Potential Funding Deficits Impacting Human Services in Virginia - 2024

FACT is a state entity established to support awareness and services focused on preventing family violence across the life span in Virginia. In the next fiscal year and beyond, many of the human services programs established in Virginia to support families and children face critical funding shortages due to changes in allocations of federal funds which have provide foundational, operation costs for these services for over a decade. If replacement funding is not found, many critical programs will be forced to shut their doors to Virginia's most vulnerable families.

VOCA

Who receives the funding?

VOCA funds support: Victim Witness programs which work with prosecutors and sheriff's offices to support victims of crime; Court Appointed Special Advocate programs and Child Advocacy Centers who provide counseling and advocacy for children who have been abused and/or neglected; and a wide range of programs who service victims of sexual and domestic violence, including state and local hotline services for those victims.

Where does the funding come from?

The federal Crime Victims Fund (CVF) was established by the Victims of Crime Act (VOCA) in 1984. Funding is awarded by the U.S. Department of Justice, Office for Victims of Crime (OVC) to support programs and services for victims of crime. Revenue for the CVF comes from criminal fines, forfeited bail bonds, penalties, and other non-tax revenues. The amount of VOCA funds allocated from the CVF is determined by Congress and is referred to as the "VOCA Cap."

What is happening to the funding? How much will be lost?

Due to changes at the federal level including a decrease in the rate of collection of the sources of revenue which fund VOCA, state awards have been declining since Federal Fiscal Year (FFY) 19. In FFY18, Virginia received over \$85 million compared to the recent FFY23 award of only \$34.6 million. It is anticipated that the VOCA Cap and state awards will continue to decline due to the CVF's low balance.

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TANF

Who receives the funding?

TANF expanding program funds support: Community Action Agencies established to strengthen families and lift individuals out of poverty; Home Visiting Programs who support families and prevent child maltreatment; Foodbanks who feed low-income families, children and seniors; Boys & Girls Clubs who support families and youth; Child Advocacy Centers who provide counseling and support for victims of child abuse and neglect; and programs that support victims of domestic and sexual violence.

Where does the funding come from?

The Temporary Assistance for Needy Families (TANF) block grant was created in 1996 through the Personal Responsibility and Work Opportunity Reconciliation Act. Also known as the "Welfare Reform Law", it was designed to provide time-limited cash assistance to "needy" families. States were also permitted to use part of the funding to support services for families in or at risk of falling into poverty. This portion of funding used by states for these services is referred to as TANF expanded programming.

What is happening to the funding? How much will be lost?

Federal funding and state allocations for TANF have remained stagnant since its creation in 1996. Similarly, Virginia's cash assistance levels for "needy" families with children only increased once between 1985 and 2015. Due to the ability to carry over unspent funds, Virginia had a substantial reserve of funding which was used to support service organizations through expanded TANF programming.

Starting in 2016, Virginia's cash assistance to families has seen more regular increases. Due to these increases and additional expenses from the expanded programming, Virginia is expected to fully obligate the TANF block grant in State Fiscal Year (SFY) 25 which would result in an estimated \$56.9 million deficit for expanded TANF programming. This deficit is anticipated to continue growing in following fiscal years.



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