

# Crossroads: The Social Services Block Grant

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## Proposal

### **Restore Social Services Block Grant Funding and the Transferability of TANF Funds**

The American Public Human Services Association (APHSA) recommends restoring the Social Services Block Grant (SSBG) to a \$2.38 billion level for FY02 and a \$2.8 billion level in FY 2003 and beyond. Also, states should be permitted to transfer up to 10 percent of their TANF block grant to SSBG.

## Explanation

In the welfare reform law of 1996, SSBG was funded at a level of \$2.38 billion for FYs 1997 through 2002 and would increase to \$2.8 billion in FY 2003 and beyond. In addition, the welfare reform law permitted states to transfer up to 10 percent of their TANF block grant to SSBG for services to families with incomes up to 200 percent of poverty. Over the past four years, however, Congress has reduced federal support for this important block grant that funds services for the elderly, disabled, and low-income children and families. In 1997, to fund highway improvements in the transportation act reauthorization, SSBG funding was reduced to \$1.7 billion and beginning in FY 2001, TANF transfer authority was reduced to 4.25 percent. (The transfer authority was restored to 10 percent at the end of the 106th Congress but will fall to 4.25 percent in FY 2002.)

The Social Services Block Grant funds programs for domestic violence, meals on wheels programs, child welfare services, services for disabled children and adults, child care, long-term care, and a host of other locally delivered services. Federal reductions in funding have threatened the viability of these programs and services. To address this funding shortfall in FY 1999, 39 states transferred TANF funds to SSBG—33 states transferred more than 4.25 percent. If the transfer provision is unchanged, then states that used TANF funds to compensate for the federal reductions to SSBG will suffer a reduction in services to these vulnerable populations in future years.

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