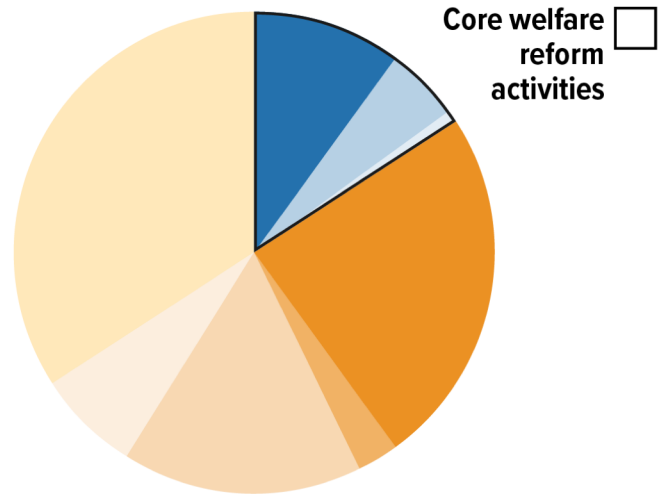


# Michigan TANF Spending

In 2016, Michigan spent about **\$1.4 billion** in federal and state funds under the Temporary Assistance for Needy Families (TANF) program. **It spent 17 percent of these funds on core welfare reform activities**, which include basic assistance, work activities and supports, and child care. In 2016, Michigan ranked 50<sup>th</sup> among states and the District of Columbia for percent of TANF funds spent on core activities.



## Federal and State TANF Spending by Category, 2016

Core	Michigan (millions of dollars)	Michigan (share of spending)	National (share of U.S. spending)
Basic Assistance	\$131	10%	24%
Work Activities	\$4	0.3%	9%
Work Supports and Supportive Services	\$69	5%	3%
Child Care	\$20	1%	17%
<b>Non-core</b>			
Administration and Systems	\$318	24%	10%
Tax Credits	\$43	3%	9%
Pre-K	\$222	16%	7%
Child Welfare	\$90	7%	7%
Other Services	\$454	34%	13%

## Share of Michigan's Federal and State TANF Spending on Core Welfare Reform Activities

	2001	2006	2011	2016
Basic assistance	26%	30%	13%	10%
Work activities	11%	7%	6%	0.3%
Child care	27%	23%	2%	1%

## TANF Provides a Safety Net for Few Poor Families

In 2016, for every 100 poor families with children in Michigan, only 14 received TANF cash assistance, down from 49 in 2001. Over that time, Michigan slashed its spending on basic assistance, even as the number of families with children below 50 percent of the poverty line increased.



## Federal TANF Allocations and State Maintenance of Effort (MOE) Requirements

- The annual federal TANF block grant has been frozen since its creation and lost more than a third of its value between 1997 and 2016 due to inflation.
- Since unspent block grant funds can be carried over to future years, a state may spend more or less than its federal block grant allocation in any given year. In 2016, Michigan spent \$741 million in federal TANF funds.
- Every year each state must also spend, from its own funds, at least 80 percent of its historical spending on poor families with children. (In some cases, this “MOE” requirement can be reduced to 75 percent.) In 2016, Michigan claimed \$610 million in MOE spending.

### Annual TANF Allocations and MOE Obligations for Michigan

<b>TANF block grant amount</b>	\$775 million
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<b>80% MOE obligation</b>	\$500 million
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<b>75% MOE obligation</b>	\$469 million
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Source: The spending data are CBPP analysis of US Department of Health and Human Services (HHS) TANF financial data. The 2001 TANF families are HHS' TANF caseload data; the 2016 TANF families are from state agency TANF caseload data collected by CBPP. The CBPP analysis of families in poverty and deep poverty uses data from Census' Current Population Survey. The individual years CBPP uses to describe caseloads, poverty and deep poverty trends represent two-year averages; for example, '2016' represents the average for '2015-2016'.