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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, they must identify and offer services or referrals that aim to ensure children do not reexperience maltreatment. For some children, this means 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 FY2024, public child protective services (CPS) agencies screened abuse or neglect allegations involving 7.7 million children and carried out investigations or other responses involving 3.0 million of those children. Among children receiving CPS services after such responses, an estimated 84% received them while living at home.

Based on CRS analysis of data from all states, more than 172,000 children entered care during FY2024. Neglect and/or parental drug abuse are the concerns most often linked with entry. Some 345,000 children were in care on the last day of FY2024 and about 78% lived in foster family homes, including with kin or nonrelatives providing regular, shelter, pre-adoptive, or therapeutic care. Some (11%) were in group, institutional, or residential care and most others had been placed at home, in preparation for a permanent return (4%) or in independent living (4%). Some 177,000 children left care during FY2024, including 51% who returned to their parent(s) or went to live with a relative (informally) and 37% who left care via adoption or legal guardianship. Most of the remainder aged out (9%).

Who Bears Public Responsibility for This Work?

Under the U.S. Constitution, states are considered to bear the primary *public* responsibility to ensure the well-being of children and their families. 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. To receive funds, states must meet federal program rules (e.g., provide certain protections for children in foster care), and must, usually, contribute nonfederal program funds. Compliance is monitored via federal plan approvals, audits, and reviews.

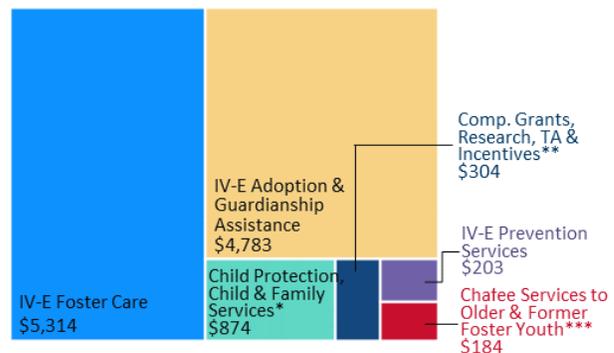
The Children’s Bureau in the U.S. Department of Health and Human Services (HHS) administers most federal child welfare programs. At the state level, administration is often within a human services department.

Child Welfare Spending and Programs

State child welfare agencies spent more than \$34.3 billion on child welfare activities during state FY2022, according to a Child Trends survey. State and local funds supported more than half of this spending nationally, but the share ranged widely (from 20% to 83%) by state. Looking at federal funds only, most of the support was provided under Title IV-E of the Social Security Act (56%) and typically funded foster care and adoption assistance. Child welfare work also received significant federal support from funding streams not wholly dedicated to child welfare, including Temporary Assistance for Needy Families, the Social Services Block Grant, and Medicaid (34% combined).

Full-year FY2026 funding for child welfare programs is principally included in the Consolidated Appropriations Act, 2026 (P.L. 119-75), enacted February 3, 2026.

Figure 1. Federal Child Welfare Funding by Purpose
FY2026 total: \$11.7 billion. Dollars shown in millions.



Source: CRS, based on P.L. 119-75, P.L. 119-74, or, for items labeled as IV-E funding, estimated obligations given in the FY2026 President’s budget; IV-B funds shown post-sequestration. * Includes IV-B and CAPTA formula grants. ** Includes competitive IV-E, IV-B, CAPTA, Chafee and Victims of Child Abuse Act funds. *** Includes Chafee general and ETV formula grants (minus funds reserved for research).

Title IV-E Foster Care, Prevention, Permanency

Title IV-E supports foster care and permanency assistance for children who meet federal eligibility rules. The IV-E program may also fund services to prevent foster care placement and kinship navigators. FY2026 federal support

for this IV-E work, estimated at \$10.1 billion, is authorized on a mandatory, open-ended, and permanent basis.

Foster Care, Adoption, 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 and tribes may opt to provide IV-E guardianship under this same cost-sharing structure. During FY2024, an estimated 712,000 children received IV-E assistance each month, including for adoption (554,000), foster care (112,000), and guardianship (46,000).

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. In an average FY2024 month, one-third of children in foster care received a IV-E supported foster care maintenance payment.

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 practice standards. Federal IV-E prevention funding is available for up to 50% of the cost incurred by a state or tribe for providing IV-E prevention services and 50% for related training and administration.

States/tribes seeking to claim this support must have an HHS-approved prevention services plan and states must spend no less than 50% of their IV-E prevention funds on prevention services rated as "well-supported." The IV-E Prevention Services Clearinghouse has identified more than 95 services meeting the standards, including 22 rated as "well-supported." Three medication assisted treatments for opioid use disorder received this rating in February under special fast track review procedures specific to this type of Food and Drug Administration (FDA)-approved medication used in a comprehensive treatment program.

As of early 2026, most states (46, as well as the District of Columbia, Puerto Rico and 4 tribes) have an approved IV-E prevention plan; South Dakota's submitted plan remained under review and 3 states (Alabama, Alaska, Texas) and the USVI had not submitted plans. The number of jurisdictions claiming IV-E prevention services support grew from 5 in FY2020 to 27 in FY2023.

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 qualifying navigator program costs of a state or

tribe. As of January 2026, 7 programs qualify and 11 states and Puerto Rico are approved to claim these IV-E 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 formula grant funds to states and tribes for child and family services. IV-B also authorizes competitive grants for child welfare research, training, or demonstrations (CWRTD). Funding for these programs in FY2026 is CWS, \$269 million; PSSF, \$459 million (post sequestration); and CWRTD, \$22 million.

IV-B funds may be used to protect children (CWS); support, maintain, or reunite families (CWS/PSSF); and promote and support adoption (CWS/PSSF). Children may be served without regard to whether they are, or ever have been, in foster care. For every \$3 in federal IV-B funds received, a state/tribe must provide \$1 of its own. P.L. 118-258 extended CWS/PSSF funding authorities through FY2029 and, with FY2026, increased mandatory PSSF funding by \$75 million. Most of the new funding augments state/tribal child and family services grants, but a portion is reserved to increase annual set-asides for the Court Improvement Program, Monthly Caseworker Visit grants, and Regional Partnership Grants to improve outcomes for children affected by caregiver substance misuse. Also, beginning with FY2026, some discretionary PSSF funds must be used for competitive grants for kinship navigators and to develop prevention services eligible for IV-E support.

As amended by P.L. 118-258, IV-B separately authorizes discretionary funds for collaboration between state child welfare and adult prison authorities to aid meaningful relationships between incarcerated parents and children in care. No FY2026 IV-B funding was provided for this work.

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. FY2026 funding is \$187 million, including \$2.8 million for research and evaluation.

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. FY2026 funding totals \$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. HHS awarded \$39.8 million to 45 states in September 2025. FY2026 funding (\$75 million) continues this program, though its discretionary funding authority ended in FY2021.

Emilie Stoltzfus, Specialist in Social Policy

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