

HB 4081 -1, -2 STAFF MEASURE SUMMARY

House Committee On Early Childhood and Family Supports

Prepared By: Christopher Reinhart, LPRO Analyst

Meeting Dates: 2/8, 2/13

WHAT THE MEASURE DOES:

Requires the Department of Human Services to use savings in the Temporary Assistance for Needy Families (TANF) program, from TANF policy changes, improvements in the state economy, or other factors, to increase TANF cash grants beginning July 1, 2018. Caps the amount of grants at their 1996 level as adjusted to reflect inflation. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- Bipartisan work group addressing TANF program
- Reinvesting money saved by program efficiencies back into TANF program
- Adequacy of level of TANF cash assistance

EFFECT OF AMENDMENT:

-1 Allows alternative use of TANF savings for investments in the TANF job opportunity and basic skills program for needy caretaker relatives.

REVENUE: No revenue impact

FISCAL: Fiscal impact issued

-2 Calculates savings under the bill as the amount that caseload costs projected in the legislatively adopted biennial budget exceed the biennium's actual caseload costs.

REVENUE: No revenue impact

FISCAL: No statement yet issued

BACKGROUND:

The Temporary Assistance for Needy Families (TANF) program is funded by federal block grants and state funding. Oregon receives \$167 million in a fixed federal block grant to administer the TANF program, and is required to contribute at least \$92 million in state funds to the program. The combined funds provide for cash assistance and client services to families with incomes below the federal poverty level (a measure of income issued every year by the U. S. Department of Health and Human Services to determine the income needed to meet basic needs). The federal poverty threshold for a family of three is \$1,632 per month. There were 21,289 families receiving TANF benefits in December 2017. Cash payments to families depend on family size; the maximum monthly payment for a family of three increased from \$503 in 1996 to \$506 in 2013.