

Temporary Assistance for Needy Families



Purpose

Temporary Assistance for Needy Families (TANF) is a federal block grant that allows states flexibility in using funds to: help needy families care for children; end dependence on public benefits by promoting work; reduce out-of-wedlock pregnancies; and encourage the formation and maintenance of two-parent families.

Who Is Helped

TANF was created under the welfare reform legislation of 1996. Reform eliminated Aid to Families with Dependent Children (AFDC), ending federal entitlement and creating a flexible funding source for states to use in helping needy families achieve self-sufficiency.

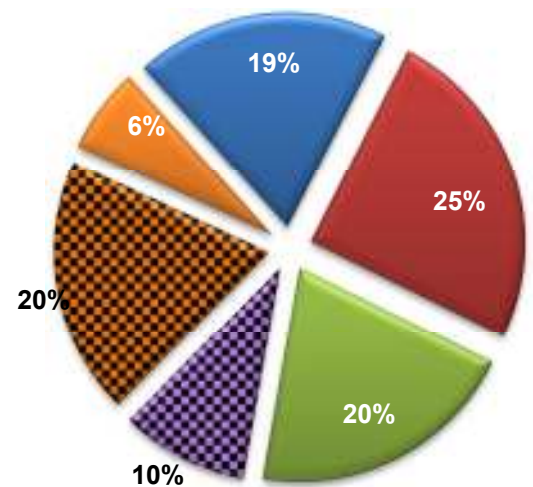
TANF funds are used to:

- Assist needy families so that children can be cared for in their own homes or in the homes of relatives.
- Reduce the dependence of needy parents on government benefits by promoting job preparation, work, and marriage.
- Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual goals for preventing and reducing the incidence of these pregnancies.
- Encourage the formation and maintenance of two-parent families.

Flexibility in the program allows transfer of a combined total of 30 percent of annual TANF funds to the Child Care Development Fund (CCDF) and the Social Services Block Grant (SSBG).

Utilization of TANF by Program SFY16

- Family Investment Programs (19%)
- Child Welfare (25%)
- Service Delivery (20%)
- SSBG Transfer (10%)
- CCDF Transfer (20%)
- Direct Child Care (6%)



Combined CCDF and SSBG Transfer = 30%.
 Combined CCDF Transfer and Direct TANF for CCA = 26%.

- ✓ *Cash assistance is limited to five years (lifetime) and assistance promotes work, responsibility, and self-sufficiency.*
- ✓ *The SFY17 Enacted Appropriation maximizes the combined amount of TANF transferred to CCDF and SSBG. Additional TANF funds are appropriated for direct child care assistance use.*

<p>Services</p>	<p>TANF funds are used for benefits and services targeted to needy families, as well as for service delivery and administrative expenses.</p> <p>The Family Investment Program (FIP) is the primary program that assists needy families so that children can be cared for in their own homes or in the homes of relatives.</p> <p>Programs designed to reduce dependence of needy parents on government benefits include:</p> <ul style="list-style-type: none"> • PROMISE JOBS • Family Development and Self-Sufficiency (FaDSS) • Family Self-Sufficiency Grants (FSSG) <p>Preventing and reducing the incidence of out-of-wedlock pregnancies and encouraging the formation and maintenance of two-parent families is supported by the following programs:</p> <ul style="list-style-type: none"> • Pregnancy Prevention • Child Abuse Prevention • Child Welfare (selected programs) • Promoting Healthy Marriage <p>Transfers to support other programs include</p> <ul style="list-style-type: none"> • Child Care Assistance • Social Services Block Grant • Service Delivery <p>✓ <i>Using a small portion of TANF funding for promoting healthy marriage allows the state to expand categorical eligibility for food assistance thus providing food assistance benefits to more lowans in need.</i></p>
<p>Goals & Strategies</p>	<p>Goals, strategies, and performance results for TANF are incorporated into the programs that TANF funds support.</p>
	<p>✓ <i>Use of TANF funds for administration of TANF programs is limited to 15 percent; Iowa spends less than 10 percent.</i></p> <p>✓ <i>Current funding and authorization for TANF expires September 30, 2016. The last true reauthorization of TANF was under the Deficit Reduction Act of 2005. Since then, authority and funding have continued under a number of continuing resolutions and similar legislation with no major policy changes.</i></p> <p>✓ <i>A number of bills have been introduced that would make selective changes to TANF; however, the most likely scenario is a one-year extension until September 30, 2017, without significant policy changes.</i></p>
<p>Funding Sources</p>	<p>The total SFY17 Enacted Appropriation for TANF funds is \$146,001,005.</p> <p>The Iowa Legislature allocates the grant award annually under the general categories described above. TANF funds not spent in the year awarded remain available to the state for future years.</p> <p>Iowa's annual TANF award is \$131,524,959. Federal law allows Indian Tribes to apply to operate Tribal Family Assistance programs. Tribes approved to operate Tribal TANF programs are allocated a portion of the state's annual TANF award based on the amount of federal funds expended by specified pre-TANF programs for Native Americans in the geographic area to be served by the Tribal TANF program.</p>

Two Tribal TANF programs currently operate in the state: the Winnebago Tribe has been allocated \$531,007 to provide TANF funded services to Native Americans in Woodbury County; while the Omaha Tribe has been allocated \$1,852 to provide TANF services to Native Americans in Monona County

The amount of funds from the state's annual TANF award available after allocations for Tribal programs is \$130,992,100.

- ✓ *Use of TANF funds for administration of TANF programs is limited to 15 percent; Iowa spends less than 10 percent.*
- ✓ *State funds of at least 80 percent of spending under the prior AFDC programs (pre-reform) must be expended as Maintenance of Effort (MOE). This requirement is reduced by the same proportion that TANF funds are allocated for Tribal TANF programs. Iowa's MOE requirement for TANF is \$65,826,383 after adjustment due to the Tribal TANF programs.*