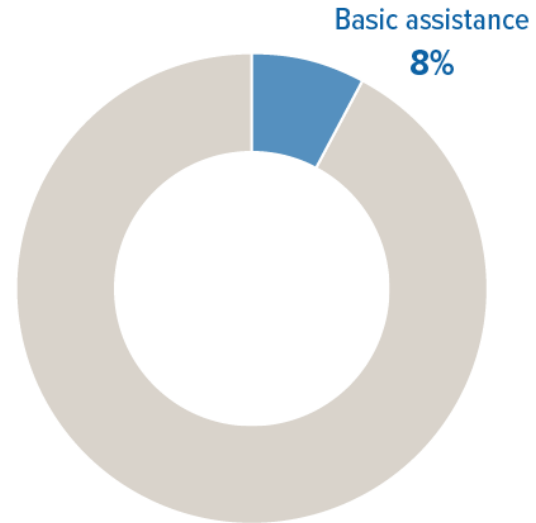


Michigan TANF Spending

In 2021 Michigan spent about **\$1.2 billion** in federal and state funds under the Temporary Assistance for Needy Families (TANF) program. **It spent 8 percent of these funds on basic assistance**, generally as cash assistance to TANF families. In 2021, Michigan ranked 38th among the states and Washington, D.C. for percent of TANF funds spent on basic assistance.



Federal and State TANF Spending by Category, 2021

	Michigan		National
	Millions of dollars	Share of spending	Share of U.S. spending
Basic Assistance	\$103	8%	23%
Work Activities	\$3	0.3%	8%
Work Supports and Supportive Services	\$60	5%	2%
Child Care	\$26	2%	16%
Administration and Systems	\$361	29%	11%
Tax Credits	\$31	2%	9%
Pre-K	\$158	13%	10%
Child Welfare	\$74	6%	9%
Other Services	\$428	34%	14%
Total	\$1200	100%	100%

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

	2006	2011	2016	2018	2021
Basic Assistance	\$422	\$186	\$131	\$169	\$103
Work Activities	\$98	\$84	\$4	\$5	\$3
Child Care	\$316	\$32	\$20	\$28	\$26

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

- In 2021 Michigan was awarded its TANF block grant of \$773 million.
- 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 2021, Michigan has accumulated \$116 million in unspent TANF block grant funds, equal to 15 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 low-income 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 2021 Michigan met these requirements and was subject to the 75 percent MOE obligation.

2021 TANF Allocation and MOE Obligation for Michigan

Federal Funds Awarded	\$773 million
------------------------------	---------------

75% MOE Obligation	\$469 million
---------------------------	---------------

2021 Federal and MOE TANF Expenditures for Michigan

Federal Spending	\$674 million
-------------------------	---------------

MOE Spending	\$493 million
---------------------	---------------

The annual federal TANF block grant has been frozen since its creation and lost about 47 percent of its value between 1997 and 2021 due to inflation.



Source: The spending data are based on CBPP analysis of U.S. Department of Health and Human Services TANF financial data. Michigan's TANF block grant amount has been adjusted to exclude Tribal TANF and research expenditures.