

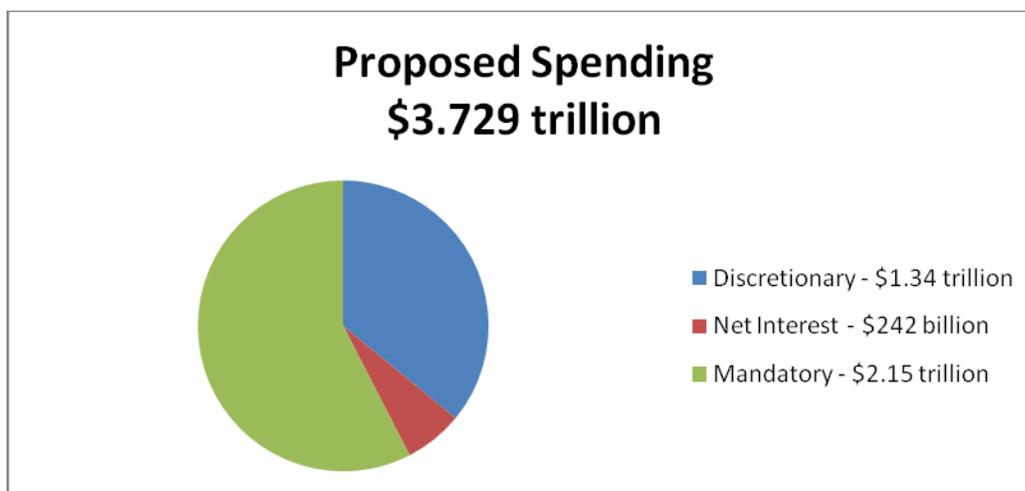
# American Humane Association

The nation's voice for the protection of children & animals

## Summary of the President's Proposed FY 2012 Child Welfare Budget

The Obama administration's fiscal year (FY) 2012 budget proposes very few changes from the assumed 2011 spending levels in child welfare programs and services to children and families. With the exception of a boost of \$866 million for Head Start and \$1.300 billion for child care, most child and family services programs in the HHS [U.S. Department of Health and Human Services]/Administration for Children and Families budget plan would be level funded.

The overall theme of President Obama's 2012 budget takes steps towards deficit reduction but does not include steps to reform entitlement programs that take up almost 60 percent of dollars spent. The budget includes cuts in a number of current programs while also increasing spending in other areas. The President's plan projects that its budget will reduce the overall deficit by \$1.1 trillion over the next ten years with two-thirds coming from cuts and one-third coming from tax changes and other revenue increasing proposals. These reductions are accomplished by focusing on the one-third of the budget that is considered "discretionary", those federal funds that must be determined each year by the appropriations process. The remaining funds are entitlements (mandatory funds) and interest on the debt. For FY 2012 the budget freezes domestic spending and assumes this will continue for five years. The budget proposes \$78 billion in Defense Department reduction over five years and a reduction of approximately \$15 billion this year. The overall budget will be \$3.7 trillion with a projected deficit of \$1.1 trillion - a decrease from previous projections of \$1.6 trillion in 2012. Discretionary spending is set at \$1.128 trillion. The remaining two and a half trillion in the federal budget goes to entitlement and mandatory programs such as Medicare, Social Security, Medicaid, some Veterans programs and interest on the national debt.



The following table is President Obama's FY 2012 proposed funding for selected children's programs compared with funds appropriated in 2008 - 2010.\*

(in millions)	FY 2008	FY 2009	FY 2010	FY 2012
CAPTA State Grants	\$ 26.535	\$ 26.535	\$ 27.00	\$27.00
CAPTA Discretionary Grants	\$ 37.135	\$ 41.757	\$ 39.345 (1)	\$29.00
CAPTA Community-Based Prevention	\$ 41.689	\$ 41.689	\$ 41.000	\$41.000
Title XX, Social Services	\$1,700.00	\$1,700.00	\$1,700.00	\$1,700.00
Title IV-B(1), Child Welfare Services	\$ 281.744	\$ 281.744	\$ 282.000	\$282.000
Title IV-B(2), Safe & Stable Families	\$ 408.311	\$ 408.311	\$ 408.311	\$408.311
Title IV-E, Foster Care Assistance	\$4,581.000	\$4,660.000	\$4,681.000	\$4,500.000
Title IV-E, Adoption Assistance	\$2,191.000	\$2,371.000	\$2,462.000	\$2,500.00
Child Welfare Training/Research	\$ 7.207	\$ 7.207	\$ 27.2	\$27.2
Adoption Opportunities	\$ 26.379	\$ 26.379	\$ 26.379	\$39.379 (2)

\*Normally the current fiscal year funding would have been decided last year - this has not been the case with the FY 2011 budget. Congress must still make decisions on the remaining FY 2011 appropriations which run until October 1. The leadership in the House of representatives have proposed cuts of \$58 billion below the funding level that was enacted in 2010 and \$100 billion less than what the President had proposed for FY 2011.

(1) Removal of \$2 million in earmarked funds for special projects and \$10 million for a special initiative that was not passed by Congress last year

(2) Combines another similar adoption promotion program but maintains funding

## ***NEW KEY PROPOSALS IN CHILD WELFARE***

### ***Child Welfare***

The Administration proposes a \$250 million incentive that is targeted to incentivize improvements in the foster care program. Specific details are not provided beyond the broad descriptions that include:

- Creating financial incentives to improve child outcomes in key areas by reducing the length of stay in foster care; increasing permanency through reunification, adoption, and guardianship; decreasing rates of maltreatment recurrence and any maltreatment while in foster care; and reducing rates of re-entry into foster care.
- Improving the well-being of children and youth in the foster care system, transitioning to permanent homes, or transitioning to adulthood.
- Reducing costly and unnecessary administrative requirements, while retaining the focus on children in need.
- Using the best available research available on child welfare policies and interventions to help States achieve further declines in the number of children who need to enter or remain in foster care, to better reach families with more complex needs, and to improve outcomes for children who are abused, neglected or at risk of abuse or neglect.
- Expanding our evidence base by allowing demonstrations that enable States to test innovative strategies that improve outcomes for children and reward States for efficient use of Federal and State resources.

### ***Promoting Safe and Stable families (PSSF)***

The administration proposes maintaining current funding levels. PSSF requires a reauthorization this year and the Administration does not propose major revisions.

### ***TANF Reauthorization***

The Administration anticipates maintaining current spending in the TANF block grant at \$16.5 billion plus the supplemental grants that are part of the block grant. The Administration states they are open to a discussion with the Congress on strategies to strengthen the program and outcomes for families with an emphasis on strategies to address employment and ways to make the block grant more responsive to economic downturns.

### ***Child Care Reauthorization***

Child care is a big priority for the Administration and is clearly an area they see as a key investment. Under the administration proposal, mandatory child care funding would increase by \$500 million and discretionary funding would increase by \$800 million. The total increase of more than \$1.3 billion would increase child care subsidies to cover 1.7 million children. The Administration calculates the increase funding will assist 220,000 children maintain access to child care subsidies.

### ***Child Support Enforcement***

The Budget includes a Child Support and Fatherhood initiative to promote strong family relationships by encouraging fathers to take responsibility for their children, changing policies so that more of fathers' support reaches their children, and continuing a commitment to vigorous enforcement. The Budget increases support for States to pass through child support payments to families, rather than retaining those payments, and requires States to establish access and visitation arrangements as a means of promoting father engagement in their children's lives. The Budget also provides a temporary increase in incentive payments to States based on performance, which continues an emphasis on program outcomes and efficiency and will foster enforcement efforts. The initiatives would cost \$305 million in FY 2012.

### ***GREATER INVESTEMENTS IN PREVENTION NEEDED***

Our failure to prevent the abuse and neglect of children from occurring in the first place costs American taxpayers over \$103 billion per year.<sup>1</sup> Average caseloads for child protection workers are double the recommended caseload. As such, at current funding levels, CPS is unable to serve close to half of the abused and neglected children in their caseloads. Preventing child abuse is cost effective. A GAO study of child abuse prevention programs found "total federal costs of providing prevention programs for low-income populations were nearly offset after four years."<sup>2</sup> There should be a greater balance between investments in child maltreatment prevention and investments made after a child has been separated from their family.

It is time to invest additional resources in child maltreatment prevention and give our nation's children the protection they deserve.

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<sup>1</sup> Wang, C & Holton, J. (2008). *Total estimated cost of child abuse and neglect in the United States: Statistical evidence*. Chicago, IL: Prevent Child Abuse America.

<sup>2</sup> U.S. Government Accountability Office (1992). *Child Abuse: Prevention Programs Need Greater Emphasis*: Washington, DC.