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WASHOE COUNTY

"Dedicated to Excellence in Public Service"

DEPARTMENT OF SOCIAL SERVICES

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Joint Subcommittee on DHR Budgets
March 4, 2003

ISSUE

The Governor's Budget proposes to continue a 75% reduction in Temporary Assistance for Needy Families (Emergency Assistance) funds earned by Washoe and Clark County for the biennium. Washoe County is requesting that the Legislature restore the funding to the historical level earned by the Counties

BACKGROUND

Washoe County, Clark County and the Division of Child and Family Services (DCFS), were participating in an Aid to Dependent Children (ADC) sub-program known as Emergency Assistance which was eliminated effective October 1, 1996 when Welfare Reform took effect.

The successor program to the Aid to Dependent Children (ADC) program became a block grant and was called the Temporary Assistance for Needy Families (TANF) Program.

The Emergency Assistance Program had allowed for the state and counties to be reimbursed for certain child welfare expenses. The child welfare Emergency Assistance expenditures from October 1, 1994 through June 30, 1995 increased the amount of the State's claim to the Federal government and, therefore, the block grant amount of \$44 million that was ultimately awarded to the State of Nevada. The block grant was capped at the amount (annualized) of ADC funds the State had claimed from the Federal government during the nine-month period.

AMOUNT OF TANF BLOCK GRANT EARNED THROUGH CHILD WELFARE

The annual Nevada TANF block grant is \$44 million. The portion of TANF funds earned by the child welfare expenditures totaled about \$8,910,262 which represents approximately twenty percent of Nevada's TANF Block Grant. Each of the respective agencies earned the following amounts Washoe County \$1,800,585 or 4.1% of the total block grant; Clark County \$3,027,299 or 6.9% of the total block grant and DCFS \$4,082,378 or 9.3% of the total block grant.

TANF funds earned by the child welfare agencies have been transferred to the respective county or state agency each year since the Block Grant was implemented. These funds were used by the Counties to support the costs of providing emergency services for children and families in the child welfare system.

BUDGETARY IMPACT

The State Department of Human Resources notified Washoe and Clark County that their FY 2002-03 TANF allocation would be reduced by 75% because of the growth in TANF cash assistance caseloads. This meant a \$1.3 million reduction to Washoe County and \$2.3 million reduction to Clark County's child welfare budget. The State's need to fund the caseload growth in TANF resulted in a 14.5% reduction in budgeted revenue for Washoe County's child protection program for the current fiscal year.

The Department of Human Resources has advised the Counties that the 75% reduction of TANF funds will continue through the next biennium. Washoe County asserts that this continued reduction in TANF funds earned by Washoe County prior to implementation of the block grant is unfair. The proposed reduction will have a significant impact on the Department's ability to continue to provide the current level of services including counseling, drug court and in home family support services.

WASHOE COUNTY IS AN EQUAL OPPORTUNITY EMPLOYER
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EXHIBIT D Senate Committee on Finance
Date: 3/4/03 Page 1 of 1