

Social Services Block Grant Spending by Child Welfare Agencies in SFY 2022

Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of or have been victims of maltreatment. State and local child welfare agencies rely on multiple funding streams to administer programs and services. In state fiscal year (SFY) 2022, state and local child welfare agencies spent \$34.3 billion in federal, state, local, and other funds. While many funding sources are available to child welfare agencies, each source has its own unique purposes, eligibility requirements, and limitations creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition impacts what services are available to children and families and the way in which child welfare agencies operate.

Other available resources

This document is one of many child welfare financing resources available on the [Child Trends](#) website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Medicaid
- Other federal funds
- State and local funds

This document presents information about Social Services Block Grant (SSBG) spending by child welfare agencies in SFY 2022 collected through Child Trends' national survey of child welfare agency expenditures.¹

Background

SSBG is a flexible source of federal funds available to states to support five overarching policy goals:

1. Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency
2. Achieving or maintaining self-sufficiency, including reducing or preventing dependency
3. Preventing or remedying neglect, abuse, or exploitation of children and adults who are unable to protect their own interests or preserving, rehabilitating, or reuniting families
4. Preventing or reducing inappropriate institutional care by providing for community-based, home-based, or other forms of less intensive care
5. Securing referral or admission to institutional care when other forms of care are not appropriate or providing services to individuals in institutions

More than two dozen SSBG service categories are defined in federal regulations, many of which relate to child welfare (e.g., foster care services, protective services, case management, counseling services, and more). In fact, the largest SSBG service area in FFY 2022 was child welfare/youth at risk services.²

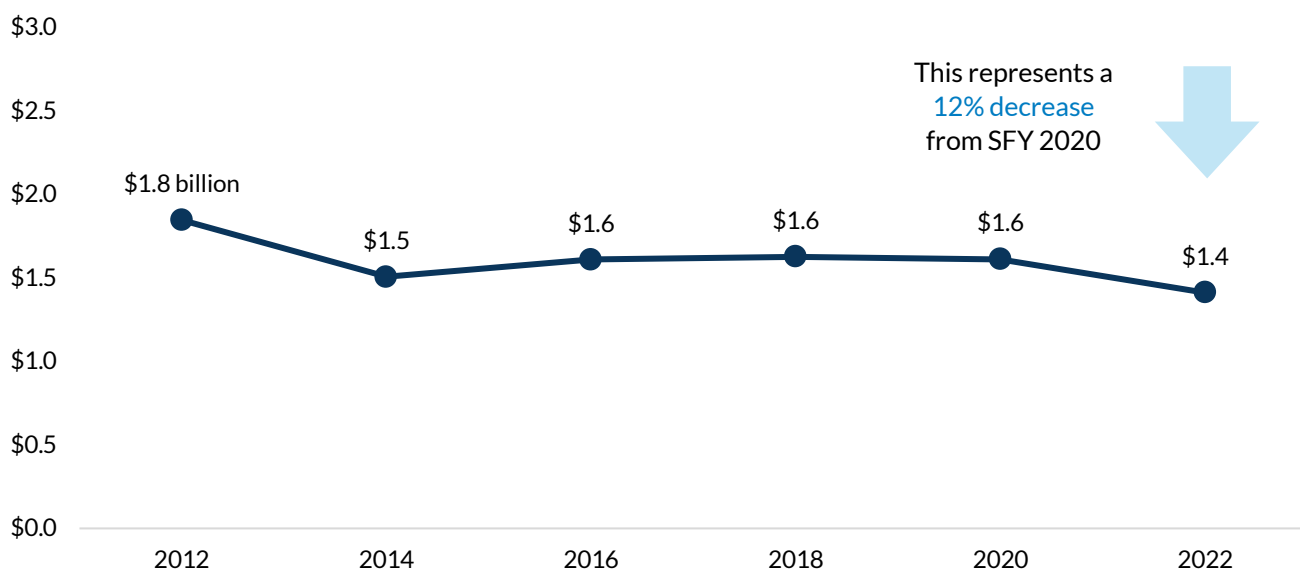
SSBG funds are distributed to states through a formula-based appropriation with no state match required. In addition to their annual SSBG allotments, states are permitted to transfer up to 10 percent of the Temporary Assistance for Needy Families (TANF) block grant to SSBG. Once funds are transferred, they become available for SSBG's allowable uses (with some exceptions). Each state determines which individuals are eligible for services funded by SSBG.

Overview of SSBG spending

\$1.5 billion

In SFY 2022, child welfare agencies reported spending **\$1.5 billion** in SSBG funds on child welfare services.³

SSBG expenditures have **decreased by 24 percent** over the decade (among states with sufficient data in SFYs 2012 and 2022).⁴



All dollar amounts have been inflated to 2022 levels. The figures presented in this graph reflect an analysis of 43 states with sufficient data across all six surveys conducted between 2012 and 2022 (surveys conducted every two years). Therefore, the total amount of SFY 2022 SSBG expenditures presented in this graph (\$1.4 billion) differs from the total amount presented in the text (\$1.5 billion).

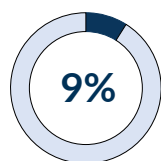
Between SFYs 2020 and 2022, **more states reported a decrease** than an increase in the use of SSBG funds by child welfare agencies.⁵ Changes in SSBG expenditures ranged from **-100 percent to 437 percent**, depending on the state.

States experiencing changes in the use of SSBG funds



The Budget Control Act of 2011 (P.L. 112-25, as amended) stipulated automatic spending cuts (sequestration) if Congress was unable to reduce spending on its own.⁶ This reduction over the decade is explained in part by SSBG funds being reduced due to sequestration since FFY 2013. In addition, when asked why SSBG expenditures decreased, New Hampshire indicated it has deliberately decreased use of SSBG by the child welfare agency over time. On the other hand, Georgia indicated that additional time-limited COVID-19 pandemic-related funding in other programs allowed it to free up more SSBG funds for child welfare purposes in SFY 2022.

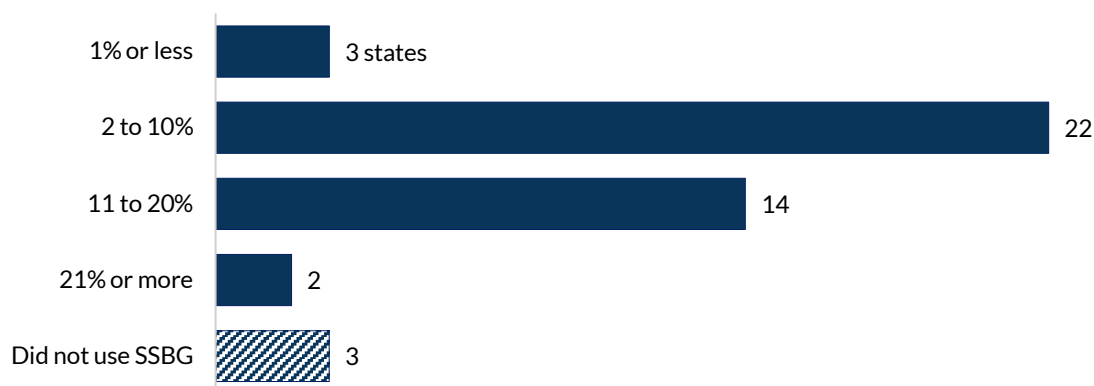
SSBG as a share of all federal funds



SSBG funds made up a **small proportion** of federal funds spent by child welfare agencies in SFY 2022.⁷

SSBG funds accounted for **0 percent** to **25 percent** of federal dollars spent by child welfare agencies in SFY 2022, depending on the state.

Percentage of federal expenditures



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Main Report: Rosinsky, K., Fischer, M., Haas, M., Ibarra, A., & Williams, S.C. (2025). *Child Welfare Financing SFY 2022: A survey of federal, state, and local expenditures*. Child Trends. DOI: 10.56417/5123x6901v

Endnotes

¹ See the main report (*Child Welfare Financing SFY 2022: A survey of federal, state, and local expenditures*) for more specific information about the methodology, interpretation of findings, and important caveats.

Each state reported data based on its SFY 2022, which for most states is July 1, 2021, to June 30, 2022. Of the 46 participating states, only four (the District of Columbia, Michigan, New York, and Texas) reported a different SFY period.

The survey instrument has been revised over the 13 rounds of the survey, so some data are not directly comparable. See the main report for more details about changes to the survey and comparability.

For the purposes of the survey, the District of Columbia and Puerto Rico are considered states.

This year, Alabama, Alaska, Hawai'i, Kentucky, North Dakota, and West Virginia were unable to participate, resulting in a total of 46 participating states.

² U.S. Department of Health and Human Services, Administration for Children and Families, Office of Community Services. (2024). *Social Services Block Grant Program Annual Report 2022*. Available at:

https://acf.gov/sites/default/files/documents/ocs/RPT_SSBG_FY-2022-Annual-Report_Final_508.pdf

³ Based on an analysis of 46 states that provided data.

⁴ To enable comparisons, all dollar amounts from previous years have been inflated to 2022 levels using the gross domestic product deflator (accessed at www.measuringworth.com/uscompare/).

When comparing expenditures or funding proportions between two or more years, we restricted the analysis to states with sufficient data in the years being compared. This is because some states provided incomplete information or did not respond to the survey in some years.

The percentage change between SFYs 2012 and 2022 is based on an analysis of 46 states with sufficient data.

The percentage change between SFYs 2020 and 2022 is based on an analysis of 43 states with sufficient data.

⁵ Based on an analysis of 43 states with sufficient data

⁶ Budget Control Act of 2011. Public Law No. 112-25. Available at: <https://www.congress.gov/bill/112th-congress/senate-bill/365/text>

⁷ This percentage is based on an analysis of 44 states with complete federal expenditure data in SFY 2022.