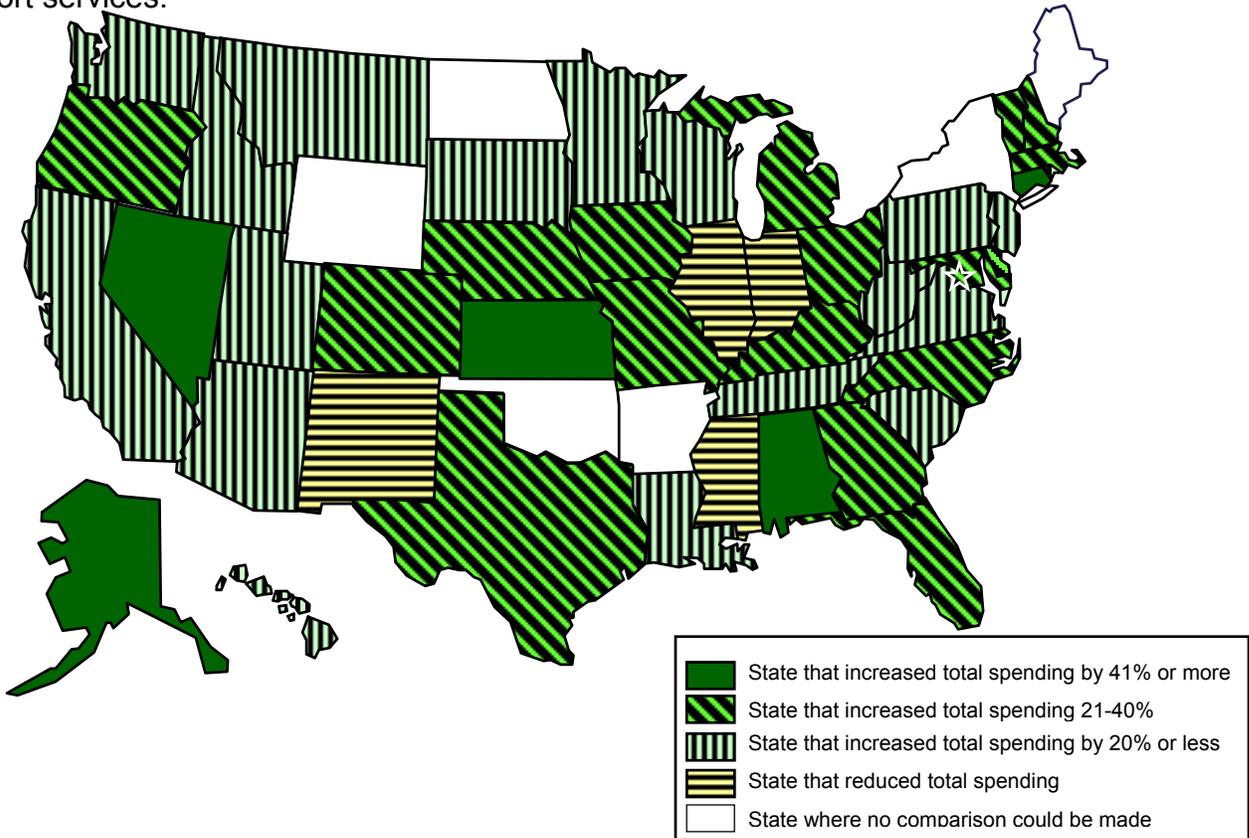


Protecting Vulnerable Children Changes in State Financing of Child Welfare Services (1998-2000)

States spent at least \$20 billion on child welfare services in SFY 2000, a 20 percent increase from SFY 1998. The largest increase was seen in spending from federal funds, primarily TANF and Title IV-E, raising the federal share of total spending to 49 percent from 45 percent in SFY 1998. The Adoption and Safe Families Act, state-specific events, and caseload size and composition were identified as factors triggering the increases in spending. However, state administrators expressed concern that budget deficits and declines in TANF funding for child welfare services since SFY 2000 may force cutbacks in an array of child welfare support services.



Child welfare services are funded by federal, state, and local funds. Titles IV-B and IV-E of the Social Security Act are the two largest federal programs appropriated specifically for child welfare services. States also use the Temporary Assistance for Needy Families (TANF) block grant, the Social Services Block Grant (SSBG), Medicaid, Supplemental Security Income (SSI), and Survivors Insurance Benefits to cover the cost of care associated with children in out-of-home placements, as well as provide services to those children remaining at home or placed in adoptive homes.

The Urban Institute Child Welfare Survey is a national survey collecting federal, state, and local expenditures on child welfare services. The survey, conducted in 1997, 1999, and 2001, collected state fiscal year (SFY) 1996, 1998, and 2000 data. The Assessing the New Federalism project provided funding for the 1997 and 1999 surveys. The Stuart Foundation funded the 2001 survey. The findings presented in this fact sheet are based on the 1999 and 2001 surveys.

For a detailed description of state spending on child welfare, [click here](#).