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FISCAL IMPACT REPORT

ORIGINAL DATE 01/28/08

SPONSOR Boitano LAST UPDATED _____ HB _____

SHORT TITLE Federal Funding to Family Formation Programs SB 315

ANALYST Weber

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
\$1,105.8	\$1,105.8	Recurring	FF-TANF Block Grant

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

SUMMARY

Synopsis of Bill

Senate Bill 315 appropriates in FY08 and each subsequent fiscal year, a sum of at least one percent of the federal block grant from state's temporary assistance for needy families block to be spent on programs to enhance family formation. The one percent currently totals \$1.1058 million. The funds for family formation programs shall be administered under contract with a state public post-secondary educational institution that has demonstrated success in administering temporary assistance for needy families programs, such as workforce development programs, in both the north and south of the state.

Family formation programs include: (1) marriage skills training for engaged and married couples; (2) premarital education programs; (3) marriage enhancement programs; (4) divorce reduction programs; (5) marriage mentoring programs; (6) programs designed to reduce disincentives to marriage in programs that require proof of income; and (7) responsible fatherhood training in voluntary programs approved by the secretary.

FISCAL IMPLICATIONS

The appropriation of \$1,105.8 contained in this bill is a recurring expense to the Federal TANF block grant. Any unexpended or unencumbered balance remaining at the end of FY08 or any

subsequent fiscal year shall revert to the TANF block grant carry-forward used for cash assistance.

SIGNIFICANT ISSUES

Use of the funds for this purpose does meet the criteria for use of TANF funds and should be allowable depending on the final program design.

HSD notes that during the 2007 Legislative Session, \$400,000 was appropriated for family strengthening and fatherhood programs from the TANF block grant for expenditure in the SFY 2008 operating budget. Using this funding, HSD currently contracts with New Mexico State University (NMSU) to provide strengthening family and fatherhood services. This bill would add nearly three times as much funding to family formation efforts in New Mexico.

MW/bb