 26% was supplied by federal child welfare programs—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 18% came from other federal programs not solely child welfare-focused (principally, these are the Social Services Block Grant and Temporary Assistance for Needy Families). For FY2021, about \$12.5 billion was provided for federal programs that are wholly dedicated to child welfare. Funds were provided via the Consolidated Appropriations Act, 2021 (P.L. 116-260; primarily Div. H, regular funds, and Div. X, additional COVID-19-related funds) and the American Rescue Plan Act (P.L. 117-2), and for “funding certainty” grants authorized for two years via the Family First Transition Act (P.L. 116-94, Div. N, §602).

**Figure 1. Federal Child Welfare Funding by Purpose**  
(FY2021 total: ~\$12.5 billion) Dollars shown in millions



**Source:** Prepared by CRS using funding levels provided in P.L. 116-260, P.L. 117-2, and P.L. 116-94 (Div. N, §602). Amounts shown for foster care and prevention and adoption and guardianship are definite budget authority. Actual IV-E spending may differ (see “Title IV-E of the Social Security Act”).

\* Includes regular and additional COVID-19-related funds. \*\* In April 2021, initial awards of “funding certainty” grants were made to 15 eligible agencies. Award amounts may be adjusted. See HHS, ACF, ACYF, CB, PI-21-04, p 23.

### Title IV-E of the Social Security Act

Title IV-E supports foster care, adoption assistance, and (at state option) guardianship assistance to children who meet federal IV-E eligibility rules. As of FY2019, the program may be used for kinship navigator programs meeting IV-E evidence standards. As of FY2020, states may opt to provide selected evidence-based foster care prevention services. Funding is authorized on a permanent (no year limit) and open-ended, mandatory basis. P.L. 116-260 (Div. H) provides \$9.9 billion in definite budget authority but federal FY2021 IV-E costs may exceed that amount due to temporary COVID-19-related changes, including those in the Supporting Foster Youth and Families Through the Pandemic Act (P.L. 116-260, Div. X).

#### Foster Care, Adoption, and Guardianship

Under IV-E, states and participating tribes 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/tribe); and a part of the cost of administering the program (50% in all states/tribes) and for training (75% in all states/tribes). States/tribes may opt to provide IV-E guardianship aid under this same cost-sharing structure. An estimated 703,000 children received Title IV-E support in an average FY2019 month, including adoption aid (504,000), foster care (163,000), or guardianship aid (35,000).

In the Families First Coronavirus Response Act (P.L. 116-127) Congress authorized a temporary increase in support for Title IV-E aid payments, committing the federal government to paying 56.2% to 89.2% of state costs (depending on the state or tribe). This increased IV-E support is set to remain available through the last day of the quarter in which the HHS Secretary declares an end to the COVID-19 public health emergency.

In general, states and tribes must only spend IV-E dollars (federal and state/tribal) on children who meet federal eligibility criteria. Rules vary by type of aid. For foster care, they include 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), placement in a licensed foster family home or other eligible facility, and age requirements. Fewer than 50% of children in care meet those criteria, although this share varies by state. Through FY2021, P.L. 116-260 (Div. X) prohibits states from requiring youth to leave foster care solely due to age (whether 18 or, in some states, 21) and, for purposes of determining IV-E eligibility, it lifts the age (and related work/education) rules.

#### Prevention and Kinship Navigator

States and tribes opting to provide approved IV-E prevention services may offer them to children at “imminent risk” of foster care; pregnant or parenting youth in care; and the parents or kin caregivers of these children and youth. No income test need apply. As of early 2021, nine states and DC had approval to offer IV-E prevention services, and eight states and two tribes had submitted plans seeking approval to do so. P.L. 116-260 (Div. X) increases federal support for prevention services from 50% to 100% for April 1, 2020–September 30, 2021.

IV-E funded kinship navigator programs may serve kinship families without regard to child welfare involvement. This support is authorized at 50% of state/tribal costs, provided the

navigator program meets the IV-E evidence standards. To date, none have been found to do so. P.L. 116-260 (Div. X) waives the evidence rules from April 30, 2020, to September 30, 2021, and raises federal IV-E kinship navigator support to 100% for the same period.

### Title IV-B of the Social Security Act

Title IV-B includes the Stephanie Tubbs Jones Child Welfare Services (CWS) and the MaryLee Allen Promoting Safe and Stable Families (PSSF) programs, which authorize grants to states and tribes for child and family services. Total FY2021 funding for CWS, PSSF and related research and training is \$781 million, including \$85 million in supplemental PSSF funding in response to COVID-19. Capped mandatory funding is authorized for PSSF through FY2022 and discretionary funding for CWS and PSSF 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 at least \$1 in nonfederal funds for every \$3 in federal funds received.

A portion of PSSF funding is reserved each year for the Court Improvement Program (\$30 million), monthly caseworker visit grants (\$20 million), Regional Partnership Grants (RPGs) to improve outcomes for children and families affected by parental substance use disorder (\$20 million), and for related technical assistance and research (circa \$8 million).

Additionally, for FY2021, \$10 million of the supplemental PSSF funds are to boost Court Improvement funding and, out of regular PSSF funding; \$19 million is provided for kinship navigator grants to states and tribes; \$2.6 million is directed to the IV-E prevention services clearinghouse; and \$1 million supports additional child and family services research.

#### Chafee Program for Successful Transition to Adulthood

Under the Chafee program, states receive 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 also authorized for Educational and Training Vouchers (ETVs) 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 year limit). States are required to provide no less than \$1 for every \$4 in federal Chafee/ETV funding they receive. FY2021 funding of these activities is \$586 million, including \$400 million to help states better serve youth during the COVID-19 pandemic.

#### Child Abuse Prevention and Treatment Act (CAPTA)

CAPTA authorizes grants to states to improve child protective services (no nonfederal match required), and for community-based efforts to prevent child abuse and neglect (20% nonfederal match required). It also funds research and technical assistance. CAPTA’s discretionary funding authorities expired with FY2015, but support has continued.

CAPTA funding totaled \$536 million for FY2021, including \$190 million for state grants (\$90 million in regular funding and \$100 million supplemental), \$311 million for community-based grants (\$61 million in regular funding and \$250 million supplemental, no nonfederal match required), and \$35 million for research and technical assistance.

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