Maintain the Social Services Block Grant

Maintain the Social Services Block Grant (SSBG). SSBG is a critical source of human services funding. SSBG continues to play a significant role in child welfare services (particularly child protection and related prevention services) and it continues to be a significant part of the federal support for other human service programs including services for the disabled and in addressing domestic violence and other adult protective services.

The National Blueprint for Excellence in Child Welfare outlines how the well-being of children, families and communities are interconnected and that sufficient and equitable funding is essential to the well-being of all of them. Surveys of state child welfare officials consistently demonstrate that SSBG provides approximately 11 to 12 percent of total federal funds for a range of child welfare services. [1]

SSBG is the biggest federal source of funding for child protective services at approximately $138 million[2] with 39 states allocating funding for their child protection system. Another 33 states use SSBG to supplement their foster care systems and 19 states supplement adoption services. SSBG is also significant for its investment into prevention and intervention services with 26 states allocating funding in this way.

	Service Category 2014	Total SSBG Dollars	Percent Services By age: Children	Percent Services Adults 59 & Younger	Percent Services Adults 60 & Older	*Percentage Adults of Unknown Age*
1	Special Services-Disabled	$199 million	31%	18%	3%	*47%*
2	Protective Services-Adults	$189	--	31%	36%	33%
3	Home-Based Services	$143	67%	18%	12%	2%
4	Child Protective Services	$138	78%	20%	1%	--
5	Case Management Services	$119	39%	46%	11%	4%
6	Foster Care--Children	$118	99%	--	--	--
7	Other Services	$104	29%	26%	10%	35%
8	Day Care-Children	$63	98%	1%	-1%	--
9	Special Services-Youth At Risk	$62	90%	9%	--	--
10	Prevention-Intervention Services	$61	31%	4%	--	65%
11	Residential Services	$58	58%	39%	--	1%
12	Administrative Costs	$58	--	--	--	--
13	Adoption Services	$29	88%	11%	--	1%
14	Foster Care-Adults	$29	--	48%	-13%	38%
15	Day Care-Adults	$25	--	67%	26%	6%

[1] Child Trends report

[2] Including TANF funds transferred into SSBG this total increases to more than $300 million)

SSBG is also vital to other human services, some of which impact on child well-being including the funding that is dedicated to addressing adult protective services including domestic violence. In 2014, 37 utilized funds in this way with states such as New York and Texas investing significant funds in this way ($66 million and $39 million respectively) and 21 states use SSBG to fund special services for the disabled, 17 provide services to youth at risk and 16 states strengthen their home-delivered meals programs by using SSBG.[3] SSBG has been attacked because it is a block grant but that was the deal that President Reagan and the Congress struck in 1981—less accountability and more flexibility. Eliminating it now guarantees vital human services and more importantly adults and children will be hurt—especially in cash-strapped states.

BACKGROUND

Since 2003 SSBG has been funded at $1.7 billion (recent across-the-board sequestration cuts reducing it temporarily below this mark). States have flexibility to use these dollars to support 29 different human service programs ranging from elderly services to infants. It was transformed from a capped entitlement into a block grant that was as an entitlement to states. Two of the most significant services subsidized by SSBG are child protective services and adult protective services addressing both domestic violence and elder abuse services. States determine eligibility standards and can move dollars from year to year between their most pressing needs. States are not required to match federal funds with their own revenue but in most instances states do use SSBG dollars to supplement their own funding of programs and in some cases dollars are used to supplement other federal programs.

The origins of the Social Services Block Grant date back to 1956. In 1956 amendments to the Social Security Act (PL 84-880) were approved that created federal funding for the cost of services provided to welfare families. Further changes were made in 1962 when the federal match rate was increased to 75 percent. The funds could be used to help address the welfare of the child, to improve home conditions, to assist families in the care and guidance of their children, and to help families manage their financial resources.

Through the 1960s-social service funding remained below $400 million with funding peaking at $359 million in 1966. Between 1967 and 1970 social service spending had gone from $281 million to $522 million as states learned how to use the definitions to draw down matching federal dollars. In 1972 Congress (PL 92-512) placed new restrictions requiring that most of the dollars be spent only on those who were receiving cash assistance.

In 1974 legislation moved the social service spending under a new Title XX of the Social Security Act[5]. Eligibility standards allowed for free services to those people at 85 percent of state median income or lower. Services for a fee were available to individuals from 85 to 115 percent of state median income. At least one service was to address each of the goals with three services serving SSI recipients. Congress placed a ceiling of $2.5 billion. State funds were matched at 75 percent rate for all services except for family planning that was matched at a 90 percent rate.

1981, with President Reagan and Congress both looking for ways to cut taxes, the federal budget deficit and to increase defense spending. By June 1981 the United States Senate had adopted an

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[3] 2014 SSBG Report

omnibus reconciliation bill that combined Titles IV-B, IV-E and XX into one capped block grant under Title XX. A compromise was reached with the enactment of the Omnibus Budget Reconciliation Act, PL 97-35. Title IV-B and IV-E were left out of the final bill with the social services funding combined into a single block grant to states. All matching fund requirements on states were eliminated along with most requirements such as planning, spending on specific categories and eligibility standards.

In return for the new state flexibility was a reduction in Title XX funding from what the Congressional Budget Office had projected to be a fiscal year 1981 total of $3.099 billion to a capped total of $2.4 billion. Title XX became the “Social Services Block Grant” or “SSBG.” Funding was set at $2.4 billion in 1982 and in 1989 funding increased to $2.8 billion.

From 1991 through 1995 SSBG was set at $2.8 billion but in 1996, welfare reform law that created the Temporary Assistance for Needy Families (TANF) block grant (PL 104-193) reduced SSBG to $2.3 billion but it would have restored it to $2.8 billion in 2003 and beyond.

In 1998, Congress reduced the SSBG to help offset the cost of the “Transportation Equity Act for the 21st Century”—a transportation reauthorization.

In Congress, some members made attempts to reverse the trend. Most notably Senator Bob Graham (D-FL) and on the House side Congresswoman Nancy Johnson (R-CT) and Congressman Sander Levin (D-MI) led efforts to stop the cuts. In 2005 Congress used SSBG as one of its strategies to provide relief to Gulf Coast states hurt by that year’s hurricanes.

Future cuts continued to threaten SSBG. In the federal budget proposal for FY 2007, FY 2008 and FY 2009, President Bush proposed a cut of 30%, or $500 million, in SSBG funding. Senator Charles Grassley (R-IA) made a special effort in the Budget Committee hearings at the time, to make sure the budget resolution did not include the proposed cuts.

The sequestration across-the-board cuts in recent years have resulted in cuts of approximately $86 million. Recent actions by the House of Representatives have included House-only budget resolutions to eliminate it. (H. Con Res 112) and other bills have included elimination such as HR 5652, (2012—elimination) and S 1518 (2013—elimination and move to child welfare).

The most recent SSBG Annual Report, issued by HHS in 2018 shows that between FY 2011-FY 2015, total SSBG Expenditures and recipients have increased over that five year period in two SSBG High Level Service Areas: Child Welfare/Youth at Risk and Counseling and Support.

Highlights of the latest 2015 SSBG Annual Report:

In FY 2015 (counting TANF transfer), 46 states reported **Total SSBG Expenditures for Child Welfare/Youth at Risk** totaling approximately $842 million. Of the Total SSBG Expenditures for Child Welfare/Youth at Risk, approximately $347 million (41 percent) were from the SSBG Expenditures and approximately $495 million (59 percent) were TANF Transfer funds. The top five states with the highest reported Total SSBG Expenditures for Child Welfare/Youth at Risk were Florida ($111 million), Michigan ($98 million), California ($95 million), New York ($65 million), and Virginia ($40 million). The five states that allocated the largest proportion of their Total SSBG Expenditures towards Child Welfare/Youth at Risk were Hawaii (94 percent), West Virginia (93 percent), Louisiana (83 percent), Kansas (78 percent), and Michigan (78 percent).

In FY 2015, 37 states reported **Total SSBG Expenditures for Counseling and Support** totaling approximately $254 million. Of the Total SSBG Expenditures reported for Counseling and Support, approximately $178 million (70 percent) were from the SSBG Expenditures and approximately $76 million (30 percent) were TANF Transfer funds. The top five states with the highest reported Total SSBG Expenditures for Counseling and Support services were New Jersey ($36 million), Missouri ($31 million), Maryland ($17 million), Texas ($16 million), and Ohio ($15 million). The five states that allocated the largest proportion of their Total SSBG Expenditures towards Counseling and Support were North Dakota (100 percent), Missouri (61 percent), New Jersey (56 percent), Utah (46 percent), and Iowa (45 percent).

In FY 2015, 20 states reported **Total SSBG Expenditures for Special Services – Disabled** totaling approximately $279 million. Of the Total SSBG Expenditures for Special Services – Disabled, approximately $201 million (72 percent) were from the SSBG Expenditures and approximately $78 million (28 percent) were TANF Transfer funds. The top five states with the highest reported Total SSBG Expenditures for Special Services – Disabled were California ($216 million), Iowa ($12 million), Florida ($12 million), Georgia ($11 million), and North Carolina ($6.8 million). The five states that allocated the largest proportion of their Total SSBG Expenditures towards Special Services – Disabled were Montana (65 percent), Iowa (44 percent), California (40 percent), Arkansas (23 percent), and Georgia (20 percent).

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[5] Public Law 93-647, 93rd Congress, H.R. 17045, January 4, 1975