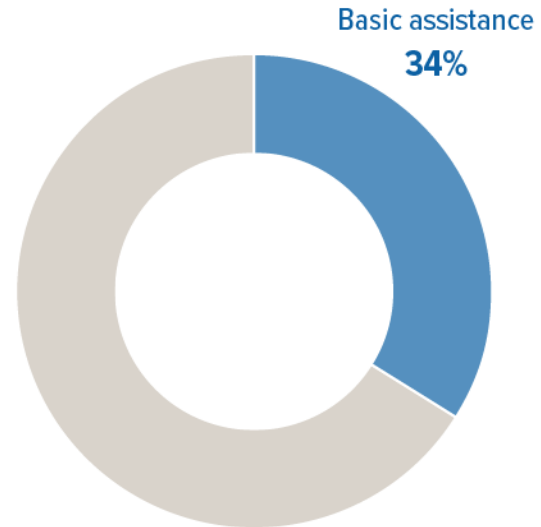


# California TANF Spending

In 2019, California spent about \$6.5 billion in federal and state funds under the Temporary Assistance for Needy Families (TANF) program. It spent 34 percent of these funds on basic assistance, generally as cash assistance to TANF families.



## Federal and State TANF Spending by Category, 2019

|                                       | California          |                   | National               |
|---------------------------------------|---------------------|-------------------|------------------------|
|                                       | Millions of dollars | Share of spending | Share of U.S. spending |
| Basic Assistance                      | \$2200              | 34%               | 21%                    |
| Work Activities                       | \$1800              | 27%               | 10%                    |
| Work Supports and Supportive Services | \$331               | 5%                | 3%                     |
| Child Care                            | \$798               | 12%               | 16%                    |
| Administration and Systems            | \$769               | 12%               | 10%                    |
| Tax Credits                           | \$0                 | 0%                | 9%                     |
| Pre-K/Head Start                      | \$0                 | 0%                | 8%                     |
| Child Welfare                         | \$0.3               | 0%                | 8%                     |
| Other Services                        | \$681               | 10%               | 14%                    |
| <b>Total</b>                          | <b>\$6500</b>       | <b>100%</b>       | <b>100%</b>            |

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

|                         | 2001   | 2006   | 2011   | 2016   | 2019   |
|-------------------------|--------|--------|--------|--------|--------|
| <b>Basic Assistance</b> | \$3100 | \$3500 | \$3700 | \$2600 | \$2200 |
| <b>Work Activities</b>  | \$512  | \$516  | \$627  | \$1300 | \$1800 |
| <b>Child Care</b>       | \$1100 | \$972  | \$921  | \$536  | \$798  |

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

- In 2019, California was awarded its TANF block grant of \$3.6 billion.
- 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, California has accumulated \$259 million in unspent TANF block grant funds, equal to 7 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, California failed to meet these requirements and was subject to the 80 percent MOE obligation.

### 2019 TANF Allocation and MOE Obligation for California

|                              |               |
|------------------------------|---------------|
| <b>Federal Funds Awarded</b> | \$3.6 billion |
|------------------------------|---------------|

|                           |               |
|---------------------------|---------------|
| <b>80% MOE Obligation</b> | \$2.8 billion |
|---------------------------|---------------|

### 2019 Federal and MOE TANF Expenditures for California

|                         |               |
|-------------------------|---------------|
| <b>Federal Spending</b> | \$3.6 billion |
|-------------------------|---------------|

|                     |               |
|---------------------|---------------|
| <b>MOE Spending</b> | \$2.9 billion |
|---------------------|---------------|

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.

