The National Conference of State Legislatures (NCSL) is concerned about the welfare of our nation's families and the safety of their children. NCSL supports strengthening families through coordinated early intervention and prevention services so that they can protect and nurture their children. Flexible federal funding, including decategorized funding, is essential to address the changing needs of families and leverage state program funding.

**Child Welfare Principles**

NCSL supports federal law that:

- promotes the goals of safety, permanence and the well-being of children;
- increases family support services in order to maintain children safely with their families and decrease the number of children unnecessarily entering the foster care system;
- ensures that children placed in foster care are placed in the least restrictive, most home-like environment, including placement with family members;
- facilitates the timely and safe return of children to their functional families with supportive services and promote the timely adoption or other permanent placement of children who cannot return home; and
- promote educational stability for foster care children.
NCSL supports the development of family-based child welfare services. NCSL supports policy and practice which promotes a system of services that promote safety and permanence for children and support families. This system of services must: (1) protect children and support families and reduce unnecessary placement of children outside the home; (2) reunite children safely with their families when placement becomes necessary (3), ensure a range of foster care alternatives; (4) promote timely adoption and other permanency options when it is not appropriate for a child to return home, and (5) promote kinship and guardianship placements. Child welfare services should be family-based, providing support to keep children safely in their homes with their families, limiting the need for long-term family intervention. When short-term intervention is necessary, out-of-home placements provide a safe therapeutic environment essential for healthy child development. When family reunification is impossible, permanent alternatives, particularly adoption, kinship care and subsidized guardianship as well as independent living arrangements are available to provide stable, nurturing environments for children who cannot return home. NCSL is concerned about the number of children who enter the foster care system that are victims of neglect.

NCSL believes that the provision of support services, including in-home family services to at-risk families, is key to reducing the number of children in the foster care system. NCSL encourages the federal government to continue to seek cost effective alternatives to foster care. The efforts of the states have been hampered by inadequate funding, confused federal guidelines, and tardiness for reimbursement to the states for mandated program expenditures. NCSL urges Congress to provide states with additional federal financial support and technical assistance in their efforts to implement
a comprehensive service system that helps institute more effective child welfare and adoption policies and practice to promote the safety, permanence and well-being of children.

Families and children in the child welfare system often face complex problems such as homelessness, substance abuse, and HIV infection that require interdisciplinary and interagency solutions. To combat service fragmentation, the federal government should provide increased flexibility enabling states to better coordinate service delivery among the public and private child welfare systems, child mental health, and juvenile justice systems as well as TANF, education and health agencies. Interagency collaboration including public/private partnerships should be encouraged to further integrate and coordinate services. NCSL supports special efforts by the federal government to work with courts to improve their processes in child welfare cases and better collaborate for improved outcomes for children. State flexibility must be maintained in these programs to provide interagency training, budgeting, planning and conflict resolution as well as integrated data systems.

**Promoting Safe and Stable Families Program (Title IVB, Subpart 2)**

The Promoting Safe and Stable Families entitlement program, which NCSL strongly supports, is a critical step toward changing the inequity between funding for out-of-home placement and funding for protecting children by strengthening families. This guaranteed level of federal funding, while modest, will enhance state efforts to develop additional family preservation, family reunification and family support programs. NCSL
supports efforts to create a continuum of care for families from prevention of abuse and neglect through family support programs to intervention for families in crisis through family preservation. State legislators have long been the innovators of these programs, using predominantly state, local and private funds. NCSL believes that family support programs also can play an important role in preserving adoptive families.

There must be respect for the enormous variation between states in implementing family preservation and family support programs. States should be given maximum flexibility in designing their programs, without preemption of existing state laws. The federal government should provide state legislatures with technical assistance that includes peer to peer discussion. Intensive staff training will be needed in order to deliver these services as well as broader training of relevant agencies. Training should not be limited to an administrative expense.

HHS should communicate directly with legislators. NCSL is concerned about the lack of uniform interpretation of federal law and regulations by federal regional offices.

NCSL is strongly opposed to efforts to limit state flexibility in the distribution of entitlement funds. The federal law calls for significant portions of the funds to be divided between family preservation and family support programs. NCSL is strongly opposed to efforts to earmark these funds and urges HHS to recognize that states should determine where these funds can best be spent in the community. NCSL's concerns were heightened when the law was changed to require "significant" portions must be used to promote time limited family reunification and adoption promotion and support services.
Child Welfare Services (Title IVB Subpart I)

The child welfare services program authorized under Title IVB of the Social Security Act provides for federal matching grants to states for three types of services relating to child welfare: direct services, training, and research and demonstration grants. NCSL urges and encourages full funding of Title IVB and expansion of funds for child welfare services. This will encourage the provision of services aimed at supporting families, rather than out of home placements.

Any cap on administrative funding must be carefully constructed so that vital work done by caseworkers is not considered administrative. NCSL is opposed to possible restrictions on states’ ability to use Title IVB, Part 1 funding on child care necessary for parental employment, foster care and adoption assistance and states’ ability to use such expenditures as match.

Family Unification Program

Homelessness and other housing problems are often barriers to family stability and children are unnecessarily separated from their families due to these problems. The Family Unification program allows certain states to provide housing assistance through the Section 8 program to families who meet the regular Section 8 eligibility criteria and whose children are at-risk of placement in out-of-home care or delayed in returning from care because of homelessness or severe housing problems. NCSL urges the U.S.
Department of Housing and Urban Development to fund programs and inform state legislatures of the availability of funds and the results of this program.

**Foster Care**

The federal Foster Care program, an open-ended entitlement program that is permanently authorized under Title IVE of the Social Security Act, provides payments to states to reimburse a substantial portion of the maintenance costs of licensed or approved out-of-home care, administrative costs, and training for state agency staff and adoptive and foster care parents. While some provisions of foster care are nominally classified as "administration," in reality, they constitute activities in support of children and their families and are necessary to meet the mandates in federal law. NCSL strongly opposes efforts to cap these Title IVE expenditures. Further technical assistance efforts are needed to help states understand the complicated reporting system, find effective ways to maximize federal dollars and enhance revenues for innovative service techniques.

Specifically, NCSL urges the federal government to:

- Promptly appropriate and pay prior year state claims
- Oppose more stringent time limitations for the collection and submission of state claims;
- Continue a monitoring and review system that fairly assesses state performance and gives states tools for improvement;
- Continue to emphasize family support services, family preservation services, family reunification services, preplacement services and other programs designed to help children at risk of foster care placement remain with their families when safe and timely reunification is appropriate, and those in foster care to return to their families, when safe and timely reunification is appropriate. These services should continue to receive "entitlement" funding;

- Define and separate foster care administration from child placement activities, and support the separate reporting by states of such amounts. Eligibility determination and redetermination, preparation and participation in judicial hearings, child placement, case management (plan development, reviews and supervision), recruitment of foster homes and institutions, rate setting and training costs are critical child placement activities that are essential to the provision of quality services and must continue under the IVE entitlement;

- Support and provide technical assistance to states to use the federal waiver authority.

- Support the concept that grandparents, or other immediate family members, who are caring for children who cannot safely remain with their parents, should be given priority for such custody and placement over placement in a foster home with a non-relative, unless the court determines that placement with any of these relatives is not in the best interest of the child or children. Additionally, kinship foster care placement and/or subsidies should not be contingent on physical removal of a child from his or her relatives. Subsidized guardianship with relatives may be an appropriate permanency option for children who cannot safely return home. Federal funds should be made available for this option and for support services for caretaker
relatives. NCSL opposes efforts either by legislation or by regulation that would eliminate federal reimbursement for relative foster care that is non-licensed. If a state chooses to allow a relative to care for these children, the state should be able to receive federal funds for their care.

- Continue the federal financial participation for states that choose to provide assistance to youths age 18-21 who are preparing to transition from foster care to self-sufficiency. In these difficult fiscal times, states should be allowed to expand services to different ages for foster care adoption and relative guardianship.

- Increase recruitment of and training and respite care for foster care and special needs adoption providers;

- Provide quality, appropriate health, mental health, drug and alcohol abuse treatment and services, education, and job training services and coordinate with existing programs for children and families who come to the attention of the child welfare system; and

- Promote policies that keep children in their own communities and schools.

State legislators are very concerned about the child welfare workforce. Child welfare agencies face daunting challenges recruiting, retaining and supporting caseworkers and supervisors. NCSL supports federal efforts to help the workforce meet these challenges, including student loan forgiveness, funding to expand and improve staff training, and financial assistance to states to reduce caseloads. NCSL is concerned about the denial of plans where states have used Medicaid for targeted case management and Deficit Reduction Act changes to targeted case management.
**Information Services**

NCSL supports HHS efforts to develop a national information system to track data on families in the child welfare system in order to solicit critical child welfare data particularly with respect to outcomes for children and the impact of particular problems such as substance abuse and the effectiveness of treatment options.

**Independent Living**

Congress authorized and increased the capped entitlement funding to assist older youth in the foster care system to aid their transition to life as an adult outside of the foster care system. NCSL urges the Congress to fully fund the John H. Chafee Foster Care Independence Program, and to appropriate funds for education and training vouchers for youth aging out of foster care.

**Adoption Assistance**

Adoption subsidies are a valuable resource in finding permanent homes for children with special needs as defined by the states. Special needs children include those who are: physically, mentally, or emotionally disabled; members of minority groups; older; or siblings needing to be placed together. Adoption assistance increases the number of homes available to these children by subsidizing their medical and other special expenses and by easing the costs of child-rearing in general. NCSL urges HHS to reimburse states immediately for program expenditures in a timely fashion and to pay claims currently owed to states.
However, NCSL continues to oppose federal efforts to restrict state authority to determine the criteria for termination of parental rights. Post-legal adoptive services are critically needed for families who adopt these children, many of whom may have health and mental health problems as they mature. Respite services are critically needed as well.

In some cases, interstate adoption may present the only opportunity to place a child. Differences in state law and policy create special concerns with respect to the apportionment of legal and financial responsibilities. For adoption subsidies to be effective, adoptive parents must be assured that coverage will be provided, regardless of their state of residence. The Interstate Compact on Adoption and Medical Assistance helps facilitate the provision of medical and other support services for these adoptions and incentives should be provided for states that join the compact. Adoption incentive funds have provided states the ability to build on their success in increasing adoptions. Adoption incentive funds have been very important to states for implementing a range of programs including support for foster and adoptive parent and other child welfare services. Any discussion of changing incentive criteria must keep in mind that special needs children cannot be defined in terms of age alone. NCSL urges Congress and the Administration to avoid any unintended consequences in any changes to how funds are apportioned. States should be permitted to use such adoption incentives toward the matching rate for Title IV-E, especially for the use of post adoption services.
Social Services Block Grant

NCSL has a policy directive on the Social Services Block Grant (SSBG) that details the importance of SSBG in providing critical services to protect children and prevent child abuse and neglect.

Flexible Funding for Children's Services

When states have attempted to reform service systems serving children and families, they are often unable to meet local service needs because of the inflexibility of the major federal funding streams and the wasteful administrative structure they require. To meet the challenges facing the children and families in our communities it will take more creativity and flexibility at the state and local level, not greater restriction at the federal level. The use of funds are sometimes so restricted that states cannot use these funds to meet locally-determined needs. States attempting major service reform often face regulatory barriers that impede their efforts, require creative financing and contradict service priorities.

States need the option of using a portion of their funding for foster care maintenance payments for child welfare and family services, especially when utilization of foster care funds is reduced. States adopting this option would develop a statewide plan for the use of these funds and to conduct broad-based community planning incorporated into its submission. The federal government would (1) eliminate the requirement that funds go to a single state agency payee, (2) identify specific quantifiable outcomes the plan must address, (3) and develop basic procedural regulations including timelines, formats and
procedures for approval of the plan based on meeting outcome goals. NCSL continues
to oppose reduction or limitation of the funding including capping of Title IVE for these
programs as a condition of any such children's services proposal. We urge Congress to
consider delinking foster care eligibility from AFDC eligibility as of July 16, 1996 for all
states and move toward reimbursement for all children in care, as the states determine.

NCSL applauds the Administration for recognizing the importance of flexibility in child
welfare financing and welcomes the discussion of more options in Title IV E funding.
Proposals are currently being developed in Congress under which states could choose
to accept a fixed amount of Title IVE Foster care funding in return for the ability to use
these funds more flexibly, including using these funds for prevention activities in
addition to maintenance payments. The details of such proposals are not yet final.
NCSL notes that such an option would not be the solution for all states. The NCSL
urges Congress to not mandate a child welfare block grant. However, should a child
welfare option be considered, there are a number of issues that must be dealt with
before any state, at their option, could feel comfortable accepting a fixed amount of
funding for IVE in return for the ability to use these funds on prevention activities and
flexibility in determining eligibility for federal reimbursement including the elimination of
the look back requirement. The issues include: establishing the baseline on which the
fixed amount of funding would be based, clarifying what expenditures would fall under
an MOE requirement, and including state legislators in decision making about applying
for and accepting such an option. A state’s decision to accept fixed funding for a
number years is both a fiscal and a policy decision which state legislators must approve.
Any block grant should be subject to state legislative appropriation. States would need to be assured, when choosing to cap an open ended entitlement, that such a capped program would not be cut by the federal government. Any state coordinating or advisory body required by federal statute must include, at a minimum, a representative of each chamber of the state legislature selected by the presiding officer. While we welcome the discussion of child welfare financing, NCSL continues to oppose any mandate to block grant open-ended funds for foster care and adoption for all states.

**Child Abuse and Neglect**

NCSL supports early identification, intervention and treatment of victims of child abuse and neglect. Recognizing the relationship between child abuse and neglect, juvenile delinquency, and adult crime, NCSL believes that it is important to make every effort to reduce the incidence of child abuse including, but not limited to, physical, sexual, and emotional abuse and any neglect relative to a child's health or welfare.

NCSL strongly supports the federal Child Abuse Prevention and Treatment Act and urges that it be fully funded at the levels authorized by Congress in order to assist states to respond to increased incidents of abuse and neglect.

Child abuse and neglect cases can be complicated and involve the child protective services, criminal justice, education and court systems, among others. In our state federal partnership to combat child abuse and neglect, NCSL encourages the federal government to support states in training mandatory reporters. NCSL opposes federal
preemption in defining who is a mandatory reporter or unfunded federal mandates to combat the tragedy of child abuse and neglect.

**Drugs and Alcohol**

Widespread addiction by women has been a hidden problem which has led to policies which ignore rehabilitation and family assistance while supporting criminal sanctions. State legislators are concerned that many women who abuse drugs and alcohol are pregnant but current treatment programs have been designed almost exclusively to serve male addicts. Federal law has strict timelines for state decision making. Significant federal support is needed to meet the treatment needs of families who come to the attention of the system. This is critical to keeping children safe and in permanent families.

NCSL supports:

- Rehabilitation programs that include appropriate child care for children and addicted mothers and federally funded programs that do not deny access to drug and alcohol programs on the basis of pregnancy;
- Federal incentives for partnerships between substance abuse and child welfare agencies including cross system training of staff, improved screening and assessment procedures, comprehensive treatment and prevention programs, after care services and improved data collection;
- Federally funded programs that recognize that women avoid seeking essential prenatal care when public policy utilizes criminal penalties regarding their substance
abuse rather than rehabilitation and collaborative efforts of schools and community providers. These necessary interventions must be properly funded and implemented to prevent the use of harmful substances by women before they become pregnant; and

- The use of Employee Assistance Professionals at the worksite to help impaired employees become more productive in the workforce and in society.

**Family Violence**

Family violence is a barrier to safety and permanence for children. Unfortunately it is not uncommon for child abuse and domestic violence to occur in the same families. NCSL is particularly supportive of the Family Violence Prevention and Services Program which is designed to assist states in their efforts to prevent family violence and to provide immediate shelter and related services to victims of family violence. It also provides for training and technical assistance to state and local agencies on family violence program administration. NCSL supports federal incentives for coordination between child welfare systems, domestic violence agencies, and juvenile courts. NCSL supports services to at-risk households, including emergency crisis services, 24-hour services, in-home services, parent and family counseling, child care services, parent education, and employment assistance. NCSL supports federal efforts to provide demonstration grants to increase the number of supervised visitation centers as a neutral location for protective temporary transfers of custody and on-site supervised visits of children.