



The Honorable Marvin Abney, Chair
House Finance Committee
State House
Smith Street
Providence, RI 02903

Re: H7796
Joint Child Welfare/Children's Behavioral
Health Commission

May 12, 2026

Dear Chairman Abney and members of the Committee:

I am writing this letter in support of House bill 7796. This act would establish a 27- member joint commission to evaluate the financing and maximization of federal resources to support our children's service systems. Ensuring that the state maximizes federal funds, while also ensuring diversification of sources, is critical to building and sustaining an accessible and diverse service array to meet the safety, permanency, well-being, and mental health needs of children in our state.

While many funding sources are available to public child welfare agencies, each source has its own unique purposes, eligibility requirements, and limitations, creating a complex financing structure that is challenging to understand and administer. Each state's unique funding composition determines what services are available to children and families and the ways in which child welfare agencies operate.

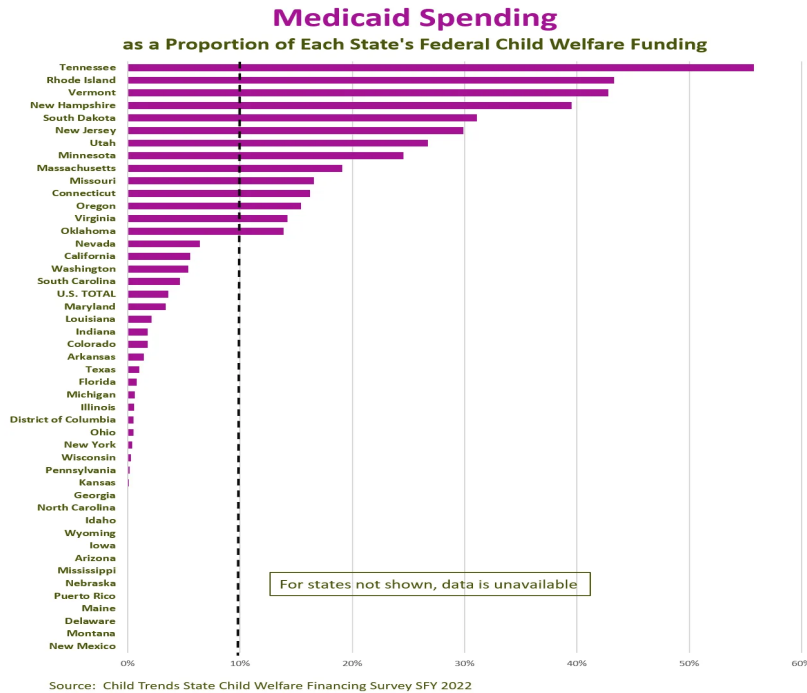
Child Trends, a national policy and research think tank, periodically reviews child service financing compositions by state. They recently published an update. According to Child Trends, child welfare agencies spent 34.3 billion in 2022, 57 percent of which was state and local funding. Title IV-E is the largest federal source of child welfare agency expenditures at 21%, followed by TANF 9%, SSBG 4%, Other Federal such as CAPTA, Adoption Opportunities etc.at 4%, Medicaid at 3%, and Title IV-B funds at 2%.

Child Trends reviewed Rhode Island's 2024 child welfare expenditures. We spent approximately 69% of our budget with state general revenue. Medicaid is the largest federal contributor at 13%, Title IV-E contributing approximately 11 % , SSBG at 1% and other federal sources at approximately 3%. Our funding mix uses more state and Medicaid funds than the national average.

There are many funding strategies that states utilize across the country. Massachusetts funds approximately 71% of their child welfare budget with state sources and only 7% with Medicaid dollars. Maine funds their child welfare system with 59% state funds, 30% Title IV-E and does not use Medicaid at all.

Some states disproportionately depend on programs like Medicaid or TANF, which serve multiple purposes and face unique pressures. States' use of these alternative funding streams varies

considerably, which means they face uneven exposure to federal cuts depending on how much they tap Medicaid, TANF, or SSBG for child welfare. Medicaid represents a significant share of federal spending and is a big target for those seeking to reduce the federal budget.



As you can see, while there is no one “right” way to fund a state’s child serving system, it is critical that the state of Rhode Island complete a comprehensive assessment of Rhode Island’s funding mix to ensure we are utilizing the most aligned sources and percentages of federal resources to maximize federal support and adequately fund our system.

This bill will create a much-needed table for public and private leaders with content knowledge and fiduciary responsibilities to spend the necessary time to review the data, research, impacts, and threats to ensure that Rhode Island builds and sustains a strong system of care for children.

Thank you for your consideration of this bill.

Respectfully submitted,

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