

Statement of Legal Momentum

*Submitted to the House Committee on Ways and Means to be included in the record of the
Subcommittee on Human Resources
September 8, 2011 Hearing on
“Improving Work and Other Welfare Reform Goals”*

We agree with Chairman Davis that significant improvements are needed in the Temporary Assistance for Needy Families (TANF) program. In the wake of the recently released data on poverty in 2010,¹ we also hope that the Committee will acknowledge that TANF falls far short of adequately achieving its stated purpose to “provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives,” 42 U.S.C. § 601(a)(1). We urge the Committee to focus its attention on this issue.

Currently, TANF barely functions as a safety net.² It aids only about one fifth of poor children, and its benefit amounts are far below the official poverty standard. In many places, TANF is administered in a fashion that seems intended to make it difficult for needy families to access benefits. TANF’s sub-poverty benefits condemn millions of women and children to the most extreme poverty, exposing many to hunger, eviction, and other serious material and social deprivations. Such hardship in a country as rich as ours violates basic principles of social justice and human rights.

TANF’s flaws especially impact single mother families, over 40% of which live in poverty. About 90% of adult recipients of TANF are single mothers, over half with a child below age 6 and over a quarter with a child below age 2. A third of adult recipients have a disability, a substantial portion are domestic violence victims, and 40% lack a high school degree.

We urge Congress and the Obama Administration to move forward with comprehensive reauthorization legislation that will increase federal funding and raise participation rates and benefit levels in TANF.

FAR TOO FEW POOR FAMILIES RECEIVE TANF

TANF was created in 1996 to replace AFDC. In 1995, AFDC’s last full year, AFDC aided 84% of eligible families and the monthly number of child recipients averaged 62% of the number of poor children. In 2010, TANF aided no more than 40% of eligible families, and the monthly number of child recipients averaged only 21% of the number of poor children.

TANF BENEFITS ARE MUCH TOO LOW

In every state, TANF benefit levels are far below the official poverty line, currently \$1,526 a month for a family of three.³ In July 2010, the state benefit level for a family of three ranged from \$170 to \$923 a month and was \$432 (28% of poverty) in the state with the median state benefit level. Since TANF’s enactment, benefits have declined in real value in all but three states, with a decline of 20% or more in 30 states.

TANF HAS BEEN WOEFULLY UNRESPONSIVE TO THE ‘GREAT RECESSION’ AND ITS CONTINUING AFTERMATH

Although the “Great Recession” that began in December 2007 technically ended in June 2009, high rates of poverty and unemployment continue. In contrast to other federal programs like SNAP (formerly Food Stamps) TANF has been largely unresponsive to the increased need. While family poverty increased 1.2 million from 5.8 million poor families in 2007 to 7.0 million poor families in 2010, monthly TANF enrollment increased only 190,000 from 1.73 million families in 2007 to 1.92 million families in 2010. Similarly, while SNAP enrollment increased 63% between December 2007 and March 2011, TANF enrollment increased only 14% in this period.

TANF REAUTHORIZATION MUST INCREASE PROGRAM RESPONSIVENESS AND STATE ACCOUNTABILITY FOR AIDING NEEDY FAMILIES

TANF reauthorization must result in new accountability mechanisms to halt and reverse the continued decline in TANF participation among poor and eligible families. There should be access protections like those in SNAP and a financial bonus system like that in SNAP that rewards states achieving high participation rates.

Other changes are also essential if TANF is to become an effective safety net. Benefits must be raised. Education and training for living wage employment must be encouraged. Funding for child care and subsidized employment must be increased.

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¹ See Legal Momentum (2011), *Reading Between The Lines Women’s Poverty In The United States, 2010*, <http://www.legalmomentum.org/our-work/women-and-poverty/resources--publications/reading-between-the-lines.pdf>; Legal Momentum (2011), *Single Mother Poverty in the United States in 2010*, <http://www.legalmomentum.org/our-work/women-and-poverty/resources--publications/single-mother-poverty-2010.pdf>.

² See Legal Momentum (2011), *Welfare Reform at Age 15: A Vanishing Safety Net for Women and Children*, <http://www.legalmomentum.org/our-work/women-and-poverty/resources--publications/welfare-reform-15.pdf>; Legal Momentum (2010), *The Sanction Epidemic in the Temporary Assistance for Needy Families Program*, <http://www.legalmomentum.org/assets/pdfs/sanction-epidemic-in-tanf.pdf>; Legal Momentum & National Resource Center on Domestic Violence (2010), *Not Enough: What TANF Offers Family Violence Victims*, <http://www.legalmomentum.org/assets/pdfs/not-enough-what-tanf-offers.pdf>; Legal Momentum (2009), *The Bitter Fruit Of Welfare Reform: A Sharp Drop In The Percentage Of Eligible Women And Children Receiving Welfare*, <http://www.legalmomentum.org/assets/pdfs/lm-tanf-bitter-fruit.pdf>.

³ See Center on Budget Policy and Priorities (2010), *TANF Benefits Are Low And Have Not Kept Pace With Inflation*, <http://www.cbpp.org/files/10-14-10tanf.pdf>; Legal Momentum (2009), *Meager And Diminishing Welfare Benefits Perpetuate Widespread Material Hardship For Poor Women And Children*, <http://www.legalmomentum.org/assets/pdfs/tanf-meager-benefits.pdf>.