The Arc
For people with intellectual and developmental disabilities

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May 3, 2012

Chairman Dave Camp
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Ranking Member Sander M. Levin
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Camp and Ranking Member Levin,

I am writing to express the strong opposition of The Arc of the United States (The Arc) to two proposals approved by the Committee on Ways and Means at its April 18 markup of budget reconciliation language.

The Arc is the largest national community-based organization advocating for and serving people with intellectual and developmental disabilities and their families. We have more than 140,000 members and more than 700 state and local chapters nationwide. We are concerned that the proposals to eliminate the "safe harbor" for individuals and families receiving premium tax credits under the Affordable Care Act (ACA) and to eliminate the Social Services Block Grant (SSBG) could harm people with intellectual and developmental disabilities and their families.

"Safe Harbor" for Premium Tax Credits Under the Affordable Care Act

The ACA protects individuals and families from having excessive penalties if the premium tax credit paid towards insurance coverage during the year exceeds the actual amount the individual or family was due. The protection, through a "safe harbor" that caps the amount of the premium tax credit an individual or family under 400% of poverty will have to re-pay, recognizes that there are certain instances that cannot be easily accounted for that will change the amount of credit due.

Eliminating this "safe harbor" will hurt people with disabilities who have lower average incomes than non-disabled workers and often work part-time. Penalizing low income people for changes in earnings or family status that occur during the year by removing the repayment cap will leave people with disabilities vulnerable to an unaffordable tax bill. This could lead to more people refusing coverage for fear of the repayment penalty.

Social Services Block Grant

The Social Services Block Grant (SSBG) helps provide critical services to approximately 23 million people with disabilities, seniors, and children across the United States. For example, the SSBG helps provide vital services for people with disabilities and their families, including respite care and transportation; Meals on Wheels and other supportive services for seniors; child care and related assistance for children; and child protective services for at risk children.

For people with intellectual and developmental disabilities, the SSBG can provide invaluable supports and can help leverage state and local funding to deliver essential services. For example, in New Jersey the SSBG helps fund an Independent Living program operated by The Arc of Bergen and Passaic Counties. The program assists low-income people with developmental disabilities who are on a waiting list for services from the State Division of Developmental Disabilities (DDD) or who do not qualify for the full array of state DDD services.

Under the program, The Arc of Bergen and Passaic Counties receives referrals from homeless shelters, mental health providers, and other agencies and often provides emergency stabilization for referred individuals and families who are in crisis. The program provides people with developmental disabilities with individualized supports such as:

- locating and maintaining housing;
- landlord relations;
- job search and employer/employee relations;
- budgeting, bill paying, and other financial challenges; and
- accessing medical and mental health care.

SSBG funds leverage matching County contributions as well as funding from the Community Development Block Grant. Without the SSBG portion, the program would not be viable.

New Jersey's program is an example of how the SSBG can fill gaps in the service continuum and act as a lifeline for people with disabilities. Eliminating the SSBG would reduce essential funding at a time when state and local budgets are under severe pressure and people with disabilities, seniors, and families need more help.

Preserving the "Safe Harbor" for Premium Tax Credits and the SSBG

In closing, The Arc believes that eliminating the SSBG and the "safe harbor" for premium tax credits under the Affordable Care Act could harm people with disabilities and their families, and we oppose the proposed elimination of these important supports. Thank you for considering our views.

Sincerely,

Marty Ford
Director, Public Policy Office

national foster care coalition

April 23, 2012

Dear Member of Congress:

We are a coalition of diverse groups opposed to the recent actions of the House Ways and Means Committee to find federal budget savings through the elimination of the Social Services Block Grant (SSBG). The actions taken on Wednesday, April 18, 2012, by the Ways and Means Committee, through budget reconciliation, will hurt some of this nation's most vulnerable families and children.

SSBG is a major funder for state and local child abuse prevention services, child protective services (CPS) and it supplements services for adoptions and for services to infants, children and youth in foster care. In some states, it is a significant source of local funding for adult protective services.

During the 1996 welfare reform debate, the Congress and Governors agreed to reduce SSBG funding to $2.38 billion temporarily and return it to its former level of $2.8 billion in 2003. The reductions were agreed to at a time when members of both parties and houses were looking for revenue to balance the federal budget. SSBG contributed to that deficit reduction. It was to be restored when the fiscal condition improved. Instead, Congress reduced SSBG further to $1.7 billion to help pay for a 1998 transportation bill in lieu of other revenue sources. During this period, deficits not only declined but were eliminated. Although this cut was intended to be temporary, *SSBG was never restored*. We are disappointed that some would propose to once again use SSBG for deficit reduction—despite the fact that SSBG funding contributed not a dollar to current deficits.

The champions of SSBG have included the leadership from both parties, including the bipartisan leadership of both the House Ways and Means Committee and the Senate Finance Committee. We hope these champions will remain strong.

SSBG helps to fill the numerous state budget gaps in areas as diverse as senior services, mental health services, and services to people with disabilities. While we focus on SSBG's vital importance to child abuse prevention and child welfare services, it also supports services for those adults in jeopardy of entering a nursing home or institution, it supports other low-income individuals and families including adults who have been abused; children in need of child care; and youth in need of transitional services.

Imposing these cuts to child abuse prevention funding and child welfare services at a time when state and local budgets are under severe pressure and families need more help, will create a human deficit while failing to deal with the current financial one.

The undersigned organizations ask you to reject this proposed elimination of SSBG.

Sincerely,

Alliance for Children and Families
Alliance for Children's Rights
American Academy of Pediatrics
American Association on Health and Disability

American Federation of State, County and Municipal Employees (AFSCME)
American Group Psychotherapy Association
American Professional Society on the Abuse of Children
American Psychological Association
Ampersand Families, MN
Association for Ambulatory Behavioral Healthcare
Association of University Centers on Disabilities
Bazelon Center for Mental Health Law
Bill Wilson Center, CA
Black Administrators in Child Welfare
Buncombe County, North Carolina
California Alliance of Child and Family Services
California Youth Connections
Children's Advocacy Institute
Children's Aid Society
Children and Families First, DE
Children and Families Futures
Children's Defense Fund
Children First for Oregon
Children's Home Society of America
Children's Home Society of North Carolina
Children's Rights Project, CA
Child Welfare League of America
CLASP
Clinical Social Workers Association
Coalition on Human Needs
Connecticut Association of Foster and Adoptive Parents
Council of Family and Child Caring Agencies, NY
County Welfare Directors Association of California
Dave Thomas Foundation for Adoption
Depression and Bipolar Support Alliance
Every Child Matters
Family Service Center of South Carolina
First Focus Campaign for Children
Foster Care to Success Foundation
Foster Family-Based Treatment Association
Great Circle, MO
John Burton Foundation
Larry Brown Associates
Lutheran Services in America
Mental Health America
Minnesota Association of County Social Service Administrators
Mississippi Children's Home Services
Missouri Coalition of Children's Agencies
National Adult Protective Services Association
National Alliance of Children's Trust and Prevention Funds
National Alliance to End Homelessness
National Association for Children's Behavioral Health
National Association for the Education of Homeless Children and Youth
National Association of Area Agencies on Aging
National Association of Counsel for Children
National Association of County Human Services Administrators
National Association of Social Workers
National Center on Shaken Baby Syndrome
National Center for Housing and Child Welfare
National Crittenton Foundation
National Federation of Families for Children's Mental Health
National Foster Parent Association
National Indian Child Welfare Association
National Respite Coalition
New York Council on Adoptable Children
New York Public Welfare Association
Nebraska Children's Home Society
Nebraska Families Collaborative
North American Council on Adoptable Children
North Carolina Association of County Directors of Social Services
NYSCCC Support, Information and Advocacy for Foster & Adoptive Families
Oklahoma Therapeutic Foster Care Association
Ohio Job and Family Services Directors' Association
Parents Anonymous
Prevent Child Abuse America
Prevent Child Abuse Indiana
Public Children Services Association of Ohio
School Social Work Association of America
Stop It Now
Three Rivers Adoption Council, PA
The Villages of Indiana
Voice for Adoption
Voices for America's Children
Weill Cornell Medical College's Division of Geriatrics and Gerontology

Committee on Domestic Justice and Human Development
3211 FOURTH STREET NE • WASHINGTON DC 20017-1194 • 202-541-3160
WEBSITE: WWW.USCCB.ORG/JPHD • FAX 202-541-3339

May 8, 2012

The U.S. House of Representatives
Washington, D.C. 20515

Dear Representative:

As you vote on a reconciliation package for the fiscal year 2013 budget, I would like to affirm the principle contained in the Committee Report that the "budget starts with the proposition that first, Congress must do no harm." In this light, I urge you to ensure all policies meet the moral criteria established by the Catholic bishops of the United States to create a circle of protection around programs that serve poor and vulnerable people and communities:

1. Every budget decision should be assessed by whether it protects or threatens human life and dignity.
2. A central moral measure of any budget proposal is how it affects the lives and dignity of "the least of these" (Matthew 25). The needs of those who are hungry and homeless, without work or in poverty should come first.
3. Government and other institutions have a shared responsibility to promote the common good of all, especially ordinary workers and families who struggle to live in dignity in difficult economic times.

A just framework for future budgets cannot rely on disproportionate cuts in essential services to poor persons; it requires shared sacrifice by all, including raising adequate revenues, eliminating unnecessary military and other spending, and addressing the long-term costs of health insurance and retirement programs fairly.

I reiterate our strong opposition to an unfair proposal that would alter the **Child Tax Credit** to exclude children of hard-working, immigrant families. The bishops' conference has long supported the Child Tax Credit because it is pro-work, pro-family, and one of the most effective antipoverty programs in our nation. Denying the credit to children of working poor immigrant families--the large majority of whom are American citizens--would hurt vulnerable kids, increase poverty, and would not advance the common good.

The **Supplemental Nutrition Assistance Program** (SNAP, formerly known as food stamps), provides vital food security to families during tough economic times. It is estimated that cuts proposed in this bill would deny assistance to two million families, and cut the benefit for everyone else. No poor family that receives food assistance would be unaffected, constituting a direct threat to their human dignity. If savings in agricultural programs need to be achieved, subsidies and direct payments can be reduced and targeted to small and moderate-sized farms.

The **Social Services Block Grant** is an important source of funding for programs throughout the country that serve vulnerable members of our communities--the homeless, the elderly, people with disabilities, children living in poverty, and abuse victims. We should prioritize programs that serve "the least of these," not eliminate them.

The Catholic bishops of the United States recognize the serious deficits our country faces, and we acknowledge that Congress must make difficult decisions about how to allocate burdens and sacrifices and balance resources and needs. However, deficit reduction and fiscal responsibility efforts must protect and not undermine the needs of poor and vulnerable people. The proposed cuts to programs in the budget reconciliation fail this basic moral test. The *Catechism of the Catholic Church* states it is the proper role of government to "make accessible to each what is needed to lead a truly human life: food, clothing, health, work, education and culture, suitable information, the right to establish a family, and so on" (no. 1908). Poor and vulnerable people do not have powerful lobbyists to advocate their interests, but they have the most compelling needs.

As you pursue responsible deficit reduction, the Catholic bishops join other faith leaders and people of good will urging you to protect the lives and dignity of poor and vulnerable families by putting a circle of protection around these essential programs and to refrain from cutting programs that serve them.

Sincerely,

Stephen E. Blaire

Most Reverend Stephen E. Blaire
Chairman
Committee on Domestic Justice and Human Development

Catholic Charities USA.
Working to Reduce Poverty in America.

April 25, 2012

The Honorable Paul Ryan
The U.S. House of Representatives
207 Cannon House Office Building
Washington, DC 20515

Dear Rep. Ryan:

As the House Committee on the Budget evaluates the priorities expressed in the federal budgeting process, we urge you to reject the proposed elimination of the Social Services Block Grant (SSBG) as proposed by the House Committee on Ways and Means.

Everyday thousands of individuals who are disabled, children, preschoolers, homeless, elderly, or at risk of being abused are receiving services because of SSBG funding. These funds prevent the need for more expensive and less desirable interventions. SSBG is a flexible federal funding source that allows states, local governments and non-profit organizations to support local programs and services for vulnerable children, youth, and elderly and disabled people. States have a long history of cooperation with community and faith-based organizations in the allocation of SSBG funds.

Catholic Charities USA (CCUSA) is a network of more than 1,600 social service agencies and institutions providing services to more than 10 million people annually. As one of the nation's largest social service providers, CCUSA recognizes the critical need for SSBG funding and uses these funds in almost every category of direct services.

Among those vulnerable populations that receive critical assistance from SSBG-funded programs are:

Children: Local Catholic Charities agencies use SSBG funds to provide child care to low-income families; foster care support service; and prevention and protective services for neglected and abused children

Youth: Local Catholic Charities agencies utilize funds from SSBG to supplement work with expecting and parenting teens; drug counseling for troubled youth; and special services for youth involved in or at risk of involvement with criminal activity.

Elderly: Local Catholic Charities rely heavily on SSBG funds to support Meals on Wheels programs that address both nutrition and isolation issues for frail elderly persons; transportation services for persons who also need assistance with their grocery shopping, doctor appointments, and during church services; adult day care; and emergency shelter and assistance for victims of elder abuse.

The following provides some examples of programs at local Catholic Charities agencies that would be affected by the elimination of SSBG funding:

2050 Ballenger Avenue • Suite 400 • Alexandria, VA 22314
Phone: (703) 549-1390 • Fax: (703) 549-1656 • www.CatholicCharitiesUSA.org

New Jersey:
In Newark, SSBG funds are used to support many programs and services, among them counseling and child abuse prevention services for families referred from the State child welfare system; supervised housing for youth exiting the child welfare system for independent living; The funds are used to provide services directed towards preventing, reducing or eliminating dependency; achieving or maintaining self-sufficiency; preventing neglect, abuse or exploitation of children and adults; and preventing or reducing inappropriate institutional care.
Pennsylvania:
In Wilkes-Barre/Scranton SSBG funding supports activities at a homeless veterans residence, Maternity Home and Senior Citizens Housing.
Texas:
In Beaumont, SSBG funds the soup kitchen, long term disaster recovery, financial education and counseling programs.
In Brownsville, SSBG funds are used to assist with long-term recovery from disasters including replacing essential items for those who were rendered homeless from such disasters.
Wisconsin:
In LaCrosse, SSBG funds provide services for children and adolescents in their Disabilities Services Program. Its mission is to keep these young people in their homes and prepare them for congregate or semi-independent living and provides a unique niche and without it many would not be able to be in mainstreamed into the community and would be at risk for institutional care.

We acknowledge that tough choices will be made as part of your ongoing budget discussions and that every one of these tough choices will be met with frustration, disappointment and even anger from certain segments of the population. Catholic Charities USA recognizes that social service initiatives will not be immune to those difficult decisions. However, as you look for savings within the budget, we reject the notion that those most vulnerable among us should feel the greatest impact of future reductions.

Rather than simply embracing quick answers to the immediate need to shave dollars off the federal budget by impairing local organizations' ability to deliver critical services to those in need, now is the time to work together to create a new national approach to service delivery that enable the country to permanently make a difference in the lives of those living in poverty.

Sincerely,

Fr. Larry Snyder

Fr. Larry Snyder
President

May 5, 2012

The Honorable John Boehner
Speaker
U.S. House of Representatives
Washington, DC 20510

Dear Speaker Boehner:

As groups of faith that provide critical support for those living on the margin, we write to urge you to reject the House Budget Committee's proposal to repeal funding for the Social Services Block Grant (SSBG).

The SSBG is a flexible federal funding source that allows states, local governments and non-profit organizations to support and supplement programs and services on the local level for vulnerable children, youth, the elderly and people with disabilities. States have a long history of cooperation with community and faith-based organizations in the allocation of SSBG funds.

According to the Department of Human and Human Services, the SSBG helped more than 22 million individuals in 2009, 49 percent of whom were children. In 1996, funding for SSBG was cut, and while it was intended to increase to $2.8 billion in 2003, instead it was reduced to $1.7 million and has remained at this level. The flat funding level has failed to keep up with inflation, forcing states to cut back on social services or tap into funds allocated for the Temporary Assistance for Needy Families. In these times of economic hardship, states are dealing with budget crises and a growing number of people in need of social services. SSBG funds are critical to help states fill in gaps with the flexibility to target the funds according to their needs.

SSBG plays an important role in the types of services provided by our organizations to low-income people. The elimination of funding would disproportionately impact the most vulnerable populations by impairing our ability to provide services that help children in need of child care, youth in need of intervention and prevention services, and older Americans and persons with disabilities who might otherwise need to be placed in institutional care. The slightest reduction in funding for this vulnerable population would compromise their livelihood and possibly their lives. Therefore, we strongly urge you to protect SSBG funding so that these vital programs continue to be available to these vulnerable populations.

Sincerely,

Catholic Charities USA
Jewish Council for Public Affairs
Association of Jewish Family & Children's Agencies
The Jewish Federations of North America
Lutheran Services in America

Easter Seals

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April 19, 2012

Dear Representative:

On behalf of Easter Seals I am writing to urge you to oppose legislation that eliminates the Social Services Block Grant (SSBG) and cuts the Supplemental Nutrition Assistance Program (SNAP). We urge you to vote against these proposals if they come before the full House of Representatives.

The Social Services Block Grant is a critical resource that enables Easter Seals affiliates throughout the country to provide quality services that support the independence of people with disabilities. Our affiliates work with localities to provide inclusive child care for children with disabilities, adult day services for older adults, recreational programs for people with disabilities of all ages and much more. Without SSBG, access to these critical services would be extremely limited. In addition, many of the people with disabilities we serve rely on SNAP and other federal supports to remain independent.

Easter Seals appreciates the urgency for the federal government to be fiscally responsible and to strengthen our national economy. At the same time, we know that people with disabilities disproportionately rely on government services to live, learn and work in their communities. These services were created by government because the private market place would not meet the unique needs of people with disabilities.

Again, please oppose proposals to eliminate SSBG and cut SNAP. Thank you for considering our views.

Sincerely,

Katherine Beh Neas

Katherine Beh Neas
Senior Vice President, Government Relations

Together, Making Children and Families a National Priority

April 19, 2012

Honorable Dave Camp
Chairman
House Ways and Means Committee
1102 Longworth HOB
Washington, D.C. 20515

Honorable Sander Levin
Ranking Member
House Ways and Means Committee
1106 Longworth HOB
Washington, D.C. 20515

Dear Chairman Camp and Ranking Member Levin:

On behalf of the Child Welfare League of America (CWLA) representing hundreds of public and private child-serving member agencies serving millions of children and families in all fifty states, I write this letter to express opposition to the Committee's proposal to eliminate the Social Services Block Grant (SSBG). At its inception, Title XX was an entitlement to fund social services. It was then restructured in 1981 into a block grant that would provide states more flexibility to support an array of services to children, youth, and families.

The Social Services Block Grant (SSBG) has long supported our most vulnerable children and continues to be a critical resource for child welfare. This flexible funding stream creates and sustains strong communities through a broad range of health and human services. SSBG represents 12% of federal funds states spend to provide child abuse prevention, adoption, foster care, child protection, independent and transitional living and residential services for children and youth. Nationwide, more than 2.6 million children received a range of child welfare services funded in part or in total by SSBG.

According to the latest data available, 39 states use SSBG funds for child abuse and neglect prevention, 22 states use them for adoption assistance, while 36 states allocate them to provide foster care services for children who may not be eligible for federal IV-E support. States also use SSBG to fund independent and transitional living services to youth aging out of the foster care system, residential treatment and other prevention and intervention services.

Unfortunately, this Committee has proposed eliminating SSBG in its entirety, despite the fact less than a decade ago this Committee shared bipartisan support for increasing funding to this vital safety net. Elimination of SSBG would place a huge, undue burden on states already facing tight budgets. At a time when states are struggling to avoid further cuts to the human service delivery systems, arguing that funding for the SSBG should be eliminated because it is duplicative disregards the underlying need for services that will not go away even if funding does.

1726 M Street NW, Suite 500 ▪ Washington, DC 20036 ▪ 202-688-4200 ▪ Fax 202-833-1689 ▪ www.cwla.org

In closing, I ask that you not turn your back on vulnerable children and families, in an attempt to reduce the deficit. CWLA appreciates your leadership in these trying times.

Sincerely,

Christine James Brown

Christine James-Brown
President/CEO

cc:
Members of the Ways and Means Committee

COALITION ON HUMAN NEEDS
1120 Connecticut Avenue, NW • Suite 312 • Washington, DC 20036 • 202.223.2532 • Fax 202.223.2538 • www.chn.org

April 18, 2012

Dear Member of the House Committee on Ways and Means:

This morning, the Committee will mark up legislation making reckless and extreme cuts in assistance for poor and vulnerable people, cutting even more deeply than the House budget resolution required of you. It is particularly striking, considering that tax policy is within the jurisdiction of your Committee, that the choices for reducing the deficit come solely by hurting low-income children and families, seniors, and the uninsured.

The Coalition on Human Needs strongly urges you to reject this course. Here are some of the reasons why the reconciliation cuts proposed are so unwise:

- **Denying the Child Tax Credit to millions of poor children:** By eliminating the Child Tax Credit for working families who use a Taxpayer Identification Number instead of a Social Security Number, you will hurt millions of poor children by raising their families' taxes by an average of $1,800. Their incomes average $21,000 a year; four out of five of the children in these families are citizens. A decision to make poverty deeper for millions of children is reckless because it increases the chances that these children will suffer inadequate nutrition, become sick, experience developmental delays, and fall behind in school – all documented outcomes associated with child poverty. **It is wrong and makes no sense to compromise children's life chances by deepening their poverty**.

- **Permanently terminating the Social Services Block Grant:** Ending this vital source of funds to programs operated by states will mean millions of low-income seniors, children, and families will do without help. In particular, this extreme cut will deny protection to millions of children and older people who are victims of abuse or neglect – a truly reckless choice. Some examples of the services that will be terminated:

    - **Child Protective Services:** 41 states used over $270 million in SSBG funds to protect children from abuse and neglect in FY 2009, providing services to more than 1.75 million children, in a year when child protective services agencies received an estimated 3.3 million reports of child abuse or neglect.

      Among other services to protect children from abuse and neglect provided through SSBG:

        - 36 states used $391 million for **foster care services** for more than 451,000 children.

Over the course of FY 2009, more than 700,000 children spent at least part of the year in foster, kinship, or residential care. Many states use SSBG funds to pay foster care costs for children not eligible for Title IV-E foster care assistance.

- 30 states used $133 million in SSBG funds in FY 2008 for **prevention and intervention services** for more than 640,000 children.

(Source: the National Foster Care Coalition, citing data collected by the Office of Community Services, HHS (http://www.acf.hhs.gov/programs/ocs/ssbg/reports/ssbg_focus_2009/child_protective_services.html)).

- **Adult Protective Services (for seniors):** 34 states used $216 million in SSBG funds to provide adult protective services to seniors who were victims of abuse or neglect in FY 2009. These funds provided protective services to 579,465 seniors in 2009, up from 411,691 in 2005. These funds provided core protective services for older adults: investigations, interventions, and shelters for abused elders. Such services are ***not funded*** by the Older Americans Act, and so states use SSBG to carry out these essential protections. Ten states use 10 percent or more of their SSBG funds for adult protective services, among them:
  - New York: 37%
  - South Carolina: 23%
  - West Virginia: 18%
  - Texas: 16%
  - Oklahoma: 16%
  - Tennessee: 13%

A false rationale for terminating the Social Services Block Grant is that its funds are "duplicative." These core protective services are not provided elsewhere. In the case of seniors, the Older Americans Act does not provide them at all. State funding in many states has been reduced, even for services to protect children and seniors from abuse and neglect. (Source: Office of Community Services, HHS, FY 2009 reports, at http://www.acf.hhs.gov/programs/ocs/ssbg/reports/ssbg_focus_2009/child_protective_services.html.)

- **Child Care:** 35 states used $391 million in FY 2009 to provide child care.

  Six states spent more than 20 percent of their SSBG funds for child care:
  - California: 52%
  - Oregon: 43%
  - Connecticut: 35%
  - Pennsylvania: 31%
  - Delaware: 21%
  - Rhode Island: 21%
  - New Hampshire: 20%

(Source: Office of Community Services, HHS, SSBG focus reports, http://www.acf.hhs.gov/programs/ocs/ssbg/reports/ssbg_focus_2009/child_care.html)

States were struggling to provide child care in the face of severe state budget shortfalls and eroding federal assistance. According to the National Women's Law Center, 37 states reduced their child care assistance in FY 2011 below FY 2010 levels. At the federal level, even the increases proposed in the President's budget for FY 2013 will only support 1.5 million children receiving child care, down from 1.7 million children in FY 2010. (Source: http://www.nwlc.org/resource/additional-child-care-funding-essential-stop-state-cuts) To deny child care assistance to the 4 million children who make use of SSBG funds would inflict grossly irresponsible harm to low-income working families. Making work more difficult at a time when the economy remains so fragile makes no sense.

When the Social Services Block Grant was created, its stated purpose was to give states flexibility by pooling funds from previously separate funding streams so states could determine where the funds were most needed. Now to take the funding away because it is "duplicative" misses the point of this flexible funding source, denying states support for the services they have deemed important, because other funding sources are either nonexistent or inadequate to meet need.

- **Recapturing overpayments in premium subsidies under the Affordable Care Act:** There have already been policy changes to get some of the overpayments back when people do not estimate their income correctly. To seek the full cost of the premium subsidies back will be a tremendous disincentive to participating in the program at all, since many low-income families' earnings fluctuate in a way that makes it impossible to be certain what level of subsidy to claim. Having to repay the entire amount will create significant hardships for families already living on the edge.

Sincerely,

Deborah Weinstein
Executive Director

NATIONAL WOMEN'S LAW CENTER
EXPANDING THE POSSIBILITIES

April 17, 2012

Chairman Dave Camp
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Ranking Member Sander M. Levin
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Camp and Ranking Member Levin:

We are writing to express strong opposition to proposals being considered in your Committee that would cut programs especially important to women and their families. We urge you not to pass the proposals to (1) eliminate the "safe harbor" for individuals and families receiving premium tax credits under the Affordable Care Act (ACA), (2) limit eligibility for the refundable Child Tax Credit and (3) eliminate the Social Services Block Grant. It is particularly outrageous that these cuts are being advanced as part of a budget that proposes trillions of dollars in additional tax cuts for the wealthiest individuals and corporations.

"Safe Harbor" for Premium Tax Credits Under the Affordable Care Act

The ACA protects individuals and families from having excessive penalties if the premium tax credit paid towards insurance coverage during the year exceeds the actual amount the individual or family was due. The protection, through a "safe harbor" that caps the amount of the premium tax credit an individual or family under 400% of poverty will have to re-pay, recognizes that there are certain instances that cannot be easily accounted for that will change the amount of credit due.

Eliminating this "safe harbor" will especially hurt women. Women have lower average incomes than men and are more likely to work in part-time employment or for small employers who do not offer health insurance. This suggests that women will be more likely to be eligible for the premium tax credits. A 2008 study by the Congressional Budget Office found that women experience more large changes in earnings from year to year than men. This suggests women are more likely to have a difference in estimate and actual income during the year and therefore more likely to have to repay a portion of the tax credit during reconciliation. Eliminating the "safe harbor" by removing the repayment cap will leave women who enrolled in coverage but had an income change mid-year—perhaps because of a new job or change in hours—vulnerable to an unaffordable tax bill. As a result, hundreds of thousands of woman will refuse coverage for fear of the repayment penalty.

Limiting Eligibility for the Refundable Child Tax Credit

The Child Tax Credit is designed to help families meet the costs of raising children; it is refundable for families with at least $3,000 in earnings so that low-income families, disproportionately headed by women, can receive some benefit even though they have little or no federal income tax liability. Over half of all poor children live in families headed by single mothers.

The proposal before the Committee would eliminate eligibility for the refundable Child Tax Credit for individuals who file their taxes using an Individual Tax Identification Number, not a Social Security Number. This means that the brunt of the cuts to this important tax benefit would fall upon immigrant families, who already experience higher rates of poverty.

<u>Eliminating the Social Services Block Grant</u>

The Social Services Block Grant provides funds to states that may be used to support a range of services. In 2009, SSBG funded services for over 22 million people, about half of whom were children. One of the largest service categories was child care—a essential service for low-income women to be able to enter and remain in the work force. SSBG also funded child protective services and foster care, special services for people with disabilities and frail elders, and transportation and housing assistance.

The proposal before the Committee would permanently repeal the Social Services Block Grant. With record number of women and children living in poverty—and deep poverty—and only one in six children eligible for federal child care assistance receiving help, this is no time to cut funding for social services.

These proposals represent an unfair and irresponsible attempt to balance the budget on the backs of women and families. We urge the Committee to reject these proposals.

Very truly yours,

Joan Entmacher

Judy Waxman

Joan Entmacher
Vice President for
Family and Economic Security

Judy Waxman
Vice President for
Health and Reproductive Rights

NATIONAL CONFERENCE of STATE LEGISLATURES

The Forum for America's Ideas

Stephen Morris
Senate President
Kansas Senate
President, NCSL

Michael P. Adams
Director, Strategic Planning
Virginia Senate
Staff Chair, NCSL

William Pound
Executive Director

April 16, 2012

The Honorable David Camp
Chair, House Ways & Means Committee
341 Cannon HOB
Washington, DC 20515

The Honorable Sander Levin
Ranking Member,
House Ways & Means Committee
1236 Longworth HOB
Washington, DC 20515

Dear Chairman Camp and Ranking Member Levin:

On behalf of the National Conference of State Legislatures (NCSL), we write in opposition to the permanent elimination of the Social Services Block Grant (SSBG); states share your concern about the size of the federal deficit. However, NCSL strongly believes that cutting or eliminating the SSBG is a significant $1.7 billion cost-shift to states.

SSBG was created in 1981 in the Omnibus Reconciliation Act (P.L.97-35) established by President Ronald Reagan and is often considered the "original" block grant. The SSBG gives states flexibility to provide a critical range of services that serve poor families, protect children and the elderly from abuse and neglect, and to keep the elderly and the disabled in their own homes rather than in institutions. It is a flexible source of funding that allows states to address the needs of vulnerable populations and respond to local concerns. State legislators see support of the SSBG as a strong signal of Congressional commitment to devolution and to block grants.

Eliminating SSBG would shift the costs of these services to states. State legislators would not necessarily be able to backfill programs funded by SSBG due to four years of back to back reductions in their own state budgets. Between FY2008-FY2013, it is estimated that states have closed a $527.7 billion budget gap. Moreover, state revenues remain at pre-recession levels.

We urge you to keep your commitment to the SSBG and bolster vital services that make a difference to America's children, elderly, and disabled. If you have any questions regarding NCSL's concerns about SSBG, please do not hesitate to contact Sheri Steisel (sheri.steisel@ncsl.org) or Emily Wengrovius(emily.wengrovius@ncsl.org) or by calling (202)624-5400.

Sincerely,

Tom Han

The Honorable Tom Hansen
South Dakota Senate
Chair NCSL Human Services & Welfare Committee

Barbara W. Ballard

The Honorable Barbara W. Ballard
Kansas House of Representatives
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May 3, 2012

ELIMINATING SOCIAL SERVICES BLOCK GRANT WOULD WEAKEN SERVICES FOR VULNERABLE CHILDREN, ADULTS, AND DISABLED

By Indivar Dutta-Gupta, LaDonna Pavetti, and Ife Finch

To help generate the savings required by the House-approved budget, the House Ways and Means Committee voted on April 18 to eliminate the Social Services Block Grant (SSBG), a uniquely flexible funding source that helps states meet the specialized needs of their most vulnerable populations, primarily low- and moderate-income children and people who are elderly or disabled (see Figure 1 and Appendix A).[1]

States use the $1.7 billion-a-year grant to support services designed to help people become more self-sufficient by providing child care assistance, prevent and address child abuse, and support community-based care for the elderly and disabled. Roughly 23 million people — about half of them children — receive services funded in whole or part by the SSBG.[2]

States are in no position to replace lost SSBG funds by increasing their own funding. States have imposed nearly $300 billion in

Figure 1
Nearly All SSBG Funds Are Used to Address Unique Service Needs of Vulnerable Adults, Children, and Disabled

Categories as a share of Social Services Block Grant expenditures

Source: CBPP calculations based on HHS data available at http://www.acf.hhs.gov/programs/ocs/ssbg/reports/2009/index.html.

[1] States report SSBG spending in 29 categories. We have collapsed those 29 categories into the seven shown in Figure 1. Spending for each of the 29 categories can be found in Appendix A. The expenditures reported in this paper are for fiscal year 2009, the latest year for which state SSBG expenditure data are available. National figures are available for fiscal year 2010 and are comparable to the 2009 data reported here: *Social Service Block Grant Program Annual Report 2009*, Department of Health and Human Services, http://www.acf.hhs.gov/programs/ocs/ssbg/reports/2009/index.html.

[2] These figures are for 2009, the most recent year for which data on the number of recipients are available. An individual may have received more than one SSBG-supported service. *Social Service Block Grant Program Annual Report 2009*, Department of Health and Human Services, http://www.acf.hhs.gov/programs/ocs/ssbg/reports/2009/index.html.

spending cuts over the past five years to close recession-induced budget gaps, affecting public services ranging from education to health care to human services.[3] Any additional cuts imposed to make up for the loss of SSBG funds would likely come at the expense of services that states have already weakened significantly.

In addition, while most states have augmented their SSBG allotments by transferring some funds from their Temporary Assistance for Needy Families (TANF) programs, TANF is not a realistic source of funding to replace the SSBG. Federal TANF funding itself is shrinking — the TANF block grant has declined by 30 percent in inflation-adjusted terms since its creation in 1996, and this year Congress failed to fund TANF Supplemental Grants for 17 mostly poor states[4] — and a number of states have cut back on cash assistance for very poor families with children and on TANF-funded services to help poor mothers find and retain jobs.[5]

House Republican leaders have defended their support for eliminating the SSBG by arguing that it is "duplicative of other federal programs," but this is misleading. Congress designed the SSBG as a flexible source of funding that states can tailor to their own needs and priorities; states use SSBG funds to provide services for which there is no dedicated funding stream or where funding is inadequate. Child care is a good example: the Government Accountability Office (GAO)'s recent comprehensive survey of duplication and overlap in the federal government — which makes no mention of any duplication related to the SSBG —found that despite the various funding streams used to support child care services, there is insufficient funding to serve all eligible families.[6] Estimates from the Department of Health and Human Services indicate that only one in six low-income working families eligible for federally supported child care assistance actually receives it.[7] Eliminating the SSBG would worsen that shortage.

Another defense offered for the proposed cut — that the SSBG supports services for many people who are not needy — is similarly flawed. The broad purposes for which states can use SSBG funds — promoting self-sufficiency, protecting adults and children from neglect and abuse, and helping elderly and disabled individuals remain in their homes — all concern helping people who are clearly vulnerable and in need. While precise national data are not available (because federal law doesn't require their collection), it is widely recognized in the states that the SSBG overwhelmingly supports services for low- and moderate-income families and individuals and focuses on lower-income communities. Moreover, SSBG-funded services like child care assistance (as distinguished, for example, from services to prevent or address child abuse), often have state-imposed income

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3 Elizabeth McNichol, "Out of Balance," Center on Budget and Policy Priorities, April 18, 2012, http://www.cbpp.org/cms/index.cfm?fa=view&id=3747.

4 For more, see LaDonna Pavetti, Liz Schott, and Ife Finch, *Expiration of TANF Supplemental Grants a Further Sign of Weakening Federal Support for Welfare Reform*, Center on Budget and Policy Priorities, June 27, 2011 http://www.cbpp.org/cms/index.cfm?fa=view&id=3524.

5 Liz Schott and LaDonna Pavetti, *Many States Cutting TANF Benefits Harshly Despite High Unemployment and Unprecedented Need,* Center on Budget and Policy Priorities, October 3, 2011, http://www.cbpp.org/cms/index.cfm?fa=view&id=3498.

6 Government Accountability Office, *2012 Annual Report: Opportunities to Reduce Duplication, Overlap and Fragmentation, Achieve Savings, and Enhance Revenue*, February 2012, http://www.gao.gov/assets/590/588818.pdf.

7 ASPE Staff, *Estimates of Child Care Eligibility and Receipt for Fiscal Year 2006*, Department of Health and Human Services, April 2010, http://aspe.hhs.gov/hsp/10/cc-eligibility/ib.shtml.

limits. For example, eligibility for child care in most states is at or below two-thirds of the state median income.

The vote to eliminate the SSBG continues a troubling recent trend in the House of cutting or eliminating programs that help vulnerable people. The House budget requires the Ways and Means Committee to find $53 billion in savings over ten years. The Committee has the tax code within its jurisdiction, including about $1 trillion a year in tax expenditures, many of which are heavily weighted toward upper-income households.[8] Yet it chose not to obtain *any* of its required savings by narrowing tax breaks, regardless of their merits. Instead, it found $68.2 billion in cuts — more than the required savings — exclusively from programs designed to help low-income, uninsured, and otherwise vulnerable people.[9]

Background

Policymakers created the SSBG in its current form in 1981, primarily as a cost-saving measure; it consolidated several smaller funding streams in which the federal and state governments shared costs and reduced overall federal funding for these programs by 20 percent, from $2.99 billion to $2.4 billion. (The federal government has a long history of funding social services that predates the creation of the SSBG. The first services were funded in the mid-1950's and they were added to the Social Security Act, as Title XX, in 1975.)[10]

The SSBG provides states important flexibility. The SSBG is not limited to narrow, federally defined services or populations; states can use SSBG funds to provide services that help achieve any of the program's goals — reducing dependency and promoting self-sufficiency; protecting children and adults from neglect, abuse, and exploitation; and helping individuals who are unable to take care of themselves to stay in their homes or to find the best institutional arrangement. States can decide what services to support with SSBG funds and what populations to serve, and can refocus their SSBG expenditures over time as their populations' needs change.

Although the SSBG has received bipartisan support from governors and members of Congress (see the box on page 6), it has lost *77 percent* of its value since 1981, due to inflation, funding freezes,

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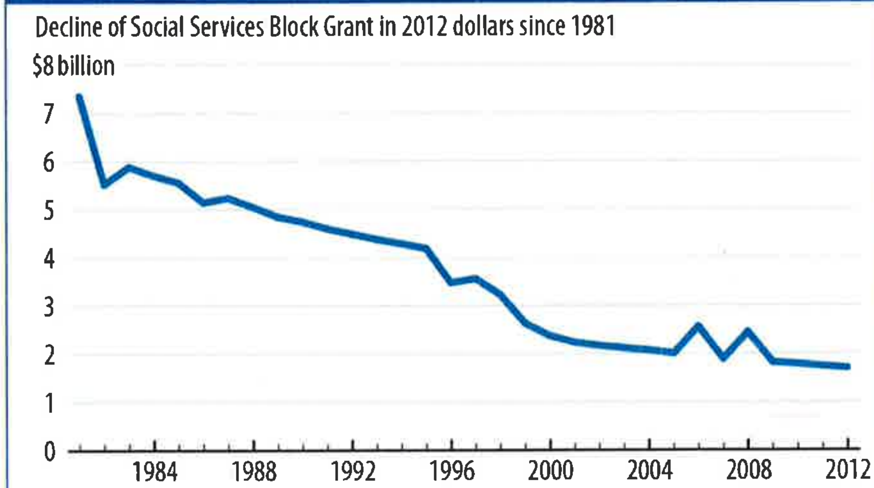
8 Chye-Ching Huang and Hannah Shaw, *New Analysis Shows "Tax Expenditures" Overall Are Costly and Regressive,"* Center on Budget and Policy Priorities, February 23, 2009, http://www.cbpp.org/cms/index.cfm?fa=view&id=2662.

9 The Ways and Means Committee cuts, which all come from programs that serve low-income and vulnerable people, include, in addition to elimination of SSBG, a change in the Affordable Care Act's subsidies that the Congressional Budget Office (CBO) estimates would cause 350,000 people to forgo health insurance coverage, and that would make it more difficult for the health reform law's insurance exchanges to function effectively. See Judith Solomon and Robert Greenstein, "Provision in House Reconciliation Bill Would Cause 350,000 People to Forgo Health Coverage and Could Jeopardize Health Reform," Center on Budget and Policy Priorities, April 18, 2012, http://www.cbpp.org/cms/index.cfm?fa=view&id=3748.

10 Though Title XX of the Social Security Act was signed into law in January 1975, it was not until the Omnibus Budget Reconciliation Act of 1981 that Congress created the Social Services Block Grant, which consolidated funding for the provision of social services and for staff training for those providing social services. When the SSBG was created, funding was capped and federal requirements for targeting benefits to certain beneficiaries were eliminated. For more detail on the history of funding for social services now funded through the SSBG, see: Committee on Ways and Means, *Green Book: Background Material and Data on the Programs within the Jurisdiction of the Committee on Ways and Means*, U.S. House of Representatives, December 2011, http://greenbook.waysandmeans.house.gov/.

and budget cuts (see Figure 2). Between 1982 and 1996, funding fluctuated between $2.4 billion and $2.8 billion in nominal dollars. The 1996 welfare law cut the SSBG by 15 percent in nominal terms — from $2.8 billion to $2.38 billion — for fiscal years 1997 through 2002, while calling for its budget authority to return to $2.8 billion for fiscal year 2003 and thereafter. Instead, however, Congress cut the SSBG further to $1.7 billion for fiscal year 2001, where it has remained ever since.[11]

Figure 2
Social Services Block Grant Has Shrunk By 77 Percent in Recent Decades



Source: Congressional Research Service compiled data from HHS.

SSBG funding is allocated to states, the District of Columbia, and the territories based on population (see Appendix B).[12] States can also transfer up to 10 percent of their federal Temporary Assistance for Needy Families (TANF) block grant funds to the SSBG; they can use the transferred TANF funds only for families with children whose incomes are below 200 percent of the poverty line. States transferred $1.2 billion in fiscal year 2010, a modest fraction of the amount that SSBG funding has been reduced in real terms over recent decades. The transferred funds account for a little more than 40 percent of SSBG expenditures. (Unless otherwise noted, all figures in this paper refer to federal SSBG funds and do not include state-transferred TANF funds.) Nearly all SSBG funds go to provide services to individuals in need — only 3 percent of the total SSBG funds (federal and TANF transfers) and 4.3 percent of the federally allocated SSBG funds go to administrative costs.[13]

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[11] Karen E. Lynch, *Social Services Block Grant: Background and Funding*, Congressional Research Service, January 3, 2012.

[12] Allocations for Puerto Rico, Guam, the Virgin Islands, and the Northern Mariana Islands are based on their allocations for fiscal year 1981, adjusted for the current total SSBG funding from Congress. The allocation for American Samoa is based on the relative size of its population to the Northern Mariana Islands. Karen E. Lynch, *Social Services Block Grant: Background and Funding*, Congressional Research Service, January 3, 2012.

[13] The SSBG's low administrative costs are typical for programs targeted to low-income and vulnerable individuals. See Robert Greenstein and CBPP Staff, *Romney's Charge that Most Federal Low-Income Spending Goes for "Overhead" and*

Eliminating the SSBG Likely Would Reduce Critical Services for Populations with Unique Needs

- **Ending the SSBG very likely would reduce funding for services that protect elderly adults from harm and help them stay in their own homes.** Services for vulnerable and elderly adults accounted for 27 percent of SSBG expenditures in fiscal year 2009; 44 states used SSBG funds for this purpose, and four states used at least half of their SSBG funds to provide these services (See Figure 1 and Appendix C).

  Services for vulnerable and elderly adults are more dependent on SSBG funds than any other service that the SSBG supports. For example, in fiscal year 2009, SSBG funds accounted for 72 percent of the total funding states report for adult day care services, which help elderly adults to stay in their own homes rather than have to enter more costly institutional facilities. SSBG funds also accounted for 40 percent and 39 percent, respectively, of funding for adult foster care and adult protective services, which help address abuse and exploitation of older adults.[14] In addition, the SSBG is an important source of funding for nearly half of state aging agencies, according to the AARP Public Policy Institute.[15]

- **Eliminating the SSBG likely would create significant service gaps for children who have experienced or are at risk of abuse or neglect.** In fiscal year 2009, about one-quarter of federal SSBG funds were used to assist children involved in (or at risk of being involved in) the child welfare or juvenile justice systems or to provide adoption services; 44 states used SSBG funds for this purpose, and 16 states used at least half of their SSBG funds for it (see Figure 1 and Appendix C).

  Within the complex system of federal, state, and local child welfare financing, SSBG funds play a critical role in augmenting other more restrictive child welfare funding streams. For example, they fill a significant gap in foster care funding for children who cannot be cared for in their own homes and need to be placed in foster care. Nationally, in 2010, only 44 percent of children in foster care met the outdated eligibility criteria for federal funding under Title IV-E (Federal Payments for Foster Care and Adoption Assistance).[16] States receive federal Title IV-E funding only for children whose parents would have been eligible for benefits from the old Aid to Families with Dependent Children as that program existed on July 16, 1996, almost 16

"Bureaucrats" Is False: For Major Low-Income Programs, More than 90 Percent Goes to Beneficiaries, Center on Budget and Policy Priorities, January 23, 2012, http://www.cbpp.org/cms/?fa=view&id=3655.

[14] *Social Service Block Grant Program Annual Report 2009*, Department of Health and Human Services, http://www.acf.hhs.gov/programs/ocs/ssbg/reports/2009/index.html.

[15] Jenna Walls *et al., Weathering the Storm: The Impact of The Great Recession on Long-Term Services and Supports*, AARP Public Policy Institute, January 2011, http://assets.aarp.org/rgcenter/ppi/ltc/CURRENT_Budget_Paper_v9Jan6.pdf.

[16] According to Sean Hughes and Suzanne Lay of the Child Welfare League of America, "Because IV-E eligibility is linked to outdated income standards [that require parents to meet income eligibility requirements of the old AFDC program in 1996], less than half of children in foster care are currently supported by IV-E. Furthermore, because the income restrictions that IV-E is linked to are frozen in place and not adjusted for inflation, the rate of foster children covered by IV-E, which is known as the penetration rate, saw a dramatic decline since 1998. As the number of eligible children decreases, states face increasing pressure and decreasing federal IV-E reimbursements to maintain the support for these vulnerable children and families." Sean Hughes and Suzanne Lay, *Direct Service Workers' Recommendations for Child Welfare Financing and System Reform*, Child Welfare League of America, January 2012.

years ago.[17] SSBG funds are also used to provide other services for at-risk children and youth. For example, they are used to provide in-home services to families so that out-of-home placements can be prevented and to provide residential care for children and youth whose problems are so severe that they cannot easily be cared for by family members at home or in foster care.

- **Without the SSBG, fewer families will receive counseling and support services that can help protect children from negative outcomes.** In fiscal year 2009, 13 percent of SSBG funds went to provide counseling, supportive services, and case management for vulnerable children and adults; 36 states used SSBG funds for this purpose, and three states used more than half of their funds for it (see Figure 1 and Appendix C). A Child Trends study found that children and adolescents from disadvantaged families were less likely to act out, display symptoms of depression, or be held back in school if their mothers reported having emotional support for childrearing.[18] The SSBG's flexibility enables states to provide this type of support to families, especially those whose needs are significant but not so severe as to qualify them for state mental health or child welfare systems.

SSBG Has Had Bipartisan Support from Policymakers

Policymakers of both parties have expressed support over the years for a congressional commitment to stable funding for the SSBG, and opposition to proposed cuts.

- "Over the past few years, SSBG has taken more than its share of cuts in federal funding. As part of the 1996 welfare reform deal, Congress made a commitment to Governors that SSBG would be level funded at $2.38 billion each year. In fact, Governors reluctantly accepted a 15 percent cut in SSBG funds at that time in exchange for the commitment for stable funding in the future. However, repeated cuts in SSBG have been enacted regardless of that commitment." *— 1999 letter to the Senate from Utah governor Mike Leavitt (R), Arkansas governor Mike Huckabee (R), Maryland governor Parris Glendening (D), and North Carolina governor James Hunt (D).*
- "Governors from both parties have long recognized the critical role Title XX [i.e., SSBG] funding plays in supporting families. . . . Cutting funding for services that keep people in their communities and out of expensive institutions such as hospitals and nursing homes is shortsighted and will lead to unnecessary suffering as well as increased spending in other federal programs." *— 2000 letter to the House Appropriations Subcommittee on Labor, Health and Human Services and Education from 26 Republican and Democratic members of the House of Representatives*
- "Governors view SSBG as one of the highest priorities among human service programs, and are adamantly opposed to further reductions in funding, such as those approved by the Senate Labor, Health and Human Services, and Education Subcommittee. Such a drastic reduction in the federal commitment to SSBG will cause a dramatic disruption in the delivery of the most critical human services." *— 2000 letter to the Senate Appropriations Committee from Arkansas governor Mike Huckabee (R) and North Carolina governor James Hunt (D)*

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[17] *Child Welfare Policy Manual*, Subsection 8.4A TITLE IV-E, General Title IV-E Requirements, AFDC Eligibility. Department of Health and Human Services, Administration for Children and Families, http://www.acf.hhs.gov/cwpm/programs/cb/laws_policies/laws/cwpm/policy_dsp.jsp?citID=8#612.

[18] Tawana Bandy, Kristine M. Andrews and Kristin Anderson Moore, *Disadvantaged Families and Child Outcomes: The Importance of Emotional Support for Mothers,* Child Trends, Research-to-Results brief, February 2012, http://www.childtrends.org/Files/Child_Trends-2012_03_21_RB_MaternalSupport.pdf.

- **The loss of SSBG funds would worsen the already severe shortage of child care assistance for low-income families.** In fiscal year 2009, some 6 percent of SSBG funds were used to provide child care to low-income families; 30 states used federal SSBG funds for this purpose. Twenty-two states had waiting lists for child care assistance or turned away some families requesting help in 2011, according to the National Women's Law Center.[19] Department of Health and Human Services data indicate that only one in six low-income children who may be eligible for child care subsidies under federal law actually receive it.[20] Given that demand for child care assistance already far exceeds the supply, the loss of SSBG funding would further limit states' ability to help working-poor families and families that are looking for work in order to become self-sufficient.

- **Some individuals living with a disability likely would lose access to services that improve their quality of life and help them remain in the community.** About 14 percent of SSBG funds went to services for disabled individuals in fiscal year 2009; 22 states used SSBG funds for this purpose, and four states used more than half of their funds for it. SSBG-funded services, which include mobility training for blind or visually impaired individuals and respite care for families caring for a disabled family member, help disabled individuals live as independently as possible.

SSBG Also a Useful Tool for Disaster Response

The SSBG has served as a conduit for emergency appropriations to help residents and communities respond to the additional social service and health needs resulting from natural disasters, such as floods, wildfires, and hurricanes.

For example, in response to the 2005 Gulf Coast Hurricanes — including Hurricane Katrina — Congress provided an additional $550 million in emergency funding to states via SSBG for use by public, non-profit, and private entities to repair, renovate, or construct health care facilities, among other purposes. The funds were disbursed promptly — within two months[a] — and SSBG's flexibility allowed states to streamline eligibility for services funded by the emergency appropriations. Eliminating SSBG could make it harder to provide this sort of flexible human services funding in the face of emergencies.

[a] Social Service Block Grant Program Annual Report 2009, Department of Health and Human Services, http://www.acf.hhs.gov/programs/ocs/ssbg/reports/2009/index.html.

[19] Karen Schulman and Helen Blank, *State Child Care Assistance Policies 2011: Reduced Support for Families in Challenging Times*, National Women's Law Center, October 2011, http://www.nwlc.org/sites/default/files/pdfs/state_child_care_assistance_policies_report2011_final.pdf.

[20] ASPE Staff, *Estimates of Child Care Eligibility and Receipt for Fiscal Year 2006*, Department of Health and Human Services, April 2010, http://aspe.hhs.gov/hsp/10/cc-eligibility/ib.shtml.

Arguments for Eliminating the SSBG Are Flawed

In their explanation for eliminating the SSBG, the House Republican leadership claimed that "Many of the services funded by the SSBG are duplicative of other federal programs."[21] This criticism misses the mark; the SSBG is a flexible funding stream but is hardly duplicative. As noted above, states use SSBG funds to provide services for which there is no dedicated funding stream or where funding is inadequate. States also use SSBG funds to serve people who, despite their clear need and often desperate circumstances, do not meet the criteria for other, narrowly designed federal funding streams.

The SSBG's flexibility allows states to serve populations that have unique social service needs without creating a myriad of special programs, each with its own complex eligibility rules. It also allows states to tailor services to their particular demographics: states with large elderly populations can devote more of their SSBG funds to help elderly individuals stay in their own homes, for example, while states with more low-income and vulnerable children can use more of their funds to provide child care or more adequately fund their child welfare systems.

It is noteworthy that the Government Accountability Office's recent comprehensive survey of duplication and overlap in the federal government makes no mention of any duplication related to the SSBG.[22] In fact, the report's only mention of the SSBG is in its discussion of child care, where its primary finding is that there is insufficient funding to serve all eligible families, despite the multiple funding streams used to support child care services. In other words, there is *too little, not too much* child care assistance available. Eliminating the SSBG would worsen the problem.

House Republican leaders have also implied that, because there are no federal income limits for receipt of SSBG-funded services, those services are not well targeted to people who are truly needy.[23] This criticism, too, is unpersuasive. A substantial share of SSBG funds go to services like child welfare and protecting adults from abuse and neglect — in other words, to help people who are clearly vulnerable and in need, regardless of their income. Moreover, states often use their discretion to restrict other SSBG-supported services, like child care and supportive services, to families with low incomes. For example, Texas restricts eligibility for supportive services for emotionally disturbed children to families with incomes below 200 percent of the poverty line, Arizona restricts child care eligibility to families at or below 165 percent of the poverty line, and Connecticut restricts eligibility for most services (except those designed to address or prevent abuse or neglect) to individuals or families with incomes at or below 150 percent of the poverty line.[24]

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[21] Speaker John Boehner, Leader Eric Cantor, Whip Kevin McCarthy, and Chairman Jeb Hensarling, "Reconciliation" Memo to House Republican Members, April 25, 2012, http://thinkprogress.org/wp-content/uploads/2012/04/Reconciliation-Memo-2012-Final.pdf?mobile=nc.

[22] Government Accountability Office, *2012 Annual Report: Opportunities to Reduce Duplication, Overlap and Fragmentation, Achieve Savings, and Enhance Revenue*, February 2012, http://www.gao.gov/assets/590/588818.pdf.

[23] Speaker John Boehner, Leader Eric Cantor, Whip Kevin McCarthy, and Chairman Jeb Hensarling, "Reconciliation" Memo to House Republican Members, April 25, 2012, http://thinkprogress.org/wp-content/uploads/2012/04/Reconciliation-Memo-2012-Final.pdf?mobile=nc.

[24] Most states report their eligibility criteria for various services in their annual SSBG state plans. The state plans for these three states can be found at the following web links:
Arizona https://www.azdes.gov/InternetFiles/Reports/pdf/ssbg_plan_2011_2012.pdf
Connecticut http://www.ct.gov/dss/lib/dss/ssbg_rfi_2012/Allocation_Plan.pdf

States in No Position to Replace Lost SSBG Funds

States, facing continued budget shortfalls, are not in a position to replace the funds they would lose if Congress eliminated the SSBG.[25]

States have made broad and deep spending cuts to address the nearly $600 billion in budget gaps they have faced during the economic slump. The cuts have affected all major areas of state budgets — elementary and secondary education, health care, higher education, and human services. Any additional cuts imposed to make up for the loss of SSBG funds would likely come at the expense of services that states have already weakened significantly.

Nor are states' federal TANF funds the solution. To help states deal with SSBG funding cuts in the 1996 welfare reform law, that legislation allowed states to transfer up to 10 percent of their TANF block grant to the SSBG. Twenty-two states transferred $1.2 billion to the SSBG in fiscal year 2010, less than the 10 percent maximum allowed. The transferred funds must go to services for families with children with incomes under 200 percent of the poverty line. Almost three-quarters of the transferred TANF funds go to fund child welfare (49 percent) and child care services (25 percent).

States do not have sufficient TANF funds to *increase* the share of their TANF funds that go to formerly SSBG-funded services. The annual TANF block grant has remained frozen since its creation in 1996 and has lost 30 percent of its value due to inflation. Moreover, this year, for the first time since 1996, Congress failed to provide *any* funding for TANF's "Supplemental Grants," leaving 17 states — the majority of them very poor states[26] — with $319 million less in TANF funding than in previous years when the Supplemental Grants were funded. In addition, TANF funds are restricted to families with dependent children, while some SSBG-funded services help other adults, including many seniors.

In the last few years, despite the increase in need among families with children due to the recession, many states facing budget shortfalls have cut cash assistance deeply for families that already live far below the poverty line, ended it entirely for many other families with physical or mental health issues or other challenges, and cut child care or other work-related assistance that helps working-poor families stay employed.[27] Only 27 out of every 100 families with children that live in poverty now receive any TANF cash assistance at all (down from 68 out of 100 such families in 1995),[28] and in the majority of states, TANF benefits fail to lift families with no other income even to 30 percent of the poverty line.[29] TANF is not a place to look to replace lost federal SSBG funds.

Texas http://www.hhsc.state.tx.us/reports/2011/Block-Grant-0811.pdf.

[25] Phil Oliff, "The Latest on State Budgets," Center on Budget and Policy Priorities, February 27, 2012, http://www.offthechartsblog.org/the-latest-on-state-budgets-5/.

[26] LaDonna Pavetti, Liz Schott, and Ife Finch, June 27, 2011.

[27] Liz Schott and LaDonna Pavetti, October 3, 2011.

[28] Danilo Trisi and LaDonna Pavetti, *TANF Weakening As a Safety Net for Poor Families,* Center on Budget and Policy Priorities, March 13, 2012, http://www.cbpp.org/cms/index.cfm?fa=view&id=3700.

[29] Ife Finch and Liz Schott. *TANF Benefits Fell Further in 2011 and Are Worth Much Less Than in 1996 in Most States,* Center on Budget and Policy Priorities, November 21, 2011, http://www.cbpp.org/cms/index.cfm?fa=view&id=3625.

The SSBG Proposal Continues Troubling Trend of Targeting Programs for Vulnerable People

The Ways and Means vote to eliminate the SSBG is consistent with the House's disturbing recent pattern of targeting vulnerable populations for cuts while protecting wealthier individuals and corporations from sacrifices.

- The House Agriculture Committee, which the House budget requires to find $33 billion in savings over ten years, chose to secure *all* of those savings through cuts to the Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps. Even as it cut SNAP, the Agriculture Committee completely shielded farm subsidies, which averaged more than $30,000 a year per recipient household in 2009 and of which 74 percent went to the largest, most profitable farms, with average annual household incomes of over $160,000.[30] (These SNAP cuts would come on top of another proposal in the House budget resolution to cut SNAP by $134 billion over the next decade and convert it to a block grant.)[31]

- The House budget resolution would cut Medicaid by $810 billion over the next ten years — and by 34 percent by 2022 — and convert it to a block grant. To compensate for funding cuts of this magnitude, states would have to institute deep cuts to eligibility, benefit coverage and/or provider payment rates. This likely would result in millions more low-income individuals and families becoming uninsured or underinsured, with reduced access to needed medical care.[32]

- The House budget would not only extend President Bush's tax cuts, which tilt heavily toward high-income households and, according to the Tax Policy Center, are worth an average of $129,000 a year to people with annual incomes above $1 million, but would add tax cuts on top worth another $265,000 a year, on average, for households over $1 million.[33] House Budget Committee Chairman Paul Ryan has said that the House budget would fully offset the cost of the proposed new tax cuts by closing tax expenditures, but the budget contains no specific proposals to do so, and indicates that the tax break most heavily tilted toward high-income households — the preferential tax rates for capital gains and dividends — should not be touched.[34]

- The House-approved budget as a whole relies on cuts to low-income programs for 62 percent

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30 For more on the House Agriculture Committee's action, see Stacy Dean and Dottie Rosenbaum, *House Agriculture Committee Proposal Would Cut 2 Million People Off Food Stamps, Reduce Benefits for More Than 44 Million Others*, Center on Budget and Policy Priorities, April 18, 2012, http://www.cbpp.org/cms/index.cfm?fa=view&id=3749.

31 Dottie Rosenbaum, *Ryan Budget Would Slash SNAP Funding by $134 Billion Over Ten Years*, Center on Budget and Policy Priorities, April 18, 2012, http://www.cbpp.org/cms/index.cfm?fa=view&id=3717.

32 Edwin Park and Matt Broaddus, *Ryan Medicaid Block Grant Would Cut Medicaid by One-Third by 2022 and More After That*, Center on Budget and Policy Priorities, March 27, 2012, http://www.cbpp.org/cms/index.cfm?fa=view&id=3727.

33 The $265,000 estimate also comes from the Tax Policy Center. See Chuck Marr, *New Tax Cuts in Ryan Budget Would Give Millionaires $265,000 on Top of Bush Tax Cuts*, Center on Budget and Policy Priorities, April 12, 2012, http://www.cbpp.org/cms/index.cfm?fa=view&id=3728.

34 Chuck Marr, *Ryan Budget's Claim to Finance Its Tax Cuts for the Wealthy By Curbing Their Tax Breaks Does Not Withstand Scrutiny,* Center on Budget and Policy Priorities, March 22, 2012, http://www.cbpp.org/cms/?fa=view&id=3722.

of its $5.3 trillion in nondefense budget cuts over ten years.[35]

[35] Kelsey Merrick and Jim Horney, *Chairman Ryan Gets 62 Percent of His Huge Budget Cuts from Programs for Lower-Income Americans*, Center on Budget and Policy Priorities, March 23, 2012, http://www.cbpp.org/cms/index.cfm?fa=view&id=3723.

Appendix A

SSBG Spending for FY 2009
CBPP Consolidated Categories and Official Reporting Categories

Vulnerable and Elderly Adults	**$465,906,050**	**27.0%**
Protective Services - Adults	$210,302,566	12.2%
Home-Based Services	$169,380,683	9.8%
Foster Care Services - Adults	$29,577,968	1.7%
Home Delivered Meals	$25,482,489	1.5%
Day Care - Adults	$23,988,382	1.4%
Congregate Meals	$7,173,962	0.4%
Child Welfare/At Risk Youth	**$418,147,734**	**24.3%**
Protective Services - Children	$133,001,497	7.7%
Foster Care Services - Children	$132,657,642	7.7%
Residential Treatment Services	$58,881,865	3.4%
Prevention & Intervention Services	$44,392,821	2.6%
Adoption Services	$21,598,119	1.3%
Special Services for At Risk Youth	$20,820,932	1.2%
Independent and Transitional Living Services	$6,794,858	0.4%
Disability Services	**$243,419,274**	**14.1%**
Counseling and Supportive Services	**$223,215,948**	**13.0%**
Case Management Services	$150,434,644	8.7%
Counseling Services	$20,642,121	1.2%
Transportation Services	$20,107,583	1.2%
Housing Services	$16,549,569	1.0%
Health-Related Services	$10,977,151	0.6%
Substance Abuse Services	$4,504,880	0.3%
Child Care	**$110,401,462**	**6.4%**
Other Services	**$187,657,849**	**10.9%**
Other Services	$98,220,448	5.7%
Education and Training Services	$21,632,305	1.3%
Legal Services	$18,287,739	1.1%
Information and Referral Services	$17,478,571	1.0%
Family Planning Services	$12,207,117	0.7%
Employment Services	$11,361,657	0.7%
Pregnancy and Parenting Services	$7,723,212	0.4%
Recreation Services	$746,800	0.0%
Administrative Expenses	**$74,774,141**	**4.3%**

Source: Based on data from HHS, available at http://www.acf.hhs.gov/programs/ocs/ssbg/reports/2009/index.html.

Appendix B SSBG Allocations, TANF Transfers, and Number of Individuals Served				
State	**2009 SSBG Allocations**	**2009 TANF Transfer**	**Total SSBG Expenditures**	**2009 Recipients**
Alabama	$25,937,984	$10,440,848	$36,378,832	56,745
Alaska	$3,830,729	$5,049,000	$8,879,729	39,785
Arizona	$35,527,187	$22,415,757	$57,942,944	340,218
Arkansas	$15,888,351	$0	$15,888,351	69,495
California	$204,871,919	$347,641,949	$552,513,868	3,331,445
Colorado	$27,247,614	$13,525,884	$40,773,498	78,795
Connecticut	$19,629,594	$26,678,810	$46,308,404	2,915,787
Delaware	$4,846,793	$2,788,865	$7,635,658	9,793
Dist. of Col.	$3,297,234	$3,935,917	$7,233,151	36,159
Florida	$102,293,798	$62,274,578	$164,568,376	345,268
Georgia	$53,496,013	$0	$53,496,013	87,703
Hawaii	$7,193,079	$9,890,000	$17,083,079	14,613
Idaho	$8,403,785	$1,441,201	$9,844,986	23,559
Illinois	$72,035,420	$39,672,230	$111,707,650	1,418,988
Indiana	$35,563,808	$2,000,000	$37,563,808	112,238
Iowa	$16,747,274	$12,962,008	$29,709,282	55,011
Kansas	$15,558,791	$7,191,254	$22,750,045	47,860
Kentucky	$23,772,435	$0	$23,772,435	194,114
Louisiana	$24,062,369	$16,397,199	$40,459,568	67,296
Maine	$7,382,626	$2,542,709	$9,925,335	38,015
Maryland	$31,489,458	$22,909,803	$54,399,261	118,705
Massachusetts	$36,149,315	$45,937,113	$82,086,428	40,662
Michigan	$56,450,124	$77,535,285	$133,985,409	423,914
Minnesota	$29,131,407	$4,790,000	$33,921,407	435,751
Mississippi	$16,359,083	$9,235,912	$25,594,995	52,762
Missouri	$32,947,093	$21,705,174	$54,652,267	90,274
Montana	$5,368,579	$1,998,226	$7,366,805	13,062
Nebraska	$9,946,041	$0	$9,946,041	50,708
Nevada	$14,378,345	$1,924,690	$16,303,035	162,566
New Hampshire	$7,374,897	$2,000,000	$9,374,897	211,108
New Jersey	$48,682,478	$16,938,000	$65,620,478	1,719,689
New Mexico	$11,040,897	$0	$11,040,897	23,049
New York	$108,159,098	$200,755,328	$308,914,426	358,093
North Carolina	$50,784,890	$14,838,807	$65,623,697	709,944
North Dakota	$3,585,448	$0	$3,585,448	5,854
Ohio	$64,269,293	$54,597,620	$118,866,913	470,772
Oklahoma	$20,274,180	$14,528,144	$34,802,324	162,176
Oregon	$21,003,578	$0	$21,003,578	42,419
Pennsylvania	$69,682,789	$23,232,750	$92,915,539	4,010,153
Rhode Island	$5,928,892	$8,257,769	$14,186,661	162,331
South Carolina	$24,704,142	$4,000,000	$28,704,142	51,711
South Dakota	$4,462,587	$2,127,965	$6,590,552	27,252

Appendix B SSBG Allocations, TANF Transfers, and Number of Individuals Served				
State	**2009 SSBG Allocations**	**2009 TANF Transfer**	**Total SSBG Expenditures**	**2009 Recipients**
Tennessee	$34,506,919	$9,000,000	$43,506,919	581,051
Texas	$133,978,262	$29,777,490	$163,755,752	1,843,979
Utah	$14,826,434	$7,560,948	$22,387,382	347,709
Vermont	$3,481,978	$4,735,318	$8,217,296	30,441
Virginia	$43,224,403	$13,956,375	$57,180,778	51,759
Washington	$36,253,950	$8,642,000	$44,895,950	679,307
West Virginia	$10,156,017	$11,017,631	$21,173,648	65,322
Wisconsin	$31,395,836	$13,420,500	$44,816,336	395,676
Wyoming	$2,930,336	$0	$2,930,336	8,879
American Samoa	$48,518		$48,518	
Guam	$58,621		$58,621	
Northern Mariana Islands	$293,103		$293,103	
Puerto Rico	$8,793,103	$7,156,250	$15,949,353	8,067
Virgin Islands	$293,103		$293,103	
US Total	**$1,690,513,552**	**$1,212,271,057**	**$2,902,784,609**	**$22,629,965**

Source: Based on data from HHS, available at http://www.acf.hhs.gov/programs/ocs/ssbg/reports/2009/index.html.

Appendix C

Share of Total Social Services Block Grant Expenditures For CBPP Consolidated Categories for FY 2009 by State

STATE	Child Welfare/ At Risk Youth	Child Care	Disability Services	Vulnerable & Elderly Adults	Counseling & Supportive Services
Alabama	0.0%	1.4%	0.0%	16.8%	0.0%
Alaska	83.4%	0.0%	0.0%	0.0%	5.3%
Arizona	60.9%	0.3%	0.6%	10.6%	13.6%
Arkansas	50.8%	2.0%	17.4%	9.9%	10.6%
California	13.1%	52.5%	31.8%	2.7%	0.0%
Colorado	91.0%	2.8%	0.0%	5.5%	0.0%
Connecticut	23.4%	35.3%	6.3%	13.4%	13.6%
Delaware	43.0%	21.5%	0.0%	27.6%	2.3%
District of Columbia	6.5%	2.8%	0.0%	36.1%	2.4%
Florida	38.2%	0.3%	40.8%	3.5%	9.0%
Georgia	10.7%	0.0%	58.0%	11.1%	20.2%
Hawaii	90.6%	0.0%	0.0%	9.4%	0.0%
Idaho	74.2%	0.3%	10.6%	0.0%	13.2%
Illinois	8.0%	2.4%	16.7%	52.6%	10.3%
Indiana	34.6%	0.0%	9.8%	4.5%	19.5%
Iowa	3.2%	0.0%	42.0%	3.0%	41.5%
Kansas	76.9%	0.0%	0.0%	23.1%	0.0%
Kentucky	88.0%	0.0%	0.0%	11.6%	0.0%
Louisiana	93.3%	0.0%	0.0%	0.0%	0.0%
Maine	60.4%	17.0%	0.0%	5.0%	7.5%
Maryland	51.7%	0.0%	0.0%	25.8%	22.5%
Massachusetts	87.3%	0.0%	0.9%	4.4%	0.0%
Michigan	70.2%	4.7%	0.0%	12.4%	0.0%
Minnesota	30.9%	1.9%	2.1%	1.5%	27.4%
Mississippi	53.0%	0.0%	1.0%	15.2%	10.8%
Missouri	33.3%	8.9%	0.0%	2.0%	49.0%
Montana	26.5%	0.0%	67.3%	3.9%	0.0%
Nebraska	43.6%	1.7%	2.5%	9.1%	37.2%
Nevada	51.7%	0.8%	0.0%	19.8%	18.7%
New Hampshire	21.2%	20.0%	0.0%	33.8%	11.1%
New Jersey	9.0%	0.0%	1.9%	6.8%	62.4%
New Mexico	71.5%	0.0%	0.0%	22.6%	0.0%
New York	34.2%	16.9%	0.0%	40.7%	2.3%
North Carolina	25.2%	5.0%	19.3%	10.1%	12.0%
North Dakota	0.0%	0.0%	0.0%	0.0%	100.0%
Ohio	20.7%	0.8%	0.1%	16.2%	19.5%
Oklahoma	64.1%	0.2%	0.0%	35.7%	0.0%
Oregon	51.6%	42.8%	0.0%	0.0%	0.0%
Pennsylvania	23.1%	31.2%	0.0%	6.5%	8.6%

Appendix C

Share of Total Social Services Block Grant Expenditures For CBPP Consolidated Categories for FY 2009 by State

STATE	Child Welfare/ At Risk Youth	Child Care	Disability Services	Vulnerable & Elderly Adults	Counseling & Supportive Services
Rhode Island	3.7%	20.9%	0.0%	27.9%	31.4%
South Carolina	53.2%	0.0%	0.0%	36.9%	0.4%
South Dakota	75.3%	0.1%	0.0%	23.1%	0.0%
Tennessee	13.2%	8.3%	0.0%	27.9%	43.2%
Texas	6.4%	1.1%	0.9%	59.6%	5.4%
Utah	37.2%	0.1%	9.8%	13.7%	23.3%
Vermont	6.9%	1.4%	3.1%	3.5%	70.8%
Virginia	57.5%	0.0%	0.0%	18.2%	22.5%
Washington	65.5%	2.0%	0.0%	0.0%	16.2%
West Virginia	79.5%	0.1%	0.0%	20.4%	0.0%
Wisconsin	19.3%	0.3%	1.2%	25.5%	18.9%
Wyoming	80.8%	0.7%	0.0%	0.0%	6.1%
51 State Total	**34.0%**	**13.8%**	**11.1%**	**17.7%**	**10.5%**

Note: Table does not show spending on other services or administrative expenses, so rows do not total to 100%.

Source: Based on data from HHS, available at http://www.acf.hhs.gov/programs/ocs/ssbg/reports/2009/index.html.

APHSA
American Public Human Services Association
TODAY'S EXPERTISE FOR TOMORROW'S SOLUTIONS

May 7, 2012

The Honorable Dave Camp
Chairman
Ways and Means Committee
United States House of Representatives
Washington, DC 20515

The Honorable Sander Levin
Ranking Member
Ways and Means Committee
United States House of Representatives
Washington, DC 20515

The Honorable Paul Ryan
Chairman
Budget Committee
United States House of Representatives
Washington, DC 20515

The Honorable Chris Van Hollen
Ranking Member
Budget Committee
United States House of Representatives
Washington, DC 20515

Dear Sirs:

The American Public Human Services Association is a bipartisan, nonprofit organization whose membership includes the nation's cabinet-level government human service executives from the states. APHSA also houses several affiliate organizations, whose members administer program-level operations in each state.

APHSA strongly opposes the recommendations from the Ways and Means Committee continued in the reconciliation bill about to be marked up by the House Budget Committee to repeal the Social Services Block Grant. SSBG was first enacted in 1975 and has become one of the more critical sources of funding for states to have the flexibility to meet the needs of their citizenry. SSBG funds are used by states and local communities to serves the needs of many at risk populations from children at risk to the elderly in need of care. With federal funds for human service programs likely to be reduced next year, either through lower appropriations or by the sequester mandated by the Budget Control Act, it is increasingly vital that states continue to receive SSBG funds. States use SSBG funds to fill gaps in services beyond what is supported by other Federal and state funds, or to pay for activities that are either not authorized or underfunded by other programs. Those gaps in funds will only increase as federal funds are reduced resulting in significant disruption in services to those who need the help the most.

The recommendation to repeal SSBG is made without the Ways and Means Committee holding adequate hearings on the consequences of such action. In talking to state human services commissioners we find that SSBG is one of the more important sources of funding they receive from the federal government. While SSBG is a relatively small program funded at $1.7 billion per year, it nevertheless provides states with great flexibility in how the funds are to be used and enables states to target the funds precisely where they are most needed. Should the SSBG program be eliminated, many states will find it difficult to continue providing the appropriate levels of care for affected populations.

While the House Budget Resolution characterized SSBG as being "duplicative" it actually augments other programs by targeting with a much greater degree of accuracy where funds can best be spent in a state or community than can be done at the federal level. To characterize the SSBG program as duplicative illustrates a lack of understanding of how states use federal funds to meet the unique needs of their states. This mischaracterization illustrates the need for Congress to hold hearings on the SSBG program to fully comprehend its importance to states before any consideration is made on reducing its funding.

The nation is facing real problems and needs real solutions to those problems. Cutting funding for critical programs with little regard to the unintended consequences of such action is not a solution to the nation's fiscal problems. Instead APHSA urges the Ways and Means Committee and the House Budget Committee to focus your time on legislation that will support the kind of transformative change that APHSA is proposing in our *Pathways* vision. *Pathways* calls for a human service system that will yield meaningful, long-term, and positive outcomes for clients; that supports integrated, flexible program policies and funding streams; that focuses on prevention; that allows far more effective and efficient program administration; and that places accountability on results that matter rather than process compliance. The *Pathways* blueprint outlines a modern, innovative, flexible approach that can yield far better results within the budget constraints now facing all levels of government.

We stand ready to work with you to begin this challenging but very necessary task.

Sincerely,

Tracy L. Wareing

Tracy L. Wareing
Executive Director