
Temporary Assistance for Needy Families PROGRAM INSTRUCTION

U.S. Department of Health and Human Services
Administration for Children and Families
Office of Family Assistance
Washington, DC 20447

No. TANF-ACF-PI-2015-02

Date: October 8, 2015

- TO:** State, Territory, and Tribal Agencies Administering the Temporary Assistance for Needy Families (TANF) Program
- SUBJECT:** PROHIBITION ON USE OF FEDERAL TANF AND STATE MOE FUNDS FOR JUVENILE JUSTICE SERVICES
- REFERENCE:** Title IV-A, Section 404 of the Social Security Act; Temporary Assistance for Needy Families Final Rule Published on April 12, 1999 (64 FR 17720)
- PURPOSE:** This PI reminds TANF jurisdictions that federal Temporary Assistance for Needy Families (TANF) and Maintenance-of-Effort (MOE) funds cannot be used to provide juvenile justice services.
- BACKGROUND:** It has come to our attention that several states are using federal TANF and/or MOE funds to provide services to individuals who fall within the jurisdiction of the state's juvenile justice system. Accordingly, there is a need to remind the TANF jurisdictions about established TANF program policy in this area.
- POLICY:** In general, federal TANF and state MOE expenditures for juvenile justice are prohibited. This includes expenditures for administrative, pre-adjudication, adjudication, detention, monitoring, rehabilitative, and other service costs, community-based services provided to juveniles who have been placed in or remain in the homes of parents or relatives. The 1999 Preamble to the Final Rule states that juvenile justice services do not meet any of the purposes of TANF and as such are not qualified state expenditures for MOE (or for TANF unless previously authorized under prior law). More specifically, the Preamble states that

“The principal purpose for placement is to protect the child or to protect society because of the child’s behavior, not to care for the child in his or her own home (purpose 1). Since the focus is to address the child’s needs, expenditures to care for the child in these living situations does not end the dependence of needy parents on government benefits by promoting job preparation, work and marriage (purpose 2). The remaining two purposes do not even remotely relate to this situation.” (64 FR 17720, 17823)

and, further,

“State funds used to pay the costs of benefits or services provided to children in the juvenile justice system and previously matched under the EA program do not count toward MOE. More specifically, as juvenile justice services do not meet any of the purposes of the TANF program, they are not an allowable use of funds under section 404(a)(1). While some States may expend their Federal TANF funds for this purpose, under section 404(a)(2), the definition of “qualified State expenditures,” for MOE purposes, does not include the reference to section 404(a)(2). Therefore, we have concluded that Congress did not intend to automatically qualify all previously authorized IV–A expenditures as MOE.” (64 FR 17720, 17820)

As noted in the preamble language above, a state may expend federal funds—but not state MOE funds—for activities that were previously authorized under its IV-A or IV-F plans as of September 30, 1995 (or, at the option of the state, August 21, 1996); but which are not otherwise allowable under TANF (including juvenile justice).

Grantees are directed to comply with this policy no later than the beginning of July 1, 2016. Any federal TANF expenditures for juvenile justice services on or after July 1, 2016 will be considered a misuse of TANF funds and subject to penalty action. Any state expenditures for juvenile justice services cannot be counted as MOE on or after July 1, 2016. Failure to meet a state’s required spending level will result in an MOE penalty.

INQUIRIES:

Please direct inquiries to the TANF Program Manager in your Region.

/s/

Nisha Patel
Director
Office of Family Assistance