



Please Vote YES on HB18-1079

Recommend Uses of State's Long-Term Works Reserve

Sponsors: Beckman/Crowder

Hb18-1079 tasks counties and the state to collaboratively develop non-binding recommendations for the use of the State TANF reserves.

Background:

The Temporary Assistance For Needy Families (TANF) program provides financial and other assistance to families in achieving self-sufficiency. Like other public assistance programs, counties actually provide the programs and assistance that comprises Colorado's TANF program (known as 'Colorado Works') locally.

Federal law allows unexpended TANF funds to be retained for future years in the event of economic downturns or caseload increases. As such, the TANF reserve acts as Colorado's 'rainy day' account for public assistance programs. It can be used to address needs not just in the TANF program but also for the Child Welfare and Child Care programs. During the Great Recession, for example, Colorado relied on the TANF reserve to fund unmet Child Welfare needs.

Problem:

Although counties implement the TANF program for the state, they are not given a role in decisions by the Department of Human Services about the use of TANF reserves retained by the state.

Recent estimates by the Colorado Department of Human Services indicate that the TANF reserve will be insolvent by SFY 2021-2022. This projection, coupled with potential policy changes at the federal level, creates major instability in this program.

Solution:

Long range planning, developed collaboratively with the counties that administer TANF, will help Colorado prepare for an uncertain future.

Please Support HB18-1079

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