

# **Additional TANF MOE**

(FY2017 Appropriation Act - Public Act 268 of 2016)

**February 15, 2017**

*Sec. 274. (1) The department, in collaboration with the state budget office, shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices 1 week after the day the governor submits to the legislature the budget for the ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2017 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:*

- (a) TANF.*
- (b) Title XX social services block grant.*
- (c) Title IV-B part I child welfare services block grant.*
- (d) Title IV-B part II promoting safe and stable families funds.*
- (e) Low-income home energy assistance program.*

*(2) The department, in collaboration with the state budget office, shall not utilize capped federal funding for economics adjustments for FTEs or other economics costs that are included as part of the budget submitted to the legislature by the governor for the ensuing fiscal year.*

**(3) By February 15 of the current fiscal year, the department shall prepare an annual report of its efforts to identify additional TANF maintenance of effort sources and rationale for any increases or decreases from all of the following, but not limited to:**

- (a) Other departments.**
- (b) Local units of government.**
- (c) Private sources.**



Michigan Department of  
Health & Human Services

RICK SNYDER, GOVERNOR  
NICK LYON, DIRECTOR

# Identification of Additional Temporary Assistance for Needy Families Maintenance of Effort Sources

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In Fiscal Year 2016, DHHS reported an increase of \$26.8 million in Temporary Assistance for Needy Families (TANF) Maintenance of Effort (MOE) spending over Fiscal Year 2015 TANF MOE spending. Total FY 2016 MOE spending of \$644,919,608 exceeded the MOE requirement of \$499,752,934 by \$145,166,674.

As outlined in the table below, the largest increase in TANF MOE spending in Fiscal Year 2016 was in the category of Other State Departments. The increase is mainly attributed to a \$70 million increase in funding appropriated in Section 31a of the School Aid Act for At-Risk Pupils. MDHHS TANF MOE spending increased due to fund shifts from TANF to General Fund in the enacted FY 2016 budget, particularly in the areas of Information Technology and Child Welfare.

	FY 2015	FY 2016	Dollar Change	Percent Change	Rationale for Change
Department of Health and Human Services Programs	\$111,531,163	\$121,018,208	\$9,487,045	8.5%	TANF to General Fund fund shifts
Other State Departments	\$506,570,500	\$523,901,400	\$17,330,900	3.4%	\$70 million funding increase in At-Risk Funding.
Total	\$618,101,663	\$644,919,608	\$26,817,945	4.3%	