

Additional TANF MOE

(FY2019 Appropriation Act - Public Act 207 of 2018)

February 15, 2019

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, 2019 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) It is the intent of the legislature that the department, in collaboration with the state budget office, 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, unless there is a reasonable expectation for increased federal funding to be available to the department from that capped revenue source in 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.***



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

(FY2019 Appropriations Act – Public Act 207 of 2018)
Section 274(3)

In Fiscal Year 2018, targeted School Aid funding was increased for academically at-risk students by \$100 million to \$490 million, a 25 percent increase.

Eligibility for receiving funds was expanded in two ways:

- All districts and public school academies are now eligible to receive funding for their at-risk students. Allocations to districts are based on 11.5% of the statewide average foundation allowance, rather than 11.5% of each district's foundation allowance to improve equity among districts.
- The definition of an at-risk student was changed so that eligible students must meet one, rather than two of the at-risk program eligibility criteria.

Primarily as a result of this expansion, the Michigan Department of Education reported more at-risk program expenditures in FY 2018 than they did in FY 2017, resulting in an increase of \$108.6 million in TANF MOE eligible expenditures.