

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Boitano DATE TYPED 2/11/05 HB _____

SHORT TITLE TANF Funds for Family Formation Goals SB 278

ANALYST Weber

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)
Children Youth and Families (CYFD)

SUMMARY

Synopsis of Bill

Senate Bill 278 allots no less than 10 percent of the annual federal TANF block grant for fulfilling the family formation goals of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA).

Significant Issues

The federal TANF block grant for New Mexico is currently approximately \$111 million. Ten percent is near \$11 million which is the minimum the bill allows for use to fulfill family formation goals as outlined in PRWORA. This is only one of the four goals of the TANF program which include:

- To provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;

- To end the dependence of needy parents on government benefits by promoting job preparation, work and marriage;
- To reduce the incidence of out-of-wedlock pregnancies, and
- To encourage the formation and maintenance of two-parent families.

It appears the bill supports the last goal.

Human Services reports.

SB 278 conforms to one of the Congressional purposes for the TANF block grant (promoting marriage in the interests of children, and responsible fatherhood and motherhood). However, in order to fund a family formation program for no less than 10% of the entire TANF block would significantly cripple the State's effort toward other TANF goals of providing assistance to needy families and ending the dependence of needy parents by promoting job preparation and work.

TANF efforts must be able to extend to all needy family types, including those who face multiple barriers to success and who face time limits for receiving TANF cash assistance benefits. The December 2004 statistics show that of the 17,955 TANF cases in New Mexico, 15,838 are single parent cases, as compared to 2,117 two-parent cases.

MW/sb:rs