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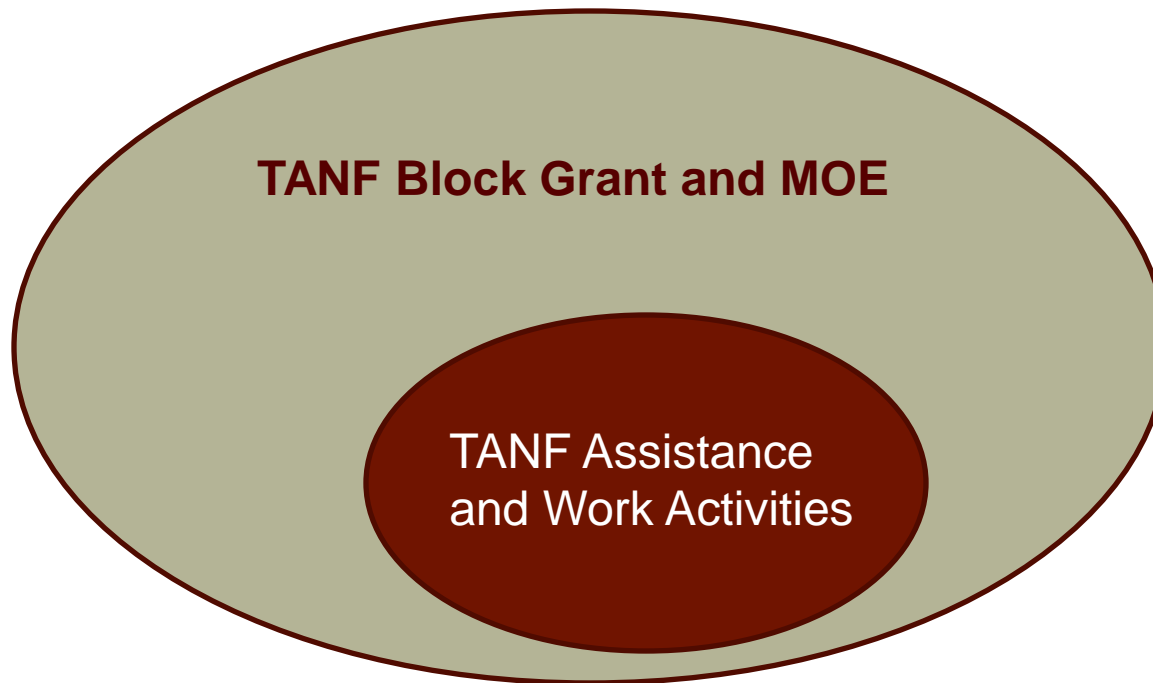
Strengthening TANF at 20: A National View

Philadelphia Shared Prosperity Roundtable

September 22, 2016

What is TANF?

Temporary Assistance for Needy Families

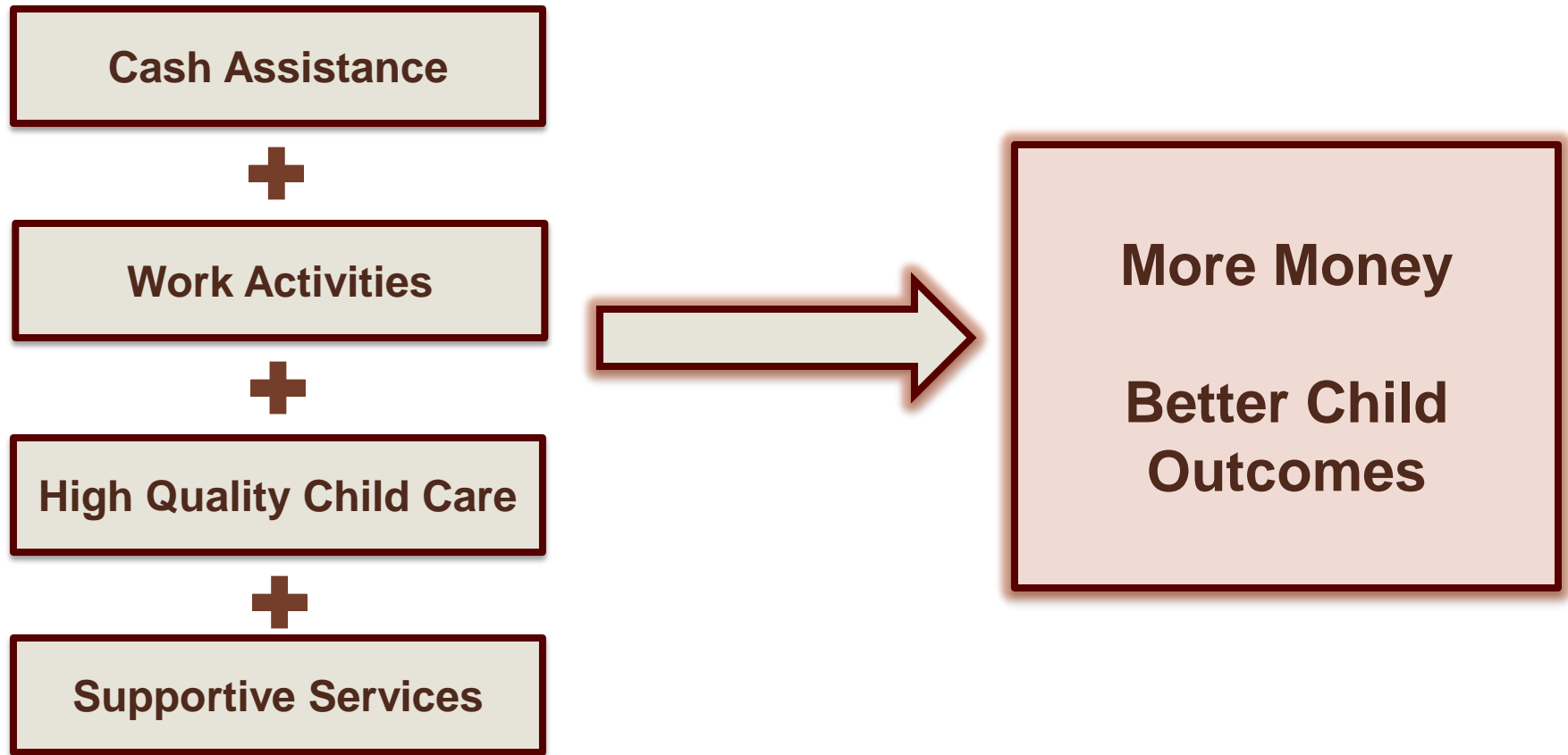


TANF is a Two-Generational Program

- Targeted to low income families with children.
- Two-generational strategies take into account:
 - Parents' importance to children both as nurturers and as providers; and
 - Children's importance in parents' lives.
- Parents are essential in a child's earliest years.



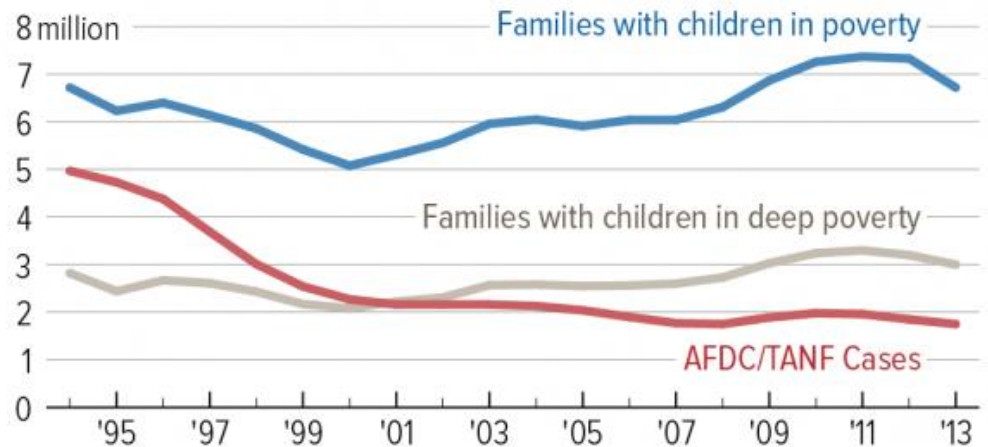
Opportunity to Make a Difference



TANF: A Missed Opportunity

Narrow eligibility criteria and burdensome requirements have combined to limit the share of poor children that TANF reaches

TANF Cases Have Declined Dramatically, Including in Years When Poverty Has Increased

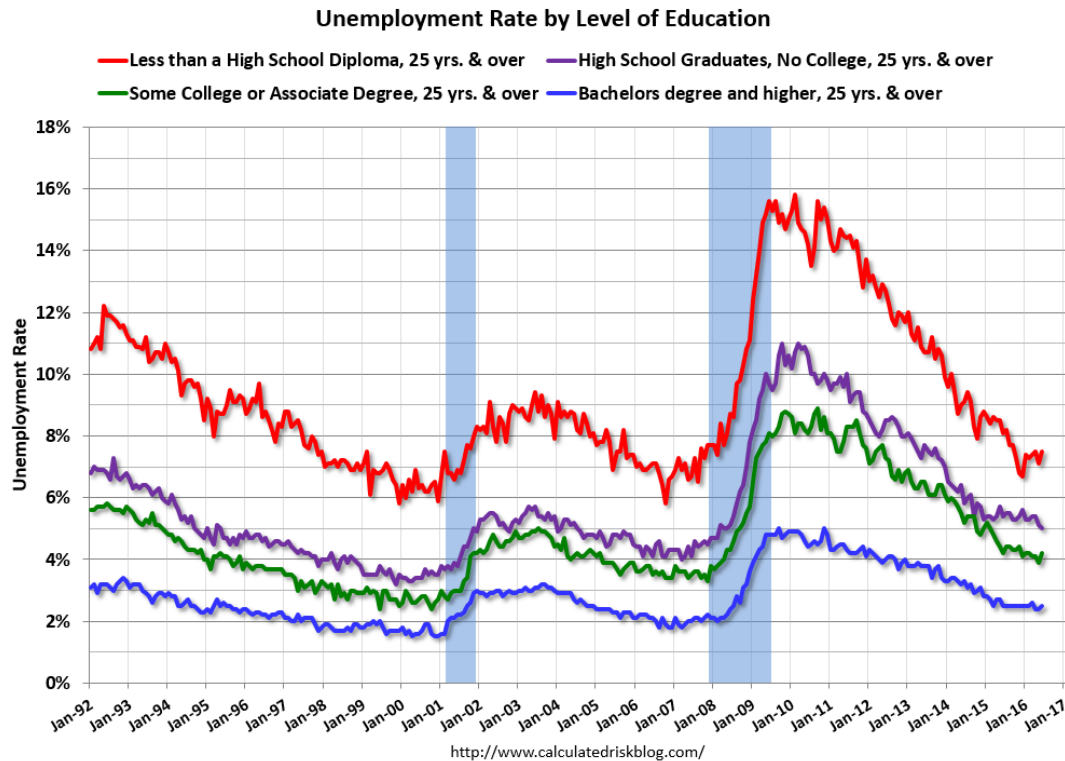


Source: CBPP analysis of poverty data from the Current Population Survey and AFDC/TANF caseload data from Health and Human Services and (since 2006) caseload data collected by CBPP from state agencies.

CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

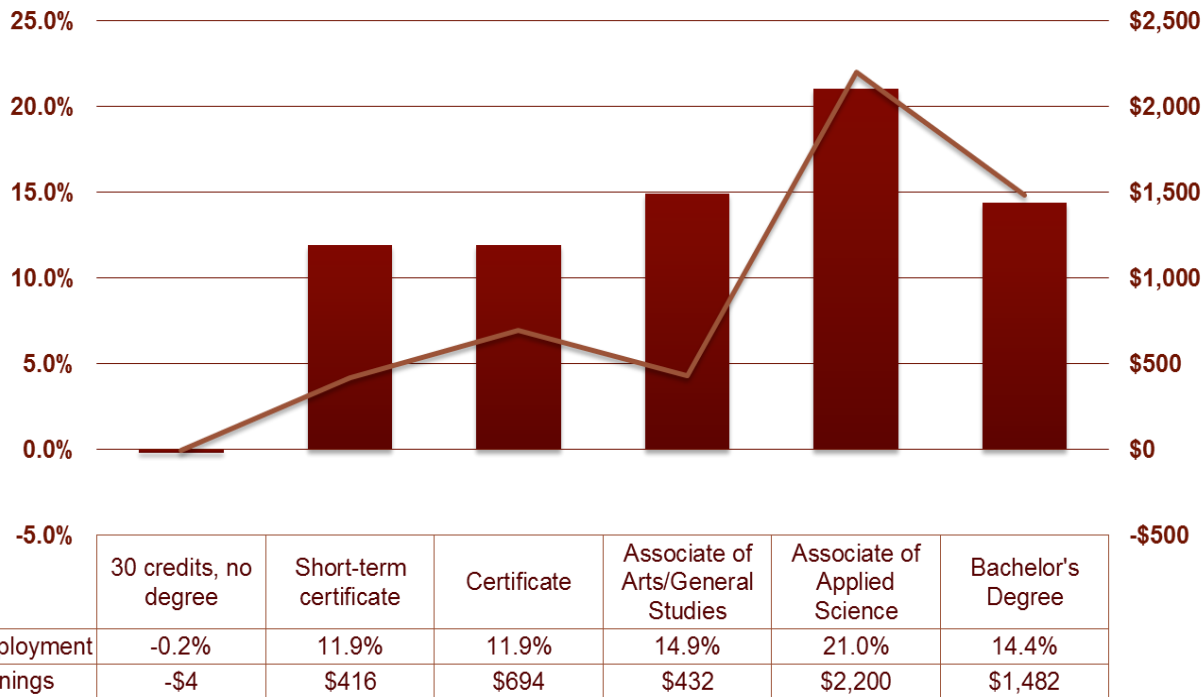
TANF: A Missed Opportunity

- “Work-first” policies do not account for the realities of today’s low-wage labor market



TANF Recipients Benefit from Degrees

Impacts of College Credits and Credentials on Employment and Quarterly Earnings – Colorado Works Recipients



Lesley Turner, The Returns to Higher Education for Marginal Students: Evidence from Colorado Welfare Recipients, Table 2, September 15, 2015.

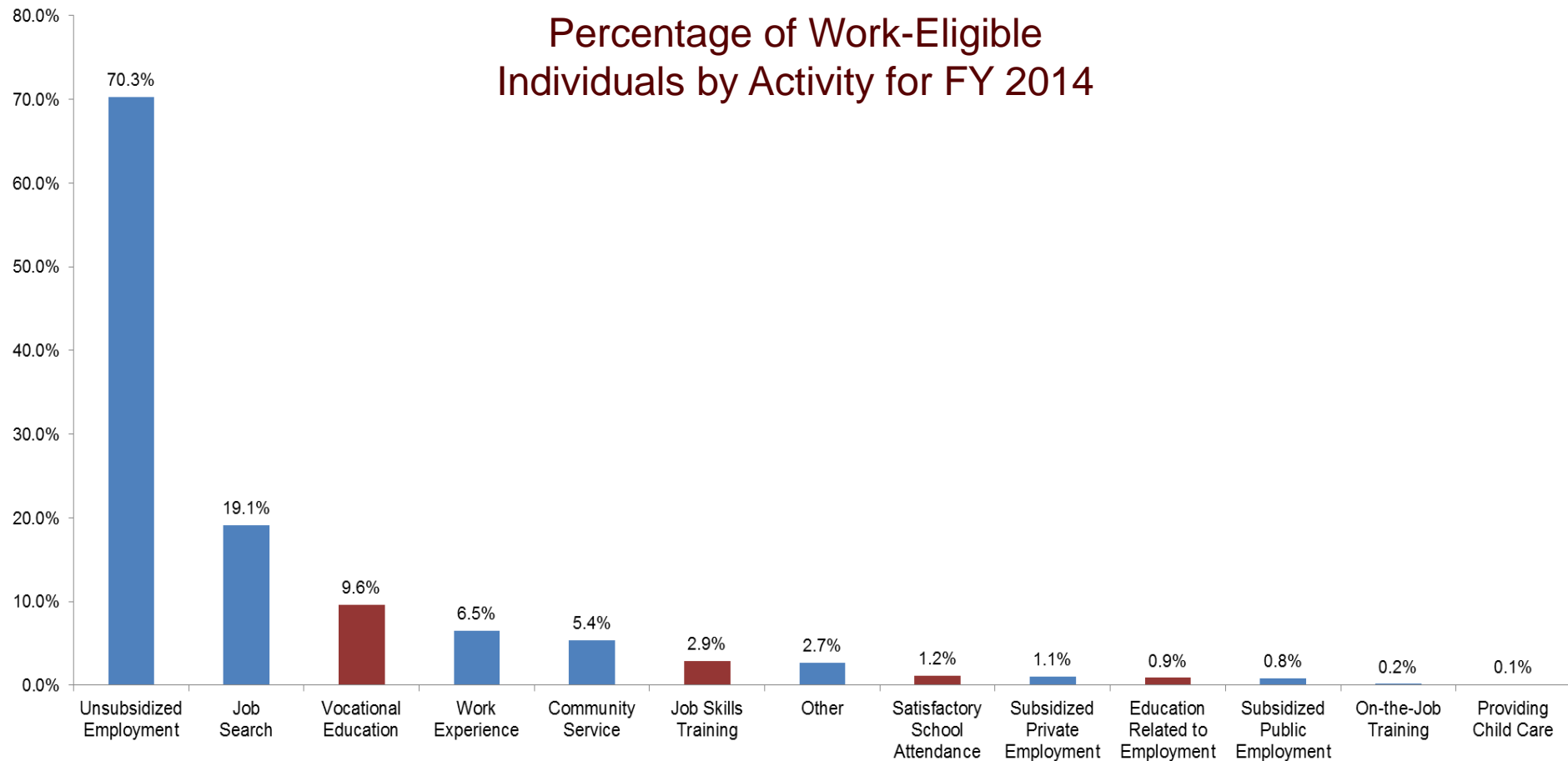


TANF Work Participation Rates

- Recipients must average 30 hours per week of work participation, 20 hours per week if single parent of child under 6
- 12 countable activities – restrictions apply to counting of education and training
 - ABE/GED only countable on top of 20 hours per week of “core” activities.
 - Vocational education only countable for 12 months
- States get credit for caseload declines

Little Opportunity for Education and Training

Percentage of Work-Eligible
Individuals by Activity for FY 2014



Source: DHHS Administration for Children and Families

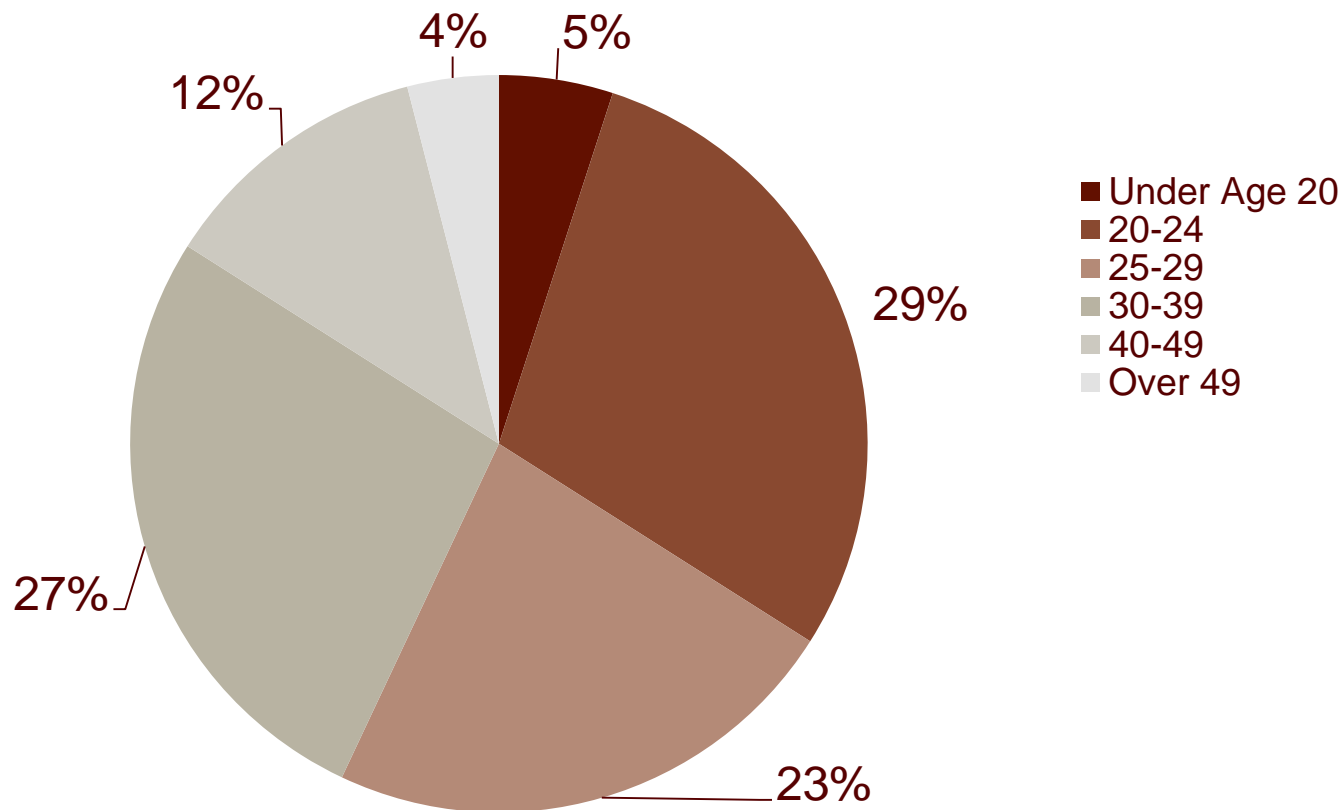
Beyond the WPR

- States should focus on activities that will help families achieve long-term economic security
 - Education and training
 - Transitional jobs
- States can meet the WPR in better ways



More than Half of TANF Adults are Under Age 29

TANF Work Eligible Individuals by Age



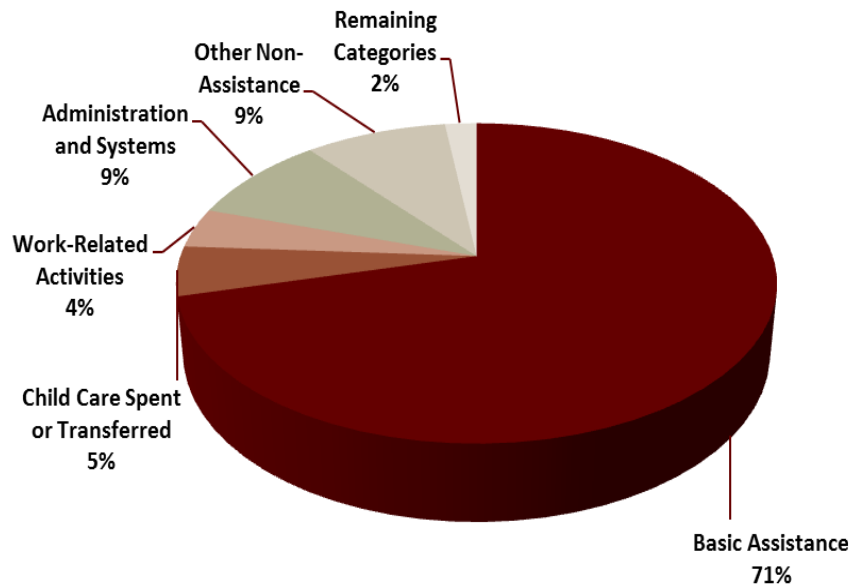
Source: CLASP,
Young Adults and TANF,
October 2015

TANF: A Missed Opportunity

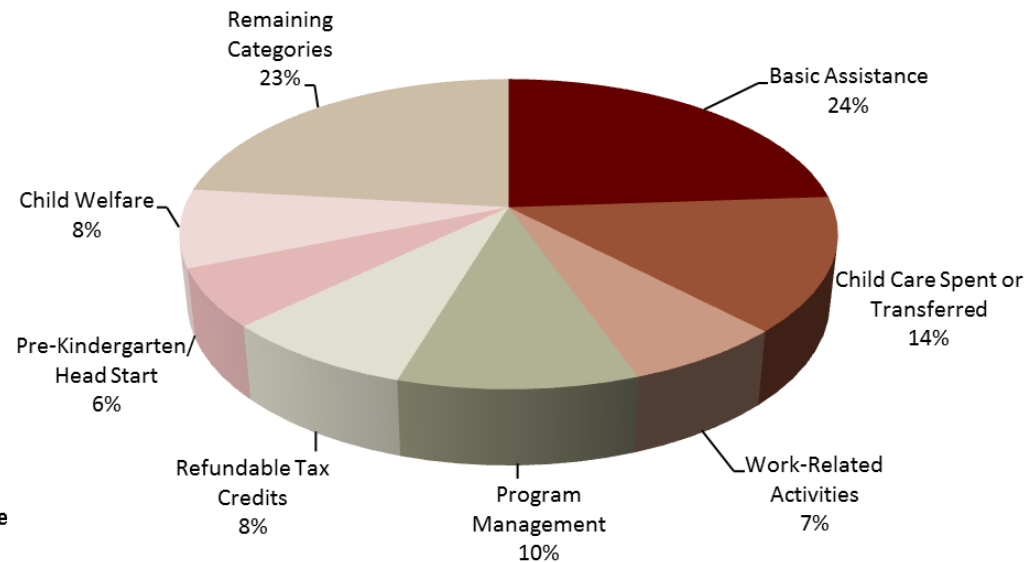
- TANF Block Grant provides states with flexible funding, opportunity to provide individualized services.
- Families have limited access to high-quality child care, even with child care subsidies.
- TANF programs rarely look at the holistic needs of families or provide the full range of services.
- TANF funds are used for a wide range of services, not necessarily for the lowest-income families.

Basic Assistance is a Smaller Part of TANF and MOE Spending

FY 1997 TANF/MOE Spending



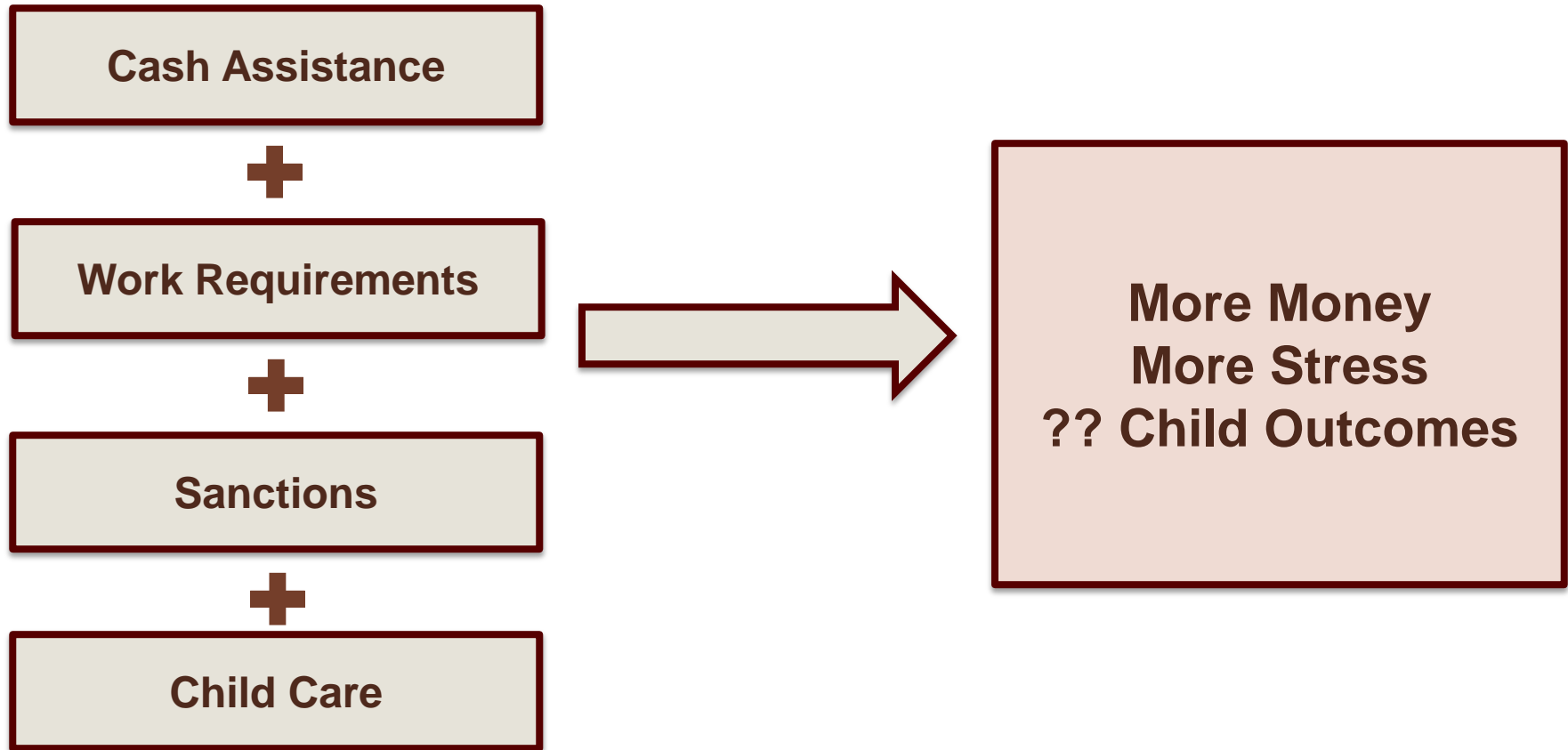
FY 2015 TANF/MOE Spending



Note:

- Refundable tax credits includes EITC and non-EITC spending
- Child Welfare includes foster care spending from basic assistance, AUPL, and Non-AUPL

Mixed Effects Even for Families Who Receive Assistance

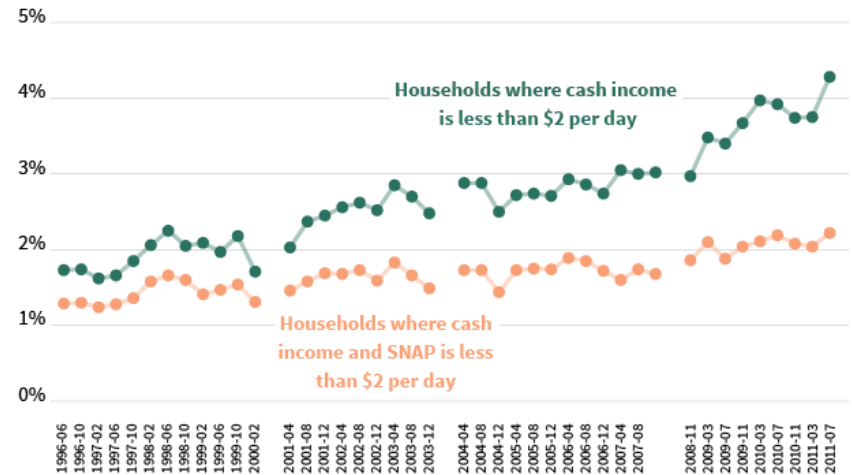


Families Disconnected from TANF are Highly Vulnerable

- No cash assistance; unlikely to get child care; highly unstable work
- Easier to sanction high needs families out of the work participation rate than to engage them.

Extreme Poverty Is On The Rise

Proportion of households living on less than \$2 a day



Note: Figures adjusted for inflation.

Source: Calculations by Kathryn Edin and Luke Shaefer, based on the Survey of Income and Program Participation.

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State Policies Vary Widely

| | TANF to Poverty Ratio | Max Grant for Family of Three | Time Limit | Family Cap | Sanctions for First Instance of Non-Compliance |
|-----------------------|-----------------------|------------------------------------|------------|------------|---|
| Arizona | 8 | \$278 | 12 months | Yes | 25% reduction in benefit, 1 month |
| California | 65 | \$704 | 48 months | Yes | Adult portion of benefit, until compliance |
| New York | 40 | \$789 | None | No | Pro rata portion of the benefit, until compliance |
| North Carolina | 8 | \$272 | 24 months | Yes | Case is closed, must reapply |
| Ohio | 26 | \$473 | 60 months | No | Entire benefit, 1 month |
| Pennsylvania | 31 | \$421 (\$403 for most of state) | 60 months | No | Adult portion of benefit, 1 month, + until 1 week of compliance |

Thank You

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