

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

PAYMENTS TO STATES FOR CHILD SUPPORT ENFORCEMENT AND FAMILY SUPPORT PROGRAMS

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**FY 2008 Proposed Appropriation Language**

**ADMINISTRATION FOR CHILDREN AND FAMILIES**  
**Payments to States for Child Support Enforcement and Family Support Programs**

*For making payments to States or other non-Federal entities under titles I, IV-D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), \$2,949,713,000, to remain available until expended, of which, up to \$5,000,000 is for repatriation of U.S. citizens returned from foreign countries pursuant to Section 1113 of the Act (notwithstanding subsection (d) of such section); and for such purposes for the first quarter of fiscal year 2009, \$1,000,000,000, to remain available until expended.*

*For making payments to each State for carrying out the program of Aid to Families with Dependent Children under title IV-A of the Social Security Act before the effective date of the program of Temporary Assistance for Needy Families (TANF) with respect to such State, such sums as may be necessary: Provided, That the sum of the amounts available to a State with respect to expenditures under such title IV-A in fiscal year 1997 under this appropriation and under such title IV-A as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall not exceed the limitations under section 116(b) of such Act .*

*For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV-D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), for the last 3 months of the current fiscal year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.*

**Comparison of Proposed FY 2008 Appropriation Language to  
Most Recently Enacted Full-Year Appropriations**

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Payments to States for Child Support Enforcement and Family Support Programs

For making payments to States or other non-Federal entities under titles I, IV-D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. chapter 9), ~~\$2,121,643,000~~ **\$2,949,713,000**, to remain available until expended, **of which, up to \$5,000,000 is for repatriation of U.S. citizens returned from foreign countries pursuant to Section 1113 of the Act (notwithstanding subsection (d) of such section)**; and for such purposes for the first quarter of fiscal year ~~2007~~ **2009**, ~~\$1,200,000,000~~ **1,000,000,000**, to remain available until expended.

For making payments to each State for carrying out the program of Aid to Families with Dependent Children under title IV-A of the Social Security Act before the effective date of the program of Temporary Assistance for Needy Families (TANF) with respect to such State, such sums as may be necessary: Provided, That the sum of the amounts available to a State with respect to expenditures under such title IV-A in fiscal year 1997 under this appropriation and under such title IV-A as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall not exceed the limitations under section 116(b) of such Act.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV-D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. chapter 9), for the last 3 months of the current fiscal year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.



## LANGUAGE ANALYSIS

Language Provision	Explanation
<p><b>“... of which, up to \$5,000,000 is for repatriation of U.S. citizens returned from foreign countries pursuant to Section 1113 of the Act (notwithstanding subsection(d) of such section)...”</b></p>	<p>The current limitation of \$1,000,000 has been in place since FY 1987 and is no longer sufficient to continue the operation of this program. The ongoing costs of the program are approximately \$1,000,000 annually, leaving insufficient funds available to respond to emergency repatriations of United States citizens due to war, threat of war, invasion, natural disaster or similar crises. The increase to \$5,000,000 will provide the flexibility necessary to meet increasing programmatic needs as well as accommodate a quick response to emergency repatriation situations. In FY 2006 this program required emergency legislation in order to fund the emergency evacuation of over 12,000 American citizens from Lebanon. The FY 2008 ACF estimate to support current program needs is \$1,300,000.</p>

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children and Families  
Payments to States for Child Support Enforcement and Family Support Programs

Amounts Available for Obligation

	<u>2006</u> <u>Actual</u>	<u>2007</u> <u>Estimate</u>	<u>2008</u> <u>Pres. Budget</u>
Appropriation:			
Current Year .....	\$2,121,643,000	\$2,752,997,000	\$2,957,013,000
Advance .....	1,200,000,000	1,200,000,000	1,000,000,000
Indefinite .....	<u>0</u>	<u>446,107,000</u>	<u>0</u>
Subtotal, Net Budget Authority .....	\$3,321,643,000	\$4,399,104,000	\$3,957,013,000
Offsetting Collections .....	<u>221,363,000</u>	<u>7,000,000</u>	<u>7,000,000</u>
Subtotal, Gross Budget Authority .....	\$3,543,006,000	\$4,406,104,000	\$3,964,013,000
Unobligated balance start of year .....	728,317,000	7,574,000	0
Recoveries of prior year obligations .....	4,494,000	50,000,000	50,000,000
Unobligated balance end of year .....	<u>-7,574,000</u>	<u>0</u>	<u>0</u>
Total, Obligations .....	\$4,268,243,000	\$4,463,678,000	\$4,014,013,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
 Payments to States for Child Support Enforcement and Family Support Programs

SUMMARY OF CHANGES

FY 2007 Estimate		
Total estimated budget authority .....		\$4,399,104,000
(Obligations) .....		(4,463,678,000)
FY 2008 Pres. Budget		
Total estimated budget authority .....		\$3,957,013,000
(Obligations) .....		(4,014,013,000)
Net change budget authority .....		-\$442,091,000

	<u>2007 Estimate Budget Base</u>	<u>Change from Base</u>
<u>Increases:</u>		
A. <u>Built-in:</u>		
1) Current law incentive payments to states.....	\$471,000,000	\$12,000,000
2) FY 2006 unobligated balances reducing FY 2007 budget authority.....	3,943,678,000	<u>7,574,000</u>
Subtotal, Built-in Increases		\$19,574,000
B. <u>Program:</u>		
1) Child support enforcement administrative costs due to legislative proposals .....	\$3,943,678,000	\$5,000,000
2) Access and Visitation Grants legislative proposal.....	10,000,000	2,000,000
3) Repatriation program legislative proposal.....	1,000,000	<u>300,000</u>
Subtotal, Program Increases		\$7,300,000
Total Increases		\$26,874,000
<u>Decreases:</u>		
B. <u>Built-in:</u>		
1) Current law baseline child support administrative cost estimates.....	\$3,943,678,000	-\$275,912,000
2) Refund of alternative systems penalty during FY 2007.....	3,943,678,000	<u>-193,053,000</u>
Total Decreases		-\$468,965,000
Net Change.....		-\$442,091,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
 Payments to States for Child Support Enforcement and Family Support Programs

Budget Authority by Activity  
 Obligations  
 (Dollars in thousands)

	<u>2006</u> <u>Actual</u>	<u>2007</u> <u>Estimate</u>	<u>2008</u> <u>Pres. Budget</u>
<u>Child Support Enforcement:</u>			
State Child Support Administrative Costs .....	\$3,738,529	\$3,943,678	\$3,479,713
Federal Incentive Payments to States .....	458,000	471,000	483,000
Access and Visitation Grants .....	<u>10,000</u>	<u>10,000</u>	<u>12,000</u>
Subtotal, Child Support Enforcement .....	4,206,529	4,424,678	3,974,713
<u>Other Programs:</u>			
Payments to Territories - Adults .....	58,967	38,000	38,000
Repatriation .....	<u>2,747</u>	<u>1,000</u>	<u>1,300</u>
Subtotal, Other Programs .....	61,714	39,000	39,300
Total, Obligations .....	\$4,268,243	\$4,463,678	\$4,014,013

Budget Authority by Object

	<u>2007</u> <u>Estimate</u>	<u>2008</u> <u>Pres. Budget</u>	<u>Increase or</u> <u>Decrease</u>
Grants (41.0) .....	\$4,399,104,000	\$3,957,013,000	\$442,091,000
Total .....	\$4,399,104,000	\$3,957,013,000	\$442,091,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
 Payments to States for Child Support Enforcement and Family Support Programs

Authorizing Legislation

	2007 Amount Authorized	2007 Budget Estimate	2008 Amount Authorized	2008 Budget Request
Payments to States for Child Support Enforcement and Family Support Programs: Titles I, IV-A and -D, X, XI, XIV and XVI of the Social Security Act.	Indefinite <sup>1</sup>	\$4,399,104,000	Indefinite <sup>1</sup>	\$3,957,013,000

<sup>1</sup> Generally, indefinite authority is authorized for this account; however, there are specific authorizations for a few of the programs covered by this appropriation:

- Section 1108(a) of the Social Security Act provides for a limitation on payments to Puerto Rico, Guam and the Virgin Islands under titles I, X, XIV, XVI, parts A and E of title IV and subsection 1108(b)(Matching grants). The limitations, which were established by P.L. 104-193 and most recently amended by Section 5512 of P.L. 105-33, are as follows: \$107,255,000 for Puerto Rico, \$3,554,000 for the Virgin Islands, \$4,686,000 for Guam, and \$1,000,000 for American Samoa.
- Section 1113 of the Social Security Act provides for a \$1,000,000 limitation on funding for repatriated U.S. citizens and dependents who return because of destitution, illness or international crisis. This budget includes a proposal to increase the annual limit on funding for this program to \$5,000,000.
- Access and Visitation Grants are authorized by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L.104-193) for \$10,000,000 for each fiscal year. This budget includes a proposal to increase the level to \$12,000,000 for FY 2008.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
 Payments to States for Child Support Enforcement and Family Support Programs

APPROPRIATIONS HISTORY TABLE

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
1999	\$2,648,794,000	\$2,648,794,000	\$2,648,794,000	\$2,648,794,000 <sup>1</sup>
2000	750,000,000	750,000,000	750,000,000	1,010,248,000 <sup>2</sup>
2001	3,091,800,000	3,091,800,000	3,091,800,000	3,091,800,000
2002	3,447,800,000	3,447,800,000	3,447,800,000	3,846,518,000 <sup>3</sup>
2003	4,036,800,000	4,036,800,000	4,036,800,000	3,845,224,000 <sup>4</sup>
2004	4,412,970,000	4,412,970,000	4,412,970,000	4,412,537,000 <sup>5</sup>
2005	4,025,802,000	4,073,802,000	4,073,802,000	4,073,802,000
2006	3,271,943,000	3,321,643,000	3,321,643,000	3,321,643,000
2007	3,959,997,000			4,399,104,000 <sup>6</sup>
2008	3,957,013,000 <sup>7</sup>			
2009	1,000,000,000 <sup>8</sup>			

<sup>1</sup> Amount appropriated consisting of the \$660,000,000 advance appropriation and the appropriated amount of \$1,988,794,000.

<sup>2</sup> The first three columns include the advance appropriation only. The last column includes \$260,248,000 in indefinite authority used to finance obligations.

<sup>3</sup> Includes \$398,718,000 in indefinite authority used to finance obligations.

<sup>4</sup> Includes \$234,729,000 in indefinite authority used to finance obligations.

<sup>5</sup> Includes \$19,567,000 in indefinite authority used to finance obligations.

<sup>6</sup> Current estimated appropriation includes: \$1,200,000,000 advance appropriation, \$7,574,000 in unobligated balances from prior year, \$2,752,997,000 in definite appropriation, and \$446,107,000 estimated indefinite authority to cover obligations higher than anticipated in the original request.

<sup>7</sup> Amount requested to finance estimated obligations including \$1,000,000,000 advance appropriation.

<sup>8</sup> Requested advance for first quarter.

Payments to States for Child Support Enforcement and Family Support Programs

Justification

	2006 Actual	2007 Estimate	2008 Pres. Budget	Increase or Decrease
<b><u>Child Support Enforcement:</u></b>				
State Child Support Administrative Costs .....	\$3,738,529,000	\$3,943,678,000	\$3,479,713,000	-\$463,965,000
Federal Incentive Payments to States .....	458,000,000	471,000,000	483,000,000	12,000,000
Access and Visitation Grants .....	<u>10,000,000</u>	<u>10,000,000</u>	<u>12,000,000</u>	<u>2,000,000</u>
Subtotal, Child Support Enforcement .....	4,206,529,000	4,424,678,000	3,974,713,000	-449,965,000
<b><u>Other Programs:</u></b>				
Payments to Territories - Adults ....	58,967,000	38,000,000	38,000,000	0
Repatriation .....	<u>2,747,000</u>	<u>1,000,000</u>	<u>1,300,000</u>	<u>300,000</u>
Subtotal, Other Programs .....	61,714,000	39,000,000	39,300,000	300,000
Total, Obligations .....	\$4,268,243,000	\$4,463,678,000	\$4,014,013,000	-\$449,665,000

General Statement

The Payments to States for Child Support Enforcement and Family Support Programs support state-administered programs of financial assistance and supportive services for low-income families to promote their economic security and self-sufficiency. In FY 2008 four programs will be funded: state and tribal administrative expenses and incentive payments to states for Child Support Enforcement; Access and Visitation grants to enable states and tribes to establish and administer programs to support and facilitate non-custodial parents' access to and visitation of their children; payments for adult-only benefits under assistance programs for the aged, blind and disabled residents of Guam, Puerto Rico, and the Virgin Islands; and Repatriation of American citizens and dependents returned from foreign countries as a result of illness, destitution, war or other crisis, who need temporary cash and services.

**Statement of the Budget Request** – The President's FY 2008 budget request of \$3.957 billion reflects current law of \$3.950 billion adjusted by +\$.007 billion assuming Congressional action on several legislative proposals. The President's legislative proposals will build on the measures included in the Deficit Reduction Act of 2005 and continue to move the Child Support Enforcement (CSE) program toward a focus on healthy, financially strong families by strengthening and expanding enforcement efforts. Over five years it is estimated that these combined proposals will have a federal cost of only \$19 million and will result in over \$1.4 billion in additional financial support to families.

The FY 2008 budget includes two new legislative proposals that will give tribes operating CSE programs the same access as states to apply for program waivers and utilize important enforcement tools. The first proposal would amend Section 1115 of the Act to allow the Secretary to waive compliance with tribal IV-D program requirements, to consider otherwise unallowable costs under the tribal IV-D program to be allowable, and/or to provide funding from available appropriated amounts for an experimental pilot or demonstration project by a tribe operating a CSE program funded under title IV-D of the Act (as currently provided to states). The second proposal would provide tribal access to passport denial or revocation and multistate financial institution data match (MSFIDM) (as currently provided to states).

This request also includes several child support proposals from previous President's Budgets aimed at increasing collections (offset of certain Social Security benefits, intercept of gaming winnings, closing a loophole to allow garnishment of all longshoremen's benefits, and improving processes for freezing and seizing assets in multistate financial institutions) and improving states' efforts to collect medical support on behalf of children by providing CSE agencies with COBRA notices so they can assist families in providing continuous health care coverage. The proposals also recognize that healthy families need more than financial support alone and increases resources for Access and Visitation Programs and makes them available to tribal IV-D programs that have operated for at least one year to support and facilitate non-custodial parents' access to and visitation of their children.

Additionally, legislation from previous budgets will be included to require states to collect from employers the date a new hire starts work and to include this information in their State Directory of New Hires. In turn, states would share this information with the Federal Directory of New Hires. This information will benefit the Department of Labor's efforts to detect overpayments in the Unemployment Benefits Insurance program.

Finally, language will again be proposed to increase the annual spending limitation on the Repatriation program to up to \$5,000,000. The current limitation of \$1,000,000 has been in place since FY 1987 and is no longer sufficient to continue the operation of this program. The ongoing costs of the program are approximately \$1,000,000 annually, leaving insufficient funds available to respond to emergency repatriations of United States citizens due to war, threat of war, invasion, natural disaster or similar crises. The increase to \$5,000,000 will provide the flexibility necessary to meet increasing programmatic needs as well as accommodate a quick response to emergency repatriation situations. In FY 2006 this program required emergency legislation in order to fund the emergency evacuation of over 12,000 American citizens from Lebanon.

### **Program Description**

**Child Support Enforcement** – The CSE is a federal/state/tribal effort to foster family responsibility and promote self-sufficiency by ensuring that both parents support children financially and emotionally. It reduces the need for public assistance and its cost to the taxpayers. CSE agencies locate non-custodial parents, establish paternity when necessary, and establish and enforce orders for support.

The Administration for Children and Families' (ACF) strategic goal of increasing economic independence and productivity for families is dependent upon a strategy of increasing income through the enforcement of child support. The program strengthens families by helping children get the support they are owed from non-custodial parents. By securing support from non-custodial parents on a consistent and continuing basis, families may avoid the need for publicly funded assistance, thus reducing government spending. In families that have never received TANF, child support collections are forwarded to the custodial family. TANF families are required to assign their rights to support they are due while on TANF to the state as a condition of receipt of assistance. Beginning with FY 2008, the federal government shares in the cost of state options to distribute more collections to current and former TANF



families instead of returning these collections as reimbursement to the state and federal government for the costs of providing TANF benefits. States may opt to pass through up to \$100 a month (or \$200 a month for families with two or more children) of child support to current TANF families as long as these collections are disregarded in determining TANF eligibility and benefit levels. Additionally, states have the option to pass through all child support collections to former TANF families. States receive a share of a capped incentive pool based on state performance in paternity establishment, order establishment, collection of current support and arrears, and cost-effectiveness.

The federal government provides funding through a 66 percent match rate for general state administrative costs. Additionally, funding is provided for incentive payments (\$483 million for FY 2008). Federally recognized Indian tribes and Alaska Native organizations are eligible to apply for direct child support program funding. Those whose applications are approved receive 90 percent federal funding of their program needs for the first three years. After the third year, they receive 80 percent federal funding of their program needs. There are currently nine tribal child support program grantees and about twenty-five tribes receiving start-up funding. Tribes may also apply for 2 year start-up grants to prepare for operation of a tribal child support program that meets federal requirements.

Access and Visitation Grants – This grant program was created by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). Funding began in FY 1997 with a capped entitlement of \$10 million. Every governor has designated a state agency that will use these grant funds to establish and administer programs to support and facilitate non-custodial parents' access to and visitation of their children. Activities which may be funded include: mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement (including monitoring, supervision and neutral drop-off and pick-up), and development of guidelines for visitation and alternative custody arrangements. The funding is separate from funding for federal and state administration of the CSE program.

Payments to Territories – Adults (Aged, Blind and Disabled) – State maintenance assistance programs for the aged, blind and disabled were federalized under Title XVI of the Social Security Act as the Supplemental Security Income program on January 1, 1974. A small residual program, however, remains for the residents of Puerto Rico, Guam, and the Virgin Islands. These grants are subject to spending limitations under Section 1108 of the Social Security Act. The limitations, which were established by P.L. 104-193 and most recently amended by P.L. 105-33, are: \$107,255,000 for Puerto Rico, \$4,686,000 for Guam, and \$3,554,000 for the Virgin Islands.

Repatriation – This program provides assistance to U.S. citizens and their dependents returning from foreign countries that have been determined by the Department of State to be destitute, mentally ill or requiring emergency evacuation due to threatened armed conflict, civil strife or natural disasters. The authorizing statute, Section 1113 of the Social Security Act, sets the funding level for the repatriation program. Spending is entirely dependent upon external events, and is affected substantially by the extent of conflict and natural disasters abroad.

The repatriation program traditionally reimburses states directly for assistance provided by them to individual repatriates and for state administrative costs. In January 1997, the program entered into a cooperative agreement with a national, private organization for provision of some of the direct services for the destitute and mentally ill individuals. All individuals receiving assistance are expected to repay the cost of such assistance. These repatriate debts are collected by the Program Support Center, which is the HHS component charged with collecting debts owed by individuals.

Performance Analysis – A PART review was conducted in CY 2003 and the CSE program received a rating of Effective, making it one of the highest rated social services programs and one of the highest

rated block/formula grant programs among all programs reviewed government-wide. As a result of this review, the program is engaging in efforts to improve collection of unpaid or overdue child support, develop new medical support indicators, and increase the access of children to health care coverage. The program will also continue to implement the provisions of the Deficit Reduction Act (DRA).

The CSE program collected an estimated \$23 billion in FY 2005, serving 15.9 million child support cases. Since the creation of the CSE program, child support collections within the program have grown annually. States have increased collections by using a wide variety of approaches such as income withholding, offset of income tax refunds, and reporting to credit bureaus. In addition, states are continuing to reap the benefits of the tools provided by PRWORA and DRA which include improvements to the Federal Tax Offset program, the Multistate Financial Institution Data Match program, the Passport Denial program, and the expanded Federal Parent Locator Services.

ACF will measure the CSE program's success using the outcome measures which are part of the incentive system to gauge the achievement of the goals and objectives of the National CSE Strategic Plan.

- The target for the paternity establishment rate will remain the same in FY 2008 as FY 2007, at 95 percent, due to the expected impact of the DRA on performance. This measure compares paternities established during the fiscal year with the number of non-marital births during the preceding fiscal year. In FY 2005, the target was 98 percent and actual performance was 98 percent.
- The target for the child support order establishment rate will increase from 73 percent for FY 2007 to 75 percent for FY 2008. A support order is needed to collect child support. This measure compares the number of IV-D cases with support orders with the number of IV-D cases. In FY 2005, the actual performance was 76 percent, exceeding the target of 71 percent.
- The target for collection rate for current support will remain the same in FY 2008 as in FY 2007: 61 percent. This measure, which is a proxy for the regular and timely payment of support, compares total dollars collected for current support in IV-D cases with total dollars owed for current support in IV-D cases. In FY 2005, actual performance was one percentage point less than the target of 61 percent.
- The target for the percentage of cases with child support arrearages that pay some amount is projected to remain the same in FY 2008 as in FY 2007: 61 percent. This measure compares the total number of IV-D cases paying any amount toward arrears with the total number of IV-D cases with arrears. In FY 2005, the target was 63 percent and the actual performance was 60 percent.
- The cost-effectiveness ratio (total dollars collected per \$1 of expenditures) target will be adjusted from \$4.56 for FY 2007 to \$4.63 for FY 2008. This measure compares total IV-D child support dollars collected by states with total IV-D dollars expended by states for administrative costs. In FY 2005, the actual ratio was \$4.58, exceeding the target of \$4.42.

As a result of the PART assessment, follow-up actions to improve the performance of the program include the following:

1. Developing early intervention strategies to prevent and improve collection of unpaid or overdue child support. Two actions underway in the CSE program include disseminating three reports of

arrears management, based upon peer-to-peer training held in fiscal year 2006 and the completion of several demonstration grants.

2. Developing two new indicators to measure the extent to which medical support is ordered and provided in child support cases. States have submitted medical support performance measure data for fiscal year 2006 and during calendar year 2007 data reliability audits will be conducted on the medical support data.
3. Funding grants to help non-custodial parents with employment and on support services in the Access and Visitation program. Several demonstration grants, for two to three years duration, are being conducted.
4. Developing medical support enforcement proposals. The CSE program has issued proposed regulations for the medical support provisions contained in the DRA. During 2007 and 2008, OCSE will review and respond to public comments regarding the proposed regulations and will send forward draft final regulations to the Office of Management and Budget.

Both the Payments to Territories and Repatriation programs have not been separated out individually for performance analysis, as they are both included in the larger program assessments. The Temporary Assistance for Needy Families chapter of this document includes performance information that includes the Payments to Territories program. The Refugee and Entrant Assistance chapter includes performance information that includes the Repatriation program.

Resource and Program Data  
State Child Support Administrative Costs  
(Obligations)

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$3,738,529,000	\$3,943,678,000	\$3,479,713,000
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$3,738,529,000	\$3,943,678,000	\$3,479,713,000
<u>Program Data:</u>			
Number of Grants	87	104	114
New Starts:			
#	19	17	10
\$	\$4,750,000	\$4,250,000	\$2,500,000
Continuations:			
#	68	87	104
\$	\$3,733,779,000	\$3,939,428,000	\$3,477,213,000
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

Resource and Program Data  
Federal Incentive Payments to States

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula			
Discretionary			
Incentive	\$458,000,000	\$471,000,000	\$483,000,000
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$458,000,000	\$471,000,000	\$483,000,000
<u>Program Data:</u>			
Number of Grants	54	54	54
New Starts:			
#	0	0	0
\$	\$0	\$0	\$0
Continuations:			
#	54	54	54
\$	\$458,000,000	\$471,000,000	\$483,000,000
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

Resource and Program Data  
Access and Visitation Grants

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$10,000,000	\$10,000,000	\$12,000,000
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$10,000,000	\$10,000,000	\$12,000,000
<u>Program Data:</u>			
Number of Grants	54	54	62
New Starts:			
#	0	0	8
\$	\$0	\$0	\$250,000
Continuations:			
#	54	54	54
\$	\$10,000,000	\$10,000,000	\$11,750,000
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2008 MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: Federal Share of State and Local Administrative Costs and Incentives (CFDA #93.563)**

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$42,365,331	\$44,451,878	\$39,636,682	-\$4,815,196
Alaska	16,879,379	17,710,710	15,792,219	-1,918,491
Arizona	48,888,209	51,296,016	45,739,437	-5,556,579
Arkansas	31,758,295	33,322,432	29,712,819	-3,609,613
California	795,580,716	834,764,095	744,339,268	-90,424,827
Colorado	57,248,164	60,067,710	53,560,947	-6,506,763
Connecticut	42,267,279	44,348,997	39,544,945	-4,804,052
Delaware	20,372,574	21,375,949	19,060,425	-2,315,524
District of Columbia	18,080,750	18,971,250	16,916,212	-2,055,038
Florida	212,260,201	222,714,289	198,589,030	-24,125,259
Georgia	83,222,193	87,320,993	77,862,051	-9,458,942
Hawaii	14,539,123	15,255,194	13,602,693	-1,652,501
Idaho	20,348,915	21,351,125	19,038,290	-2,312,835
Illinois	116,700,736	122,448,397	109,184,321	-13,264,076
Indiana	46,365,336	48,648,888	43,379,056	-5,269,832
Iowa	41,034,371	43,055,367	38,391,445	-4,663,922
Kansas	37,581,898	39,432,855	35,161,338	-4,271,517
Kentucky	48,209,712	50,584,102	45,104,640	-5,479,462
Louisiana	54,608,189	57,297,713	51,091,006	-6,206,707
Maine	12,539,349	13,156,928	11,731,720	-1,425,208
Maryland	65,615,364	68,847,005	61,389,236	-7,457,769
Massachusetts	68,873,656	72,265,772	64,437,669	-7,828,103
Michigan	199,792,795	209,632,847	186,924,620	-22,708,227
Minnesota	106,478,893	111,723,115	99,620,843	-12,102,272
Mississippi	18,695,490	19,616,267	17,491,358	-2,124,909
Missouri	69,952,852	73,398,120	65,447,356	-7,950,764
Montana	10,160,950	10,661,390	9,506,508	-1,154,882
Nebraska	34,168,188	35,851,015	31,967,497	-3,883,518
Nevada	29,869,497	31,340,608	27,945,674	-3,394,934
New Hampshire	14,542,631	15,258,874	13,605,975	-1,652,899
New Jersey	172,482,021	180,976,982	161,372,867	-19,604,115
New Mexico	27,776,237	29,144,252	25,987,236	-3,157,016
New York	243,895,733	255,907,912	228,186,993	-27,720,919
North Carolina	101,518,242	106,518,146	94,979,695	-11,538,451
North Dakota	9,381,855	9,843,923	8,777,592	-1,066,331

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Ohio	240,705,790	252,560,860	225,202,507	-27,358,353
Oklahoma	41,392,541	43,431,177	38,726,547	-4,704,630
Oregon	43,158,952	45,284,586	40,379,187	-4,905,399
Pennsylvania	192,854,009	202,352,317	180,432,744	-21,919,573
Rhode Island	8,004,003	8,398,210	7,488,484	-909,726
South Carolina	29,500,372	30,953,303	27,600,324	-3,352,979
South Dakota	6,902,651	7,242,615	6,458,068	-784,547
Tennessee	54,725,105	57,420,387	51,200,392	-6,219,995
Texas	226,373,533	237,522,721	211,793,356	-25,729,365
Utah	31,737,326	33,300,430	29,693,201	-3,607,229
Vermont	8,160,830	8,562,761	7,635,210	-927,551
Virginia	72,484,649	76,054,611	67,816,086	-8,238,525
Washington	109,442,774	114,832,971	102,393,827	-12,439,144
West Virginia	23,102,756	24,240,596	21,614,763	-2,625,833
Wisconsin	99,816,063	104,732,133	93,387,150	-11,344,983
Wyoming	6,663,427	6,991,609	6,234,252	-757,357
<b>Subtotal</b>	<b>4,129,079,905</b>	<b>4,332,442,403</b>	<b>3,863,135,761</b>	<b>-469,306,642</b>
Indian Tribes	17,664,806	30,000,000	53,000,000	23,000,000
Guam	4,270,738	4,481,077	3,995,670	-485,407
Puerto Rico	41,585,361	43,633,494	38,906,948	-4,726,546
Virgin Islands	3,927,587	4,121,026	3,674,621	-446,405
<b>Subtotal</b>	<b>67,448,492</b>	<b>82,235,597</b>	<b>99,577,239</b>	<b>17,341,642</b>
<b>Total States/Territories</b>	<b>4,196,528,397</b>	<b>4,414,678,000</b>	<b>3,962,713,000</b>	<b>-451,965,000</b>
<b>TOTAL RESOURCES</b>	<b>\$4,196,528,397</b>	<b>\$4,414,678,000</b>	<b>\$3,962,713,000</b>	<b>-\$451,965,000</b>



**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2008 MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: Access and Visitation Grants (CFDA #93.597)**

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$146,146	\$146,146	\$170,165	\$24,019
Alaska	100,000	100,000	120,000	20,000
Arizona	155,025	155,025	194,950	39,925
Arkansas	100,000	100,000	120,000	20,000
California	987,973	987,973	1,161,491	173,518
Colorado	119,098	119,098	131,186	12,088
Connecticut	100,000	100,000	111,618	11,618
Delaware	100,000	100,000	120,000	20,000
District of Columbia	100,000	100,000	120,000	20,000
Florida	529,116	529,116	621,950	92,834
Georgia	284,071	284,071	328,210	44,139
Hawaii	100,000	100,000	120,000	20,000
Idaho	100,000	100,000	120,000	20,000
Illinois	339,396	339,396	407,296	67,900
Indiana	162,516	162,516	193,499	30,983
Iowa	100,000	100,000	120,000	20,000
Kansas	100,000	100,000	120,000	20,000
Kentucky	120,870	120,870	136,816	15,946
Louisiana	164,447	164,447	188,425	23,978
Maine	100,000	100,000	120,000	20,000
Maryland	174,421	174,421	192,450	18,029
Massachusetts	174,566	174,566	206,440	31,874
Michigan	291,571	291,571	331,284	39,713
Minnesota	115,516	115,516	135,499	19,983
Mississippi	110,905	110,905	131,175	20,270
Missouri	157,137	157,137	189,379	32,242
Montana	100,000	100,000	120,000	20,000
Nebraska	100,000	100,000	120,000	20,000
Nevada	100,000	100,000	120,000	20,000
New Hampshire	100,000	100,000	120,000	20,000
New Jersey	244,043	244,043	278,153	34,110
New Mexico	100,000	100,000	120,000	20,000
New York	611,132	611,132	726,999	115,867
North Carolina	268,587	268,587	311,858	43,271
North Dakota	100,000	100,000	120,000	20,000

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Ohio	336,044	336,044	388,145	52,101
Oklahoma	102,572	102,572	117,511	14,939
Oregon	100,000	100,000	104,930	4,930
Pennsylvania	344,486	344,486	399,271	54,785
Rhode Island	100,000	100,000	120,000	20,000
South Carolina	133,046	133,046	161,500	28,454
South Dakota	100,000	100,000	120,000	20,000
Tennessee	180,683	180,683	218,036	37,353
Texas	644,206	644,206	754,667	110,461
Utah	100,000	100,000	120,000	20,000
Vermont	100,000	100,000	120,000	20,000
Virginia	209,722	209,722	235,537	25,815
Washington	160,232	160,232	181,513	21,281
West Virginia	100,000	100,000	120,000	20,000
Wisconsin	132,473	132,473	160,047	27,574
Wyoming	100,000	100,000	120,000	20,000
<b>Subtotal</b>	<b>9,700,000</b>	<b>9,700,000</b>	<b>11,390,000</b>	1,690,000
Tribes	0	0	250,000	250,000
Guam	100,000	100,000	120,000	20,000
Puerto Rico	100,000	100,000	120,000	20,000
Virgin Islands	100,000	100,000	120,000	20,000
<b>Subtotal</b>	<b>300,000</b>	<b>300,000</b>	<b>610,000</b>	<b>310,000</b>
<b>Total States/Territories</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>12,000,000</b>	<b>2,000,000</b>
<b>TOTAL RESOURCES</b>	<b>\$10,000,000</b>	<b>\$10,000,000</b>	<b>\$12,000,000</b>	<b>\$2,000,000</b>

Resource and Program Data  
 Payments to Territories – Adults (Aged, Blind, Disabled)

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$58,967,000	\$38,000,000	\$38,000,000
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$58,967,000	\$38,000,000	\$38,000,000
<u>Program Data:</u>			
Number of Grants	3	3	3
New Starts:			
#	0	0	0
\$	\$0	\$0	\$0
Continuations:			
#	3	3	3
\$	\$58,967,000	\$38,000,000	\$38,000,000
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

Resource and Program Data  
Repatriation

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula			
Discretionary	\$950,000	\$1,000,000	\$1,300,000
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support <sup>1</sup>	1,797,000		
Total, Resources	\$2,747,000	\$1,000,000	\$1,300,000
<u>Program Data:</u>			
Number of Grants	1	1	1
New Starts:			
#	1	0	0
\$	\$950,000	\$0	\$0
Continuations:			
#	0	1	1
\$	\$0	\$1,000,000	\$1,300,000
Contracts:			
#	2	0	0
\$	\$237,000	\$0	\$0
Interagency Agreements:			
#	1	0	0
\$	\$55,000	\$0	\$0

<sup>1</sup> Includes funding to reimburse states and other administrative costs associated with the emergency evacuation of U.S. citizens from Lebanon.

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

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**FY 2008 Proposed Appropriation Language**

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Payments to States for Foster Care and Adoption Assistance

*For making payments to States or other non-Federal entities under title IV-E of the Social Security Act, \$5,067,000,000.*

*For making payments to States or other non-Federal entities, under title IV-E of the Social Security Act, for the first quarter of fiscal year 2009, \$1,776,000,000.*

*For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under section 474 of title IV-E, for the last 3 months of the current fiscal year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.*

**Comparison of Proposed FY 2008 Appropriation Language to  
Most Recently Enacted Full-Year Appropriations**

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Payments to States for Foster Care and Adoption Assistance

For making payments to States or other non-Federal entities under title IV-E of the Social Security Act, ~~\$4,852,800,000~~ **\$5,067,000,000**.

For making payments to States or other non-Federal entities under title IV-E of the Act, for the first quarter of fiscal year ~~2007, \$1,730,000,000~~ **2009, \$1,776,000,000**.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under section 474 of title IV-E, for the last 3 months of the current fiscal year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children and Families  
Payments to States for Foster Care and Adoption Assistance

Amounts Available for Obligation

	<u>2006 Enacted</u>	<u>2007 Estimate</u>	<u>2008 Pres. Budget</u>
Appropriation:			
Annual (definite) .....	\$4,852,800,000	\$5,211,000,000	\$5,802,000,000
Permanent .....	1,767,200,000	1,730,000,000	1,810,000,000
Total Appropriation .....	\$6,620,000,000	\$6,941,000,000	\$6,892,000,000
Unobligated balance lapsing .....	-\$363,187,409	-\$299,000,000	
Total, Obligations .....	\$6,256,812,591	\$6,642,000,000	\$6,892,000,000



ADMINISTRATION FOR CHILDREN AND FAMILIES  
 Payments to States for Foster Care and Adoption Assistance

SUMMARY OF CHANGES

FY 2007 Estimate		
Total estimated budget authority .....		\$6,941,000,000
(Obligations) .....		(\$6,642,000,000)
FY 2008 Pres. Budget		
Total estimated budget authority .....		\$6,892,000,000
(Obligations) .....		(\$6,892,000,000)
Net change budget authority .....		-\$49,000,000

	<u>2007 Estimate Budget Base</u>	<u>Change from Base</u>
<u>Increases:</u>		
A. <u>Built-in:</u>		
1) Adoption assistance – Increase in children and payments .....	\$2,044,000,000	+\$112,000,000
Subtotal, Built-in Increases		+\$112,000,000
B. <u>Program:</u>		
1) Foster Care – Increase for new alternative funding option for foster care.....		+\$9,000,000
2) Foster Care/Adoption Assistance – Increased federal match rate for the District of Columbia .....		+\$6,000,000
Subtotal, Program Increases		+\$15,000,000
Total Increases		+\$127,000,000
<u>Decreases:</u>		
1) Foster Care – Decrease in children and payments.....	\$4,757,000,000	-\$176,000,000
Subtotal, Program Decreases		-\$176,000,000
Total Decreases		-\$176,000,000
Net Change .....		-\$49,000,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
 Payments to States for Foster Care and Adoption Assistance

Budget Authority by Activity  
 (Dollars in thousands)

	<u>2006</u> <u>Enacted</u>	<u>2007</u> <u>Estimate</u>	<u>2008</u> <u>Pres. Budget</u>
Foster Care .....	\$4,685,000	\$4,757,000	\$4,593,000
Adoption Assistance .....	1,795,000	2,044,000	2,159,000
Independent Living .....	140,000	140,000	140,000
Total, Budget Authority .....	\$6,620,000	\$6,941,000	\$6,892,000
(Total, Obligations).....	(\$6,256,813)	(\$6,642,000)	(\$6,892,000)

Budget Authority by Object

	<u>2007</u> <u>Estimate</u>	<u>2008</u> <u>Pres. Budget</u>	<u>Increase or</u> <u>Decrease</u>
Salaries and Benefits (11.0, 12.0 & 13.0) .....	\$225,000	\$233,000	+\$8,000
Travel (21.0) .....	3,000	753,000	+750,000
Communications, Utilities and Misc. (23.0) .....	287,000	287,000	0
Advisory and Assistance Services (25.1) .....	11,043,000	13,673,000	+2,630,000
Purchases from Government Accounts (25.3) .....	500,000	500,000	0
Research and Development (25.5) .....		1,000,000	+1,000,000
Supplies and Materials (26.0) .....	5,000	5,000	0
Grants, Subsidies and Contributions (41.0) .....	6,629,937,000	6,875,549,000	+245,612,000
Total .....	\$6,642,000,000	\$6,892,000,000	+\$250,000,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Children and Families Services Program

SIGNIFICANT ITEMS IN HOUSE, SENATE AND CONFERENCE  
APPROPRIATIONS COMMITTEE REPORTS

FY 2007 Senate Appropriations Committee Report Language (S.Rpt 109-287)

Item

**[Child and Family Services Reviews]** – The Committee continues its interest in the Department's Child and Family Services reviews. These reviews are an effective method for monitoring the progress States are making in assuring the safety, health, and permanency for children in child welfare and foster care as required in the Adoption and Safe Families Act. The Committee encourages the Department to make available sufficient resources to ensure full implementation of the new collaborative monitoring system. The Committee directs ACF to continue to provide information on the progress of the reviews in the annual congressional justification. (p. 207)

Action taken or to be taken

The Administration for Children and Families (ACF) completed the initial round of Child and Family Service Reviews (CFSR) in all 50 states, the District of Columbia, and Puerto Rico (“the states”) in March 2004. All states were required to develop and implement Program Improvement Plans (PIP) to address those areas identified in the CFSR as not being in substantial conformity with Federal requirements. Currently, ACF has approved PIPs for all 50 states, plus the District of Columbia and Puerto Rico. As of October 31, 2006, 44 states have completed the 2-year implementation period for the PIP. ACF has completed its evaluation of 22 of the 44 states and has determined that 20 of those states successfully implemented all required improvements in their PIPs and reached their approved goals. Two states will be penalized for either not completing all required PIP activities or not reaching progress goals in the PIP. ACF is in the process of evaluating the remaining 22 states that have completed their 2-year PIP implementation periods.

ACF has finalized a schedule for beginning the second round of CFSRs, which will begin in the second quarter of FY 2007. Several states already are in the statewide assessment process, and ACF will review 15 states in FY 2007. ACF recently published in the Federal Register new data measures for use in evaluating state performance in the second round of CFSRs.

ACF also has used the findings from the first round of reviews and an analysis of strategies used by states in their Program Improvement Plans to direct the priorities of a network of federally-funded National Resource Centers that provides extensive technical assistance to states during the CFSR process and in implementing the PIPs, and to guide decisions regarding priority areas for discretionary grants funded by ACF.

The compiled findings from the initial 52 CFSRs, along with the reports of individual state reviews and other CFSR information, are posted on the Children’s Bureau website at:

<http://www.acf.hhs.gov/programs/cb/cwmonitoring/index.htm>. The analysis of states’ Program Improvement Plans will be posted soon on the website.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
 Payments to States for Foster Care and Adoption Assistance

Authorizing Legislation

	2007 Amount Authorized	2007 Budget Estimate	2008 Amount Authorized	2008 Budget Request
1. Foster Care [Section 470 of the Social Security Act]	Such sums	\$4,757,000,000	Such sums	\$4,593,000,000
2. Independent Living [Section 470 and 477 of the Social Security Act]	\$140,000,000	140,000,000	\$140,000,000	140,000,000
3. Adoption Assistance [Section 470 of the Social Security Act]	Such sums	2,044,000,000	Such sums	2,159,000,000
Total Budget Authority		\$6,941,000,000		\$6,892,000,000
Appropriation against definite authorization		\$140,000,000		\$140,000,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Payments to States for Foster Care and Adoption Assistance

APPROPRIATIONS HISTORY TABLE

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
1999				
Advance <sup>1</sup>	\$1,157,700,000	\$1,157,500,000	\$1,157,500,000	\$1,157,500,000
Appropriation	3,964,000,000	3,764,900,000	3,964,000,000	3,764,000,000
2000				
Advance	1,355,300,000	1,355,300,000	1,355,300,000	1,355,300,000
Appropriation	4,312,300,000	4,307,300,000	4,312,000,000	4,307,300,000
Supplemental	35,000,000	35,000,000	35,000,000	35,000,000
2001				
Advance	1,549,700,000	1,538,000,000	1,538,000,000	1,538,000,000
Appropriation	4,863,100,000	4,863,100,000	4,863,100,000	4,863,100,000
Leg. Proposal	5,000,000	0	0	0
2002				
Advance	1,735,900,000	1,735,900,000	1,735,900,000	1,735,900,000
Appropriation	4,885,000,000	4,885,600,000	4,885,600,000	4,885,600,000
Leg. Proposal	60,000,000	0	0	0
Rescission	0	0	0	-8,000
2003				
Advance	1,754,000,000	1,754,000,000	1,754,000,000	1,754,000,000
Appropriation	4,801,800,000	4,855,000,000	4,855,000,000	4,855,000,000
2004				
Advance	1,745,600,000	1,745,600,000	1,745,600,000	1,745,600,000
Appropriation	4,967,400,000	5,068,300,000	5,068,300,000	5,068,300,000
Leg. Proposal	35,300,000	0	0	0
2005				
Advance	1,767,700,000	1,767,700,000	1,767,700,000	1,767,700,000
Appropriation	5,037,900,000	5,037,900,000	5,037,900,000	5,037,900,000
Leg. Proposal	-40,400,000	0	0	0
2006				
Advance	1,767,200,000	1,767,200,000	1,767,200,000	1,767,200,000
Appropriation	4,852,800,000	4,852,800,000	4,852,800,000	4,852,800,000
Leg. Proposal	-40,000,000	0	0	0
2007				
Advance	1,730,000,000	1,730,000,000	1,730,000,000	1,730,000,000
Appropriation	5,211,000,000			
Leg. Proposal	32,000,000			
2008				
Advance	1,810,000,000			
Appropriation	5,067,000,000			
Leg. Proposal	15,000,000			
2009				
Advance	1,776,000,000			
Leg. Proposal	10,000,000			

<sup>1</sup> Beginning in the FY 1998 appropriations bill, the Congress began appropriating the first quarter of the next fiscal year for this program, in addition to the regular appropriation.

Payments to States for Foster Care and Adoption Assistance

Justification

Authorizing Legislation — Sections 470 and 477(h)(2) of the Social Security Act

	2006 Actual	2007 Estimate	2008 Pres. Budget	Increase or Decrease
Foster Care	\$4,685,000,000	\$4,757,000,000	\$4,593,000,000	-\$164,000,000
Adoption Assistance	1,795,000,000	2,044,000,000	2,159,000,000	+\$115,000,000
Independent Living	140,000,000	140,000,000	140,000,000	0
Total, BA	\$6,620,000,000	\$6,941,000,000	\$6,892,000,000	-\$49,000,000
(Total Obligations)	(\$6,256,812,591)	(\$6,642,000,000)		

2008 Authorization...Indefinite (with legislative modifications); definite authorization of \$140,000,000 for the Independent Living program.

General Statement

Child welfare programs are designed to enhance the capacity of families to raise children in a nurturing, safe environment; to protect children who have been or are at risk of being abused or neglected; to provide safe, stable, family-like settings consistent with the needs of each child when remaining at home is not in the best interest of the child; to reunite children with their biological families when appropriate; and to secure adoptive homes or other permanent living arrangements for children whose families are not able to care for them. Ensuring the health and safety of the child is always of primary importance in delivering any child welfare service. Key federal entitlement programs supporting child welfare services include the Foster Care, Adoption Assistance, Independent Living, and Promoting Safe and Stable Families programs. Discretionary programs include Child Welfare Services state grants, Child Welfare Training, CAPTA State Grants, the Community-Based Child Abuse Prevention grants, the Abandoned Infants Assistance program, the Independent Living Education and Training Vouchers program, the Adoption Opportunities program, and the Adoption Incentives program.

Payments to States for Foster Care and Adoption Assistance includes those entitlement programs which assist states with the costs of maintaining eligible children in foster care, preparing children for living on their own, and finding and supporting adoptive homes for children with special needs who are unable to return home. Administrative and training costs are also supported. In FY 2006, the Deficit Reduction Act of 2005 was passed and included several provisions impacting the Foster Care and Adoption Assistance programs, including amending the definition of “home of removal” in determining title IV-E eligibility, clarifying eligible claims for children in unlicensed foster care homes, and clarifying claiming for case management services.

The FY 2008 request of \$6.892 billion reflects current law of \$6.877 billion adjusted by +\$15 million assuming Congressional action on legislation proposed in the FY 2008 budget as follows:

- Alternative funding option for the Foster Care program: The Administration continues to strongly support the Child Welfare Program Option introduced in the President's 2004 Budget. This proposal

would allow states the option to receive their foster care funding as a flexible grant for a period of five years or to maintain the program as it is currently funded. The option would provide states with the flexibility to develop a seamless child welfare system that supports a continuum of services to families in crisis and children at risk. States that choose the grant option would be able to use the funds for foster care payments, prevention activities, permanency efforts (including subsidized guardianships), case management, administrative activities (including developing and operating state information systems), training for child welfare staff and other such service related child welfare activities. States would be able to develop innovative and effective systems for preventing child abuse and neglect, keeping families and children safely together, and moving children toward adoption and permanency quickly. This proposal would allow states to receive up-front funding to finance prevention and other child welfare efforts. The up-front funding estimated for FY 2008 is \$9 million, however, this proposal is cost neutral over five years.

- Amend the federal match rate for maintenance payments in both the Adoption Assistance and Foster Care programs for the District of Columbia to 70% from 50%: The Administration continues to support this proposal to bring the match rate for title IV-E of the Social Security Act in line with the match rate for the Medicaid programs as it is currently for all other states. This policy will cost the federal government approximately \$6 million in FY 2008 and \$27 million over five years.

The request also includes \$1,786,000,000 for the first quarter of FY 2009. These funds will ensure the timely awarding of first quarter grants. This amount includes \$8 million to support the child welfare program option and \$2 million due to increasing the match rate for the District of Columbia as discussed above.

The following table illustrates how the FY 2008 request for new budget authority was derived:

<u>IV-E Program</u>	<u>Required in 2007 for the First Quarter of 2008</u>	<u>Requirement for Quarters 2, 3, and 4 2008</u>	<u>First Quarter Requirement for 2009</u>	<u>Total 2008 Estimate</u>
Foster Care	\$1,219,000,000	\$3,374,000,000	\$1,169,000,000	\$4,593,000,000
Adoption Assistance	556,000,000	1,603,000,000	582,000,000	2,159,000,000
Independent Living	35,000,000	105,000,000	35,000,000	140,000,000
Total, IV-E	\$1,810,000,000	\$5,082,000,000	\$1,786,000,000	\$6,892,000,000

**Statement of the Budget Request** – The 2008 request provides \$6,752,000,000 to reimburse states in supporting eligible children in foster care and adoption assistance, as well as \$140,000,000 to support states in offering services and support to children in the foster care program transitioning to independence.

### **Program Description**

Foster Care – The Foster Care program supports ACF's goal to improve healthy development, safety, and well-being of children and youth, and to increase the safety, permanency, and well-being of children and youth. This program is an annually appropriated entitlement program with specific eligibility requirements and fixed allowable uses of funds. It provides funds to states for foster care maintenance payments; administrative costs to manage the program, including costs for statewide automated information systems; and training of staff and foster and adopting parents. The average monthly number

of children receiving federal foster care payments has declined from over 300,000 in FY 1999 to approximately 222,000 in FY 2006.

Adoption Assistance – The Adoption Assistance program provides funds to states to subsidize families that adopt children with special needs who cannot be reunited with their families, thus preventing long, inappropriate stays in foster care, consistent with ACF's goals to improve healthy development, safety, and well-being of children and youth and to increase the safety, permanency, and well-being of children and youth. To receive adoption assistance benefits, a child must have been determined by the state to be a special needs child, e.g., be older, a member of a minority or sibling group, or have a physical, mental, or emotional disability. Additionally, the child must have been: 1) unable to return home, and the state must have been unsuccessful in its efforts to adopt without medical or financial assistance; and 2) receiving or eligible to receive Aid to Families with Dependent Children, as in effect on July 16, 1996, or title IV-E Foster Care benefits, or Supplemental Security Income benefits. Funds also are used for the administrative costs of managing the program and training staff and adoptive parents. The number of children subsidized by this program and the level of federal reimbursement have increased significantly as permanent adoptive homes are found for more children. Over the past five years, the average monthly number of children for whom payments were made has increased more than 60%, from just over 228,000 in FY 2000, to an estimated 377,700 in FY 2006.

Both the Foster Care and Adoption Assistance programs are annually appropriated entitlement programs. Federal financial participation in state maintenance expenditures is provided at the Medicaid match rate for medical assistance payments, which varies among states from 50 percent to 76 percent. State adoption subsidy payments made on behalf of individual children vary from state to state but may not exceed foster family care rates for comparable children. State administrative costs are matched at a 50 percent rate and training for state and local employees and adoptive parents at a 75 percent rate.

Independent Living – This program originated in 1986 and was permanently authorized as part of Public Law 103-66 in 1993. In FY 1999, the federal Independent Living Program was revised and amended by the enactment of Title I of Public Law 106-169, the John H. Chafee Foster Care Independence Act. The Foster Care Independence Act provides states with more flexibility and additional resources to support child welfare services designed to help youth make the transition from foster care to positive, productive adulthood. This program provides services to foster children under 18 and former foster youth (age 18-21) to help them make the transition to independent living by engaging in a variety of services including, but not limited to, educational assistance, career exploration, vocational training, job placement, life skills training, home management, health services, substance abuse prevention, preventive health activities, and room and board.

States have the authority to extend the lower age limit of youth in foster care who are eligible for independent living services, and states may use up to 30 percent of the Chafee Foster Care Independence Program (CFCIP) allotment to provide room and board (age 18-20) and other independent living services to youth (up to age 21) formerly in foster care. Other provisions of the law include: 1) a formula for determining the amount of state allocation based on a state's percent of children in foster care in proportion to the national total of children in foster care, using data from the most recent year available; and 2) a "hold harmless" provision for the state allotments so that no state will receive less funding under CFCIP than it received in FY 1998 or \$500,000, whichever is greater. States now have the option of providing Medicaid to foster care youth until age 21. In order to be awarded federal funds, states must provide a 20 percent match

Funding for the Foster Care, Adoption Assistance, and Independent Living programs during the last five fiscal years has been as follows:



	Foster Care	Adoption Assistance	Independent Living	Total
2003	\$4,884,500,000	\$1,584,500,000	\$140,000,000	\$6,609,000,000
2004	\$4,974,200,000	\$1,699,700,000	\$140,000,000	\$6,813,900,000
2005	\$4,895,500,000	\$1,770,100,000	\$140,000,000	\$6,805,600,000
2006	\$4,685,000,000	\$1,795,000,000	\$140,000,000	\$6,620,000,000
2007	\$4,757,000,000	\$2,044,000,000	\$140,000,000	\$6,941,000,000

### **Rationale for the Budget Request**

In FY 2008, federal assistance of \$4,593,000,000 is requested for the Foster Care program, a decrease of \$164,000,000 compared to the FY 2007 estimate. Of this amount, \$1,219,000,000 is required for the first quarter of FY 2008 in the FY 2007 appropriation. In addition, \$1,169,000,000 is requested for the first quarter of FY 2009 to ensure timely first quarter grant awards. This request includes funding for the child welfare alternative funding option proposed in the FY 2004 budget, and the FY 2006 legislative proposal to increase funds required to pay the District of Columbia at the federal match rate equal to that used in the Medicaid programs, as is done in the states.

In FY 2008, federal assistance of \$2,159,000,000 is requested for the Adoption Assistance program, an increase of \$115,000,000 above the FY 2007 estimate. Of this amount, \$556,000,000 is required in the FY 2007 appropriation for the first quarter of FY 2008. An estimated average of 426,900 children per month, an increase of 25,500 children over FY 2007, will have payments made on their behalf. In addition, \$582,000,000 is requested for the first quarter of FY 2009 to ensure timely first quarter grant awards. This request also reflects the FY 2006 legislative proposal to increase funds to pay the District of Columbia at the federal match rate equal to that used in the Medicaid programs, as is done in the states.

The FY 2008 request of \$140,000,000 for the Independent Living program is the same as the FY 2007 estimate. This will allow continued grants to support the basic Independent Living Program providing services and support to children aging out of foster care.

### **Performance Analysis**

Foster Care – A PART review was conducted in CY 2002 and CY 2003, and the program moved from Results Not Demonstrated to a rating of Adequate. This review found that the program's current funding structure, which combines detailed eligibility requirements with complex but narrow definitions of allowable costs, forces a focus on procedure rather than outcomes for children and families. Foster Care was found to be managed effectively, and although there are reports on the program by the Government Accountability Office and Office of the Inspector General which have examined specific components of the program, currently there are no reports that examine overall program effectiveness. As a result of the PART review, the Administration has proposed legislation to authorize an option to states to participate in an alternative financing system for child welfare that will better meet the needs of each state's foster care population. It also is implementing and reporting on a new efficiency measure, and researching opportunities for independent program evaluations.

Seven measures, including one efficiency measure and two long-term measures, are used to track annual performance in the title IV-E foster care maintenance payments program. Data from federal fiscal year 2005, the most recent year available, indicate that annual targets for two of the four annual outcome measures with an FY 2005 target were either met or exceeded. States are, for example, meeting targets in the areas of moving children to permanency and ensuring stability in foster care placements. The performance measure pertaining to reunification within one year of placement missed its target by only .1

percent, and the Foster Care program continues to work towards decreasing the percentage of foster children who exit to emancipation (the other measure that did not meet its FY05 target).

Adoption Assistance – A PART review was conducted in CY 2005 and the program received a rating of Moderately Effective. This review found that the program increases permanent placement of foster care children, leading to both improved child well-being and reduced federal and state spending. Additionally the program is generally well administered at the state and federal level and well coordinated with related programs. The program is a critical component of the continuum of care provided through the state-administered child welfare system. As a result of the PART review, the program is identifying barriers to increasing the proportion of foster care children receiving adoption assistance.

The original measure for this program was the total number of adoptions; however, the adoption measure was changed from absolute numbers to a rate. The new adoption rate measure takes into account the critical factor of the number of children in foster care which can have a significant impact on the number of children for whom adoption is the appropriate permanency plan. In FY 2005, the adoption rate was 9.86 percent. This is computed by dividing the 51,000 adoptions in FY 2005 by the 517,000 foster children in care at the end of FY 2004. This rate may increase as additional adoptions for that year are reported.

Independent Living – A PART review was conducted in CY 2004 and the program received a rating of Results Not Demonstrated. In response to PART Follow-up Actions, the program currently is working to implement the National Youth in Transition Database and develop annual and long-term performance measures using the new database. An interim efficiency measure and a developmental efficiency measure were recently approved by OMB.

Performance measurement will be provided for the Independent Living Program through data collected by the National Youth in Transition Database (NYTD). A Notice of Proposed Rule Making to implement NYTD was published on July 14, 2006. Once NYTD is implemented, annual measures will document whether specific outcomes have been achieved, such as whether there has been an increase in the percentage of youth who:

- have resources to meet their living expenses,
- have a safe place to live,
- attain their educational or vocational goals,
- have positive relationships with adults in their lives,
- avoid high-risk behaviors, and
- are able to access needed health services.

Note: Performance measurement for the Foster Care, Adoption Assistance and Independent Living programs is part of a broader Child Welfare performance program area included in the Detail of Performance Analysis exhibit.

Resource and Program Data  
Foster Care

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$4,316,312,000	\$4,463,787,000	\$4,577,399,000
Discretionary			
Research/Evaluation			1,000,000
Demonstration/Development			
Training/Technical Assistance	8,338,000	10,413,000	13,051,000
Program Support <sup>1</sup>	713,000	800,000	1,550,000
Total, Resources	\$4,325,363,000	\$4,475,000,000 <sup>2</sup>	\$4,593,000,000
<u>Program Data:</u>			
Number of Grants	53	53	53
New Starts:			
#	52	52	52
\$	\$4,316,312,000	\$4,463,787,000	\$4,577,399,000
Continuations:			
#	1	1	1
\$	\$800,000	\$800,000	\$800,000
Contracts:			
#	7	7	10
\$	\$7,720,000	\$9,772,000	\$13,410,000
Interagency Agreements:			
#	2	2	2
\$	\$425,000	\$400,000	\$400,000

<sup>1</sup> Includes funding for information technology support, contractor fees and contract support. In FY 2008, amounts include funding for monitoring and review activities.

<sup>2</sup> Assumes lapse of \$282 million.

Resource and Program Data  
Adoption Assistance

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$1,791,460,000	\$2,027,000,000	\$2,159,000,000
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$1,791,460,000	\$2,027,000,000 <sup>1</sup>	\$2,159,000,000
<u>Program Data:</u>			
Number of Grants	52	52	52
New Starts:			
#	52	52	52
\$	\$1,791,460,000	\$2,027,000,000	\$2,159,000,000
Continuations:			
#	0	0	0
\$	\$0	\$0	\$0
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

<sup>1</sup> Assumes lapse of \$17 million.

Resource and Program Data  
Independent Living

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$137,900,000	\$137,900,000	\$137,900,000
Discretionary			
Research/Evaluation	1,300,000	1,328,000	1,300,000
Demonstration/Development			
Training/Technical Assistance	450,000	450,000	450,000
Program Support <sup>1</sup>	339,000	322,000	350,000
Total, Resources	\$139,989,000	\$140,000,000	\$140,000,000
<u>Program Data:</u>			
Number of Grants	53	53	53
New Starts:			
#	53	53	53
\$	\$138,350,000	\$138,350,000	\$138,350,000
Continuations:			
#			
\$			
Contracts:			
#	1	1	1
\$	\$1,231,000	\$1,271,000	\$1,263,000
Interagency Agreements:			
#	2	2	2
\$	\$139,000	\$100,000	\$100,000

<sup>1</sup> Includes funding for information technology support, staffing and associated overhead costs, and support for Departmental evaluation activities.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2008 MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: Title IV-E Foster Care (CFDA #93.658)**

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$18,615,817	\$19,251,860	\$19,703,041	\$451,181
Alaska	16,009,907	16,556,914	16,944,937	388,023
Arizona	94,356,566	97,580,428	99,867,294	2,286,866
Arkansas	31,577,863	32,656,778	33,422,113	765,335
California	1,183,913,698	1,224,364,248	1,253,058,088	28,693,840
Colorado	61,415,859	63,514,243	65,002,744	1,488,501
Connecticut	82,984,226	85,819,532	87,830,773	2,011,241
Delaware	6,156,833	6,367,192	6,516,412	149,220
District of Columbia	9,362,624	9,682,515	9,909,432	226,917
Florida	144,203,590	149,130,566	152,625,546	3,494,980
Georgia	31,630,875	32,711,601	33,478,220	766,619
Hawaii	23,637,066	24,444,669	25,017,547	572,878
Idaho	8,907,365	9,211,701	9,427,584	215,883
Illinois	213,895,614	221,203,744	226,387,810	5,184,066
Indiana	99,022,925	102,406,222	104,806,184	2,399,962
Iowa	26,704,248	27,616,647	28,263,863	647,216
Kansas	29,910,699	30,932,652	31,657,581	724,929
Kentucky	54,154,956	56,005,258	57,317,781	1,312,523
Louisiana	55,643,153	57,544,302	58,892,893	1,348,591
Maine	8,148,578	8,426,989	8,624,481	197,492
Maryland	121,065,808	125,202,240	128,136,443	2,934,203
Massachusetts	68,972,206	71,328,766	73,000,406	1,671,640
Michigan	91,434,594	94,558,622	96,774,670	2,216,048
Minnesota	58,688,800	60,694,009	62,116,416	1,422,407
Mississippi	7,924,926	8,195,695	8,387,767	192,072
Missouri	57,235,522	59,191,077	60,578,262	1,387,185
Montana	12,863,865	13,303,382	13,615,156	311,774
Nebraska	14,469,705	14,964,089	15,314,783	350,694
Nevada	21,182,807	21,906,556	22,419,952	513,396
New Hampshire	16,913,426	17,491,304	17,901,225	409,921
New Jersey	54,991,589	56,870,476	58,203,276	1,332,800
New Mexico	20,872,106	21,585,239	22,091,104	505,865
New York	342,990,646	354,709,541	363,022,410	8,312,869
North Carolina	84,336,365	87,217,869	89,261,881	2,044,012
North Dakota	9,750,901	10,084,058	10,320,385	236,327

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Ohio	201,788,603	208,683,075	213,573,710	4,890,635
Oklahoma	42,357,721	43,804,949	44,831,549	1,026,600
Oregon	55,539,458	57,437,064	58,783,142	1,346,078
Pennsylvania	220,820,399	228,365,127	233,717,025	5,351,898
Rhode Island	13,014,184	13,458,837	13,774,254	315,417
South Carolina	10,622,509	10,985,446	11,242,898	257,452
South Dakota	5,591,591	5,782,638	5,918,158	135,520
Tennessee	40,840,930	42,236,334	43,226,172	989,838
Texas	212,079,383	219,325,458	224,465,505	5,140,047
Utah	23,032,637	23,819,589	24,377,818	558,229
Vermont	11,451,915	11,843,190	12,120,744	277,554
Virginia	78,547,501	81,231,218	83,134,929	1,903,711
Washington	78,828,539	81,521,858	83,432,380	1,910,522
West Virginia	12,714,659	13,149,078	13,457,236	308,158
Wisconsin	84,861,413	87,760,856	89,817,594	2,056,738
Wyoming	3,080,173	3,185,413	3,260,065	74,652
<b>Subtotal</b>	<b>4,279,117,343</b>	<b>4,425,321,114</b>	<b>4,529,031,639</b>	<b>103,710,525</b>
Puerto Rico	37,195,050	38,465,886	39,367,361	901,475
<b>Subtotal</b>	<b>37,195,050</b>	<b>38,465,886</b>	<b>39,367,361</b>	<b>901,475</b>
<b>Total States/Territories</b>	<b>4,316,312,393</b>	<b>4,463,787,000</b>	<b>4,568,399,000</b>	<b>104,612,000</b>
Technical Assistance	9,050,748	11,213,000	15,601,000	4,388,000
New Program Option	0	0	9,000,000	9,000,000
<b>Subtotal Adjustments</b>	<b>9,050,748</b>	<b>11,213,000</b>	<b>24,601,000</b>	<b>13,388,000</b>
<b>TOTAL RESOURCES</b>	<b>\$4,325,363,141</b>	<b>\$4,475,000,000<sup>1</sup></b>	<b>\$4,593,000,000</b>	<b>\$118,000,000</b>

<sup>1</sup> FY 2007 assumes a lapse of \$282 million.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2008 MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: Title IV-E Adoption Assistance (CFDA #93.659)**

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$7,811,584	\$8,838,645	\$9,414,225	\$575,580
Alaska	7,283,293	8,240,894	8,777,549	536,655
Arizona	37,146,424	42,030,405	44,767,462	2,737,057
Arkansas	10,131,663	11,463,766	12,210,296	746,530
California	313,126,768	354,296,422	377,368,511	23,072,089
Colorado	19,940,945	22,562,764	24,032,071	1,469,307
Connecticut	24,854,005	28,121,789	29,953,105	1,831,316
Delaware	1,605,115	1,816,154	1,934,424	118,270
District of Columbia	11,621,189	13,149,133	14,005,416	856,283
Florida	60,960,304	68,975,315	73,467,047	4,491,732
Georgia	34,750,918	39,319,940	41,880,489	2,560,549
Hawaii	11,221,339	12,696,711	13,523,532	826,821
Idaho	3,369,098	3,812,064	4,060,309	248,245
Illinois	88,695,619	100,357,246	106,892,597	6,535,351
Indiana	36,956,028	41,814,976	44,538,004	2,723,028
Iowa	21,851,774	24,724,827	26,334,930	1,610,103
Kansas	13,084,151	14,804,444	15,768,523	964,079
Kentucky	24,766,219	28,022,461	29,847,308	1,824,847
Louisiana	13,506,743	15,282,599	16,277,815	995,216
Maine	8,317,959	9,411,597	10,024,489	612,892
Maryland	19,670,774	22,257,071	23,706,471	1,449,400
Massachusetts	28,982,256	32,792,819	34,928,316	2,135,497
Michigan	113,110,211	127,981,849	136,316,138	8,334,289
Minnesota	22,009,462	24,903,248	26,524,969	1,621,721
Mississippi	4,284,167	4,847,446	5,163,116	315,670
Missouri	36,221,954	40,984,387	43,653,326	2,668,939
Montana	7,436,896	8,414,693	8,962,665	547,972
Nebraska	7,035,350	7,960,352	8,478,737	518,385
Nevada	6,572,984	7,437,195	7,921,511	484,316
New Hampshire	3,571,141	4,040,672	4,303,804	263,132
New Jersey	31,675,590	35,840,271	38,174,220	2,333,949
New Mexico	11,676,591	13,211,820	14,072,185	860,365
New York	211,356,830	239,145,853	254,719,239	15,573,386
North Carolina	28,654,215	32,421,648	34,532,974	2,111,326
North Dakota	3,396,877	3,843,496	4,093,787	250,291



<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Ohio	146,036,837	165,237,641	175,998,060	10,760,419
Oklahoma	28,610,917	32,372,657	34,480,792	2,108,135
Oregon	30,401,789	34,398,991	36,639,084	2,240,093
Pennsylvania	73,207,015	82,832,213	88,226,319	5,394,106
Rhode Island	9,408,792	10,645,852	11,339,119	693,267
South Carolina	13,004,395	14,714,202	15,672,404	958,202
South Dakota	2,705,780	3,061,534	3,260,903	199,369
Tennessee	29,990,813	33,933,981	36,143,791	2,209,810
Texas	58,295,688	65,960,357	70,255,753	4,295,396
Utah	6,826,052	7,723,536	8,226,499	502,963
Vermont	5,678,120	6,424,675	6,843,055	418,380
Virginia	14,197,254	16,063,897	17,109,992	1,046,095
Washington	34,313,568	38,825,088	41,353,411	2,528,323
West Virginia	10,741,194	12,153,437	12,944,880	791,443
Wisconsin	39,669,718	44,885,460	47,808,440	2,922,980
Wyoming	850,140	961,916	1,024,556	62,640
<b>Subtotal</b>	<b>1,790,594,508</b>	<b>2,026,020,409</b>	<b>2,157,956,618</b>	<b>131,936,209</b>
Puerto Rico	865,761	979,591	1,043,382	63,791
<b>Subtotal</b>	<b>865,761</b>	<b>979,591</b>	<b>1,043,382</b>	<b>63,791</b>
<b>Total States/Territories</b>	<b>1,791,460,269</b>	<b>2,027,000,000</b>	<b>2,159,000,000</b>	<b>132,000,000</b>
<b>TOTAL RESOURCES</b>	<b>\$1,791,460,269</b>	<b>\$2,027,000,000<sup>1</sup></b>	<b>\$2,159,000,000</b>	<b>\$132,000,000</b>

<sup>1</sup> FY 2007 assumes a lapse of \$17 million.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2008 MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: Independent Living Program (CFDA #93.674)**

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$1,631,326	\$1,766,187	\$1,766,187	\$0
Alaska	500,000	500,000	500,000	0
Arizona	2,344,164	2,604,939	2,604,939	0
Arkansas	796,126	835,131	835,131	0
California	23,738,286	20,987,927	20,987,927	0
Colorado	2,106,894	2,123,510	2,123,510	0
Connecticut	1,748,804	1,818,157	1,818,157	0
Delaware	500,000	500,000	500,000	0
District of Columbia	1,091,992	1,091,992	1,091,992	0
Florida	7,419,887	7,578,757	7,578,757	0
Georgia	3,654,418	3,610,718	3,610,718	0
Hawaii	759,109	715,163	715,163	0
Idaho	500,000	500,000	500,000	0
Illinois	5,123,537	5,023,978	5,023,978	0
Indiana	2,505,086	2,806,354	2,806,354	0
Iowa	1,384,031	1,756,621	1,756,621	0
Kansas	1,557,806	1,508,408	1,508,408	0
Kentucky	1,799,446	1,884,088	1,884,088	0
Louisiana	1,358,131	1,358,131	1,358,131	0
Maine	702,298	597,003	597,003	0
Maryland	2,856,235	2,809,714	2,809,714	0
Massachusetts	3,230,262	3,165,744	3,165,744	0
Michigan	5,491,138	5,299,855	5,299,855	0
Minnesota	1,809,215	1,839,617	1,839,617	0
Mississippi	746,770	845,216	845,216	0
Missouri	3,007,131	2,933,045	2,933,045	0
Montana	521,839	574,508	574,508	0
Nebraska	1,617,445	1,611,054	1,611,054	0
Nevada	917,975	1,207,451	1,207,451	0
New Hampshire	500,000	500,000	500,000	0
New Jersey	3,425,888	3,113,517	3,113,517	0
New Mexico	596,388	593,900	593,900	0
New York	11,585,958	11,585,958	11,585,958	0
North Carolina	2,590,431	2,766,019	2,766,019	0
North Dakota	500,000	500,000	500,000	0

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Ohio	4,628,175	4,509,712	4,509,712	0
Oklahoma	2,707,909	2,967,433	2,967,433	0
Oregon	2,595,316	2,869,699	2,869,699	0
Pennsylvania	5,641,006	5,608,312	5,608,312	0
Rhode Island	620,552	648,714	648,714	0
South Carolina	1,248,044	1,216,500	1,216,500	0
South Dakota	500,000	500,000	500,000	0
Tennessee	2,465,241	2,331,388	2,331,388	0
Texas	6,305,516	7,479,472	7,479,472	0
Utah	541,890	591,315	591,315	0
Vermont	500,000	500,000	500,000	0
Virginia	1,765,770	1,815,572	1,815,572	0
Washington	2,408,173	2,603,129	2,603,129	0
West Virginia	1,025,684	1,119,801	1,119,801	0
Wisconsin	2,008,182	2,076,195	2,076,195	0
Wyoming	500,000	500,000	500,000	0
<b>Subtotal</b>	<b>136,079,474</b>	<b>136,249,904</b>	<b>136,249,904</b>	<b>0</b>
Puerto Rico	1,820,526	1,650,096	1,650,096	0
<b>Subtotal</b>	<b>1,820,526</b>	<b>1,650,096</b>	<b>1,650,096</b>	<b>0</b>
<b>Total States/Territories</b>	<b>137,900,000</b>	<b>137,900,000</b>	<b>137,900,000</b>	<b>0</b>
Technical Assistance	2,089,181	2,100,000	2,100,000	0
<b>Subtotal Adjustments</b>	<b>2,089,181</b>	<b>2,100,000</b>	<b>2,100,000</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$139,989,181</b>	<b>\$140,000,000</b>	<b>\$140,000,000</b>	<b>\$0</b>

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DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

SOCIAL SERVICES BLOCK GRANT

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## Appropriation Language

### ADMINISTRATION FOR CHILDREN AND FAMILIES Social Services Block Grant

*For making grants to States pursuant to section 2002 of the Social Security Act (42 U.S.C. 1397a), \$1,200,000,000: Provided, That notwithstanding section 2003(c) of such Act, the amount specified for allocation under such section for fiscal year 2008 shall be \$1,200,000,000.*

### **Comparison of Proposed FY 2008 Appropriation Language to Most Recently Enacted Full-Year Appropriation**

### ADMINISTRATION FOR CHILDREN AND FAMILIES Social Services Block Grant

*For making grants to States pursuant to section 2002 of the Social Security Act (42 U.S.C. 1397a), ~~\$1,700,000,000~~**\$1,200,000,000**: Provided, That notwithstanding ~~subparagraph (B) of section 404(d)(2) of such Act, the applicable percent specified under such subparagraph for a State to carry out State programs pursuant to title XX of such Act shall be 10 percent~~**section 2003(c) of such Act, the amount specified for allocation under such section for fiscal year 2008 shall be \$1,200,000,000.***

## LANGUAGE ANALYSIS

Language Provision	Explanation
“...(42 U.S.C. 1397a)...”	The appropriate United States Code reference has been inserted for the authority cited for clarification purposes.
“... <del>subparagraph (B) of section 404(d)(2) of such Act, the applicable percent specified under such subparagraph for a State to carry out State programs pursuant to title XX of such Act shall be 10 percent...</del> ”	This language is deleted to reflect the enactment of S. 1932 (The Deficit Reduction Act of 2005) which includes the transfer of 10 percent from TANF to SSBG.
“... <b>section 2003(c) of such Act, the amount specified for allocation under such section for fiscal year 2008 shall be \$1,200,000,000.</b> ”	This language is proposed to override section 2003(c) to authorize FY 2008 funding at the request level.

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children and Families  
Social Services Block

Amounts Available for Obligation

	<u>2006 Actual</u>	<u>2007 Estimate</u>	<u>2008 Pres. Budget</u>
Appropriation:			
Block Grant .....	\$1,700,000,000	\$1,700,000,000	\$1,200,000,000
<i>Hurricane Relief</i> .....	<i>550,000,000</i>		
Total, Obligations .....	\$2,250,000,000	\$1,700,000,000	\$1,200,000,000

SUMMARY OF CHANGES

FY 2007 Estimate .....	\$1,700,000,000
FY 2008 Pres. Budget .....	\$1,200,000,000
Net change .....	-\$500,000,000

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	<u>2007 Current Budget Base</u>	<u>Change from Base</u>
<u>Decreases:</u>		
<u>Program:</u>		
Block Grant .....	\$1,700,000,000	-\$500,000,000
Total Decreases .....		-\$500,000,000
Net Change .....		-\$500,000,000



ADMINISTRATION FOR CHILDREN AND FAMILIES  
Social Services Block Grant

Budget Authority by Activity  
(Dollars in thousands)

	2006 <u>Enacted</u>	2007 <u>Estimate</u>	2008 <u>Pres. Budget</u>
Social Services Block Grant .....	\$1,700,000	\$1,700,000	\$1,200,000
Total, Budget Authority .....	\$1,700,000	\$1,700,000	\$1,200,000
<i>Hurricane Relief</i> .....	<i>\$550,000<sup>1</sup></i>		

Budget Authority by Object

	2007 <u>Estimate</u>	2008 <u>Pres. Budget</u>	Increase or <u>Decrease</u>
Grants, Subsidies and Contributions (41.0).....	\$1,700,000,000	\$1,200,000,000	-\$500,000,000
Total, Budget Authority .....	\$1,700,000,000	\$1,200,000,000	-\$500,000,000

Authorizing Legislation

	2007 Amount Authorized	2007 Budget Estimate	2008 Amount Authorized	2008 Budget Request
Social Services Block Grant (Section 2001 of the SSA)	\$1,700,000,000	\$1,700,000,000	\$1,700,000,000	\$1,200,000,000

<sup>1</sup> Represents \$550 million in one-time emergency funding provided in the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 for states impacted by hurricanes of 2005 in the Gulf of Mexico.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Social Services Block Grant

APPROPRIATIONS HISTORY TABLE

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
1999	\$1,909,000,000	\$2,299,000,000	\$1,909,000,000	\$1,909,000,000
2000	2,380,000,000	1,909,000,000	1,050,000,000	1,775,000,000
2001	1,775,000,000	1,700,000,000	600,000,000	1,725,000,000
2002	1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
2003	1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
2004	1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
2005	1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
2006				
Block Grant	1,700,000,000	1,700,000,000	1,700,000,000	1,700,000,000
<i>Hurricane Relief</i>	<i>550,000,000</i>			<i>550,000,000</i>
2007	1,200,000,000			
2008	1,200,000,000			

Social Services Block Grant

Justification

Authorizing Legislation – Section 2001 of the Social Security Act.

	2006 Actual	2007 Estimate	2008 Pres. Budget	Increase or Decrease
Block Grant	\$1,700,000,000	\$1,700,000,000	\$1,200,000,000	-\$500,000,000
<i>Hurricane Relief</i>	<i>550,000,000</i>			

2008 Authorization...\$1,700,000,000 (Legislation is being proposed to permanently reduce the authorization level starting in FY 2009 from \$1,700,000,000 to \$1,200,000,000)

General Statement

The Social Services Block Grant (SSBG) is designed to reduce or eliminate dependency; achieve or maintain self-sufficiency for families; help prevent neglect, abuse or exploitation of children and adults; prevent or reduce inappropriate institutional care; and secure admission or referral for institutional care when other forms of care are not appropriate. The Social Services Block Grant serves low-income children and families, the disabled, and elderly with well-documented need. The Social Services Block Grant provides state and local flexibility in allocating federal funds and enables states to target populations that might not otherwise be eligible for services needed to remain self-sufficient and economically independent.

The FY 2008 President’s Budget request of \$1,200,000,000 for this account includes a proposed revision in appropriations language to override section 2003(c) to allow for reduction in the program funding.

**Statement of the Budget Request** – The FY 2008 budget request of \$1,200,000,000 for the Social Services Block Grant program will provide funding to states for a broad array of social services targeted to the needs of individuals residing within the state.

**Program Description** – The Social Services Block Grant is an appropriated entitlement program that serves low-income children and families, the disabled and the elderly. Social Services Block Grant funds are distributed to the 50 United States and the District of Columbia, based on each state's relative population as compared to all other states. Distributions are made to Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Commonwealth of the Northern Marianas based on the same ratio allotted to them in 1981 as compared to the total 1981 appropriation. There are no matching requirements.

Services include, but are not limited to: child care services; protective services for children and adults; services for children and adults in foster care; services related to the management and maintenance of home day care services; employment services; information, referral, and counseling services; the preparation and delivery of meals; health support services; and appropriate combinations of services designed to meet the needs of children, the aged, the mentally impaired, the blind, the emotionally disturbed, the physically handicapped, and alcohol and drug addicted individuals. Activities supported with Social Services Block Grant funds vary from state to state, with each of the 50 states, the District of

Columbia, and jurisdictions designing social services programs best suited to meet the specific needs of their residents.

Funding for the Social Services Block Grant program during the last five years has been as follows:

2003 .....	\$1,700,000,000
2004 .....	\$1,700,000,000
2005 .....	\$1,700,000,000
2006 .....	\$1,700,000,000
2006 .....	\$550,000,000 <sup>1</sup>
2007 .....	\$1,700,000,000

**Rationale for the Budget Request** – The FY 2008 request is \$1,200,000,000, a decrease of \$500,000,000 from the FY 2007 estimate. In light of the key program weaknesses identified in the PART including the lack of clear goals or performance objectives and the overlap with other federal social service programs, this request proposes a significant reduction in the SSBG program, and instead proposes to direct funding to programs that can demonstrate results. Proposed appropriation bill language for FY 2008 would override the authorized SSBG funding level in section 2003 of the Social Security Act to reduce 2008 funding to the request level; legislation will be proposed to permanently reduce the authorization level starting in FY 2009 to \$1,200,000,000.

**Performance Analysis** – A PART review was conducted in CY 2005 and the program received a rating of Results Not Demonstrated. This review found that the program lacked a national system of performance measures against which program performance can be measured and improvements sought, as well as evaluations of SSBG-funded activities and programs of sufficient scope. The program’s flexibility and lack of state reporting requirements pose a challenge in developing measures and ensuring that funds are used to support effective activities. Based on PART Recommendations, the program is currently exploring approaches for developing annual and long-term performance measures, and working to identify other accountability methods to ensure that SSBG funds are spent efficiently and effectively.

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<sup>1</sup> As part of the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006, Congress provided \$550 million in SSBG funds to be directed to states impacted by hurricanes of 2005 in the Gulf of Mexico.

Resource and Program Data  
Social Services Block Grant

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$1,700,000,000	\$1,700,000,000	\$1,200,000,000
<i>Hurricane Relief</i> <sup>1</sup>	<i>550,000,000</i>		
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$2,250,000,000	\$1,700,000,000	\$1,200,000,000
<u>Program Data:</u>			
Number of Grants	57	57	57
New Starts:			
#	57	57	57
\$	\$2,250,000,000	\$1,700,000,000	\$1,200,000,000
Continuations:			
#	0	0	0
\$	\$0	\$0	\$0
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

<sup>1</sup> As part of the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006, Congress provided \$550 million in SSBG funds to be directed to states impacted by hurricanes of 2005 in the Gulf of Mexico.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2008 MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: Social Services Block Grant (CFDA #93.667)**

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual<sup>1</sup></b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$26,163,433	\$26,163,433	\$18,468,306	-\$7,695,127
Alaska	3,771,660	3,771,660	2,662,348	-1,109,312
Arizona	32,441,951	32,441,951	22,900,201	-9,541,750
Arkansas	15,844,916	15,844,916	11,184,647	-4,660,269
California	206,275,556	206,275,556	145,606,275	-60,669,281
Colorado	26,453,718	26,453,718	18,673,213	-7,780,505
Connecticut	20,249,276	20,249,276	14,293,607	-5,955,669
Delaware	4,752,177	4,752,177	3,354,478	-1,397,699
District of Columbia	3,275,022	3,275,022	2,311,780	-963,242
Florida	98,933,967	98,933,967	69,835,741	-29,098,226
Georgia	50,485,333	50,485,333	35,636,706	-14,848,627
Hawaii	7,310,632	7,310,632	5,160,446	-2,150,186
Idaho	7,942,659	7,942,659	5,606,583	-2,336,076
Illinois	73,556,631	73,556,631	51,922,328	-21,634,303
Indiana	36,016,047	36,016,047	25,423,092	-10,592,955
Iowa	17,114,200	17,114,200	12,080,612	-5,033,588
Kansas	15,832,086	15,832,086	11,175,590	-4,656,496
Kentucky	23,937,443	23,937,443	16,897,019	-7,040,424
Louisiana	26,137,751	26,137,751	18,450,177	-7,687,574
Maine	7,590,360	7,590,360	5,357,901	-2,232,459
Maryland	32,023,976	32,023,976	22,605,160	-9,418,816
Massachusetts + (Mass. Blind)	37,398,286	37,398,286	26,398,790	-10,999,496
Michigan	58,596,212	58,596,212	41,362,032	-17,234,180
Minnesota	29,410,779	29,410,779	20,760,550	-8,650,229
Mississippi	16,749,246	16,749,246	11,822,997	-4,926,249
Missouri	33,160,878	33,160,878	23,407,679	-9,753,199
Montana	5,334,245	5,334,245	3,765,349	-1,568,896
Nebraska	10,110,716	10,110,716	7,136,976	-2,973,740
Nevada	13,028,108	13,028,108	9,196,312	-3,831,796
New Hampshire	7,485,485	7,485,485	5,283,872	-2,201,613
New Jersey	50,216,075	50,216,075	35,446,641	-14,769,434
New Mexico	10,897,365	10,897,365	7,692,258	-3,205,107
New York	111,554,535	111,554,535	78,744,378	-32,810,157
North Carolina	48,872,383	48,872,383	34,498,153	-14,374,230
North Dakota	3,684,574	3,684,574	2,600,876	-1,083,698

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual<sup>1</sup></b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Ohio	66,477,722	66,477,722	46,925,451	-19,552,271
Oklahoma	20,412,974	20,412,974	14,409,158	-6,003,816
Oregon	20,692,376	20,692,376	14,606,383	-6,085,993
Pennsylvania	71,881,934	71,881,934	50,740,189	-21,141,745
Rhode Island	6,255,876	6,255,876	4,415,912	-1,839,964
South Carolina	24,107,913	24,107,913	17,017,350	-7,090,563
South Dakota	4,443,024	4,443,024	3,136,252	-1,306,772
Tennessee	33,958,811	33,958,811	23,970,925	-9,987,886
Texas	128,577,655	128,577,655	90,760,698	-37,816,957
Utah	13,669,371	13,669,371	9,648,968	-4,020,403
Vermont	3,598,946	3,598,946	2,540,432	-1,058,514
Virginia	42,937,659	42,937,659	30,308,936	-12,628,723
Washington	35,642,856	35,642,856	25,159,663	-10,483,193
West Virginia	10,523,814	10,523,814	7,428,575	-3,095,239
Wisconsin	31,811,158	31,811,158	22,454,935	-9,356,223
Wyoming	2,913,782	2,913,782	2,056,787	-856,995
<b>Subtotal</b>	<b>1,690,513,552</b>	<b>1,690,513,552</b>	<b>1,193,303,684</b>	<b>-497,209,868</b>
American Samoa	48,518	48,518	34,248	-14,270
Guam	293,103	293,103	206,896	-86,207
Northern Mariana Islands	58,621	58,621	41,380	-17,241
Puerto Rico	8,793,103	8,793,103	6,206,896	-2,586,207
Virgin Islands	293,103	293,103	206,896	-86,207
<b>Subtotal</b>	<b>9,486,448</b>	<b>9,486,448</b>	<b>6,696,316</b>	<b>-2,790,132</b>
<b>Total States/Territories</b>	<b>1,700,000,000</b>	<b>1,700,000,000</b>	<b>1,200,000,000</b>	<b>-500,000,000</b>
<b>TOTAL, B.A.</b>	<b>\$1,700,000,000</b>	<b>\$1,700,000,000</b>	<b>\$1,200,000,000</b>	<b>-\$500,000,000</b>
<i>Hurricane Relief</i>	<i>550,000,000</i>			

<sup>1</sup> This one-time amount in hurricane relief funding will be distributed as grantees assess their needs.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

PROMOTING SAFE AND STABLE FAMILIES

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**Appropriation Language**

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Promoting Safe and Stable Families

*For carrying out section 436 of the Social Security Act, \$345,000,000 and section 437,  
\$89,100,000.*

**Comparison of Proposed FY 2008 Appropriation Language to  
Most Recently Enacted Full-Year Appropriations**

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Promoting Safe and Stable Families

For carrying out section 436 of the Social Security Act, ~~\$305,000,000~~ **\$345,000,000** and ~~for~~  
section 437, ~~\$90,000,000~~ **\$89,100,000**.

**LANGUAGE ANALYSIS**

Language Provision	Explanation
“... <del>for</del> ...”	This change makes the appropriations language clearly consistent with the authorizing language.

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children and Families  
Promoting Safe and Stable Families

Amounts Available for Obligation

	<u>2006 Enacted<sup>1</sup></u>	<u>2007 CR Level</u>	<u>2008 Pres. Budget</u>
Appropriation:			
Annual <sup>2</sup> .....	\$435,000,000	\$434,100,000	\$434,100,000
Pre-Appropriated .....	20,000,000	20,000,000	20,000,000
Enacted rescission .....	-900,000	0	0
Section 202 transfer to CMS .....	-61,000	0	0
Subtotal, Adjusted Appropriation .....	\$454,039,000	\$454,100,000	\$454,100,000
Total, Obligations .....	\$454,039,000	\$454,100,000	\$454,100,000

SUMMARY OF CHANGES

FY 2007 CR Level		
Total estimated budget authority .....		\$454,100,000
FY 2008 Pres. Budget		
Total estimated budget authority .....		\$454,100,000
Net change.....		\$0

<sup>1</sup> Congress appropriated an additional \$40 million for the Promoting Safe and Stable Families program in P.L. 109-288, the Child and Family Services Improvement Act of 2006, which raised the program level to a total of \$435 million in FY 2006.

<sup>2</sup> Funds are a combination of \$345 million in mandatory funds and \$90 million in discretionary funds in FY 2006, and \$345 million in mandatory funds in FY 2007 and 2008, with discretionary funds of \$89.1 million.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Promoting Safe and Stable Families

Budget Authority by Activity  
(Dollars in thousands)

	<u>2006</u> <u>Enacted</u>	<u>2007</u> <u>CR Level</u>	<u>2008</u> <u>Pres. Budget</u>
Promoting Safe and Stable Families .....	\$454,039	\$454,100	\$454,100
Total Obligations .....	\$454,039	\$454,100	\$454,100

Budget Authority by Object

	<u>2007</u> <u>CR Level</u>	<u>2008</u> <u>Pres. Budget</u>	<u>Increase or</u> <u>Decrease</u>
Advisory and Assistance Services (25.1) .....	\$2,906,000	\$3,125,000	+\$219,000
Purchases from Govt. Accounts (25.3) .....	720,000	837,000	+117,000
Grants (41.0) .....	450,474,000	450,138,000	-336,000
Total, Budget Authority .....	\$454,100,000	\$454,100,000	\$0

Authorizing Legislation

	2007 Amount Authorized	2007 CR Level	2008 Amount Authorized	2008 Budget Request
Promoting Safe and Stable Families [Sections 436, 437 and 438 of the Social Security Act]	\$565,000,000	\$454,100,000	\$565,000,000	\$454,100,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Promoting Safe and Stable Families

APPROPRIATIONS HISTORY TABLE

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
1999	\$275,000,000	\$275,000,000	\$275,000,000	\$275,000,000
Rescission	0	0	0	-44,000
2000	295,000,000	295,000,000	295,000,000	295,000,000
2001	305,000,000	305,000,000	305,000,000	305,000,000
2002	572,000,000	375,000,000	375,000,000	375,000,000
Rescission	0	0	0	-14,000
2003	530,000,000	375,000,000	505,000,000	405,000,000
Rescission	0	0	0	-650,000
2004	554,978,000	404,350,000	404,350,000	405,000,000
Rescission	0	0	0	-617,000
2005	505,000,000	410,000,000	404,383,000	404,383,000
Rescission	0	0	0	-797,000
2006	410,000,000	404,000,000	395,000,000	435,000,000
Pre-appropriated	0	0	0	20,000,000
Rescission	0	0	0	-900,000
Section 202 Transfer to CMS	0	0	0	-61,000
2007	434,100,000			
Pre-appropriated				20,000,000
2008	434,100,000			
Pre-appropriated				20,000,000

Promoting Safe and Stable Families

Justification

Authorizing Legislation – Sections 436-438 of the Social Security Act.

	2006 Enacted <sup>1</sup>	2007 CR Level	2008 Pres. Budget	Increase or Decrease
Promoting Safe and Stable Families, B.A.	\$434,039,000	\$434,100,000	\$434,100,000	\$0
<i>State Court Improvement (pre-appropriated)</i>	<i>\$20,000,000</i>	<i>\$20,000,000</i>	<i>\$20,000,000</i>	<i>\$0</i>
Total, Program Level	\$454,039,000	\$454,100,000	\$454,100,000	\$0

2008 Authorization...\$565,000,000 (\$345,000,000 in mandatory funds and \$200,000,000 in discretionary funds; \$20,000,000 in pre-appropriated funds.)

General Statement

The Promoting Safe and Stable Families program is a combination of a capped entitlement program and a discretionary grant program. Its purpose is to enable each state to operate a coordinated program of family preservation services, community-based family support services, time-limited reunification services, and adoption promotion and support services.

- Family preservation services are designed to help families alleviate crises; maintain the safety of children in their own homes; support families who are preparing to reunify or adopt, and assist families to obtain support to address their multiple needs in a culturally sensitive manner. The definition was amended in the 2002 reauthorization to allow states to support infant safe haven programs.
- Family support services are primarily community-based preventive activities designed to promote parental competencies and behaviors that will increase the ability of families to successfully nurture their children; enable families to use other resources and opportunities available in the community; create supportive networks to enhance child-rearing abilities of parents and help compensate for the increased social isolation and vulnerability of families; and strengthen parental relationships and promote healthy marriages.
- Time-limited reunification services are provided to a child who is removed from home and placed in a foster care setting and to the parents or primary caregiver. These services are available only for 15 months from the date the child enters foster care. Time-limited reunification services facilitate the safe and timely reunification of the child with the family.

<sup>1</sup> Congress appropriated an additional \$40 million for the Promoting Safe and Stable Families program in P.L. 109-288, the Child and Family Services Improvement Act of 2006, which raised the program level to a total of \$435 million in FY 2006.

- Adoption promotion and support services are designed to encourage more adoptions of children out of the foster care system when adoptions are in the best interests of the children. They include pre- and post-adoption services designed to expedite the adoption process and support adoptive families.

This budget reflects enactment of the Deficit Reduction Act of 2005 (P.L.109-171), which created two new elements within the State Court Improvement program: improved data collection and training; and collaboration between courts and child welfare agencies. This budget also reflects the enactment of the Child and Family Services Improvement Act of 2006 (P.L. 109-288), which divides additional mandatory funding (an increase of \$40 million from \$305,000,000 to \$345,000,000) between formula grants for state improvement on the quantity and quality of caseworker visits and competitive grants for regional partnerships to provide services and activities to work with children and families impacted by a parent's or caretaker's methamphetamine or other substance abuse.

**Statement of the Budget Request** — The FY 2008 budget request for the Promoting Safe and Stable Families program of \$454,100,000 (including \$20 million in pre-appropriated funds) will continue our investment in supporting and preserving families. This request represents current law requirements. No proposed law amounts are included.

**Program Description** — The Promoting Safe and Stable Families program is a combination of a capped entitlement program and a discretionary grant program. The purpose of the program is to enable each state to operate a coordinated program of family preservation services, community-based family support services, time-limited reunification services, and adoption promotion and support services.

The new law provides that three percent of the funds appropriated (after deducting the \$40 million specified for new initiatives) are reserved for allotment to tribal consortia or Indian tribes that have submitted a plan and whose allotment is greater than \$10,000. Tribal allotments are based on the number of children in the tribe relative to the number of children in all tribes with approved plans. The allotment to Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands and American Samoa is determined by a formula. From the mandatory funds, \$40 million is allocated between formula grants for state improvement on the quantity and quality of caseworker visits and competitive grants for regional partnerships to provide services and activities to work with children and families impacted by a parent's or caretaker's methamphetamine or other substance abuse (the statute designates the amount of funds targeted to each of these initiatives for each fiscal year). In addition, \$10 million is set aside for State Court Improvement programs to assess and improve handling of court proceedings related to foster care and adoption. Six million is set aside for evaluation, research and training, of which two million must address the new child welfare worker and substance abuse initiatives. An additional 3.3 percent of any discretionary funds are to be used for each of the above activities. An additional \$20 million in pre-appropriated funds is allocated for improved data collection and collaboration between courts and child welfare agencies, and training of judges, attorneys and other legal persons in child welfare cases, as authorized by the Deficit Reduction Act. The remaining funds are distributed to states based on the state's share of children in all states receiving food stamp benefits. States are entitled to payments equal to their allotments, for use in paying not more than 75 percent of the costs of activities under the approved state plan. The remaining 25 percent of costs must be paid with funds from non-federal sources.

States carry out a comprehensive planning process, consulting with a broad range of public and private agencies providing services to families, as well as with parents and families themselves, to ensure that services are coordinated and that funds are spent in a manner responsive to the needs of families.

Funding for the Promoting Safe and Stable Families program during the last five years has been as follows:



	Mandatory	Discretionary	Pre-Appropriated	Total
2003	\$305,000,000	\$99,350,000		\$404,350,000
2004	\$305,000,000	\$99,383,000		\$404,383,000
2005	\$305,000,000	\$98,586,000		\$403,586,000
2006	\$345,000,000	\$89,039,000	\$20,000,000	\$454,039,000
2007	\$345,000,000	\$89,100,000	\$20,000,000	\$454,100,000

**Rationale for the Budget Request** — The FY 2008 request for the Promoting Safe and Stable Families program is \$454,100,000, the same as the FY 2007 CR level. While states have made progress through the child and family services review program improvement plans in broadening the array of services available to families in child welfare, these funds strengthen and enhance the availability of services targeted to achieving the goals of safety, permanency and well-being. This budget includes \$20 million in pre-appropriated funds for the State Court Improvement program.

**Performance Analysis** — A PART review was conducted in CY 2006 and the program received a rating of Moderately Effective. The Child and Family Service Review (CFSR) was identified as an effective management strategy for the purpose of providing targeted technical assistance. The program will continue its efforts to reduce the length of time needed to approve state CFSR program improvement plans. Performance measurement for the Promoting Safe and Stable Families program is part of a broader Child Welfare performance program area included in the Detail of Performance Analysis exhibit.

Resource and Program Data  
Promoting Safe and Stable Families

	2006 Actual <sup>1</sup>	2007 CR Level	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$445,160,000	\$405,160,000	\$410,160,000
Discretionary <sup>2</sup>		39,000,000	34,000,000
Research/Evaluation	2,575,000		
Demonstration/Development	1,772,000	1,450,000	1,450,000
Training/Technical Assistance	4,094,000	7,158,000	7,113,000
Program Support <sup>3</sup>	438,000	1,332,000	1,377,000
Total, Resources	\$454,039,000	\$454,100,000	\$454,100,000
<u>Program Data:</u>			
Number of Grants	145	141	199
New Starts:			
#	63	60	61
\$	\$41,772,000	\$39,000,000	\$6,200,000
Continuations:			
#	82	81	138
\$	\$408,292,000	\$411,474,000	\$443,938,000
Contracts:			
#	8	5	4
\$	\$3,398,000	\$2,906,000	\$3,125,000
Interagency Agreements:			
#	4	2	2
\$	\$577,000	\$720,000	\$837,000

<sup>1</sup> Congress appropriated an additional \$40 million for the Promoting Safe and Stable Families program in P.L. 109-288, the Child and Family Services Improvement Act of 2006, which raised the program level to a total of \$435 million in FY 2006.

<sup>2</sup> The Congressional reauthorization of this program (P.L. 109-288) mandates that funds which were distributed by formula in FY 2006 to support increased child welfare worker visits be awarded competitively in FY 2007 in grants targeted to work with children and families impacted by a parent's or caretaker's methamphetamine or other substance abuse. In FY 2008, the funds are split between the two purposes with \$5 million distributed by formula for increased child welfare worker visits and the remainder awarded through competition for addressing the impact of methamphetamine and substance abuse.

<sup>3</sup> Includes funding for information technology support, grant/paneling review, contract fees and support for Departmental evaluation activities.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2008 DISCRETIONARY/MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: Promoting Safe and Stable Families (CFDA #93.556)**

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 CR Level</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$8,610,111	\$7,623,756	\$7,723,995	\$100,239
Alaska	936,555	829,265	840,168	10,903
Arizona	9,621,558	8,519,335	8,631,348	112,013
Arkansas	5,661,135	5,012,608	5,078,515	65,907
California	44,100,325	39,048,291	39,561,705	513,414
Colorado	3,894,143	3,448,038	3,493,374	45,336
Connecticut	3,028,795	2,681,824	2,717,085	35,261
Delaware	915,408	810,541	821,198	10,657
District of Columbia	1,323,405	1,171,799	1,187,206	15,407
Florida	17,876,775	15,828,852	16,036,972	208,120
Georgia	14,072,653	12,460,521	12,624,355	163,834
Hawaii	1,607,465	1,423,317	1,442,031	18,714
Idaho	1,496,087	1,324,699	1,342,116	17,417
Illinois	17,488,795	15,485,318	15,688,922	203,604
Indiana	8,623,067	7,635,228	7,735,617	100,389
Iowa	2,737,066	2,423,514	2,455,379	31,865
Kansas	2,738,319	2,424,624	2,456,503	31,879
Kentucky	8,056,920	7,133,937	7,227,736	93,799
Louisiana	12,285,196	10,877,832	11,020,855	143,023
Maine	1,701,047	1,506,179	1,525,983	19,804
Maryland	4,431,673	3,923,990	3,975,584	51,594
Massachusetts	5,604,547	4,962,503	5,027,750	65,247
Michigan	15,491,365	13,716,709	13,897,059	180,350
Minnesota	4,152,576	3,676,867	3,725,211	48,344
Mississippi	6,811,437	6,031,133	6,110,432	79,299
Missouri	10,018,908	8,871,164	8,987,804	116,640
Montana	1,220,243	1,080,454	1,094,660	14,206
Nebraska	1,838,399	1,627,796	1,649,199	21,403
Nevada	2,047,764	1,813,177	1,837,017	23,840
New Hampshire	794,736	703,692	712,945	9,253
New Jersey	6,160,121	5,454,431	5,526,147	71,716
New Mexico	3,846,340	3,405,712	3,450,491	44,779
New York	23,627,907	20,921,146	21,196,222	275,076
North Carolina	12,234,701	10,833,121	10,975,557	142,436
North Dakota	700,284	620,061	628,214	8,153

STATE/TERRITORY	FY 2006 Actual	FY 2007 CR Level	FY 2008 Pres. Budget	Increase or Decrease
Ohio	15,096,510	13,367,088	13,542,841	175,753
Oklahoma	6,573,118	5,820,117	5,896,641	76,524
Oregon	6,420,565	5,685,040	5,759,788	74,748
Pennsylvania	14,328,306	12,686,888	12,853,698	166,810
Rhode Island	1,459,218	1,292,053	1,309,041	16,988
South Carolina	8,286,302	7,337,042	7,433,511	96,469
South Dakota	976,167	864,339	875,704	11,365
Tennessee	11,644,913	10,310,898	10,446,468	135,570
Texas	40,832,915	36,155,187	36,630,563	475,376
Utah	2,152,528	1,905,939	1,930,999	25,060
Vermont	594,876	526,728	533,654	6,926
Virginia	7,051,503	6,243,699	6,325,793	82,094
Washington	6,447,333	5,708,741	5,783,801	75,060
West Virginia	3,728,844	3,301,676	3,345,087	43,411
Wisconsin	6,106,188	5,406,677	5,477,765	71,088
Wyoming	472,440	418,319	423,819	5,500
<b>Subtotal</b>	<b>397,927,552</b>	<b>352,341,865</b>	<b>356,974,528</b>	<b>4,632,663</b>
Indian Tribes	4,832,000	11,823,000	11,973,000	150,000
American Samoa	320,694	230,723	233,409	2,686
Guam	535,314	421,622	427,497	5,875
Northern Mariana Islands	272,443	187,805	189,773	1,968
Puerto Rico	7,946,811	6,926,833	7,130,005	203,172
Virgin Islands	384,586	287,552	291,188	3,636
<b>Subtotal</b>	<b>14,291,848</b>	<b>19,877,535</b>	<b>20,244,872</b>	<b>367,337</b>
<b>Total States/Territories<sup>1</sup></b>	<b>412,219,400</b>	<b>372,219,400</b>	<b>377,219,400</b>	<b>5,000,000</b>
Technical Assistance	8,878,985	8,940,300	8,940,300	0
Set Aside for State Courts	32,940,300	32,940,300	32,940,300	0
Meth./Subst. Abuse grants	0	40,000,000	35,000,000	-5,000,000
<b>Subtotal Adjustments</b>	<b>41,819,285</b>	<b>81,880,600</b>	<b>76,880,600</b>	<b>-5,000,000</b>
<b>TOTAL RESOURCES</b>	<b>\$454,038,685</b>	<b>\$454,100,000</b>	<b>\$454,100,000</b>	<b>\$0</b>

<sup>1</sup> In FY 2006, \$40 million was distributed by formula to States for supporting monthly child welfare worker visits; in FY 2008, \$5 million will be distributed by formula to States for this same purpose, as established by P.L. 109-288.

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

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DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children and Families  
Temporary Assistance for Needy Families

Amounts Available for Obligation

	<u>2006 Enacted</u>	<u>2007 Estimate</u>	<u>2008 Pres. Budget</u>
Appropriation:			
Annual .....	\$11,988,328,000	\$17,058,625,000	\$17,058,625,000
Unobligated balance start of year, TANF .....	5,070,297,000	0	0
Unobligated balance start of year, Contingency Fund.....	1,899,600,000	1,792,915,000	1,702,915,000
Total funds available.....	18,958,225,000	18,851,540,000	18,761,540,000
Unobligated balance lapsing, TANF.....	-25,228,000	0	0
Unobligated balance end of year, Contingency Fund <sup>1</sup> .....	-1,792,915,000	-1,702,915,000	-1,611,915,000
Total, Obligations .....	\$17,140,082,000	\$17,148,625,000	\$17,149,625,000

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<sup>1</sup>In accordance with provisions in the TANF Emergency Response and Recovery Act of 2005, a number of states accessed the Contingency Fund during FY 2006 to reimburse themselves for the costs of providing short term non-recurrent benefits to families that traveled from the Hurricane Katrina impacted states of Louisiana, Mississippi or Alabama. In addition, after the Secretary of Agriculture notified them that their food stamp caseloads met the eligibility criteria to draw down contingency funds during FY 2006, two States requested and were awarded contingency funds. Current HHS estimates project that a number of states will access \$90 million in contingency funds during FY 2007 and \$91 million in contingency funds in FY 2008.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Temporary Assistance for Needy Families

SUMMARY OF CHANGES

FY 2007 Estimate	
Total estimated budget authority .....	\$17,058,625,000
(Obligations) .....	(\$17,148,625,000)
FY 2008 Pres. Budget	
Total estimated budget authority .....	\$17,058,625,000
(Obligations) .....	(\$17,149,625,000)
Net change budget authority .....	\$0

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Budget Authority by Activity  
(Dollars in thousands)

	<u>2006</u> <u>Enacted</u>	<u>2007</u> <u>Estimate</u>	<u>2008</u> <u>Pres. Budget</u>
State Family Assistance Grants .....	\$16,488,667	\$16,488,667	\$16,488,667
Territories – Family Assistance Grants.....	77,875	77,875	77,875
Healthy Marriage Promotion and Responsible Fatherhood Grant Program .....	150,000	150,000	150,000
Supplemental Grants for Population Increases .	319,450	319,450	319,450
Matching Grants to Territories.....	15,000	15,000	15,000
Tribal Work Programs .....	7,633	7,633	7,633
Contingency Fund <sup>1</sup> .....	[1,899,600]	[1,792,915]	[1,702,915]
Total, Budget Authority .....	\$17,058,625	\$17,058,625	\$17,058,625

<sup>1</sup>Bracketed budget authority reflects unobligated balance estimates for all years.



ADMINISTRATION FOR CHILDREN AND FAMILIES  
Temporary Assistance for Needy Families

Budget Authority by Object

	<u>2007</u> <u>Estimate</u>	<u>2008</u> <u>Pres. Budget</u>	<u>Increase or</u> <u>Decrease</u>
<u>Personnel Compensation:</u>			
Full-Time Permanent (11.1) .....	\$1,905,000	\$1,973,000	+\$68,000
Other Than Full-Time Permanent (11.3) .....	26,000	27,000	+1,000
Other Personnel Compensation (11.5) .....	7,000	7,000	0
Total, Personnel Compensation (11.9) .....	1,938,000	2,007,000	+69,000
Civilian Personnel Benefits (12.1) .....	452,000	468,000	+16,000
Subtotal, Pay Costs .....	2,390,000	2,475,000	+85,000
Travel (21.0) .....	150,000	150,000	0
Rental Payments to GSA (23.1) .....	755,000	793,000	+38,000
<u>Other Contractual Services:</u>			
Advisory and Assistance Services (25.1) .....	22,450,000	22,365,000	-123,000
Purchases from Govt. Accounts (25.3) .....	2,460,000	2,460,000	0
Subtotal, Other Contractual Services .....	24,910,000	24,825,000	-123,000
Supplies and Materials (26.0) .....	10,000	10,000	0
Grants (41.0) .....	17,120,410,000	17,121,410,000	+1,000,000
Subtotal, Non-Pay Costs .....	17,145,330,000	17,146,207,000	+877,000
Total .....	\$17,148,625,000	\$17,149,625,000	+\$1,000,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Temporary Assistance for Needy Families

Authorizing Legislation

	2007 Amount Authorized	2007 Budget Estimate	2008 Amount Authorized	2008 Budget Request
State Family Assistance Grants: Section 403(a)(1)(E) of the SSA	Such sums	\$16,488,667,235	Such sums	\$16,488,667,235
Territories Family Assistance Grants: Section 403(a)(1)(E) of the SSA <sup>1</sup>	Such sums	77,875,765	Such sums	77,875,765
Matching Grants to Territories: Section 1108 (b) of the SSA	Such sums	15,000,000	Such sums	15,000,000
Healthy Marriage and Responsible Fatherhood Grants: Section 403(a)(2)(D) of the SSA	150,000,000	150,000,000	150,000,000	150,000,000
Supplemental Grants for Population Increases: Section 403(a)(3)(E) of the SSA	Such sums	319,450,226	Such sums	319,450,226
Tribal Work Programs: Section 412(a)(2)(D) of SSA	7,633,000	7,633,000	7,633,000	7,633,000
Contingency Fund: Section 403(b)(2) of the SSA	[1,792,915,000]	[1,792,915,000]	[1,702,915,000]	[1,702,915,000]
Total request level against definite authorization	\$17,058,625,000	\$17,058,625,000	\$17,058,625,000	\$17,058,625,000

<sup>1</sup> Section 1108(a) of the Social Security Act provides for a limitation on payments to Puerto Rico, Guam, the Virgin Islands and American Samoa under titles I, X, XIV, XVI, parts A and E of title IV and subsections 1108(b) (Matching grants). The limitations are as follows: \$107,255,000 for Puerto Rico, \$4,686,000 for Guam, \$3,554,000 for the Virgin Islands and \$1,000,000 for American Samoa.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Temporary Assistance for Needy Families

APPROPRIATIONS HISTORY TABLE

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
1999				\$16,689,175,287
1999 – multi-year				1,000,000,000 <sup>1</sup>
2000				16,689,175,287
2001				16,689,175,287
2002				17,008,625,287 <sup>2</sup>
2003				17,008,625,513 <sup>3</sup>
2004				17,008,625,513 <sup>3</sup>
2005				17,008,625,513 <sup>3</sup>
2005/6				5,139,108,000 <sup>3</sup>
2005/6				11,988,328,513 <sup>4</sup>
2007				17,058,625,513
2008				\$17,058,625,513

<sup>1</sup> Congress appropriated a total of \$1 billion in FY 1999 for High Performance Bonus grants for fiscal years 1999 through 2003. Congress appropriated \$200 million per year for 2004 & 2005 for High Performance Bonus grants.

<sup>2</sup> Congress appropriated \$319 million for Supplemental Grants for 2002, 2003, 2004 and 2005 as part of the basic program.

<sup>3</sup> The TANF Emergency Response and Recovery Act of 2005 was enacted late in FY 2005 and made \$5.1 billion in FY 2006 1<sup>st</sup> quarter funds available immediately to states, territories and tribes for family assistance grants and Federal Loans to the states of Louisiana, Mississippi and Alabama to assist them in providing services to Hurricane Katrina evacuees.

<sup>4</sup> The Deficit Reduction Act of 2005 provided the remaining three quarters worth of TANF FY 2006 funding, eliminated the High Performance and Out of Wedlock Bonus funding and added new authority for \$150 million for Healthy Marriage and Responsible Fatherhood Grants.

Temporary Assistance for Needy Families

Justification

Authorizing Legislation — Section 403(a), 403(b), 412(a) and 1108 of the Social Security Act.

	2006 Enacted	2007 Estimate	2008 Pres. Budget	Increase or Decrease
State Family Assistance Grants	\$16,488,667,000	\$16,488,667,000	\$16,488,667,000	\$0
Territories – Family Assistance Grants	77,875,000	77,875,000	77,875,000	0
Healthy Marriage Promotion and Responsible Fatherhood Grant Program	150,000,000	150,000,000	150,000,000	0
Supplemental Grants for Population Increases	319,450,000	319,450,000	319,450,000	0
Matching Grants to Territories	15,000,000	15,000,000	15,000,000	0
Tribal Work Programs	7,633,000	7,633,000	7,633,000	0
Contingency Fund <sup>1</sup>	[1,899,600,000]	[1,792,915,000]	[1,702,915,000]	0
Total, Budget Authority	\$17,058,625,000	\$17,058,625,000	\$17,058,625,000	\$0

2008 Authorization.....\$17,058,625,000 (TANF pre-appropriated authority) and such sums as carried forward as unobligated balances from the previous year for the Contingency Fund.

General Statement

Title I of P.L. 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), created the Temporary Assistance for Needy Families (TANF) program. The legislation repealed the Aid to Families with Dependent Children (AFDC) and related programs and replaced them with a single fixed block grant. The purpose of the TANF program is to increase state flexibility in operating programs designed to: (1) provide assistance to needy families so that children may be cared for in their own homes; (2) end dependence of needy parents by promoting job preparation, work, and marriage; (3) prevent and reduce the incidence of out-of-wedlock pregnancies; and (4) encourage the formation and maintenance of two-parent families.

The Deficit Reduction Act of 2005 (DRA) addressed several critical Presidential initiatives impacting the TANF program. The DRA: (1) reauthorized the TANF program through 2010 and maintained program

<sup>1</sup> Bracketed budget authority reflects unobligated balance estimates for all years.

funding levels for Family Assistance Grants to States, Tribes and Territories; Matching Grants to Territories; Tribal Work Programs; and allowed continued access to the Contingency Fund; (2) strengthened work participation requirements; (3) created and provided funds for a program focused on promotion of healthy marriage and responsible fatherhood; (4) reinstated authority for the Supplemental Grants for Population Increases program through FY 2008; and (5) eliminated funding for both the Bonus to Reward High Performance States and the Bonus to Reward Decreases in Illegitimacy.

In order to strengthen work participation, the DRA recalibrated the caseload reduction credit by updating the base year from 1995 to 2005 – thereby reestablishing a meaningful family work participation rate requirement. Prior to this time, most states had a zero or nearly zero target rate for parents participating in work activities. Additionally, the current statutory provision for a separate participation rate requirement for 2-parent families was retained and, beginning in FY 2007, families receiving assistance in Separate State Programs (SSP) will be included in the calculation of work participation rates. The DRA also required HHS to issue regulations to ensure consistency in measuring work participation rates with regard to determining whether activities may be counted as “work activities,” how to count and verify hours of work, and determining who is a work-eligible individual. Further, the DRA required states to establish and maintain work participation verification procedures and established a new penalty (of not less than one percent and not more than five percent of the state family assistance grant) for state failure to comply with these procedures.

The DRA also included \$150 million for a comprehensive program focused on the promotion of healthy marriage and responsible fatherhood, which are areas that the Administration has long considered vital to ensuring that welfare reform continues to place a greater emphasis on strengthening families and improving the well-being of children. The Healthy Marriage and Responsible Fatherhood Grants program is being used to fund several key efforts specified in the statute, including healthy marriage and responsible fatherhood activities, demonstrations coordinating child welfare and TANF for at-risk tribal families, and technical assistance provided to states and tribes.

The FY 2008 President’s Budget requests of \$17,058,625,000 for the TANF program and the estimated unobligated balances carried forward in the Contingency Fund represent current law requirements. No proposed law amounts are included.

**Statement of the Budget Request** – The FY 2008 request is the same as the FY 2007 estimate.

In addition, the Administration will propose extending authority and funding for the Supplemental Grants for Population Increases program beyond FY 2008 as stipulated in the DRA. This extension will make the Supplemental Grants for Population Increases program consistent with the other components of the TANF program. The Administration also will propose to eliminate the separate two-parent 90% work requirement established under PRWORA to encourage equitable treatment of all families through the overall 50% work requirement.

### **Program Description**

**State Family Assistance Grants** – Funding under the TANF program is provided primarily through State Family Assistance Grants, which are authorized and pre-appropriated at \$16.5 billion each year. State allocations are based on historic levels of welfare spending. While states must meet certain work participation and maintenance of effort requirements, they have enormous flexibility with their TANF funds to design programs that promote work, personal responsibility and self-sufficiency, and strengthen families.

States have wide flexibility under TANF to determine their own eligibility criteria, benefit levels, and the type of services and benefits available to TANF recipients. However, states must maintain a historical

level of state spending on behalf of eligible families (the maintenance of effort requirement) and must meet minimum work participation rate requirements. In addition, families who have received federally funded assistance under TANF for five cumulative years (or less at state option) are not eligible for federally funded assistance.

States may transfer up to a total of 30 percent of their TANF funds to either the Child Care and Development Block Grant program or the Social Services Block Grant (SSBG) program with not more than 10 percent transferable to SSBG.

Tribes are eligible to operate their own TANF programs and those that choose to do so receive their own Family Assistance Grants. The number of approved tribal TANF plans has steadily increased since the first three tribal TANF programs started in July 1997. As of October 2006, 53 tribal TANF grantees covering 265 tribes and Alaska Native Villages, the non-reservation American Indian/Alaska Native populations of 104 counties, several near-reservation towns, and the Municipality of Anchorage, Alaska have been approved, all of which are fully operational. Forty-two of the approved plans involve individual tribes and 11 are multi-tribal TANF operations.

Territory Family Assistance Grants – These grants provide funding to Guam, Puerto Rico and the Virgin Islands to operate their own TANF programs. Territories are subject to the same state plan, work, and maintenance of effort requirements as the fifty states and the District of Columbia. A territory's allocation is based on historic funding levels, with a total of \$77.9 million made available annually.

Healthy Marriage Promotion and Responsible Fatherhood Grants – The DRA included \$150 million for the Healthy Marriage Promotion and Responsible Fatherhood Grant program beginning in FY 2006. In FY 2006 the Healthy Marriage portion of the initiative was funded at approximately \$96.9 million to help couples, who have chosen marriage for themselves, gain greater access to marriage education services on a voluntary basis. These services will help couples acquire the skills and knowledge necessary to form and sustain a healthy marriage. All grantees must include documentation to demonstrate that the funds will not be used for other purposes and that they intend to consult with experts in domestic violence or relevant community domestic violence coalitions in developing the programs and activities. The law stipulates that the term “healthy marriage promotion activities” may include the following activities: (1) Public advertising campaigns on the value of marriage and the skills needed to increase marital stability and health; (2) Education in high schools on the value of marriage, relationship skills, and budgeting; (3) Marriage education, marriage skills, and relationship skills programs that may include parenting skills, financial management, conflict resolution, and job and career advancement for non-married pregnant women and non-married expectant fathers; (4) Pre-marital education and marriage skills training for engaged couples and for couples or individuals interested in marriage; (5) Marriage enhancement and marriage skills training programs for married couples; (6) Divorce reduction programs that teach relationship skills; (7) Marriage mentoring programs which use married couples as role models and mentors in at-risk communities; or (8) Programs to reduce the disincentives to marriage in means-tested aid programs, if offered in conjunction with any other activity listed above.

Within the Healthy Marriage Promotion and Responsible Fatherhood funding, approximately \$49.6 million was made available during FY 2006 for activities specifically designed to promote responsible fatherhood to reverse the rise in father absence and its subsequent impact on our nation's children. ACF has awarded these funds on a competitive basis to states, territories, Indian tribes and tribal organizations, and public and nonprofit community entities (including religious organizations) for activities promoting responsible fatherhood. The statute defines activities promoting responsible fatherhood as the following:

- Activities to promote marriage or sustain marriage through activities such as counseling, mentoring, disseminating information about the benefits of marriage and two-parent involvement

for children, enhancing relationship skills, education regarding how to control aggressive behavior, disseminating information on the causes of domestic violence and child abuse, marriage preparation programs, premarital counseling, marital inventories, skills-based marriage education, financial planning seminars, including improving a family's ability to effectively manage family business affairs by means such as education, counseling, or mentoring on matters related to family finances, including household management, budgeting, banking, and handling of financial transactions and home maintenance, and divorce education and reduction programs, including mediation and counseling.

- Activities to promote responsible parenting through activities such as counseling, mentoring, and mediation, disseminating information about good parenting practices, skills-based parenting education, encouraging child support payments, and other methods.
- Activities to foster economic stability by helping fathers improve their economic status by providing activities such as work first services, job search, job training, subsidized employment, job retention, job enhancement, and encouraging education, including career-advancing education, dissemination of employment materials, coordination with existing employment services such as welfare-to-work programs, referrals to local employment training initiatives, and other methods.
- Activities to promote responsible fatherhood that are conducted through a contract with a nationally recognized, nonprofit fatherhood promotion organization, such as the development, promotion, and distribution of a media campaign to encourage the appropriate involvement of parents in the life of any child and specifically the issue of responsible fatherhood, and the development of a national clearinghouse to assist States and communities in efforts to promote and support marriage and responsible fatherhood.

In addition, during FY 2006 approximately \$1.7 million of the Healthy Marriage and Responsible Fatherhood funding was made available to fund on a competitive basis demonstration projects designed to test the effectiveness of tribal governments or tribal consortia in coordinating the provision to tribal families at risk of child abuse or neglect of child welfare services and services under tribal programs funded under Part IV-A of the Social Security Act. The statute stipulates that grants shall be used to improve case management for families eligible for assistance from such a tribal program; for supportive services and assistance to tribal children in out-of-home placements and the tribal families caring for such children, including families who adopt such children; and for prevention services and assistance to tribal families at risk of child abuse and neglect.

Finally, approximately \$1.8 million of the FY 2006 Healthy Marriage and Responsible Fatherhood funding was used to provide broad technical assistance to states, Indian tribes and tribal organizations receiving a grant for any program funded under Part IV-A of the Social Security Act.

Supplemental Grants for Population Increases – These grants provide additional TANF funding to states that experienced increases in their populations and/or had low levels of welfare spending per capita. A state qualified for a grant in years after FY 1998 only if it qualified in FY 1998. Territories and Tribes are not eligible. Seventeen states received a total of \$319 million for these grants in FY 2006. The Deficit Reduction Act provides authority for these grants at the FY 2005 level through the end of FY 2008.

Matching Grants to Territories – These grants are an additional source of funding to the territories. These Matching Grants are subject to a ceiling under Section 1108 of the Social Security Act and additional maintenance of effort requirements. Matching Grant funds may be used for the TANF program and the Foster Care, Adoption Assistance, and Independent Living programs. The federal-matching rate for these

funds is 75 percent, and up to \$15 million is made available annually for this purpose. Use of the Matching Grant is optional.

**Tribal Work Programs** – These grants are available to Indian tribes and Alaska Native organizations that conducted a Job Opportunities and Basic Skills Training (JOBS) program in FY 1995. The purpose of these grants is to allow Indian tribes and Alaska Native organizations to operate a program to make work activities available to their members. Funding is authorized and pre-appropriated at \$7.6 million for each fiscal year.

**Contingency Fund** – The Contingency Fund provides a funding reserve which can be used to assist states that experience economic downturns. In order to be eligible to receive Contingency Funds, a state must meet one of two criteria:

- 1) The state's unemployment rate for the most recent 3-month period for which data are available must exceed 6.5 percent and this rate must be at least 10 percent higher than the unemployment rate for the same 3-month period in either or both of the last two calendar years or;
- 2) The number of food stamp participants in the state must exceed by at least 10 percent the number of food stamp participants in the state in the comparable quarter of either FY 1994 or FY 1995.

The TANF Emergency and Response Act of FY 2005 made states eligible for the TANF Contingency Fund if short-term, nonrecurring cash benefits were provided to families who traveled from the Hurricane Katrina impacted states of Alabama, Florida, Louisiana, or Mississippi to another state as a result of the hurricane. If the state determined that these families were not receiving TANF cash benefits from another state, the state would be reimbursed for the costs they incurred for evacuee benefits provided through the end of August 2006.

The reauthorized level for the Contingency Fund through 2010 retained the above triggers and provided funding at current unobligated balance levels (\$1.9 billion in FY 2006).

**Rationale for the Budget Request** –The FY 2008 request is the same as the 2007 estimate.

**Performance Analysis** – A PART review was conducted in CY 2005 and the TANF program received a rating of Moderately Effective. This review found that the program has produced statistically significant increases in employment and earnings among welfare recipients, as well as reduced caseloads, poverty, and welfare dependency. As a result of the PART review, the program is reassessing its performance measures to improve strategic planning, is working with states to reduce improper payments, and has developed an OMB-approved efficiency measure.

Six of the seven annual performance measures for TANF relate specifically to achieving economic independence. Further, research has shown that the seventh measure (increasing the number of children living in married two-parent families) increases the economic and overall well-being of children as well. Of the measures for which data are available for FY 2005, ACF met and exceeded two targets: increasing earnings of TANF recipients and increasing case closures related to employment, child support collected and marriage.

The program will re-evaluate the performance measures and the associated targets to fully assess and reflect the impacts of the Deficit Reduction Act of 2005 and implementing regulations.



Resource and Program Data  
State Family Assistance Grants

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$16,479,779,131	\$16,488,667,235	\$16,488,667,235
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$16,479,779,131	\$16,488,667,235	\$16,488,667,235
<u>Program Data:</u>			
Number of Grants	104	104	104
New Starts:			
#	5	0	0
\$	\$1,000,000	\$0	\$0
Continuations:			
#	99	104	104
\$	\$16,478,779,131	\$16,488,667,235	\$16,488,667,235
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

Resource and Program Data  
Territory Family Assistance Grants

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$77,051,831	\$77,874,543	\$77,874,543
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$77,051,831	\$77,874,543	\$77,874,543
<u>Program Data:</u>			
Number of Grants	3	3	3
New Starts:			
#	0	0	0
\$	\$0	\$0	\$0
Continuations:			
#	3	3	3
\$	\$77,051,831	\$77,874,543	\$77,874,543
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

Resource and Program Data  
Supplemental Grants for Population Increases

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$319,450,226	\$319,450,226	\$319,450,226
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$319,450,226	\$319,450,226	\$319,450,226
<u>Program Data:</u>			
Number of Grants	17	17	17
New Starts:			
#	0	0	0
\$	\$0	\$0	\$0
Continuations:			
#	17	17	17
\$	\$319,450,226	\$319,450,226	\$319,450,226
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

Resource and Program Data  
Tribal Work Programs

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$7,558,020	\$7,633,287	\$7,633,287
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$7,558,020	\$7,633,287	\$7,633,287
<u>Program Data:</u>			
Number of Grants	78	78	78
New Starts:			
#	0	0	0
\$	\$0	\$0	\$0
Continuations:			
#	78	78	78
\$	\$7,558,020	\$7,633,287	\$7,633,287
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

Resource and Program Data  
Healthy Marriage and Responsible Fatherhood Grants<sup>1</sup>

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula			
Discretionary	\$118,715,258	\$119,838,442	\$120,257,723
Research/Evaluation	3,358,125	3,386,672	3,412,327
Demonstration/Development	14,000,000	14,000,000	14,000,000
Training/Technical Assistance	6,965,255	8,896,613	8,260,118
Program Support <sup>2</sup>	6,937,265	3,878,273	4,069,832
Total, Resources	\$149,975,903	\$150,000,000	\$150,000,000
<u>Program Data:</u>			
Number of Applicants	1,600	0	0
Number of Grants	235	235	235
New Starts:			
#	235	0	0
\$	\$120,073,383	\$0	\$0
Continuations:			
#	0	235	235
\$	\$0	\$121,225,114	\$121,670,050
Contracts:			
#	8	7	7
\$	\$25,992,070	\$21,146,613	\$19,710,118
Interagency Agreements:			
#	1	1	1
\$	\$2,000,000	\$2,000,000	\$2,000,000

<sup>1</sup> Includes \$2M to fund demonstration projects focused on coordination of Child Welfare and TANF services to tribal families at risk of child abuse or neglect.

<sup>2</sup> Includes funding for paneling costs, information technology support, and salaries/benefits and associated overhead.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2008 MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: Temporary Assistance for Needy Families (CFDA #93.558)**

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual<sup>1</sup></b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$123,071,502	\$104,408,461	\$104,408,461	\$0
Alaska	54,836,834	53,620,393	53,620,393	0
Arizona	226,448,536	226,130,536	226,130,536	0
Arkansas	63,117,233	62,951,233	62,951,233	0
California	3,669,880,834	3,665,162,533	3,665,162,533	0
Colorado	150,126,381	149,626,381	149,626,381	0
Connecticut	264,387,014	266,788,107	266,788,107	0
Delaware	31,410,514	32,290,981	32,290,981	0
District of Columbia	90,505,329	92,609,815	92,609,815	0
Florida	624,264,788	622,745,788	622,745,788	0
Georgia	374,208,247	368,024,967	368,024,967	0
Hawaii	98,904,788	98,904,788	98,904,788	0
Idaho	33,910,608	33,910,608	33,910,608	0
Illinois	585,056,960	585,056,960	585,056,960	0
Indiana	207,020,294	206,799,109	206,799,109	0
Iowa	131,524,959	130,993,952	130,993,952	0
Kansas	101,931,061	101,931,061	101,931,061	0
Kentucky	181,287,669	181,287,669	181,287,669	0
Louisiana	181,998,397	180,998,997	180,998,997	0
Maine	78,120,889	78,120,889	78,120,889	0
Maryland	228,193,822	229,098,032	229,098,032	0
Massachusetts	459,371,116	459,371,116	459,371,116	0
Michigan	776,206,858	775,352,858	775,352,858	0
Minnesota	263,548,070	263,434,070	263,434,070	0
Mississippi	100,141,631	95,803,252	95,803,252	0
Missouri	217,051,740	217,051,740	217,051,740	0
Montana	39,171,817	39,171,817	39,171,817	0
Nebraska	57,855,174	57,769,382	57,769,382	0
Nevada	46,637,069	47,641,051	47,641,051	0
New Hampshire	38,521,261	38,521,261	38,521,261	0
New Jersey	404,034,823	404,034,823	404,034,823	0
New Mexico	117,131,204	117,131,204	117,131,204	0
New York	2,443,135,140	2,442,930,602	2,442,930,602	0
North Carolina	338,349,547	338,349,547	338,349,547	0
North Dakota	26,399,809	26,399,809	26,399,809	0

STATE/TERRITORY	FY 2006 Actual <sup>1</sup>	FY 2007 Estimate	FY 2008 Pres. Budget	Increase or Decrease
Ohio	727,968,260	727,968,260	727,968,260	0
Oklahoma	147,594,230	147,594,230	147,594,230	0
Oregon	166,798,629	166,798,629	166,798,629	0
Pennsylvania	719,499,305	719,499,305	719,499,305	0
Rhode Island	95,103,587	95,021,587	95,021,587	0
South Carolina	119,961,389	99,967,824	99,967,824	0
South Dakota	21,279,651	21,279,651	21,279,651	0
Tennessee	251,393,697	213,088,938	213,088,938	0
Texas	551,998,626	538,964,526	538,964,526	0
Utah	84,348,871	84,313,871	84,313,871	0
Vermont	47,353,181	47,353,181	47,353,181	0
Virginia	158,441,566	158,285,172	158,285,172	0
Washington	382,853,771	382,853,771	382,853,771	0
West Virginia	109,184,723	110,176,310	110,176,310	0
Wisconsin	314,580,114	314,499,354	314,499,354	0
Wyoming	18,430,426	18,500,530	18,500,530	0
<b>Subtotal</b>	<b>16,744,551,944</b>	<b>16,640,588,931</b>	<b>16,640,588,931</b>	<b>0</b>
Tribal Family Asst. Grants	160,573,347	167,528,530	167,528,530	0
Guam	2,599,108	3,465,478	3,465,478	0
Puerto Rico	71,562,499	71,562,501	71,562,501	0
Virgin Islands	2,890,224	2,846,564	2,846,564	0
<b>Subtotal</b>	<b>237,625,178</b>	<b>245,403,073</b>	<b>245,403,073</b>	<b>0</b>
<b>Total States/Territories</b>	<b>16,982,177,122</b>	<b>16,885,992,004</b>	<b>16,885,992,004</b>	<b>0</b>
Tribal NEW Program	7,558,020	7,633,287	7,633,287	0
Healthy Marriage and Responsible Fatherhood	149,975,000	150,000,000	150,000,000	0
Contin. Fund (CF) Bud Auth	[1,899,600,000]	[1,792,600,000]	[1,702,915,000]	0
Matching Grants to Territories	0	15,000,000	15,000,000	0
<b>Subtotal adjustments</b>	<b>157,533,020</b>	<b>172,633,287</b>	<b>172,633,287</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$17,139,710,142</b>	<b>\$17,058,625,291</b>	<b>\$17,058,625,291</b>	<b>\$0</b>

<sup>1</sup> State levels include State Family Assistance Grants and Supplemental Population Growth Grants. FY 2006 State levels also include \$48.4 million awarded via the Contingency funds to a number of states that accessed the Contingency Fund to reimburse themselves for the costs of providing short term non-recurrent benefits to families that traveled from the Hurricane Katrina impacted states of Louisiana, Mississippi or Alabama and \$58.3 million for two States that were awarded Contingency funds after they met the food stamp caseloads eligibility criteria necessary to draw down the fund.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

CHILDREN’S RESEARCH AND TECHNICAL ASSISTANCE

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DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children and Families  
Children's Research and Technical Assistance

Amounts Available for Obligation

	<u>2006 Enacted</u>	<u>2007 Estimate</u>	<u>2008 Pres. Budget</u>
Appropriation .....	\$57,953,000	\$57,953,000	\$57,953,000
Offsetting Collections .....	<u>18,818,000</u>	<u>23,000,000</u>	<u>23,598,000</u>
Subtotal, adjusted budget authority (gross) .....	76,771,000	80,953,000	81,551,000
Unobligated balance, start of year .....	992,000	1,582,000	0
Unobligated balance lapsing .....	-14,000	0	0
Unobligated balance, end of year .....	<u>-\$1,582,000</u>	<u>0</u>	<u>0</u>
Total, Obligations .....	\$76,167,000	\$82,535,000	\$81,551,000

SUMMARY OF CHANGES

FY 2007 Estimate		
Total estimated budget authority .....		\$57,953,000
(Obligations) .....		(82,535,000)
FY 2008 Pres. Budget		
Total estimated budget authority .....		\$57,953,000
(Obligations) .....		(81,551,000)
Net change budget authority .....		\$0

Budget Authority by Activity  
(Dollars in thousands)

	<u>2006 Enacted</u>	<u>2007 Estimate</u>	<u>2008 Pres. Budget</u>
Training and Technical Assistance .....	\$12,318	\$12,318	\$12,318
Federal Parent Locator Service .....	24,635	24,635	24,635
Child Welfare Study .....	6,000	6,000	6,000
Welfare Research .....	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>
Total, BA .....	\$57,953	\$57,953	\$57,953

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Children's Research and Technical Assistance

Budget Authority by Object

	<u>2007</u> <u>Estimate</u>	<u>2008</u> <u>Pres. Budget</u>	<u>Increase or</u> <u>Decrease</u>
<u>Personnel Compensation:</u>			
Full-Time Permanent (11.1) .....	\$6,763,000	\$7,004,000	\$241,000
Other Than Full-Time Permanent (11.3) .....	138,000	143,000	5,000
Other Personnel Compensation (11.5) .....	34,000	35,000	1,000
Total Personnel Compensation (11.9) .....	6,935,000	7,182,000	247,000
Civilian Personnel Benefits (12.1) .....	1,323,000	1,370,000	47,000
Subtotal, Pay Costs .....	8,258,000	8,552,000	294,000
Travel (21.0) .....	812,000	712,000	-100,000
Transportation of Things (22.0) .....	61,000	61,000	0
Rental Payments to GSA (23.1) .....	2,538,000	2,538,000	0
Rental Payments to Others (23.2) .....	1,000	1,000	0
Communications, Utilities and Miscellaneous			
Charges (23.3) .....	26,000	26,000	0
Printing and Reproduction (24.0) .....	164,000	110,000	-54,000
<u>Other Contractual Services:</u>			
Advisory and Assistance Services (25.1) .....	31,575,000	32,307,000	732,000
Other Services (25.2) .....	4,604,000	4,546,000	-58,000
Purchases from Govt. Accounts (25.3) .....	7,357,000	7,357,000	0
Subtotal Other Contractual Services .....	43,536,000	44,210,000	674,000
Supplies and Materials (26.0) .....	229,000	169,000	-60,000
Equipment (31.0) .....	100,000	75,000	-25,000
Grants (41.0) .....	2,228,000	1,499,000	-729,000
Subtotal, Non-Pay Costs .....	49,695,000	49,401,000	-294,000
Total, Budget Authority by object class .....	\$57,953,000	\$57,953,000	0
Total, Obligations <sup>1</sup> .....	\$82,535,000	\$81,551,000	-\$984,000

<sup>1</sup> Obligations include fees from states to pay costs associated with offset notice preparation and fees from federal and state agencies to pay costs associated with the Federal Parent Locator Services. FY 2007 includes unobligated funds.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Children's Research and Technical Assistance

Authorizing Legislation

	2007 Amount Authorized	2007 Budget Estimate	2008 Amount Authorized	2008 Budget Request
1. Training and Technical Assistance: Section 452(j) of the Social Security Act <sup>1</sup>	Indefinite	\$12,318,000	Indefinite	\$12,318,000
2. Federal Parent Locator Service: Section 453(o) of the Social Security Act <sup>2</sup>	Indefinite	24,635,000	Indefinite	24,635,000
3. Child Welfare Study: Section 429A of the Social Security Act	6,000,000	6,000,000	6,000,000	6,000,000
4. Welfare Research: Section 413(h) of the Social Security Act	15,000,000	15,000,000	15,000,000	15,000,000
<b>Total Appropriation</b>		<b>\$57,953,000</b>		<b>\$57,953,000</b>

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<sup>1</sup> The amount authorized and appropriated is equal to the greater of one percent of the total amount paid to the federal government for its share of child support collections for the preceding year or the amount appropriated for this activity for FY 2002.

<sup>2</sup> The amount authorized and appropriated is equal to the greater of two percent of the total amount paid to the federal government for its share of child support collections for the preceding year or the amount appropriated for this activity for FY 2002.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Children's Research and Technical Assistance

APPROPRIATIONS HISTORY TABLE

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
1999				\$72,816,000
Rescission				-21,000,000
2000				59,992,000
Rescission				-21,000,000
2001				60,627,000
Rescission				-21,000,000
2002				57,953,000
Rescission				-21,026,000
2003				35,385,000
2004				55,998,000
2005				55,398,000
2006				57,953,000
2007				57,953,000
2008				57,953,000

Children's Research and Technical Assistance

Justification

Authorizing Legislation – Sections 413(h), 429A, 452(j) and 453(o) of the Social Security Act.

	2006 Enacted	2007 Estimate	2008 Pres. Budget	Increase or Decrease
Training and Technical Assistance [Obligations]	\$12,318,000 [12,090,000]	\$12,318,000 [13,538,000]	\$12,318,000 [12,318,000]	\$0 [-1,220,000]
Federal Parent Locator Service [Obligations]	24,635,000 [43,091,000]	24,635,000 [47,997,000]	24,635,000 [48,233,000]	0 [236,000]
Child Welfare Study [Obligations]	6,000,000 [5,993,000]	6,000,000 [6,000,000]	6,000,000 [6,000,000]	0 0
Welfare Research [Obligations]	15,000,000 [14,993,000]	15,000,000 [15,000,000]	15,000,000 [15,000,000]	0 0
Total [Obligations]	\$57,953,000 [76,167,000]	\$57,953,000 [82,535,000]	\$57,953,000 [81,551,000]	\$0 [-984,000]

2008 Authorization... Training and Technical Assistance and Federal Parent Locator Service authorized indefinitely based on a formula; Child Welfare Study \$6 million; and Welfare Research \$15 million.

General Statement

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) and the Deficit Reduction Act of 2005 (P.L. 109-171) authorize and appropriate funds for welfare research and technical support for states implementing welfare reform. These efforts include training and technical assistance to support the dissemination of information and technical assistance to the states on child support enforcement activities as well as the Federal Parent Locator Service which assists states in locating non-custodial parents.

The FY 2008 President's Budget estimate of \$57,953,000 for this account represents current law requirements. No proposed law amounts are included.

**Program Description** – The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) includes two provisions which target funding to the Department to strengthen the federal government's capacity to influence the effectiveness of the child support enforcement program.

The first provision, earmarking an amount equivalent to greater of either one percent of the federal share of child support collections in the prior year or the amount appropriated for this activity in FY 2002, is extended to cover the Department's costs in providing technical assistance to states (including technical

assistance related to state automated systems), training of state and federal staff, staffing studies, information dissemination and related activities; and to support research, demonstration, and special projects of regional or national significance relating to the operation of state child support programs. These activities are key to successful state outcomes in implementing welfare reform and attaining the anticipated benefits of the statute. Amounts under this provision are available until expended.

The second, pertaining to an amount equal to the greater of either two percent of the federal share of child support collections in the prior year or the amount appropriated for this activity in FY 2002, is directed to cover the Department's costs in operating the Federal Parent Locator Service to the extent that these costs are not recovered through fees. Under PRWORA the mission and scope of the Federal Parent Locator Service was significantly expanded to add two new components--a Federal Child Support Case Registry and a National Directory of New Hires. This expansion has had a significant impact on the program's ability to collect support in interstate child support cases. About 25 percent of non-custodial parents live in a different state than the custodial parent. Amounts under this provision are available until expended.

The Administration will explore how existing data (such as available to or through the Federal Parent Locator Service), could be used to enhance the Government's ability to do more comprehensive research on the interactive effects of participation in Child Support, TANF, Medicaid and SCHIP and the relationship of program participation to employment and wages. Understanding how employment patterns affect family well-being and federal program participation will help the Administration monitor progress toward the goal of family self-sufficiency.

The Deficit Reduction Act of 2005 continued funding for research in the areas of child abuse and welfare reform. An amount of \$15,000,000 a year is provided for the cost of conducting welfare research studies and demonstrations. Additionally, \$6,000,000 a year is made available to continue efforts on a national random sample study of children who are at-risk of child abuse or neglect, or are determined by states to have been abused or neglected.

**Rationale for the Budget Request** – The FY 2008 President's Budget estimate of \$57,953,000 for this account is the same level estimated for FY 2007. This account will fund child support training and technical assistance efforts, the operation of the Federal Parent Locator Service, and research in the areas of child abuse and welfare reform.

**Performance Analysis** – The Child Support Enforcement and Family Support Programs chapter of this document includes a summary of the performance accomplishments and goals of the child support enforcement program.



Resource and Program Data  
Children's Research and Technical Assistance (Obligations<sup>1</sup>)

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula			
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance	\$6,179,000	\$7,712,000	\$6,559,000
Program Support <sup>2</sup>	5,911,000	5,826,000	5,759,000
Total, Resources	\$12,090,000	\$13,538,000	\$12,318,000
<u>Program Data:</u>			
Number of Grants	16	17	15
New Starts:			
#	5	7	5
\$	\$800,000	\$700,000	\$500,000
Continuations:			
#	11	10	10
\$	\$772,000	\$1,000,000	\$625,000
Contracts:			
#	15	12	12
\$	\$2,873,000	\$4,419,000	\$3,877,000
Interagency Agreements:			
#	8	9	9
\$	\$1,332,000	\$1,407,000	\$1,407,000

<sup>1</sup> FY 2006 and FY 2007 obligations include unobligated funds.

<sup>2</sup> Includes funding for information technology, salaries/benefits and associated overhead costs.

Resource and Program Data  
Federal Parent Locator Services (Obligations<sup>1</sup>)

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula			
Discretionary			
Research/Evaluation			
Demonstration/Development	\$7,645,852	\$9,732,752	\$9,737,472
Training/Technical Assistance			
Program Support <sup>2</sup>	35,445,148	38,264,248	38,495,528
Total, Resources	\$43,091,000	\$47,997,000	\$48,233,000
<u>Program Data:</u>			
Number of Grants	0	0	0
New Starts:			
#	0	0	0
\$	\$0	\$0	\$0
Continuations:			
#	0	0	0
\$	\$0	\$0	\$0
Contracts:			
#	11	9	9
\$	\$29,620,000	\$33,294,000	\$33,736,000
Interagency Agreements:			
#	6	7	7
\$	\$6,767,000	\$7,425,000	\$7,425,000

<sup>1</sup> Obligations include fees offset from the states to pay costs associated with offset notice preparation and Federal Parent Locator Service as well as fees from other federal agencies to pay costs associated with the Federal Parent Locator Services. FY 2007 includes unobligated funds.

<sup>2</sup> Includes funding for information technology, salaries/benefits and associated overhead costs.

Resource and Program Data  
Welfare Research

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula			
Discretionary			
Research/Evaluation	\$11,690,000	\$13,650,000	\$13,650,000
Demonstration/Development			
Training/Technical Assistance	1,899,000	300,000	300,000
Program Support <sup>1</sup>	1,404,000	1,050,000	1,050,000
Total, Resources	\$14,993,000	\$15,000,000	\$15,000,000
<u>Program Data:</u>			
Number of Grants	8	3	2
New Starts:			
#	3	0	0
\$	\$682,000	\$0	\$0
Continuations:			
#	5	3	2
\$	\$780,000	\$528,000	\$374,000
Contracts:			
#	25	27	27
\$	\$11,512,000	\$12,453,000	\$12,607,000
Interagency Agreements:			
#	7	7	7
\$	\$2,009,000	\$2,009,000	\$2,009,000

<sup>1</sup> Includes funding for information technology, contract processing fees, conference fees, printing costs, and administrative fees.

Resource and Program Data  
Child Welfare Study

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula			
Discretionary			
Research/Evaluation	\$5,913,000	\$5,912,000	\$5,912,000
Demonstration/Development			
Training/Technical Assistance			
Program Support <sup>1</sup>	80,000	88,000	88,000
Total, Resources	\$5,993,000	\$6,000,000	\$6,000,000
<u>Program Data:</u>			
Number of Grants	7	0	0
New Starts:			
#	6	0	0
\$	\$580,000	\$0	\$0
Continuations:			
#	1	0	0
\$	\$31,000	\$0	\$0
Contracts:			
#	2	2	1
\$	\$5,382,000	\$6,000,000	\$6,000,000
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

<sup>1</sup> Includes funding for information technology, contract processing fees, conference fees, printing costs, and administrative fees.

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

CHILD CARE ENTITLEMENT TO STATES

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DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children and Families  
Child Care Entitlement to States

Amounts Available for Obligation

	<u>2006 Enacted</u>	<u>2007 Estimate</u>	<u>2008 Pres. Budget</u>
Appropriation:			
Annual .....	\$2,917,000,000	\$2,917,000,000	\$2,917,000,000
Re-appropriation of prior year funds .....	2,624,222	0	0
Total, obligations .....	\$2,919,624,222	\$2,917,000,000	\$2,917,000,000

SUMMARY OF CHANGES

FY 2007 Estimate		
Total estimated budget authority .....		\$2,917,000,000
(Obligations) .....		(\$2,917,000,000)
FY 2008 Pres. Budget		
Total estimated budget authority .....		\$2,917,000,000
(Obligations) .....		(\$2,917,000,000)
Net change budget authority .....		\$0

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Child Care Entitlement to States

Budget Authority by Activity  
(Dollars in thousands)

	<u>2006</u> <u>Enacted</u>	<u>2007</u> <u>Estimate</u>	<u>2008</u> <u>Pres. Budget</u>
State Mandatory Funds .....	\$1,177,525	\$1,177,525	\$1,177,525
Matching Child Care .....	1,673,843	1,673,843	1,673,843
Tribal Mandatory Funds .....	58,340	58,340	58,340
Training and Technical Assistance .....	7,292	7,292	7,292
Total, Budget Authority .....	\$2,917,000	\$2,917,000	\$2,917,000

Budget Authority by Object

	<u>2007</u> <u>Estimate</u>	<u>2008</u> <u>Pres. Budget</u>	<u>Increase or</u> <u>Decrease</u>
Rental Payments to GSA (23.1) .....	\$35,000	\$35,000	\$0
Advisory and Assistance Services (25.1) .....	7,200,000	7,200,000	0
Purchases from Govt. Accounts (25.3) .....	60,000	60,000	0
Grants (41.0) .....	2,909,705,000	2,909,705,000	0
Total .....	\$2,917,000,000	\$2,917,000,000	\$0



ADMINISTRATION FOR CHILDREN AND FAMILIES  
Child Care Entitlement to States

Authorizing Legislation

	2007 Amount Authorized	2007 Budget Estimate	2008 Amount Authorized	2008 Budget Request
Section 418 of the Social Security Act	\$2,917,000,000	\$2,917,000,000	\$2,917,000,000	\$2,917,000,000

APPROPRIATIONS HISTORY TABLE

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
1999				\$2,166,938,000
2000				2,367,000,000
2001				2,567,000,000
2002				2,717,000,000
2003				2,717,000,000
2004				2,717,000,000
2005				2,717,000,000
2006				2,917,000,000
2007				2,917,000,000
2008				\$2,917,000,000

Child Care Entitlement to States

Justification

Authorizing Legislation — Section 418 of the Social Security Act.

	2006 Enacted	2007 Estimate	2008 Pres. Budget	Increase or Decrease
State Mandatory Funds	\$1,177,524,781	\$1,177,524,781	\$1,177,524,781	\$0
Matching Child Care	1,673,842,719	1,673,842,719	1,673,842,719	0
Tribal Mandatory Funds	58,340,000	58,340,000	58,340,000	0
Training and Technical Assistance	7,292,500	7,292,500	7,292,500	0
Total, BA	\$2,917,000,000	\$2,917,000,000	\$2,917,000,000	\$0

2008 Authorization.....\$2,917,000,000 (pre-appropriated authority).

General Statement

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 (P.L. 104-193) combined child care entitlement programs with different target populations (AFDC Child Care, Transitional Child Care and At-Risk Child Care) with the Child Care and Development Block Grant (CCDBG) Act of 1990. Effective October 1, 1996, the discretionary and mandatory child care funding under this Act, designated the Child Care and Development Fund, allows states maximum flexibility in developing child care programs and enables states to use resources more effectively to meet local needs. The Child Care and Development Fund includes both a discretionary component (see discussion in the Child Care and Development Block Grant section) and mandatory and matching components, the Child Care Entitlement to States program. The Deficit Reduction Act of 2005 reauthorized the Child Care Entitlement to States program through 2010 and added \$200 million annually over the previous program level of \$2.717 billion.

The FY 2008 President’s Budget request of \$2,917,000,000 for this account represents current law requirements. No proposed law amounts are included.

**Statement of Budget Request** – The FY 2008 request is the same as the FY 2007 estimate.

**Program Description** – The Child Care Entitlement to States program provides grants to states and federally recognized tribes for the purposes of providing low-income families with financial assistance for child care, and improving the quality and availability of early childhood programs and before-and-after school programs.

In conjunction with the Child Care and Development Block Grant, these funds will:

- Allow each state maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within each state;

- Promote parental choice to empower working parents to make their own decisions on the child care that best suits their family's needs;
- Encourage states to provide consumer education information to help parents make informed choices about child care;
- Assist states in providing child care to parents trying to achieve and maintain independence from temporary cash assistance and help assist other low-income working parents to maintain quality child care services for their children; and
- Assist states in implementing the health, safety, licensing, and registration standards established in state regulations.

**Mandatory Child Care** – Mandatory funds are allocated to grantees based on historic levels of Title IV-A child care expenditures.

**Matching Child Care** – Matching funds are those remaining after Mandatory funds and the two percent of the appropriation set aside for tribes and tribal organizations are allocated. Matching funds are available to states if three conditions are met by the end of the fiscal year in which Matching funds are awarded: (1) all Mandatory funds are obligated; (2) the state's maintenance-of-effort funds are expended; and (3) the state provides its share of matching funds at the FMAP rate. Unobligated funds not spent by states will be available for reappropriation in the next fiscal year.

**Training and Technical Assistance** – In accordance with program regulations the Secretary may withhold no more than one quarter of one percent of the Child Care Entitlement program made available for a fiscal year for the provision of training and technical assistance to states.

**Rationale for the Budget Request** – The FY 2008 request of \$2,917,000,000 is the same as the FY 2007 estimate and will provide funding to assist states in meeting the critical child care needs of families. The funds will continue ACF's commitment to providing resources that allow families to become and remain self-sufficient and productive members of society. These funds also allow families to access quality child care, which promotes child development, literacy, and school readiness.

**Performance Analysis** – See the Child Care and Development Block Grant budget discussion and the Detail of Performance Analysis section for performance measures related to the Child Care Entitlement to States program.

Resource and Program Data  
Mandatory Child Care State & Tribal

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula - State	\$1,177,524,781	\$1,177,524,781	\$1,177,524,781
Formula -Tribal	58,340,000	58,340,000	58,340,000
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$1,235,864,781	\$1,235,864,781	\$1,235,864,781
<u>Program Data:</u>			
Number of Grants	289	289	289
New Starts:			
#	0	0	0
\$	\$0	\$0	\$0
Continuations:			
#	289	289	289
\$	\$1,235,864,781	\$1,235,864,781	\$1,235,864,781
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

Resource and Program Data  
Matching Child Care Grants

	2006 <sup>1</sup> Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula	\$1,676,466,941	\$1,673,842,719	\$1,673,842,719
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$1,676,466,941	\$1,673,842,719	\$1,673,842,719
<u>Program Data:</u>			
Number of Grants	51	51	51
New Starts:			
#	0	0	0
\$	\$0	\$0	\$0
Continuations:			
#	51	51	51
\$	\$1,676,466,941	\$1,673,842,719	\$1,673,842,719
Contracts:			
#	0	0	0
\$	\$0	\$0	\$0
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

<sup>1</sup> FY 2006 includes reappropriated Matching funds from prior years.

Resource and Program Data  
Training and Technical Assistance

	2006 Actual	2007 Estimate	2008 Pres. Budget
<u>Resource Data:</u>			
Service Grants			
Formula			
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance	\$7,292,500	\$7,292,500	\$7,292,500
Program Support			
Total, Resources	\$7,292,500	\$7,292,500	\$7,292,500
<u>Program Data:</u>			
Number of Grants	0	0	0
New Starts:			
#	0	0	0
\$	\$0	\$0	\$0
Continuations:			
#	0	0	0
\$	\$0	\$0	\$0
Contracts:			
#	4	5	5
\$	\$7,292,500	\$7,292,500	\$7,292,500
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2008 MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: Child Care Entitlement to States-Mandatory (CFDA #93.596)**

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$16,441,707	\$16,441,707	\$16,441,707	\$0
Alaska	3,544,811	3,544,811	3,544,811	0
Arizona	19,827,025	19,827,025	19,827,025	0
Arkansas	5,300,283	5,300,283	5,300,283	0
California	85,593,217	85,593,217	85,593,217	0
Colorado	10,173,800	10,173,800	10,173,800	0
Connecticut	18,738,357	18,738,357	18,738,357	0
Delaware	5,179,330	5,179,330	5,179,330	0
District of Columbia	4,566,974	4,566,974	4,566,974	0
Florida	43,026,524	43,026,524	43,026,524	0
Georgia	36,548,223	36,548,223	36,548,223	0
Hawaii	4,971,633	4,971,633	4,971,633	0
Idaho	2,867,578	2,867,578	2,867,578	0
Illinois	56,873,824	56,873,824	56,873,824	0
Indiana	26,181,999	26,181,999	26,181,999	0
Iowa	8,507,792	8,507,792	8,507,792	0
Kansas	9,811,721	9,811,721	9,811,721	0
Kentucky	16,701,653	16,701,653	16,701,653	0
Louisiana	13,864,552	13,864,552	13,864,552	0
Maine	3,018,598	3,018,598	3,018,598	0
Maryland	23,301,407	23,301,407	23,301,407	0
Massachusetts	44,973,373	44,973,373	44,973,373	0
Michigan	32,081,922	32,081,922	32,081,922	0
Minnesota	23,367,543	23,367,543	23,367,543	0
Mississippi	6,293,116	6,293,116	6,293,116	0
Missouri	24,668,568	24,668,568	24,668,568	0
Montana	3,190,691	3,190,691	3,190,691	0
Nebraska	10,594,637	10,594,637	10,594,637	0
Nevada	2,580,422	2,580,422	2,580,422	0
New Hampshire	4,581,870	4,581,870	4,581,870	0
New Jersey	26,374,178	26,374,178	26,374,178	0
New Mexico	8,307,587	8,307,587	8,307,587	0
New York	101,983,998	101,983,998	101,983,998	0
North Carolina	69,639,228	69,639,228	69,639,228	0
North Dakota	2,506,022	2,506,022	2,506,022	0

STATE/TERRITORY	FY 2006 Actual	FY 2007 Estimate	FY 2008 Pres. Budget	Increase or Decrease
Ohio	70,124,656	70,124,656	70,124,656	0
Oklahoma	24,909,979	24,909,979	24,909,979	0
Oregon	19,408,790	19,408,790	19,408,790	0
Pennsylvania	55,336,804	55,336,804	55,336,804	0
Rhode Island	6,633,774	6,633,774	6,633,774	0
South Carolina	9,867,439	9,867,439	9,867,439	0
South Dakota	1,710,801	1,710,801	1,710,801	0
Tennessee	37,702,188	37,702,188	37,702,188	0
Texas	59,844,129	59,844,129	59,844,129	0
Utah	12,591,564	12,591,564	12,591,564	0
Vermont	3,944,887	3,944,887	3,944,887	0
Virginia	21,328,766	21,328,766	21,328,766	0
Washington	41,883,444	41,883,444	41,883,444	0
West Virginia	8,727,005	8,727,005	8,727,005	0
Wisconsin	24,511,351	24,511,351	24,511,351	0
Wyoming	2,815,041	2,815,041	2,815,041	0
<b>Subtotal</b>	<b>1,177,524,781</b>	<b>1,177,524,781</b>	<b>1,177,524,781</b>	<b>0</b>
Indian Tribes	58,340,000	58,340,000	58,340,000	0
<b>Subtotal</b>	<b>58,340,000</b>	<b>58,340,000</b>	<b>58,340,000</b>	<b>0</b>
<b>Total States/Territories</b>	<b>1,235,864,781</b>	<b>1,235,864,781</b>	<b>1,235,864,781</b>	<b>0</b>
Technical Assistance	3,791,840	3,791,840	3,791,840	0
<b>Subtotal Adjustments</b>	<b>3,791,840</b>	<b>3,791,840</b>	<b>3,791,840</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$1,239,656,621</b>	<b>\$1,239,656,621</b>	<b>\$1,239,656,621</b>	<b>\$0</b>



**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2008 MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: Child Care Entitlement to States-Matching (CFDA #93.596)**

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual<sup>1</sup></b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Alabama	\$24,870,995	\$24,870,995	\$24,870,995	\$0
Alaska	4,203,739	4,196,273	4,196,273	0
Arizona	36,238,958	36,179,063	36,179,063	0
Arkansas	15,461,688	15,434,885	15,434,885	0
California	221,413,039	221,031,536	221,031,536	0
Colorado	27,339,553	27,293,589	27,293,589	0
Connecticut	18,943,067	18,908,328	18,908,328	0
Delaware	4,420,045	4,412,503	4,412,503	0
District of Columbia	2,627,180	2,622,454	2,622,454	0
Florida	91,116,026	90,962,474	90,962,474	0
Georgia	54,241,768	54,150,193	54,150,193	0
Hawaii	6,917,621	6,905,739	6,905,739	0
Idaho	8,521,941	8,507,353	8,507,353	0
Illinois	74,674,179	74,543,531	74,543,531	0
Indiana	36,702,121	36,638,579	36,638,579	0
Iowa	15,327,665	15,300,468	15,300,468	0
Kansas	15,603,330	15,575,946	15,575,946	0
Kentucky	22,416,242	22,416,242	22,416,242	0
Louisiana	26,555,641	26,555,641	26,555,641	0
Maine	6,099,630	6,089,157	6,089,157	0
Maryland	31,566,346	31,566,346	31,566,346	0
Massachusetts	33,274,063	33,216,040	33,216,040	0
Michigan	57,026,441	56,924,941	56,924,941	0
Minnesota	27,940,882	27,892,272	27,892,272	0
Mississippi	17,173,381	17,143,154	17,143,154	0
Missouri	31,310,537	31,255,755	31,255,755	0
Montana	4,547,607	4,539,442	4,539,442	0
Nebraska	9,916,802	9,899,574	9,899,574	0
Nevada	14,146,116	14,122,679	14,122,679	0
New Hampshire	6,684,567	6,672,691	6,672,691	0
New Jersey	49,429,267	49,344,035	49,344,035	0
New Mexico	11,121,906	11,102,333	11,102,333	0
New York	104,303,433	104,119,582	104,119,582	0
North Carolina	49,038,731	48,955,193	48,955,193	0
North Dakota	3,071,691	3,066,115	3,066,115	0

<b>STATE/TERRITORY</b>	<b>FY 2006 Actual<sup>1</sup></b>	<b>FY 2007 Estimate</b>	<b>FY 2008 Pres. Budget</b>	<b>Increase or Decrease</b>
Ohio	62,883,663	62,769,817	62,769,817	0
Oklahoma	19,717,603	19,683,121	19,683,121	0
Oregon	19,355,078	19,321,369	19,321,369	0
Pennsylvania	63,075,168	62,964,029	62,964,029	0
Rhode Island	5,466,994	5,457,575	5,457,575	0
South Carolina	23,270,817	23,232,086	23,232,086	0
South Dakota	4,289,082	4,281,552	4,281,552	0
Tennessee	31,862,420	31,806,423	31,806,423	0
Texas	146,568,772	146,323,418	146,323,418	0
Utah	17,633,642	17,633,642	17,633,642	0
Vermont	2,885,323	2,880,087	2,880,087	0
Virginia	41,312,418	41,241,538	41,241,538	0
Washington	33,506,860	33,506,860	33,506,860	0
West Virginia	8,648,293	8,633,201	8,633,201	0
Wisconsin	29,166,191	29,114,481	29,114,481	0
Wyoming	2,578,419	2,578,419	2,578,419	0
<b>Subtotal</b>	<b>1,676,466,941</b>	<b>1,673,842,719</b>	<b>1,673,842,719</b>	<b>0</b>
Technical Assistance	3,500,660	3,500,660	3,500,660	0
<b>Subtotal Adjustments</b>	<b>3,500,660</b>	<b>3,500,660</b>	<b>3,500,660</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$1,679,967,601</b>	<b>\$1,677,343,379</b>	<b>\$1,677,343,379</b>	<b>\$0</b>

<sup>1</sup> FY 2006 includes reappropriated Matching funds from prior years (2005).