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FISCAL IMPACT REPORT

SPONSOR Boitano **DATE TYPED** 2/10/04 **HB** _____

SHORT TITLE TANF Funds for Family Formation Goals **SB** 532

ANALYST Maloy

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	Significant; See Narrative		Significant; See Narrative	Recurring	TANF Block Grant Funds

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

No Responses Received From

Children, Youth and Families Department
Human Services Department

SUMMARY

Synopsis of Bill

Senate Bill 532 sets aside a minimum of 5 % of New Mexico’s annual TANF block grant for expenditure on fulfilling “family formation” goals, as defined in the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Significant Issues

The State received just over \$142 million in federal TANF funds for FY04. This bill would direct \$7.1 million to fulfilling “family formation” goals. This is revenue that supports child care, cash assistance, adult care, and the like.

In providing the services it does with TANF funds, the State is supporting “family formation” goals-- if not directly, then indirectly, when it meets families’ most basic needs.

FISCAL IMPLICATIONS

This bill would appropriate an estimated \$7.1 million from the TANF Block Grant. However, all TANF funds have already been appropriated in the General Appropriation Act. Therefore, funds

would have to be reallocated from other programs.

This bill provides for continuing appropriations. The LFC objects to including continuing appropriation language in the statutory provisions. Earmarking reduces the ability of the legislature to establish spending priorities.

SJM/yr