



Updated May 19, 2025

# 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 FY2023, public child protective services (CPS) agencies screened abuse or neglect allegations involving 7.9 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.

Some 175,000 children entered foster care during FY2023. Neglect and/or parental drug abuse are the concerns most often linked with entry. Among the more than 343,000 children in care on the last day of FY2023, most (79%) lived in foster family homes, including with kin or nonrelatives providing regular, shelter, or therapeutic care. Some (11%) were in group, institutional, or residential care.

More than 184,000 children left foster care during FY2023. About half (51%) returned to their parent(s) or went to live informally with a relative; 37% left care for a new family via adoption or legal guardianship. Most of the remainder (9%) aged out; some went to another agency or ran away.

### 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 health, mental health, education, social service, 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 meet federal program rules, such as permanency planning for children in foster care. Compliance is monitored via federal plan approvals, audits, and reviews.

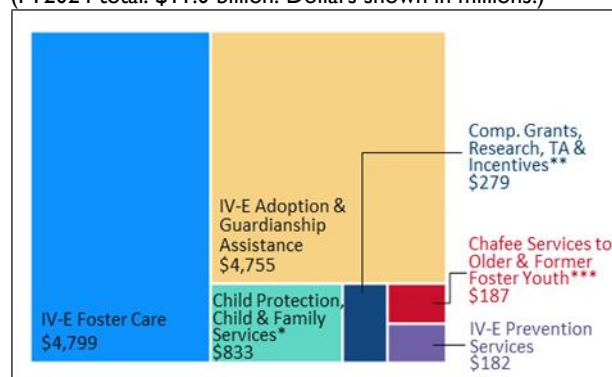
The Children's Bureau in the U.S. Department of Health and Human Services (HHS) administers most federal child welfare programs. At the state level, administration is often within a human services department. Some states' programs are county-administered with state agency supervision.

## 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.

P.L. 119-4 generally provides FY2025 funding at levels authorized or appropriated (as applicable) for FY2024 (see **Figure 1**). Most Title IV-E funding is authorized on an *open-ended mandatory* basis, and amounts expended may be more or less than in FY2024. Funding for certain Chafee or child and family services is authorized on a *capped mandatory* basis and is made available at the FY2024 level. The remaining programs received *discretionary* FY2024 funding; with limited exceptions, this support was included in broader accounts with program-specific amounts given only in an explanatory statement. Exact FY2025 funding levels for these programs is not specified by P.L. 119-4.

**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, P.L. 118-42, or, for IV-E funding only, the FY2024 current law budget authority given in the FY2025 President's budget. Amounts are post-sequestration, which mostly impacts some IV-B funds. \* Includes IV-B and CAPTA formula grants.

\*\* Includes competitive IV-E, IV-B, CAPTA, and Victims of Child Abuse Act funds. \*\*\* Includes Chafee general and ETV formula grants.

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

Title IV-E supports foster care and adoption or guardianship assistance for children who meet federal eligibility rules. The IV-E program may also fund kinship navigator programs and selected services 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 be spent only 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. There is no income test. The services must be designed to prevent a child's entry to foster care or improve a child's outcomes, address mental health/substance abuse treatment needs or in-home parenting skills, and meet 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, or demonstration projects (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 Supporting America's Children and Families Act (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.

**Emilie Stoltzfus**, Specialist in Social Policy

---

## Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.