

HOUSE RESEARCH

Bill Summary

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Overview

This bill establishes the Minnesota TANF Expenditures Task Force to analyze past federal TANF expenditures and make recommendations regarding future expenditures.

The Temporary Assistance for Needy Families (TANF) block grant program replaced the Aid to Families with Dependent Children (AFDC) entitlement program under the 1996 federal welfare reform law. Under AFDC, each state received funding for recipients who met eligibility criteria set by the federal government. Federal funding in each state matched state program spending and varied from year to year depending on the number of recipient families. Under TANF, each state receives a fixed block grant of federal funds and may design its own program to assist needy families. The state program must meet federal statutory and regulatory guidelines, and the U.S. Department of Health and Human Services (DHHS) monitors states' compliance with the requirements of the federal law.

As specified in the federal regulations that govern the TANF program, a state may use its TANF allocation to:

“(a) Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;

(b) End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;

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(c) Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and

(d) Encourage the formation and maintenance of two-parent families.” (45 C.F.R. 260.20)

States may also use TANF funds for spending on various programs that had been authorized prior to September 30, 1995, under Title IV A or IV F of the Social Security Act. Also, a state may transfer up to a total of 30 percent of its TANF block grant to either the Child Care and Development Block Grant or the Social Services Block Grant. However, no more than 10 percent of a block grant may be transferred to the Social Services Block Grant.

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1 Minnesota TANF Expenditures Task Force.

Subd. 1. Establishment. Establishes the task force to analyze past TANF expenditures and make recommendations as to which, if any, programs currently receiving TANF funding should be funded by the general fund so that a greater portion of TANF funds can go directly to families receiving assistance through MFIP.

Subd. 2. Membership; meetings; staff. Specifies the membership of the task force. Requires members of the task force to serve without compensation or reimbursement of expenses. Requires the commissioner of human services to convene the first meeting of the task force by July 31, 2014. Requires the task force to meet at least quarterly. Requires staffing and technical assistance to be provided by DHS.

Subd. 3. Duties. Lists the duties of the task force. Requires the task force to consider certain issues when making recommendations including:

- ▶ the original purpose of the TANF block grant under federal regulations;
- ▶ potential overlap of the population eligible for the MFIP cash grant and the other programs currently receiving TANF funds;
- ▶ the impact of past expenditures on families who may be eligible for assistance through TANF; and
- ▶ the role of noncash assistance expenditures in maintaining compliance with federal law.

Subd. 4. Report. Requires the task force to submit an initial report by November 30, 2014, on past expenditures of the TANF block grant in Minnesota to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance. Requires the task force to submit a final report, including any draft legislation necessary for implementation, by February 1, 2015, to the chairs and ranking minority members of the legislative committees with

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jurisdiction over health and human services policy and finance.

Subd. 5. Expiration. Provides this section expires March 1, 2015, or upon submission of the final report required under subdivision 4, whichever is earlier.