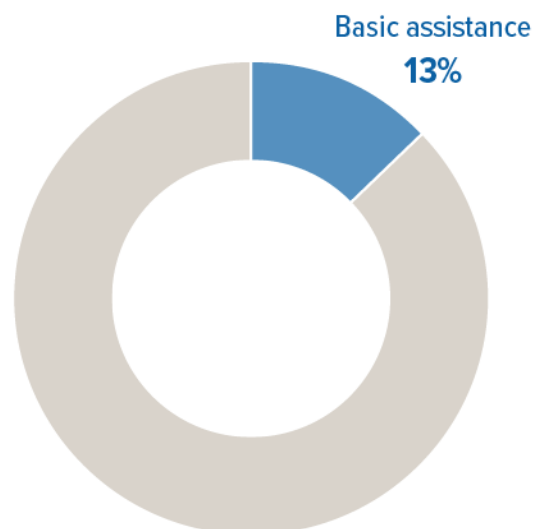


Arizona TANF Spending

In 2019, Arizona spent about \$346 million in federal and state funds under the Temporary Assistance for Needy Families (TANF) program. **It spent 13 percent of these funds on basic assistance**, generally as cash assistance to TANF families. In 2019, Arizona ranked 34th among the states and the District of Columbia for percent of TANF funds spent on basic assistance.



Federal and State TANF Spending by Category, 2019

| | Arizona | | National Share of U.S. spending |
|----------------------------------------------|------------------------|----------------------|---------------------------------------|
| | Millions of dollars | Share of spending | |
| Basic Assistance | \$44 | 13% | 21% |
| Work Activities | \$0.7 | 0.2% | 10% |
| Work Supports and Supportive Services | \$17 | 5% | 3% |
| Child Care | \$0 | 0% | 16% |
| Administration and Systems | \$27 | 8% | 10% |
| Tax Credits | \$0 | 0% | 9% |
| Pre-K/Head Start/Head Start | \$0 | 0% | 8% |
| Child Welfare | \$211 | 61% | 8% |
| Other Services | \$46 | 13% | 14% |
| Total | \$346 | 100% | 100% |

Federal and State TANF Spending on Select Activities (millions of dollars)

| | 2001 | 2006 | 2011 | 2016 | 2019 |
|------------------|------|-------|------|------|-------|
| Basic Assistance | \$91 | \$137 | \$87 | \$45 | \$44 |
| Work Activities | \$34 | \$15 | \$8 | \$2 | \$0.7 |
| Child Care | \$47 | \$33 | \$26 | \$3 | \$0 |

Federal TANF Allocation and State Maintenance-of-Effort (MOE) Amounts

- In 2019, Arizona was awarded its TANF block grant of \$199 million and an additional \$23 million in contingency funds.
- Since unspent block grant funds can be carried over to future years, a state may spend more or less than its annual block grant allocation in any given year. As of 2019, Arizona has accumulated \$42 million in unspent TANF block grant funds, equal to 21 percent of its block grant.
- Every year each state must also spend, from its own funds, at least 80 percent of its historical spending on poor families with children. (A state may spend more than its minimum.) This “MOE” requirement can be reduced to 75 percent if a state meets specific work participation rate requirements. In 2019, Arizona met these requirements and was subject to the 75 percent MOE obligation.

2019 TANF Allocation and MOE Obligation for Arizona

| | |
|------------------------------|---------------|
| Federal Funds Awarded | \$223 million |
|------------------------------|---------------|

| | |
|---------------------------|--------------|
| 75% MOE Obligation | \$85 million |
|---------------------------|--------------|

2019 Federal and MOE TANF Expenditures for Arizona

| | |
|-------------------------|---------------|
| Federal Spending | \$227 million |
|-------------------------|---------------|

| | |
|---------------------|---------------|
| MOE Spending | \$119 million |
|---------------------|---------------|

The annual federal TANF block grant has been frozen since its creation and lost about 40 percent of its value between 1997 and 2019 due to inflation.

