



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Grassley Reverses \$500 Million Cut in Social Services Funding, Including \$5 Million for Iowa

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, today won a reversal of a proposed cut in social services funding of \$500 million, including \$5 million for Iowa. The budget legislation before the Senate Budget Committee, of which Grassley is a member, proposed cutting the Social Services Block Grant by \$500 million in Fiscal Year 2007. The President’s proposed budget offered the same cut. Grassley offered an amendment to reverse the cut and restore the \$500 million in funding. The Budget Committee accepted his amendment by unanimous consent.

“This funding cut wasn’t fair or well-timed,” Grassley said. “Congress just enacted legislation that could affect child welfare programs. It wouldn’t have been right to force more changes on states when they already need to adapt to recent changes, and services to children and families could have been at risk.”

The Social Services Block Grant program gives flexible funding to states so that they may fund a number of critical programs, including child and adult protective services, services for persons with disabilities, and services for older adults. Additionally, the program helps support child welfare programs.

The full text of Grassley’s statement on his amendment follows.

Grassley Amendment to restore funding to Title XX – the Social Services Block Grant (SSBG)

Mr. Chairman, I appreciate how difficult it is to move a complicated piece of legislation through the contentious committee process. As Chairman of the Senate Finance Committee, I understand how hard it is to get consensus.

However, it is because I am Chairman of Finance Committee that I must offer this amendment. This amendment would restore \$500 million to the Social Services Block Grant that the Budget resolution assumes would be cut from that program in FY 07 and used to increase the allocation available to the Appropriations committee.

The Budget proposed by the President and reflected in the legislation we are marking up today assumes a reduction in the SSBG program from \$1.7 billion in FY 07 to \$1.2 billion. For my state of Iowa, this translates into a \$5 million cut.

A number of members on the Senate Finance Committee, which has jurisdiction over Title XX have advocated for an increase in funding for this program. Therefore, as a member of this committee, I cannot support a Budget Resolution that assumes this cut to SSBG.

The SSBG program is a flexible funding stream that provides resources for states so that they may fund a number of critical programs.

These include: child and adult protective services, services for persons with disabilities and services for older adults. Additionally, SSBG helps support child welfare programs.

The Deficit Reduction Act (DRA) included several provisions that could have implications for child welfare services, including reforms of Targeted Case Management and other foster care eligibility provisions.

Additionally the new welfare reform requirements could redirect money that states currently spend on child welfare in order to meet the new work requirements.

I supported these provisions because I felt they had merit on the policy and because I was able to redirect funding back into the child welfare system in the form of increased spending on Safe and Stable Families and funding for court improvement grants.

However, these changes do mean that there may be a disruption in state child welfare systems. We should not be reducing another critical funding source for child welfare before states have had the opportunity to adjust to the changes made in the DRA.

I urge my colleagues to support my amendment. I thank the distinguished Chairman.