



# children's defense fund

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## What You Need to Know About TANF:

A Brief Background on the Basics

June 2021

### What is TANF?

Temporary Assistance for Needy Families (TANF) is a federal block grant program for states, tribes, and territories designed to help families with a variety of services. States receive the block grant funding and use it to administer programs that provide cash assistance, child care, work supports and activities, child welfare, and more. States also use the funding to help families with children experiencing poverty pay for groceries, rent, diapers, clothing, and other basic necessities. In Fiscal Year 2020, which spans from October 2019 – September 2020, more than [1 million families](#)—including more than [2 million children](#)—received TANF assistance.

### Who administers/runs the program?

The [Office of Family Assistance](#) (OFA) at the Administration for Children & Families (ACF), a division of the U.S. Department of Health and Human Services (HHS), is in charge of distributing the block grant—which has been set at the same \$16.5 billion amount since 1996—to states. States then use that money to administer programs and provide cash assistance to families. This means that TANF programs and benefits look different and are called different things depending on the state, for example:



[California CalWorks](#)



[Minnesota Family Investment Program](#)



[Ohio Works First](#)

### How does TANF work?

The [TANF program](#) funds several benefits and services for low-income families with children. TANF's mission is to help families “achieve self-sufficiency” through four main goals, one of which is to provide basic cash assistance.

In order to receive federal TANF funds, states are required to spend some of their own dollars on families who need assistance. This is called a state [maintenance of effort \(MOE\)](#). While states can provide cash assistance to meet this requirement, MOE spending is not limited to cash assistance, and states have the power to use TANF funds in different ways. For example, TANF funds can be used for other supportive services, such as child care, transportation, job training, and education.

### Who is eligible to receive TANF?

Broadly speaking, TANF is intended for families with children who have very low incomes. However, federal law sets restrictions, such as a maximum amount of time for a family that includes an adult to receive assistance (known as a “time limit”). Additionally, most legally-present immigrants cannot receive TANF benefits for five years after arriving in the U.S.

States have broad flexibility to set their own eligibility criteria. For TANF cash assistance, most states say families must have [extremely low incomes](#) to qualify. In Alabama, for example, a family of three in 2019 could receive a [maximum of \\$268 in earnings each month](#) and still be eligible for assistance. Additionally, states have the ability to enforce stricter restrictions than the federal law. For example, many states set time limits shorter than the federal standard of 60 months, or five years—in Arizona, it is just [12 months](#) (with some exceptions).

### How can TANF be improved?

[TANF must be strengthened to fight for racial justice and help families afford their basic needs.](#)

TANF is one of the nation's core cash assistance programs, but it's woefully inadequate. Congress has not increased funding for the states to spend since the program was created in 1996, and that means the value has plummeted over the years due to inflation. Additionally, federal law requires recipients to work and imposes time limits and restrictions. [Evidence does not support](#) that work requirements help connect families to stable or high-earning employment. Instead, they perpetuate the [paternalistic and racist view that people](#) do not want to work and must be forced to work through public policy.

In addition to federal barriers to access, some states themselves further restrict access to assistance. For example, many states adopted family caps to deny TANF assistance to children born to parents already receiving TANF assistance—[policy choices which are rooted in racist, classist stereotypes](#) and behavioral control. Burdensome requirements and restrictions mean that TANF's reach is extremely limited. [For every 100 families living in poverty, only 23 received TANF cash assistance in 2019.](#)

[Black families are particularly hurt by unequal cash assistance](#) as they are more likely to live in states with extremely low benefits. This unequal distribution of cash assistance is unjust and completely inadequate to meet the growing needs of children and families living in poverty.

### Congress should improve TANF by:

- Adding a main goal to end child poverty.
- Eliminating TANF's block grant structure. This is necessary because the [block grant funding structure responds poorly to changing needs](#) and devolves broad authority to the states with little accountability to program goals and to the people served by the program.
- Increasing the TANF funding amount and ensuring it can keep up with inflation.
- Removing arbitrary time limits, work requirements, behavioral requirements, and income thresholds that cause deep racial disparities.
- Ensuring families receive child support payments to which they are entitled by requiring states to disburse all child support collected on behalf of a family receiving TANF and disregard child support income when determining TANF eligibility and benefit amounts.
- Creating national accountability standards like requiring states to report how they spend their TANF funds.
- Removing the ban that prevents recent immigrants from receiving TANF.

### What has the federal government done to increase TANF funding during COVID-19?

The American Rescue Plan Act of 2021 (ARPA) established the [Pandemic Emergency Assistance Fund](#) (PEAF) within TANF to give states some additional funding to help families affected by the pandemic who are struggling to meet their basic needs. ARPA specifies that 92.5 percent of funds are to be distributed to states and Washington, D.C. through an allotment formula that is half based on the

population of children in the state and half based on prior state spending on direct cash assistance and other specified benefits to low-income families with children. ARPA also specifies that 7.5 percent of funds are to be set-aside for Tribal TANF programs and all five US Territories. Here's the breakdown of how much money is going to each state:

### Pandemic Emergency Assistance Fund Allotment - States

State	Allotment	State	Allotment
Alabama	\$10,181,762	Montana	\$2,733,901
Alaska	\$3,363,523	Nebraska	\$4,438,712
Arizona	\$14,546,479	Nevada	\$6,794,491
Arkansas	\$4,714,762	New Hampshire	\$4,145,240
California	\$203,818,559	New Jersey	\$17,254,346
Colorado	\$13,502,982	New Mexico	\$6,385,240
Connecticut	\$7,096,959	New York	\$128,476,323
Delaware	\$2,075,691	North Carolina	\$16,782,875
District of Columbia	\$14,740,312	North Dakota	\$1,354,594
Florida	\$35,508,000	Ohio	\$33,945,583
Georgia	\$22,014,387	Oklahoma	\$7,124,347
Hawaii	\$4,216,684	Oregon	\$12,225,605
Idaho	\$3,422,707	Pennsylvania	\$26,444,265
Illinois	\$20,439,923	Rhode Island	\$2,703,237
Indiana	\$10,709,351	South Carolina	\$10,153,432
Iowa	\$6,333,899	South Dakota	\$2,285,616
Kansas	\$5,142,203	Tennessee	\$12,994,779
Kentucky	\$17,411,149	Texas	\$49,518,884
Louisiana	\$7,905,732	Utah	\$7,334,784
Maine	\$3,850,659	Vermont	\$1,617,028
Maryland	\$17,756,381	Virginia	\$15,744,856
Massachusetts	\$27,853,223	Washington	\$22,766,008
Michigan	\$19,001,764	Wisconsin	\$14,522,972
Minnesota	\$14,352,019	West Virginia	\$4,617,546
Mississippi	\$4,750,783	Wyoming	\$1,544,571
Missouri	\$14,530,873	<b>Total Allotted to States</b>	<b>\$923,150,000</b>

Source: Administration on Children, Youth, and Families, Office of Family Assistance. 2021. "Pandemic Emergency Assistance Fund Allotment-States." Washington, DC: U.S. Department of Health and Human Services (HHS). <https://www.acf.hhs.gov/ofa/data/pandemic-emergency-assistance-fund-allotment-states>.

### How can states use the Pandemic Emergency Assistance Fund (PEAF) to respond to increased need due to COVID-19?

The PEAFF established by ARPA must be used to provide certain benefits called non-recurrent, short term (NRST) benefits. NRST can be cash payments or other benefits like a voucher to cover utility bills, and they are designed to be used for a specific crisis situation. [HHS has issued guidance to states](#) and includes the following examples of NRST:

- A one-time payment to provide extra cash to all current TANF-recipient families to assist them in dealing with added costs caused by the pandemic.
- A one-time payment to provide extra cash to weather the pandemic to current Supplemental Nutrition Assistance Program (SNAP)-recipient families with children affected by the pandemic.
- A benefit to provide extra cash to replace lost wages to all families with children eligible to receive SNAP or other means-tested benefits who are affected by the pandemic.
- Assistance for families who are behind in rent or experiencing other housing insecurity due to the pandemic.
- Cash assistance for short-term basic needs to help families with mixed immigration status (e.g., citizen children with parents who are not eligible due to their immigration status) who are affected by the pandemic.
- A benefit to cover burial expenses for needy families who have had a family member die from COVID-19.
- A payment for hotel rooms and meal delivery for people who need to quarantine away from their families.
- A benefit to secure personal protective equipment.
- A voucher to cover the cost of utility bills in arrears due to financial issues arising from the pandemic.

Source: Administration on Children, Youth, and Families, Office of Family Assistance. 2021. "TANF-ACF-PI-2021-02 (The Pandemic Emergency Assistance Fund)," Use of Funds—Non-Recurrent, Short Term Benefits. Washington, DC: U.S. Department of Health and Human Services (HHS). <https://www.acf.hhs.gov/ofa/policy-guidance/tanf-acf-pi-2021-02>.

In addition to using their PEAFF money, states should also raise their benefit levels to meet rising needs.

### What's next for TANF?

TANF will turn 25 this summer, and it is long overdue for big, structural changes that reimagine the program to provide more robust help for families with low incomes and undo bad policy choices rooted in racist stereotypes.

Interested in providing feedback on how TANF could be strengthened to help the families you serve? Contact CDF's child poverty team at [mdixondavis@childrensdefense.org](mailto:mdixondavis@childrensdefense.org).

### Additional Resources

- [TANF Programs by State](#)
- [State Pandemic Emergency Fund Allotment Table](#)
- [Benefits.Gov](#)