

Temporary Assistance for Needy Families (TANF)

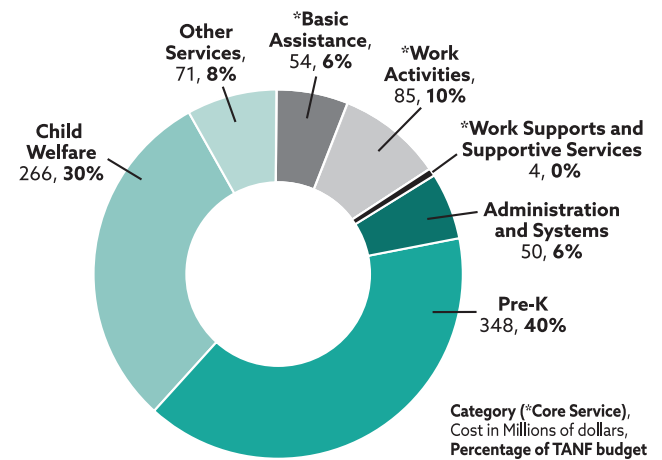


Center for
Transforming Lives
From Poverty to Possibility

What is TANF?

- Temporary Assistance for Needy Families (TANF) is a governmental welfare program designed to assist families in need.¹
- The federal government provides block grants to states. States are not required to spend allotted TANF funds on core welfare reform activities (e.g., cash benefits, work support, child care) and may spend funds on other programs (e.g., education and youth programs, faith-based and community organizations, marriage/parenting initiatives) that do not exclusively serve low income families (Figure 1).^{1,2,3}
- Texas spent only 16% of TANF funds on core welfare reform services in 2016, ranking 50th out of the 50 states and District of Columbia.^{2,4}

Figure 1. Texas: TANF expenditures by category, 2016⁴



Data Source: Department of Health and Human Services Form ACF-196, via Center on Budget and Policy Priorities' "Texas TANF Spending"

Notes: Based on 2016 data, core welfare services, denoted by *, are in shades of black.

What do families receive with TANF?

- Families who qualify can receive monthly cash payments for up to 60 months.⁵
- TANF payment amounts have stagnated (only recently increased by \$4 in 2016) despite more drastic increases in cost of living and other expenses due to inflation.⁶ For a qualified single mother with two children, her monthly payments of \$295 in January 1997 after adjusting for inflation using average urban consumer price indices should be closer to \$466.72 in January 2019.^{5,7}
- For example, a qualified single mother with two children would get monthly payments of \$295 dollars to spend on food, clothing, housing, utilities, transportation, and other basic needs.⁵
- For a home with two parents with five children, they could receive \$421 for the two caregivers and three of the children and \$68 for each of the remaining children (\$557 maximum per month).



How do families receive TANF?

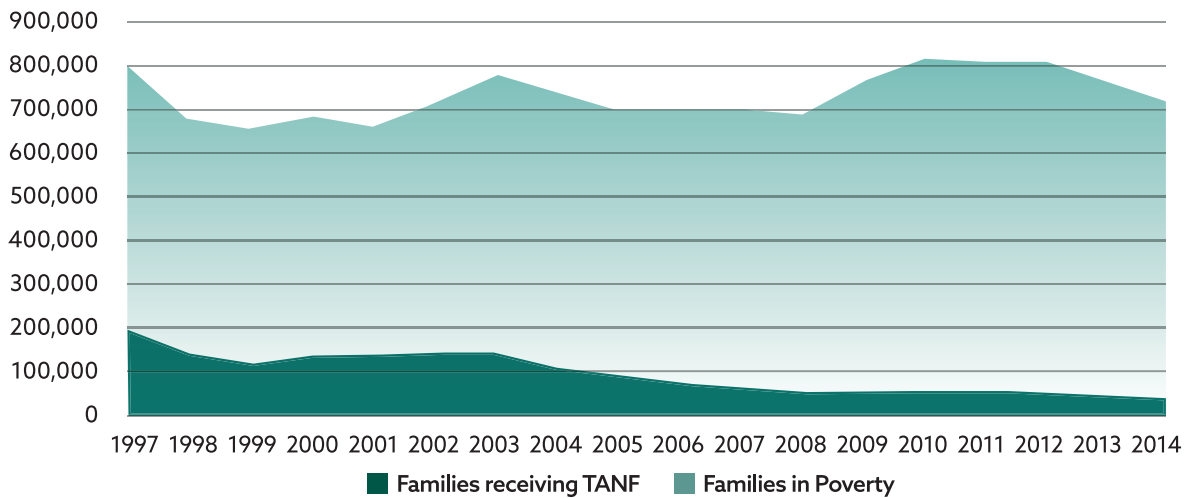
- Meet income and asset requirements
- Be a legal citizen
- Adhere to child support laws
- Provide proof of relationship with the child
- Provide proof that the child lives with them
- Enroll in health insurance
- Enroll children in school and have up-to-date vaccinations
- Engage in work-related activities^{5,8}

Despite the availability of TANF, stringent requirements and application processes reduce the reach of services to families in need.⁸

Who receives TANF in Texas and Tarrant County?

- Despite the concerns about over-reliance on governmental welfare that led to TANF welfare reform in 1996, very few families receive TANF assistance in Texas (Figure 2).

Figure 2. Texas: Families receiving TANF and families in poverty, 1997 - 2014²



Data Source: Department of Health and Human Services Form ACF-196 (TANF cases) and U.S. Census Current Population Survey (poverty rates), via *Marketplace's "Your State on Welfare"*.

- Since TANF started in 1997, the ratio between families in poverty and TANF caseloads has decreased. Despite Texas reaching its case reduction goal in 2016, poverty rates have not reduced.² The current number of families receiving TANF in 2018 is roughly 11% of the families receiving TANF in 1997.^{2,9}
- For every 100 Texas families in poverty, only 4 families receive TANF.^{2,4}

Table 1. Texas and Tarrant County: Average number of families and children receiving TANF per month, 2015 - 2017⁹

	2015	2016	2017	2018
Texas				
Families	27,706	25,458	24,388	21,718
Child Recipients	57,800	53,503	51,125	45,294
Tarrant County				
Families	1,220	1,099	1,088	973
Child Recipients	2,243	2,135	2,068	1,856

Data Source: Texas Health and Human Services – Center for Analytics and Decision Support



How does TANF relate to family homelessness?

Poverty is a leading contributor to childhood and family homelessness.



TANF should be the resource used to assist families with cash benefits, workforce support, and childcare; however, most TANF dollars in Texas go to other programs.



The number of families in Texas receiving TANF has reduced despite poverty rates increasing over time.



Ultimately, TANF does not assist most families in poverty in Texas.

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