

ONE HUNDRED EIGHTH LEGISLATURE

FIRST SESSION

LEGISLATIVE RESOLUTION 167

Introduced by Conrad, 46.

PURPOSE: The purpose of this resolution is to propose an interim study to examine the long-term fiscal sustainability of and how to best direct funding towards the most effective uses of Nebraska's federal Temporary Assistance for Needy Families (TANF) funds. Nebraska receives fifty-six million dollars every year in TANF block grant allocations from the federal government and has not spent the full amount of that annual grant since fiscal year 2017-18. Nebraska has under-spent the TANF block grant by approximately ten million dollars each year for the past five years and has had a "rainy day" fund balance since the start of the TANF block grant. The Department of Health and Human Services has repeatedly claimed to have a plan for spending down the TANF "rainy day" fund. But a lack of transparency and accountability has led to the failure to use the full amount of the TANF block grant for its intended purpose of providing temporary assistance to Nebraskans living in poverty resulting in the accumulation of over one hundred thirty-one million dollars in the TANF "rainy day" fund.

TANF funds have not been diverted from direct cash assistance in Nebraska to the same extent as in other states. This is a positive aspect of Nebraska's TANF program that should be protected and expanded. In 2021, Nebraska spent around twenty-six percent of its TANF funds on basic assistance, compared to the national average of twenty-three percent, and only spent four percent of our TANF funds on "other services", compared to the national average of fourteen percent.

Several proposals considered by the Legislature during the One Hundred Eighth Legislature, First Session, would spend down the annual TANF block grant and would begin to spend down the TANF "rainy day" fund. The proposals advanced

by the Appropriations Committee of the Legislature and included in the budget would be a major policy shift in TANF spending. Decisions of this magnitude should be made only after informed consideration by the Appropriations Committee of the Legislature.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED EIGHTH LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. That the Appropriations Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.