

**TANF Fair Share**

[**HB 2509 (Hawk)/SB**](http://www.capitol.tn.gov/Bills/111/Bill/HB2509.pdf) **2797 (Akari)**

1. **MAINTAIN A RESERVE**: We agree that Tennessee needs a healthy reserve in the event of a recession, but it should be more in line with other states.
   1. While the TANF working group endorsed the Department of Human Services (DHS) recommendation of maintaining a $342 million reserve, we recommend allowing the Comptroller to make a recommendation.
   2. The more progressive Center for Budget and Policy Priorities recommends a reserve of $191 million and the more conservative Beacon Center has recommended $210 million. Both numbers are considerably less than the department’s recommendation.
2. **ALLOCATE ‘FAIR SHARE’**:  Minus the above mandated reserve, DHS should allocate ongoing annual TANF funding on a “fair share” basis, to counties, based on the percentage of population in poverty.

* 1. TN gets $191 million each year from the federal government. The Beacon Center reported Tennessee is only spending about $70 million per year.
  2. DHS would continue to administer the funds through awarding grants to qualified agencies for TANF-allowed expenses, not by distributing funds directly to county governments.

1. **INVEST the SUPLUS and EVALUATE the RESULTS**:
   1. Prioritize Evidence-Based Home Visiting (EBVH) by allocating $75 million through the Department of Health. EBVH is a 2 Generation approach.
   2. Allocate $100 million to before, after, summer care with a literacy component approved by TDOE.
   3. Use a third-party evaluator to measure the success of these programs so taxpayers can be assured the funds are spent judiciously.