

**SECTION 10 - TITLE XX SOCIAL SERVICES BLOCK GRANT
PROGRAM**

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OVERVIEW, ALLOCATION FORMULA, AND FUNDING

Title XX of the Social Security Act, also referred to as the Social Services Block Grant (SSBG), is a capped entitlement program. Thus, States are entitled to their share, according to a formula, of a nationwide funding ceiling or "cap," which is specified in statute. Block grant funds are given to States to help them achieve a wide range of social policy goals, which include preventing child abuse, increasing the availability of child care, and providing community-based care for the elderly and disabled. Funds are allocated to the States on the basis of population. The allotments for Puerto Rico, Guam, the Virgin Islands and the Northern Marianas from the national total are based on their allocation for fiscal year 1981 adjusted to reflect the new total funding level. The Omnibus Budget Reconciliation Act (OBRA) of 1987 (Public Law 100-203) extended eligibility for title XX funds to American Samoa. The Federal funds are available to States without a State matching requirement.

Title XX of the Social Security Act was created in 1975 (Public Law 93-647); however, it was OBRA of 1981 (Public Law 97-35) that amended title XX to establish a "block grant to States for social services." The entitlement ceiling, or cap, was cut from the fiscal year 1981 level of \$2.9 billion to \$2.4 billion for fiscal year 1982. Table 10-1 shows, for fiscal years 1982-2008, the amounts (in nominal dollars) at which the entitlement ceilings were set, the amounts that were actually appropriated (in nominal dollars), and lastly, the value of the appropriation in each of the years when converted to constant (i.e., inflation-adjusted) 2007 dollars. Chart 1 provides a graphical representation of how the block grant's value has declined over time, when funding is adjusted for inflation. The recent up-tick in the graph

reflects the temporary supplemental funding provided in response to the Gulf Coast hurricanes of 2005.

The table's footnotes, as well as the legislative history section of this chapter, elaborate on instances in which the appropriated amount for the program in a given year differed from the entitlement ceiling established for that year in statute. In these cases, appropriations legislation has, in effect, superseded the authority of any previous legislation's capped entitlement amounts. In theory, the entitlement ceiling represents the total amount from which States are entitled to receive their authorized allotments. However, as Table 10-1 shows, appropriation levels have not always met the entitlement ceiling, and in some rare cases, have surpassed it. Table 10-2 shows the total funds available to each State and territory under title XX in selected fiscal years from 1997 through 2008.

TABLE 10-1--TITLE XX SOCIAL SERVICES
BLOCK GRANT FUNDING LEVELS, 1982-2008, IN NOMINAL
AND CONSTANT DOLLARS

[Dollars in Millions]

Fiscal Year	Entitlement Ceiling (nominal dollars)	Appropriation (nominal dollars)	Appropriation in constant 2007 Dollars
1982	\$2,400	\$2,400	\$4,606
1983	2,450	¹ 2,675	4,917
1984	2,700	2,700	4,786
1985	2,700	² 2,725	4,679
1986	2,700	³ 2,584	4,336
1987	2,700	2,700	4,415
1988	⁴ 2,750	2,700	4,280
1989	2,700	2,700	4,120
1990	⁵ 2,800	⁶ 2,762	4,064
1991	2,800	2,800	3,971
1992	2,800	2,800	3,873
1993	2,800	2,800	3,788
1994	2,800	⁷ 2,800	3,708
1995	2,800	2,800	3,631
1996	⁸ 2,381	2,381	3,030
1997	⁸ 2,380	⁹ 2,500	3,127
1998	⁸ 2,380	¹⁰ 2,299	2,841
1999	⁸ 2,380	¹¹ 1,909	2,328
2000	⁸ 2,380	¹² 1,775	2,122
2001	¹³ 1,700	¹⁴ 1,725	2,015
2002	1,700	1,700	1,948
2003	1,700	1,700	1,910
2004	1,700	1,700	1,861
2005	1,700	1,700	1,803
2006	1,700	1,700+550 ¹⁵	2,310
2007	1,700	1,700	1,700
2008	1,700	1,700	1,668

¹ Amount includes an additional \$225 million appropriated in Public Law 98-8.

² Amount includes \$25 million earmarked for training of day care providers, licensing officials, and parents including training in the prevention of child abuse in child care settings (Public Law 98-473).

³ The entitlement ceiling for fiscal year 1986 was \$2.7 billion. However, the Gramm-Rudman-Hollings legislation sequestration of funds for that period reduced the funding by \$116 million to \$2.584 billion.

⁴ The 1987 Budget Reconciliation Act (Public Law 100-203) included a \$50 million increase in the title XX entitlement ceiling for fiscal year 1988; however, these additional funds were not appropriated.

⁵ OBRA 1989 (Public Law 101-239) included a permanent \$100 million increase in the title XX entitlement ceiling to \$2.8 billion, beginning in fiscal year 1990.

⁶ The fiscal year 1990 appropriation included a supplemental appropriation of \$100 million (Public Law 101-198). The Gramm-Rudman-Hollings legislation sequestration of funds for fiscal year 1990 reduced the funding by \$37.8 million to \$2.762 billion.

⁷ The \$2.8 billion appropriated amount shown does not include the \$1 billion that OBRA 1993 made available on an entitlement basis under title XX for empowerment zones and enterprise communities. These funds were available for expenditure for 10 years.

⁸ At the time of the fiscal year 1996 appropriation, the entitlement ceiling for title XX was still permanently set at \$2.8 billion. However, the 1996 welfare reform law (Public Law 104-193) amended title XX of the Social Security Act to set the entitlement ceiling at \$2.381 billion for fiscal year 1996, and \$2.380 billion for fiscal years 1997-2002. Under this legislation, the ceiling was scheduled to return to \$2.8 billion for fiscal year 2003 and succeeding years.

⁹ Public Law 104-208 contained a \$2.5 billion appropriation for title XX.

¹⁰ The fiscal year 1998 appropriations measure (Public Law 105-78) included \$2.299 billion for title XX.

¹¹ The Omnibus Consolidated Appropriations Act for fiscal year 1999 (Public Law 105-277) included an appropriation level of \$1.909 billion for title XX.

¹² The fiscal year 2000 Consolidated Appropriations Act (Public Law 106-113) set title XX funding at \$1.775 billion, of which \$425 million could not be obligated to States until September 29, 2000.

¹³ Under the Transportation Equity Act (TEA, Public Law 105-178), the title XX entitlement ceiling was scheduled to be permanently reduced to \$1.7 billion beginning in fiscal year 2001.

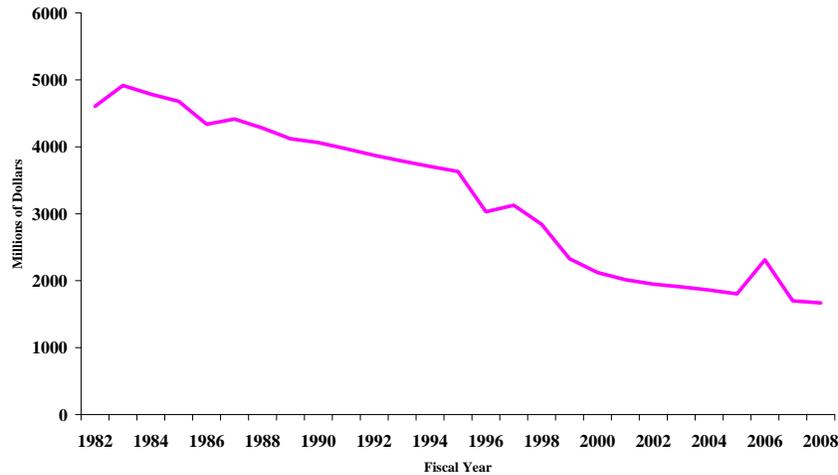
¹⁴ The Consolidated Appropriations Act of 2001 (Public Law 106-554) contained \$1.725 billion for title XX, exceeding the ceiling established by TEA (Public Law 105-178).

¹⁵ The FY2006 Labor-HHS-Education Appropriations Act (P.L. 109-149) maintained regular SSBG funding at \$1.7 billion. The FY2006 Defense Appropriations Act (P.L. 109-148) provided an additional \$550 million in SSBG funding, for necessary expenses related to the consequences of hurricanes in 2005.

Note- Constant (inflation adjusted) 2007 dollars were computed using the Gross Domestic Product chained price index.

Source: Table prepared by the Congressional Research Service.

CHART 10-1--TITLE XX ANNUAL APPROPRIATIONS (1982-2008)
 CONVERTED TO CONSTANT 2007 DOLLARS



Note- Constant (inflation adjusted) 2007 dollars were computed using the Gross Domestic Product chained price index.

Source: Figure prepared by the Congressional Research Service.

TABLE 10-2--TITLE XX SOCIAL SERVICES BLOCK GRANT
 ALLOCATIONS BY STATE AND TERRITORY, SELECTED FISCAL YEARS
 1997-2008

State	[In Millions of Dollars]							
	1997	1999	2001	2004	2005	2006 ¹	2007	2008
Alabama	\$40.3	\$30.6	\$27.6	\$26.3	\$26.2	\$26.2	\$26.0	\$26.0
Alaska	5.8	4.3	3.9	3.8	3.8	3.8	3.8	3.8
American Samoa	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Arizona	38.9	31.7	29.6	32.0	32.4	32.4	33.9	34.8
Arkansas	23.4	18.0	16.1	15.9	15.8	15.8	15.9	15.9
California	300.1	228.1	207.3	205.9	206.3	206.3	206.1	205.9
Colorado	34.9	27.4	25.2	26.4	26.5	26.5	26.6	26.8
Connecticut	31.3	23.4	20.8	20.3	20.2	20.2	20.0	19.8
Delaware	6.7	5.2	4.7	4.7	4.8	4.8	4.8	4.8
District of Columbia	5.4	3.9	3.3	3.3	3.3	3.3	3.1	3.3
Florida	133.2	103.0	94.7	98.0	98.9	98.9	101.5	102.1
Georgia	67.4	52.6	48.5	50.2	50.5	50.5	51.7	52.9
Guam	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Hawaii	11.3	8.5	7.6	7.3	7.3	7.3	7.3	7.3
Idaho	10.8	8.5	7.8	7.9	7.9	7.9	8.2	8.3
Illinois	112.2	84.8	76.4	73.9	73.6	73.6	72.8	72.5
Indiana	54.9	41.8	37.4	36.1	36.0	36.0	35.8	35.6
Iowa	27.0	20.4	18.2	17.2	17.1	17.1	16.9	16.8
Kansas	24.4	18.4	16.7	15.9	15.8	15.8	15.7	15.6
Kentucky	36.5	27.8	25.0	24.0	23.9	23.9	23.8	23.7
Louisiana	41.2	31.1	27.7	26.3	26.1	26.1	25.8	24.2
Maine	11.8	8.9	7.9	7.6	7.6	7.6	7.5	7.5

TABLE 10-2--TITLE XX SOCIAL SERVICES BLOCK GRANT
 ALLOCATIONS BY STATE AND TERRITORY, SELECTED FISCAL YEARS
 1997-2008 -continued
 [In Millions of Dollars]

State	1997	1999	2001	2004	2005	2006 ¹	2007	2008
Maryland	47.8	36.3	32.6	32.0	32.0	32.0	31.9	31.7
Massachusetts	57.7	43.6	39.0	37.7	37.4	37.4	36.5	36.3
Michigan	90.7	68.7	62.3	58.9	58.6	58.6	57.7	57.0
Minnesota	43.6	33.3	30.0	29.4	29.4	29.4	29.3	29.2
Mississippi	25.5	19.4	17.5	16.8	16.7	16.7	16.7	16.4
Missouri	50.4	38.3	34.5	33.3	33.2	33.2	33.1	33.0
Montana	8.2	6.3	5.6	5.3	5.3	5.3	5.3	5.3
Nebraska	15.5	11.8	10.6	10.1	10.1	10.1	10.0	10.0
Nevada	13.9	11.5	11.1	12.7	13.0	13.0	13.8	14.1
New Hampshire	10.9	8.3	7.5	7.5	7.5	7.5	7.5	7.4
New Jersey	75.5	57.2	51.5	50.4	50.2	50.2	49.7	49.3
New Mexico	15.8	12.3	11.0	10.9	10.9	10.9	11.0	11.0
New York	173.5	130.1	115.3	112.3	111.6	111.6	109.8	109.0
North Carolina	67.5	52.4	47.9	48.8	48.9	48.9	49.5	50.0
North Dakota	6.1	4.6	4.0	3.7	3.7	3.7	3.6	3.6
Northern Mariana Islands	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Ohio	106.0	80.0	71.1	67.0	66.5	66.5	65.4	64.8
Oklahoma	31.1	23.6	21.2	20.5	20.4	20.4	20.2	20.2
Oregon	29.5	22.9	20.8	20.6	20.7	20.7	20.8	20.9
Pennsylvania	115.1	86.3	76.2	72.3	71.9	71.9	70.9	70.2
Puerto Rico	12.9	9.9	8.9	8.8	8.8	8.8	8.8	8.8
Rhode Island	9.5	7.1	6.3	6.3	6.3	6.3	6.1	6.0
South Carolina	35.0	26.5	24.3	24.1	24.1	24.1	24.3	24.4
South Dakota	6.9	5.2	4.7	4.5	4.4	4.4	4.4	4.4
Tennessee	49.4	38.1	34.5	34.0	34.0	34.0	34.0	34.1
Texas	175.5	136.9	125.4	127.7	128.6	128.6	130.4	132.7
Utah	18.2	14.3	13.3	13.6	13.7	13.7	14.1	14.4
Vermont	5.5	4.2	3.8	3.6	3.6	3.6	3.6	3.5
Virginia	62.6	47.8	43.1	42.8	42.9	42.9	43.2	43.2
Virgin Islands	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Washington	51.0	39.6	36.1	35.6	35.6	35.6	35.9	36.1
West Virginia	17.4	13.1	11.5	10.6	10.5	10.5	10.4	10.3
Wisconsin	48.5	36.9	33.2	31.9	31.8	31.8	31.6	31.4
Wyoming	4.5	3.4	3.1	2.9	2.9	2.9	2.9	2.9
Total	2,500	1,909	1,725	1,700	1,700	1,700	1,700	1,700

¹ Allocations for 2006 do not include amounts allotted from supplemental hurricane funds. For those allocations, see Table 10-5.

Source: Administration for Children and Families, U.S. Department of Health and Human Services.

PROGRAM GOALS

The purpose of the Title XX Social Services Block Grant Program is to provide assistance to States to enable them to furnish services directed at one or more of five broad goals:

- Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;

- Achieving or maintaining self-sufficiency, including reduction or prevention of dependency;
- Preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating or reuniting families;
- Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; and
- Securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions.

States are given wide discretion to determine the services to be provided and the groups that may be eligible for services, usually low income families and individuals. In addition to supporting social services, the law allows States to use their allotments for staff training, administration, planning, evaluation, and purchasing technical assistance in developing, implementing, or administering the State social services program. States decide what amount of the Federal allotment to spend on services, training, and administration.

Some restrictions are placed on the use of title XX funds. Funds cannot be used for the following: most medical care except family planning; rehabilitation and certain detoxification services; purchase of land, construction, or major capital improvements; most room and board except emergency short-term services; educational services generally provided by public schools; most social services provided in, and by employees of, hospitals, nursing homes, and prisons; cash payments for subsistence; child day care services that do not meet State and local standards; and wages to individuals as a social service except wages of welfare recipients employed in child day care.

DATA ON SERVICES, RECIPIENTS, AND EXPENDITURES

In order to receive funds under the Social Services Block Grant Program, a State must submit a report to the Secretary of the U.S. Department of Health and Human Services (DHHS) on the use of its funds. These pre-expenditure reports are only required to include information about the types of activities the State intends to fund and the characteristics of the individuals to be served.

The Family Support Act of 1988 (Public Law 100-485) strengthened reporting requirements to also include that States submit

annual post-expenditure reports containing detailed information on the services actually funded and the individuals served through title XX funds. DHHS published a final rule on November 15, 1993 implementing the reporting requirements and providing uniform definitions of services.

Table 10-3 is a comparison of the primary services offered by States as reported on expenditure reports submitted by States for fiscal years 1999-2006. Based on these reports, at least 35 States in 2006 used title XX funds for each of the following services: (1) protective services for children (42 States); (2) daycare for children (41 States); (3) foster care services for children (38 States); (4) protective services for adults (37 States); (5) prevention/intervention (36 States); and (6) home-based services (35 States).

Chart 10-2 provides a graphical representation of select categories of service for which title XX expenditures were made in 2006. As indicated in the chart's note, the "child welfare" portion of the graph (comprising 28 percent of the pie) represents spending made towards four separate child welfare-related service categories. Likewise, the category of "other" comprises expenditures from multiple services categories. Expenditures for each service category are detailed in Table 10-4.

Table 10-4 shows the percentage of title XX expenditures for each category of service in 2002-2006. The table is based on expenditure data submitted to DHHS from 50 States and the District of Columbia, and published by DHHS as Social Services Block Grant Program Annual Reports of Expenditures and Recipients.

The table indicates that the single largest category of spending in 2006 was foster care services for children, accounting for almost 15 percent of expenditures, followed by special services for disabled individuals, at 14 percent. Expenditures for child day care services represented 8 percent of title XX expenditures in 2006, while 11 percent of title XX expenditures were made for protective services for children.

TABLE 10-3--COMPARISON OF THE NUMBER OF STATES ¹
OFFERING SELECTED SERVICES, FISCAL YEARS 1999-2006

Service Categories	1999	2000	2001	2002	2003	2004	2005	2006
Adoption Services	29	27	28	31	28	29	30	25
Case Management	28	29	28	29	26	27	28	28
Congregate Meals	9	11	11	11	11	10	11	12
Counseling Services	26	25	24	24	22	23	23	22
Day Care--Adults	25	26	25	22	24	22	22	22
Day Care--Children	43	43	45	44	41	41	42	41
Education and Training Services	15	16	16	17	18	17	16	16

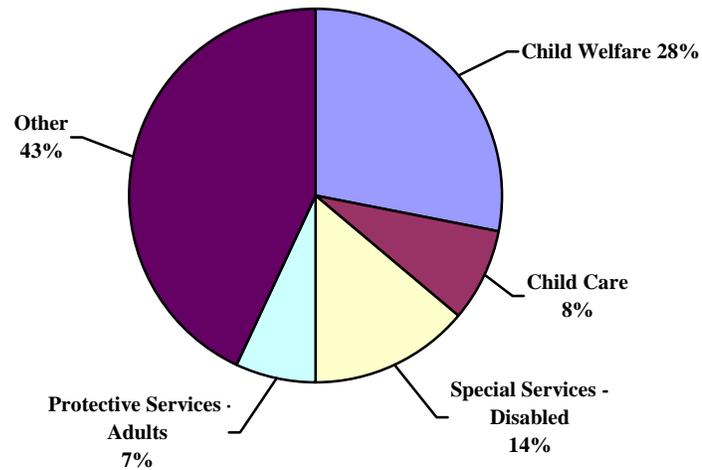
TABLE 10-3--COMPARISON OF THE NUMBER OF STATES ¹
OFFERING SELECTED SERVICES, FISCAL YEARS 1999-2006 -
continued

Service Categories	1999	2000	2001	2002	2003	2004	2005	2006
Employment Services	16	15	16	15	14	14	11	11
Family Planning Services	14	15	15	14	14	14	13	14
Foster Care Services-- Adults	13	14	13	13	13	13	14	14
Foster Care Services-- Children	37	34	35	37	35	37	38	38
Health-Related Services	14	17	15	19	17	15	15	16
Home-Based Services	36	35	37	35	36	38	34	35
Home-Delivered Meals	17	17	15	18	18	18	18	18
Housing Services	11	10	11	12	12	10	11	11
Independent/Transitional Living	16	12	14	17	18	17	18	18
Information and Referral	17	19	16	18	20	19	18	17
Legal Services	13	15	15	16	17	15	14	14
Pregnancy and Parenting Prevention and Intervention	16	15	13	12	13	10	12	10
Protective Services-- Adults	35	33	34	35	36	34	35	36
Protective Services-- Children	33	32	32	34	34	34	37	37
Recreation Services	43	41	43	40	39	38	41	42
Residential Treatment	11	11	10	10	9	9	9	8
Special Services--Disabled	21	19	22	23	22	23	23	24
Special Services--Youth at Risk	28	29	28	28	27	27	27	26
Substance Abuse Services	18	20	19	19	17	15	19	16
Transportation	9	11	12	14	13	14	12	12
Other Services	21	23	23	25	23	22	21	21
Administrative Costs	31	35	33	26	26	25	25	24
	41	42	44	44	43	42	41	42

¹Includes the 50 States and the District of Columbia.

Source: Table prepared by the Congressional Research Service based on data submitted by 50 States and the District of Columbia to the U.S. Department of Health and Human Services, and subsequently published in the Social Services Block Grant Program Annual Reports on Expenditures and Recipients (for each of years 1999-2006).

CHART 10-2. -- USE OF TITLE XX FUNDS, 2006, BY SELECT EXPENDITURE CATEGORY



Note: The category "Child Welfare" comprises four of the Title XX expenditure categories reported by States: foster care services for children; adoption services; protective services for children; and special services for youth at risk. "Child care," "Special services for the disabled," and "Protective services for adults" are individual categories (as shown in table 10-4), but do not represent the *only* categories that serve children, adults, and the disabled. "Other" comprises expenditures from 22 service categories, many of which serve children, adults, the elderly, and the disabled. "Other" also includes spending for administrative costs.

Source: Figure prepared by the Congressional Research Service based on data published by DHHS.

TABLE 10-4--USE OF TITLE XX FUNDS, BY EXPENDITURE
CATEGORY, FISCAL YEARS 2002-2006

Services	Percent of SSBG Expenditures				
	2002	2003	2004	2005	2006
Adoption services	1.5	1.3	1.2	1.5	1.2
Case management	6.1	6.5	7.0	6.4	6.7
Congregate meals	0.3	0.3	0.3	0.2	0.2
Counseling services	1.4	1.0	1.0	1.0	0.9
Day care — adults	0.5	0.4	0.5	0.5	0.6
Day care — children	7.8	6.6	10.1	9.6	8.0
Education/training services	0.7	0.5	0.3	0.7	0.7
Employment services	1.8	1.7	1.6	0.5	0.5
Family planning services	1.6	1.7	1.6	1.5	1.4
Foster care services — adults	0.5	0.3	0.5	0.6	1.4
Foster care services — children	10.0	13.3	13.3	14.3	14.9
Health-related services	0.6	0.5	0.5	0.8	0.7
Home-based services	8.5	6.9	8.8	7.0	6.6
Home-delivered meals	0.8	0.8	0.9	0.8	1.0
Housing services	0.4	0.5	0.4	0.6	0.6
Independent/transitional living services	0.8	0.6	0.3	0.3	0.3
Information and referral services	0.9	1.0	0.8	0.8	0.7
Legal services	0.5	0.7	0.7	0.7	0.6
Pregnancy and parenting	0.2	0.3	0.3	0.3	0.3
Prevention/intervention	5.6	6.0	7.0	5.8	4.9
Protective services — adults	5.8	5.9	5.4	6.7	7.4
Protective services — children	12.5	8.7	7.8	10.2	11.3
Recreation services	0.1	0.1	0.0	0.1	0.1
Residential treatment	4.5	3.4	3.3	3.7	4.3
Special services — youth at risk	0.6	0.6	0.5	2.8	0.6
Special services — disabled	12.4	13.7	13.4	10.1	14.0
Substance abuse services	0.5	0.3	0.3	0.3	0.2
Transportation	1.0	1.1	0.6	0.7	0.7
Other services	3.5	6.9	3.9	4.6	4.6
Administrative costs	8.8	8.6	7.5	6.8	5.1
Total ¹	100	100	100	100	100

¹Totals may not add precisely to 100 percent, due to rounding.

Source: Table prepared by the Congressional Research Service based on data submitted by 50 States and the District of Columbia to the U.S. Department of Health and Human Services.

TRANSFER OF FUNDS AMONG BLOCK GRANTS

Welfare reform legislation enacted in 1996, the Personal Responsibility and Work Opportunity Reconciliation Act (Public Law 104-193), replaced the Aid to Families with Dependent Children (AFDC) Program with a block grant to States called Temporary Assistance for Needy Families (TANF). The welfare reform law authorized States to transfer up to 30 percent of their TANF allotments to title XX or to the

Child Care and Development Block Grant (CCDBG). However, as originally enacted, Public Law 104-193 required that, for every dollar transferred to title XX, States must transfer \$2 to the CCDBG. This provision was revised by the Balanced Budget Act of 1997 (Public Law 105-33) so that States are allowed to transfer up to 10 percent of their TANF allotment to title XX, regardless of how much, if any, they transfer to the CCDBG. The welfare reform law stipulates that any TANF funds transferred to title XX must be used for families with incomes no higher than 200 percent of the Federal poverty guidelines, and may be used to provide vouchers for families who are not eligible for cash assistance under TANF because of time limits, or for children who are denied cash assistance under TANF because they were born into families already receiving benefits for another child.

Beginning in fiscal year 2001, under provisions of the Transportation Equity Act, signed into law June 9, 1998 (Public Law 105-178), the percentage amount of States' annual TANF allotment that they can transfer into title XX was scheduled to be reduced from 10 percent to 4.25 percent. However, this provision has been superseded in appropriations laws for fiscal years 2001-2008, which have maintained the 10 percent transfer authority level. (States collectively transferred 3 percent (\$974 million) of their fiscal year 2006 TANF allotment to title XX.) The Transportation Equity Act also permanently reduced the entitlement ceiling to \$1.7 billion beginning in fiscal year 2001, but as Table 10-1 shows, that ceiling was surpassed in fiscal year 2001, when Congress appropriated \$1.725 billion for title XX in the Consolidated Appropriations Act of 2001 (Public Law 106-554).

Public Law 97-35, which created the title XX block grant, gave States the authority to transfer up to 10 percent of their annual allotment to one or any combination of the three health care block grants and the Low-Income Home Energy Assistance Program (LIHEAP). (The three health care block grants specified in Public Law 97-35 are: the Preventive Health and Health Services Block Grant; the Maternal and Child Health Services Block Grant; and the Alcohol, Drug Abuse, and Mental Health Services Block Grant.) In turn, most other block grant statutes allow States to transfer funds to the title XX program. However, the Augustus F. Hawkins Human Services Reauthorization Act of 1990 eliminated the authority to transfer LIHEAP funds to other block grants, beginning for fiscal year 1994.

SOCIAL SERVICES IN EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES

The Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66) made \$1 billion available on an entitlement basis under title XX for the Secretary of DHHS to make grants to States for social services in qualified empowerment zones and enterprise communities (the legislation also provided certain tax incentives for zones and communities). On December 21, 1994, President Clinton selected 105 designees to participate in this program (6 urban and 3 rural empowerment zones, 60 urban and 30 rural enterprise communities, 2 supplemental empowerment zones and 4 enhanced enterprise communities). These funds remained available for expenditure for 10 years. The Taxpayer Relief Act of 1997 (Public Law 105-34) authorized a second round of enterprise zone and community designations, but no title XX funding was included for the second round. (For more information on this prior use of Title XX funding for social services in empowerment zones and enterprise communities, see previous editions of the *Green Book*.)

LEGISLATIVE HISTORY ¹

Although \$2.8 billion was the permanently authorized entitlement ceiling at the time, Congress appropriated only \$2.381 billion for title XX in fiscal year 1996 in the Omnibus Consolidated Rescissions and Appropriations Act (Public Law 104-134). The Personal Responsibility and Work Opportunity Reconciliation Act (Public Law 104-193) subsequently set the annual entitlement ceiling for title XX at \$2.38 billion in each of fiscal years 1997-2002. Under this legislation, the entitlement ceiling was scheduled to return to the permanent level of \$2.8 billion in fiscal year 2003. (Enactment of Public Law 105-178 in 1998 subsequently lowered this ceiling—see below.) Despite the newly established ceiling of \$2.38 billion, Congress appropriated \$2.5 billion for title XX in fiscal year 1997, in the Omnibus Consolidated Appropriations Act (Public Law 104-208).

The fiscal year 1998 appropriations measure, the Department of Labor, Health and Human Services and Education and Related Agencies

¹ For legislative history before 1996, see previous editions of the *Green Book*.

Appropriations Act (Public Law 105-78) decreased title XX funding to \$2.299 billion, once again below the \$2.38 billion ceiling established under the welfare reform law of 1996.

In June 1998, the Transportation Equity Act (TEA, Public Law 105-178) was enacted, and included a provision which scheduled the title XX ceiling to be reduced to \$1.7 billion beginning in fiscal year 2001. In addition to reducing the ceiling, the TEA contained a provision to reduce the percentage of a State's annual TANF allotment that it may transfer to title XX, beginning in fiscal year 2001, from 10 percent to 4.25 percent. As described above, subsequent appropriations laws have superseded the TEA provision.

Funding for title XX continued to decline with a \$1.909 billion appropriation under the Omnibus Consolidated Appropriations Act for fiscal year 1999 (Public Law 105-277). For fiscal year 2000, the Consolidated Appropriations Act (Public Law 106-113) set title XX funding at \$1.775 billion.

The Consolidated Appropriations Act of 2001 (Public Law 106-554) included \$1.725 billion for title XX (\$25 million above the entitlement ceiling) and maintained the 10 percent transfer authority from TANF. The following year, Congress appropriated \$1.7 billion for title XX in fiscal year 2002, and once again maintained the transfer authority at 10 percent in the Departments of Labor, Health and Human Services, and Education Appropriations Act (Public Law 107-116). Funding and transfer authority for fiscal year 2003 mirrored that provided for fiscal year 2002, with \$1.7 billion appropriated in the Consolidated Appropriations Resolution, 2003 (Public Law 108-7). The next two years maintained the same funding and transfer authority, with passage of the Consolidated Appropriations Act of 2004 (Public Law 108-199) and the Consolidated Appropriations Act of 2005 (Public Law 108-447).

As shown earlier, in Table 10-1, funding for title XX in fiscal year 2006 exceeded the \$1.7 billion level that had been appropriated for each of the prior four years. As in prior years (but following three continuing resolutions in an extended appropriations process), an appropriations bill was enacted into law (Public Law 109-149), which included \$1.7 billion for title XX, and maintained the 10 percent transfer authority. However, in addition to the \$1.7 billion appropriated through the act providing funding for programs under the Department of Health and Human Services, the fiscal year 2006 Defense Appropriations Act (Public Law 109-148) included title XX funding in the amount of \$550 million for use

in covering expenses related to the consequences of the devastating Gulf Coast hurricanes of 2005.

The Act containing the supplemental funding for title XX expanded the potential services for which the additional \$550 million could be used, to include “health services including mental health services) and for repair, renovation and construction of health facilities.” Factors used to allocate these supplemental funds among States included the number of Federal Emergency Management Agency (FEMA) registrants from hurricanes Katrina, Rita, and Wilma, as well as the percentage of States’ poor population. As shown in Table 10-5, all States were allocated a portion of the funding, with Louisiana, Mississippi, Texas, Florida, and Alabama receiving the bulk. States initially were given until the end of fiscal year 2007 to expend the supplemental funds; however, on May 25, 2007, a fiscal year 2007 supplemental appropriations act was signed into law (Public Law 110-28), extending the availability of these funds for expenditure through September 30, 2009. According to the DHHS, of the \$550 million provided in supplemental funding, a balance of approximately \$135 million remained unspent as of June 4, 2008.

The process for determining the full fiscal year 2007 appropriation of regular title XX funding extended into the second quarter of the fiscal year, and included several continuing resolutions. Ultimately, the fourth continuing resolution was signed into law (Public Law 110-5), maintaining regular title XX funding at the annual level of \$1.7 billion. This mirrored the level (of regular funding) that had been appropriated in the previous year, as well as the level that had been approved by the House and Senate Appropriations Committees (H.R. 5647 and S. 3708 respectively), but deviated from the President’s fiscal year 2007 budget proposal to provide only \$1.2 billion for title XX. In the Administration’s budget justification, it contended that “while the Social Services Block Grant provides State flexibility, as the Congress intended, it fails to ensure that funds are directed towards activities that achieve results.” In addition, it argued that “the purposes of the Social Services Block Grant overlap substantially with other categorical and flexible Federal social service programs.”

The President’s proposed budget for fiscal year 2008 again advocated a decrease in title XX funding to a level of \$1.2 billion, but ultimately, following another lengthy appropriations process, the Consolidated Appropriations Act of 2008 was signed into law (Public Law 110-161), maintaining both the \$1.7 billion in funding and States’

authority to transfer up to 10 percent of their TANF block grants to title XX.

TABLE 10-5--FISCAL YEAR 2006 SUPPLEMENTAL
TITLE XX SOCIAL SERVICES BLOCK GRANT ALLOCATIONS
FOR GULF HURRICANE RELIEF

State	Percent	Allocation
Louisiana	40.16	\$220,901,534
Mississippi	23.35	128,398,427
Texas	15.99	87,951,690
Florida	9.78	53,808,916
Alabama	5.06	27,852,254
Georgia	1.15	6,325,537
Arkansas	0.66	3,603,505
Tennessee	0.63	3,470,718
California	0.55	3,051,021
Illinois	0.25	1,351,677
North Carolina	0.24	1,310,272
New York	0.21	1,182,346
Oklahoma	0.17	932,353
Virginia	0.15	808,855
Missouri	0.14	797,091
Michigan	0.13	734,927
South Carolina	0.13	696,901
Ohio	0.10	556,283
Colorado	0.10	545,168
Kentucky	0.10	525,110
Arizona	0.09	487,931
Pennsylvania	0.07	402,568
Indiana	0.07	381,125
Maryland	0.07	380,188
Massachusetts	0.06	331,948
District of Columbia	0.06	328,256
Washington	0.06	326,206
Nevada	0.05	273,291
New Mexico	0.05	265,277
New Jersey	0.05	259,599
Wisconsin	0.04	227,555
Kansas	0.03	191,975
Oregon	0.03	177,170
Minnesota	0.03	153,936
West Virginia	0.02	132,912
Iowa	0.02	126,200
Nebraska	0.02	114,925
Connecticut	0.02	113,858
Utah	0.02	92,669
Rhode Island	0.01	69,382
Maine	0.01	67,995
Montana	0.01	41,786
Delaware	0.01	39,178
Alaska	0.01	37,554
Idaho	0.01	35,224

TABLE 10-5--FISCAL YEAR 2006
SUPPLEMENTAL
TITLE XX SOCIAL SERVICES BLOCK GRANT
ALLOCATIONS
FOR GULF HURRICANE RELIEF – continued

State	Percent	Allocation
Hawaii	0.01	34,153
New Hampshire	0.00	23,717
Vermont	0.00	23,272
South Dakota	0.00	21,624
Wyoming	0.00	20,932
North Dakota	0.00	13,009
Total	100	\$550,000,000

Source: Department of Health and Human Services.