



January 30, 2023

**SUMMARY OF BILL:** Extends the deadline for the Families First Community Advisory Board's (Board) final report to the Tennessee General Assembly (TGA) to December 31, 2026, the *Tennessee Opportunity Pilot Program* to four years, and the period of time in which the Department of Human Services (DHS) must spend unobligated Temporary Assistance for Needy Family (TANF) program funds to eighteen months following the end of each federal fiscal year.

**FISCAL IMPACT:**

**Increase State Expenditures – \$31,900/FY25-26/TANF Reserve Funds  
\$32,800/FY26-27/TANF Reserve Funds**

**Other Fiscal Impact – It is estimated that these expenditures can currently be absorbed within DHS' existing TANF block grant reserve funds. As of January 30, 2023, the balance of the TANF reserve funds budgeted for the Tennessee Opportunity Pilot are approximately \$174,900,000.**

Assumptions:

- Tennessee Code Annotated § 71-5-1201(a)(1)(C) requires the Board to submit its final report by December 31, 2025. The proposed legislation extends this deadline by one year.
- Tennessee Code Annotated § 71-5-1201(g) states that the Board will meet quarterly after all implementation grant awards are made.
- The Board consists of 21 members: 5 state department heads, 4 legislative members, and 12 non-legislative members. However, as of January 2023 there were 20 active members, including 11 non-legislative members.
- Legislative members of the Board are to be reimbursed as members of the General Assembly and paid for attending legislative meetings. Other members shall not receive compensation for service, but are eligible to be reimbursed for any travel expenses incurred for attending meetings. It is assumed that the five department heads will attend Board meetings in the course of their regular business. Therefore, 11 non-legislative members are eligible to be reimbursed for travel expenses.
- The Board will meet quarterly for the one-year extension from December 31, 2025 to December 31, 2026. Therefore, it is assumed there will be two meetings in FY25-26 and two meetings in FY26-27.

- The General Assembly will be in session at the time of one quarterly meeting in FY25-26; therefore, legislative members will not be reimbursed for this meeting as a result of this legislation.
- Legislative members will receive per diem of \$313 for a total of 3 meetings.
- Although there are four legislative members of the Board, on average, only two members request and receive reimbursements per meeting.
- The legislative members will receive \$0.63 per mile roundtrip; the average miles traveled per member is estimated to be 254 miles roundtrip.
- The average mileage reimbursement per member for each meeting is estimated to be \$160 (\$0.63 x 254 miles).
- The cost per legislative member for each meeting is estimated to be \$473 (\$313 per diem + \$160 mileage).
- The total cost for two legislative members to attend one meeting in FY25-26 is estimated to be \$946 (2 members x \$473); the total cost for such members to attend two meetings in FY26-27 is estimated to be \$1,892 (2 members x \$473 x 2 meetings).
- Based on information provided by DHS, the average total reimbursement per meeting for all non-legislative members is estimated to be \$478. The total cost for non-legislative members in each FY25-26 and FY26-27 is estimated to be \$956 (\$478 per meeting x 2 meetings).
- The total increase in state expenditures associated with the Board meetings' expenses is estimated to be \$1,902 (\$946 + \$956) in FY25-26 and \$2,848 (\$1,892 + \$956) in FY26-27.
- Tennessee Code Annotated § 71-5-1203(a) establishes the *Tennessee Opportunity Pilot Program* for a three-year period. The proposed legislation extends the program for an additional year to serve as an evaluation period for the program.
- Pursuant to Tenn. Code Ann. § 71-5-1203(e), DHS is required to select and fund a research partner or partners that will support the research and evaluation of the program. The proposed program extension will, therefore, also necessitate an extension of the contract of the research partner by one year. Extending the contract by one year will shift some of the expenditures that would have been incurred in FY25-26 to FY26-27. In addition, the current research contract provides for a monthly service fee of \$5,000. Therefore, the proposed legislation will result in an increase in state expenditures of \$30,000 in each FY25-26 and FY26-27 (\$5,000 fee x 6 months per fiscal year).
- The total increase in state expenditures as a result of this legislation is estimated to be \$31,902 (\$1,902 + \$30,000) in FY25-26 and \$32,848 (\$2,848 + \$30,000) in FY26-27.
- Tennessee Code Annotated § 71-5-1204(d)(1) currently states that DHS has 12 months to spend unobligated TANF funds following the end of each federal fiscal year. The proposed legislation extends this time period to 18 months.
- Extending the time DHS has to spend the unobligated funds will not have a significant operational impact on DHS or the amount of unobligated TANF funds that will be spent, and can be accomplished within existing resources and personnel.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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