



# 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. Child welfare agencies also aim to prevent abuse or neglect of children in their own homes. If this has already occurred, the agencies are expected to identify and offer needed services, or referrals to ensure children do not reexperience 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. When a child enters care, the first task of the child welfare agency is to provide services to enable the child to safely reunite with family. If that is not possible, then the agency must work to find a new permanent adoptive or legal guardianship family for the child. 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 FY2022, public child protective services (CPS) agencies screened abuse or neglect allegations involving 7.5 million children, and carried out investigations or other responses involving 3.1 million of those children. Among children receiving CPS services after such responses, most (an estimated 84%) received them while living at home.

Roughly 187,000 children entered formal foster care during FY2022. Neglect and/or parental drug abuse are the concerns most often linked with entry to care. Among the 369,000 children in foster care on the last day of FY2022, most (87%) were placed in family settings (relative or non-relative foster family homes and pre-adoptive homes) or were on a trial home visit; around 9% lived in a congregate setting; and most of the remainder were in supervised independent living, although 1% had run away from care.

More than 201,000 children formally left foster care during FY2022. Just over half returned to their parent(s) or went to live informally with a relative (51%), and 38% left care for a new permanent family via adoption or legal guardianship. At the same time, 9% aged out of care, while most of the remainder (1%) were transferred to another agency’s care.

### 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. State and local public child welfare agencies 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. As part of accepting this funding, states must agree to meet certain federal program rules, such as required permanency planning for all children in foster care. Compliance with these child welfare requirements is monitored via federal plan approvals, audits, and reviews.

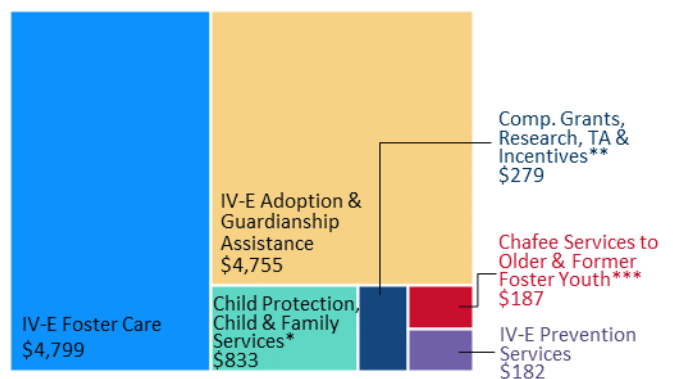
The Children’s Bureau in the U.S. Department of Health and Human Services (HHS) administers most federal child welfare programs. State-level administration may be housed in a state human services department or at an independent state-level child and family services agency. Some states have county-administered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

## Child Welfare Spending and Programs

State child welfare agencies spent about \$31.4 billion on child welfare activities during state FY2020, according to a survey by researchers at Child Trends. More than half of those dollars came from state and local coffers (51%). Of the remainder, 30% was supplied by federal child welfare programs included in the Social Security Act; 18% was from other federal programs, most of which are not solely child welfare-focused (principally, the Social Services Block Grant and Temporary Assistance for Needy Families). Less than 1% was from offsets or private and in-kind support.

FY2024 federal funding made available for programs solely child welfare-focused totaled \$11.0 billion. P.L. 118-158 continues funding at this same rate up to March 14, 2025.

**Figure 1. Federal Child Welfare Funding by Purpose**  
(FY2024 total: \$11.0 billion. Dollars shown in millions.)



**Source:** CRS, based on P.L. 118-47 and P.L. 118-42, except for IV-E funding, which is based on FY2024 current law budget authority as given in the President’s FY2025 budget request. Amounts shown are post-sequestration, which principally impacts a portion of IV-B funds.  
\* Includes formula grant funding in IV-B and CAPTA.  
\*\* Includes competitively awarded funding and incentives in IV-E, IV-

B, CAPTA, and the Victims of Child Abuse Act.

\*\*\* Includes formula grant Chafee general and ETV funding.

### **Title IV-E Foster Care, Prevention, Permanency, and Kinship Navigator**

Title IV-E supports foster care and guardianship or adoption assistance for children who meet federal eligibility rules. The IV-E program may also fund kinship navigator programs and selected services intended to prevent the need for foster care. Federal support for this IV-E work—estimated at \$9.7 billion for FY2024—is authorized on a mandatory, open-ended, and permanent basis.

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

Under IV-E, states and participating tribes must provide foster care and adoption assistance to eligible children. 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) including certain training (75% in all states/tribes). States may opt to provide IV-E guardianship under this same cost-sharing structure. During FY2023, about 726,900 children received IV-E assistance each month, including for adoption (560,200), foster care (121,600), and guardianship (45,200).

In general, IV-E dollars (both federal and state/tribal) may only be spent on children who meet federal eligibility criteria. Rules vary by the 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 child's 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 other requirements. Fewer than 41% of children in formal foster care meet all those criteria, although this share varies by state.

#### **Prevention Services**

IV-E prevention services may be offered to children at *imminent risk* of foster care, pregnant or parenting youth in care, and their parents or kin caregivers. No income test need apply. Services provided must be designed to prevent a child's entry to foster care or otherwise improve the child's outcomes, address mental health or substance abuse treatment needs or in-home parenting skills, and be rated as meeting IV-E evidence standards.

Federal IV-E prevention funding is available for up to 50% of a state's/tribe's IV-E prevention costs, including for related training and administration. States or tribes seeking to claim this support must have an approved prevention services plan and, as of FY2024, states must spend no less than 50% of their IV-E prevention funds on evidence-based services rated as *well-supported*. Nearly all states and four tribes have approved, or submitted, plans to make IV-E prevention claims; however, as of February 2025, Alaska, Alabama, Texas and the U.S. Virgin Islands had neither. During FY2023, IV-E prevention services were offered to, or on behalf of, about 18,300 children each month.

#### **Kinship Navigator**

Kinship navigator programs intend to help kin caregivers (with or without current or former foster care involvement) access supports that meet their own needs and those of the children in their care. IV-E support is authorized to cover 50% of a state's/tribe's cost for its qualifying navigator

program. As of November 2024, seven kinship navigator programs meet required IV-E evidence criteria and five states are approved to claim IV-E kinship navigator funds.

### **Title IV-B Child and Family Services**

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 funding for formula grants to states and tribes for child and family services. IV-B also authorizes competitive grants for Child Welfare Research, Training and Demonstration (CWRTD). FY2024 IV-B funding was \$689 million, including \$269 million for CWS, \$398 million for PSSF, and \$22 million for CWRTD. IV-B services funds may be used to protect children (CWS); support, maintain, or reunite families (CWS/PSSF); and promote and support adoption (CWS/PSSF). A state/tribe must spend at least \$1 in nonfederal funds for every \$3 in federal IV-B funds it receives. Children served may be living at home or in care.

The Protecting America's Children by Strengthening Families Act (Title I of P.L. 118-258), enacted January 4, 2025, extends CWS and PSSF authorities through FY2029. As of FY2026, it increases mandatory PSSF funding by \$75 million. Most of the new funds will augment state and tribal child and family services funding, but a portion will be used to increase annual set-asides for the Court Improvement Program, Monthly Caseworker Visit grants, and Regional Partnership Grants (RPGs) to improve outcomes for children affected by caregiver substance misuse. As of FY2026, annual PSSF evaluation and technical assistance is slated to be supported with discretionary PSSF funding only, and additional PSSF discretionary funding is directed for competitive grants to support kinship navigator programs and to develop prevention services meeting IV-E evidence standards.

### **Chafee Program for Successful Transition to Adulthood**

States receive Chafee grants to serve older children in care and eligible youth formerly in care. Separate funding is authorized for Education and Training Vouchers (ETVs) to help Chafee-eligible youth attend college or postsecondary training. Chafee grant funding is authorized on a capped mandatory basis and for ETVs is discretionary. Both are permanent authorizations. States must spend no less than \$1 in nonfederal funds for every \$4 in federal Chafee/ETV funding they receive. FY2024 funding was \$187 million.

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

CAPTA authorizes grants to states to improve protective services for children (no nonfederal match), and for community-based efforts to prevent child abuse and neglect (20% nonfederal match). CAPTA's discretionary funding authorities expired with FY2015. FY2024 funding totaled \$212 million, including \$105 million for state grants; \$71 million for community-based grants; and \$36 million for related research, demonstrations, and technical assistance.

### **Adoption and Legal Guardianship Incentive Payments**

States earn incentive payments for increasing the rate at which children who would otherwise remain in foster care are placed in permanent adoptive or guardianship families. In September 2024, HHS awarded \$61.1 million to 48 states, the District of Columbia, and Puerto Rico. FY2024 funding (\$75 million) continues the program, although its discretionary funding authority ended with FY2021.

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