

Temporary Assistance for Needy Families (TANF)

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Georgia loses \$37.3 million in federal TANF funds for FFY 2012 (ending September 30, 2012) as Congress extends TANF program without the TANF Supplemental Grant.

Federal TANF Allocation to Georgia

The TANF federal allocation, which states receive each federal fiscal year (October – September), has several components. For Georgia, the relevant components are the TANF Federal Block Grant and the TANF Supplemental Grant. Congress created the TANF Supplemental Grant to provide additional funds to 17 states, including Georgia, that might have been disadvantaged by the block grant formula.

In Federal Fiscal Year (FFY) 2011, Congress did not fully fund the TANF Supplemental Grant for the first time. Georgia received \$12.7 million less than FFY 2010, which Department of Human Services (DHS) replaced with surplus federal TANF funds. For FFY 2012, federal legislation that extends the TANF program (through September 30, 2012) does not include the TANF Supplemental Grant (Table 1).

Table 1 Federal TANF Funds Allocated to Georgia, FFY 2010 - FFY 2012

TANF Federal Funds	FFY 2010	FFY 2011	FFY 2012
TANF Block Grant	\$330.7 million	\$330.7 million	\$330.7 million
TANF Supplemental Grant	\$37.3 million	\$24.6 million	\$0
Total	\$368 million	\$354.3 million	\$330.7 million

Source: Center on Budget and Policy Priorities

Federal TANF Funds in Georgia's FY 2012 and FY 2013 Budgets

In FY 2012, Georgia had \$386.3 million in available federal funds, including the TANF Block Grant (\$330.7 million), TANF Supplemental Grant (\$37.3 million) and the TANF Federal Unobligated Balance (\$18.3 million). Note, the TANF Federal Unobligated Balance is comprised of federal TANF funds that were not spent or obligated in prior years that are carried forward into subsequent budget years.

The enacted FY 2013 budget (House Bill 742) includes only \$330.7 million available federal TANF funds (from the TANF Block Grant), a change of \$55.5 million from FY 2012 (Table 2).

Table 2 Federal TANF Funds in Georgia's State Budget, FY 2012 - FY 2013

TANF Federal Funds	FY 2012	FY 2013
TANF Block Grant	\$330.7 million	\$330.7 million
TANF Supplemental Grant	\$37.3 million	\$0
TANF Federal Unobligated Balance	\$18.3 million	\$0
Total	\$386.3 million	\$330.7 million

Source: FY 2012 House Bill 78 and FY 2013 House Bill 742

In the FY 2013 enacted budget, \$27.1 million (\$24.6 million in state funds and \$2.5 million in federal funds) restores nearly half of the cuts. The specific federal TANF cuts and restored state funds are show in Table 3.

Table 3 Federal TANF Fund Cuts and Restored State Funds in FY 2013

	Federal TANF Cuts	Restored State Funds
Department of Human Services		
Adoption Services	\$1,400,000*	\$0
Child Care Services	-\$600,000	\$0
Child Care Licensing	-\$2,193,862	\$1,555,448
Child Welfare Services	-\$8,195,915	\$0
Family Violence Services	-\$10,048,415	\$9,847,450
Out of Home Care	-\$9,646,740	\$7,886,213
Support for Needy Families-Basic Asst	-\$1,018,054	\$0
Support for Needy Families-Work Asst	-\$33,000	\$0
Family Connection Partnership	-\$1,200,000	\$1,200,000
DHS Subtotal	-\$31,535,986	\$20,489,111
Department of Behavioral Health and Developmental Disabilities		
Adult Addictive Diseases	-\$8,561,768	\$4,346,384**
Adult Developmental Disabilities	-\$411,234	\$0
DBHDD Subtotal	-\$8,973,002	\$4,346,384**
Department of Public Health		
Adolescent and Adult Health Promotion	-\$3,525,830	\$69,985
Infant and Child Health Promotion	-\$2,800,000	\$2,200,000
DPH Sub-Total	-\$6,325,830	\$2,269,985
Federal TANF Cuts	-\$46,834,818	\$27,105,480
Federal Unobligated Balance	-\$8,705,939	\$0
Total Cut Federal Funds / Restored State Funds	-\$55,540,757	\$27,105,480

Source: FY 2012 House Bill 78 and FY 2013 House Bill 742

* Adoption Services increase in federal TANF funds included to show overall change in federal TANF funds from FY 2012 to FY 2013

** Includes \$4.5 million in federal Social Services Block Grant funds

The net loss of \$28.4 million in federal TANF funds will cut critical services to some of Georgia's most vulnerable populations, such as:

- Out-of-Home Care, which serves children in foster care, faces a net program cut of \$1.6 million while the number of children in foster care has increased between January 2011 and March 2012;
- Child Welfare Services faces a cut of \$8.2 million while DHS seeks compliance with the federal Kenny A. Consent Decree and as DHS seeks to implement a Differential Response Model to improve case manager decision-making in assessing the safety of children reported to be abused or neglected;
- Despite the restoration of half of the federal TANF funds in Adult Addictive Disease Services, net loss of \$4.2 million in federal TANF funds could potentially close outpatient facilities and cut capacity for residential facilities and transitional housing. The addiction treatment programs operated through TANF Supplemental funding serve women with children to reduce barriers to employment and housing, such as therapeutic childcare, drug screening, parenting classes and life-skill courses. These programs are consistent with recommendations from the Special Council on Criminal Justice Reform for Georgians for Georgia to expand access to effective substance abuse treatment and programming options in communities around the state;
- Adolescent and Adult Health Promotion, aimed at reducing teen pregnancy rates in Georgia in the 18 Public Health Districts and 30 teen centers across the state, is cut by nearly \$3.5 million. This represents approximately three-fourths of the base FY 2012 funding and will force the closure of all 30 teen centers and the loss of eight Youth Development Coordinators. The enacted budget adds back \$70,000 in state funds for a Youth Development Coordinator Position. The Department of Public Health (DPH) will use the remaining funds for four to six "Programs of Excellence," determined through a competitive application process for the districts without a full-time YDC. Although Georgia's teen pregnancy rate has fallen by 37 percent since 1991, Georgia's rate of nearly 48 teen births per 1,000 is still 20 percent higher than the national rate; and
- Georgia's Children's 1st program (in the Infant and Child Health Promotion program of DPH) loses all of its TANF funding (\$2.8 million) in FY 2013, but nearly 80 percent of this cut is restored with state funds. This program assesses children from birth to age 5 who are at risk for poor health and developmental outcomes and links children and their families to appropriate services. It is unclear what a 20 percent cut will mean to this program that is designed to help at-risk children receive the early interventions needed to grow up healthy or ready to start school. In FY 2011, for example, the program helped identify nearly 47,000 children as needing additional medical or developmental services. Specifically, the program helped more than 8,500 low/very-low birthweight infants receive nurse home visits, linked more than 16,000 children with special needs to Babies Can't Wait and other programs and linked more than 4,000 newborns/children to the Universal Newborn Hearing Screening and Intervention Program.