



MB&TPI FACT SHEET

FAMILY INVESTMENT ADMINISTRATION BUDGET

MARCH 3, 2009

- **The Family Investment Administration (FIA) within the Department of Human Resources (DHR) and local Family Investment programs, administer Temporary Cash Assistance (TCA), Temporary Disability Assistance Program (TDAP), Medical Assistance (MA), Food Stamps (FS), Home Energy Programs, among other forms of assistance to families in need.**

Among many of the key goals for Family Investment, the overarching goal is to move families with an employable parent with a child or children over the age of one toward sustained self-sufficiency. Eligibility determination for most of these programs is based upon income and technical eligibility requirements. For programs such as cash assistance, child support, participation in work activities and compliance with substance abuse provisions are conditions of eligibility.

- **FIA's proposed total budget for FY 2010 is \$946 million, an increase of 14.3% from the current fiscal year. Assistance Programs make-up nearly 77% of the total budget. Of which, food stamps represents approximately 62%.**

The Family Investment total budget for FY 2010 increases by \$118 million. While the overall budget reflects growth, it does not consider department-wide across-the-board reductions related to the elimination of 200 vacant positions. Of the total budget, General funds decrease by \$17 million (-15.4%), Special Funds increase by \$54.5 million (105.4%), and Federal Funds increase by \$80.8 million (12.2%). Of note, \$35.5 million of the special fund increase is contingent on legislation increasing the share of the emissions auction program for low-income energy assistance.

- **FIA caseloads rise, while staffing remains low: A recipe which has dramatic and negative consequences for its front-line services to Marylanders in need.**

As of January 2009, the TCA caseload was 58,017. This same time last year, the TCA caseload was 51,989 (a 10.4% growth or 6,028 additional cases). Likewise, the Food Stamp caseload has risen. As of January 2009, the Food Stamp caseload was 427,599; whereas, the same time last year it was 349,177 (an 18.4% growth or 78,422 additional cases). Couple this caseload growth with the fact that *filled* positions in the FIA has steadily declined since FY 2007 to current year (from 2001 positions to 1848 positions), immediate needs of Maryland's most economically challenged will most certainly linger. Simply put, although the benefits may be plentiful, staff resources are few.

- **Maryland will receive \$3.8 billion in federal stimulus payments.**

Food Stamps

Out of the possible \$3.8 billion in the American Recovery and Reinvestment Act of 2009 (ARRA) funds to Maryland, according to the Center on Budget & Policy Priorities, the state could be eligible for \$219 million for food stamp benefit increases and \$4.2 million in food stamp administration to manage the rise in caseloads (based on a caseload of 412,000). All food stamp benefit increase will go to in effect in April 2009. These dollars are spread across fiscal years 2009-2013. As far as *economic stimulus* is concerned, the USDA research has found that \$1 in food stamps generates \$1.84 in total economic activity.

Temporary Assistance to Needy Families (TANF)

The TANF provisions in the ARRA create a *new* Emergency Contingency Fund under which states can receive 80 percent federal funding for increases (relative to a base year quarter) in certain TANF-related expenditures in federal fiscal years 2009 and 2010. States can access “emergency contingency funds” based on increased expenditures in each of three categories: *basic assistance, non-recurrent short-term payments, and subsidized employment.*

Sources

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About the Maryland Budget & Tax Policy Institute

The Maryland Budget and Tax Policy Institute is a nonpartisan research organization that provides timely, accurate and accessible analysis of state budget and tax issues. In addition to general budget and tax research and analysis, the Institute examines issues affecting low-income Marylanders and other vulnerable populations and the important community programs that serve them. For additional information, to be added to our e-mail list, or to make a tax-deductible contribution, please visit our website at www.marylandpolicy.org.

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