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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 FY2023, public child protective services (CPS) agencies screened abuse or neglect allegations involving 7.8 million children and carried out investigations or other responses involving 3.1 million of those children. Among children receiving CPS services after such responses, an estimated 84% received them while living at home.

More than 175,000 children entered care during FY2023. Neglect and/or parental drug abuse are the concerns most often linked with entry. Across all states, some 360,500 children were in care on the last day of FY2023. Among those for whom data were available, 79% 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 (3%). More than 184,000 children left care during FY2023, including 51% who returned to their parent(s) or went to live with a relative (informally) and 38% 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.

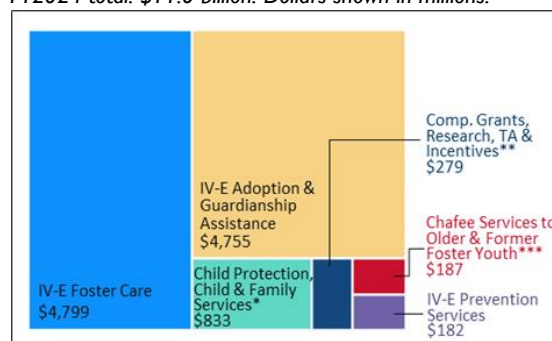
The Children's Bureau in the U.S. Department of Health and Human Services (HHS) administers most federal child welfare programs. At the state level, administration is often within a human services department.

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).

P.L. 119-4 generally provides FY2025 funding at the same levels provided for FY2024, or at the authorized level for mandatory accounts. Most child welfare funding provided is authorized in Title IV-E on an *open-ended mandatory* basis, and FY2025 amounts expended may be more or less than in FY2024. Funding for some IV-B child and family services and for the general Chafee program is authorized on a *capped mandatory* basis and is available for FY2025 at the current law level. The remaining programs received FY2024 *discretionary* funding and, with some exceptions, program-level amounts were given in an explanatory statement only; thus exact FY2025 funding 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

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. FY2024 federal support for this IV-E work, estimated at \$9.7 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 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 practice standards.

Federal IV-E prevention funding is available for up to 50% of IV-E prevention costs incurred by a state or tribe, including for related training and administration. States/tribes seeking to claim this support must have an 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*. As of late August 2025, 51 entities (45 states, the District of Columbia, Puerto Rico and four tribes) had an approved IV-E prevention plan, two states (New Mexico and South Dakota) had submitted a plan that remained under review, and three states (Alabama, Alaska, Texas) and the USVI had not submitted a plan. During FY2023, 27 entities (25 states, District of Columbia, and one tribe) claimed IV-E prevention services support provided on behalf of roughly 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 qualifying navigator program costs of a state or

tribe. As of August 2025, seven kinship navigator programs meet required IV-E evidence criteria and 11 states and Puerto Rico are approved to claim IV-E 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 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). FY2024 IV-B funding was \$689 million, including \$269 million for CWS, \$398 million for PSSF, and \$22 million for CWRTD. 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.

The Supporting America's Children and Families Act (P.L. 118-258), enacted January 2025, extends CWS and PSSF authorities through FY2029 and, with FY2026, increases mandatory PSSF funding by \$75 million. Most of the new funds will augment state/tribal child and family services funding, but a portion must be used 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. Beginning with FY2026, some discretionary PSSF funds must be used for competitive grants for kinship navigators and to develop IV-E prevention services. Outside of the PSSF program, P.L. 118-258 also authorizes discretionary IV-B funds (as of FY2026) for collaboration between state child welfare and adult prison authorities to aid meaningful relationships between children in care and their incarcerated parents.

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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