



Impact of the American Recovery and
Reinvestment Act (ARRA)
2009

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The State of Texas stands to receive funding from the American Recovery and Reinvestment Act of 2009 via the following programs administered by the Office of the Attorney General:

- (1) Child Support Enforcement
- (2) Crime Victims Compensation
- (3) Internet Crimes Against Children Task Force (Southern Region of Texas)

Also included in this packet is more information regarding the above programs including an estimate of funds which may be available through the ARRA.



**Internet Crimes Against Children (ICAC) Funding Available
Through the American Recovery and Reinvestment Act
Date prepared: February 19, 2009**

The Internet Crimes Against Children Program is a national network of 59 federal, state, and local task forces with the goal of combating the threat of offenders who use the internet to sexually exploit children.

The ICAC Task Force Program is funded under Title IV of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended. Individual task forces are funded through a cooperative agreement with the Office of Juvenile Justice and Delinquency Programs (Bureau of Justice Assistance).

There are two ICAC Task Forces in Texas, one for the Northern Region (Dallas Police Department) and one for the Southern Region (Office of the Attorney General - OAG).

Objectives of the Task Force are as follows:

Conduct proactive and reactive investigations concerning online child exploitation.

Provide prosecutorial and investigative support, including case consultation and forensic support, to any agency requesting assistance with an online child exploitation case.

Provide grants to law enforcement agencies for training and forensic equipment.

Provide outreach to law enforcement and communities via training, technical assistance, and prevention and education activities.

The American Recovery and Reinvestment Act allocates \$50 million nationally for this program. Texas' share is expected to be \$2.9 million.

To the extent the Bureau of Justice allocates funding made available through the American Recovery and Reinvestment Act to the OAG ICAC Task Force, the funding would be used to build upon the objectives listed above.

VOCA Assistance- \$47.5 million total

This amount would be divided between the state VOCA assistance administrators. In Texas, the VOCA assistance administrator is the Governor's Office.

II. The Act also includes the following provision:

*STATE AND LOCAL LAW ENFORCEMENT ACTIVITIES
OFFICE ON VIOLENCE AGAINST WOMEN
VIOLENCE AGAINST WOMEN PREVENTION AND
PROSECUTION PROGRAMS*

The conference agreement provides \$225,000,000 for Violence Against Women Prevention and Prosecution Programs, to be available until September 30, 2010, of which \$175,000,000 is for the STOP Violence Against Women Formula Assistance Program, and \$50,000,000 is for transitional housing assistance grants. No administrative overhead costs shall be deducted from the programs funded under this account.

In Texas, the administrator of these funds is the Governor's Office.

**Impact of American Recovery and Reinvestment Act of 2009
on the Texas Child Support Program
Revision Date: March 2, 2009**

DISCLAIMER: Until federal guidelines are issued identifying the use of these funds, including the determination of the exact amount that will be available, the following represents the OAG's best guess of the fiscal impact based on the listed assumptions

	2009	2010	Total
Estimated Federal Incentives Eligible for Federal Match per CLASP (Center for Legal and Social Policy) based on 2006 Federal Performance Incentives	\$41,400,000	\$41,400,000	\$82,800,000
Estimated Additional Federal Matching Funds per CLASP (assuming additional spending within the Child Support Program)	\$80,364,706	\$80,364,706	\$160,729,412
Estimated Amount of State Funds that Could Be Swapped with Federal Funds (assuming no additional spending within the Child Support Program)	\$27,324,000	\$27,324,000	\$54,648,000

ASSUMPTIONS:

1. Federal matching funds on the expenditure of federal performance incentives is temporary, and applies retroactively to expenditures of incentive funds effective 10/1/08, and ends on 9/30/10. Federal funding is not an automatic disbursement to the state. It is a match on expenditures of federal incentives.
2. Based on fiscal impact estimated for Congress by the Center of Law and Social Policy, Texas' share of stimulus funding associated with Child Support could be as much as \$160.7 million. Using the current federal financial participation rate (66%), the amount of incentives assumed in this estimate is \$82.8 million or \$41.4 million per year. \$41.4 million is the amount of incentive funding Texas received for federal fiscal year 2006.
3. It is assumed that the federal Office of Child Support Enforcement will issue instructions by mid March 2009, on authorized expenditures, how to draw down matching funds, and financial reporting requirements.
4. Assuming spending within the Child Support Program does not increase as a result of the stimulus funding, it is estimated that state funding could be reduced for the 2009 - 2010 time period by 66% of the amount of incentives that can be matched with federal funds (estimated reduction: \$27,324,000 in 2009 and \$27,324,000 in 2010). However, the amount is subject to the requirements stated in note 5 below.
5. Federal regulations require that a State reinvest, in the State's Child Support program, the full amount of incentive payments received and that such incentive payments will be used to supplement other funding used by the State for the child support program. States must also maintain a base amount of state spending in addition to incentive funds spent. As a result, any reduction in state spending would need to be limited to meet the federal incentive reinvestment regulations.