



RESTORE THE SAFETY NET FOR CHILDREN AND FAMILIES TANF Cash Assistance and the HOPE ACT

In every community in Kansas, including Johnson County, families experiencing poverty rely on the safety net to help them find stable ground. Temporary Assistance for Needy Families (TANF) is a federal program that provides cash assistance to families in need with children – a support that can provide a lifetime of benefits. Research shows that just \$3,000 in additional annual income for a poor family correlates with a 17% boost in earnings when children grow up.ⁱ Temporary boosts in family income, like those provided by TANF cash assistance, increase success at school and at work, and help parents afford basic necessities while working to support their families. The Kansas HOPE Act (Hope, Oppportunity, and Prosperity for Everyone) is the set of state statutes that govern how welfare-to-work programs such as TANF are regulated in our state.

What is TANF?

Temporary Assistance for Needy Families (TANF) is a fixed federal block grant given to states to assist low-income families meet basic needs and escape poverty through **four primary** purpose areas:

1. Providing assistance to needy families
2. Promoting job preparation, work, and marriage
3. Preventing and reducing the incidence of out-of-wedlock pregnancies
4. Encouraging the formation and maintenance of two-parent families

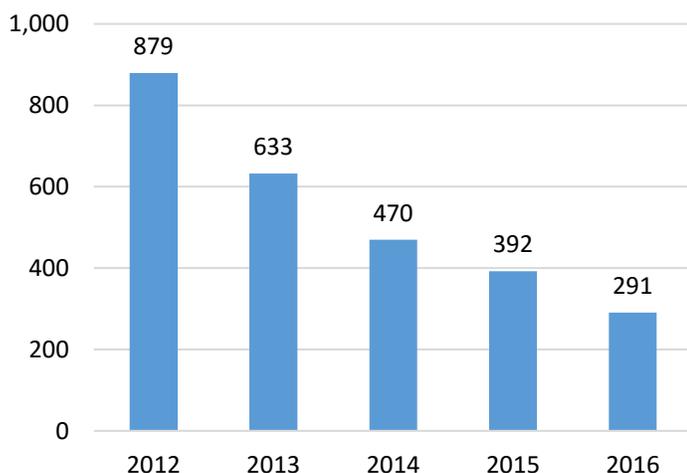
TANF replaced Aid to Dependent Families with Children (ADFC) as part of the 1996 federal “welfare reform” law. Under TANF law, each state decides how to allocate the block grant towards certain programs and services.

Who Qualifies for TANF In Kansas?

In Kansas, families are eligible for the TANF program and services if:

- At least one dependent under age 18 lives in the household.
- They have very low-income or no income. The income limit for TANF in Kansas is 28% of the federal poverty level, or less than \$5,700 per year for a family of three. That is equivalent to less than \$475 per month.
- The household has less than \$2,250 in resources and assets.
- Adult household members participate in approved work activities. These vary based on household type and age of children in the household. Eligible TANF participants will be engaged in work as soon as they are determined ready through the employment assessment process.

Average Annual Enrollment in TANF
Johnson County Households with Children



TANF in Johnson County

In 2015, Johnson County was home to 30,400 residents living in poverty. Of those residents, 13,200 lived in extreme poverty. And of those living in extreme poverty, 37% were children.ⁱⁱ The 2015, poverty rate in Johnson County was lower compared to 2014, but poverty is still higher than it was prior to the Great Recession. There is still significant need for cash assistance through the TANF program. However, the average number of poor Johnson County families enrolled in the TANF program decreased by 66% in the last 5 years.ⁱⁱⁱ

Decreased enrollment is due in part to how the state allocates the TANF federal block grant funds. States have flexibility in how block grant funds are used, as long as funded programs and activities meet one of the four primary purposes of TANF (as noted in the box above). States can also reserve unused TANF funds without a fiscal year limit.



Kansas receives a federal TANF block grant of \$101.9 million annually. An estimated \$59 million in Kansas TANF reserves was available at the beginning of fiscal year 2015.^{iv} In 2015, 20% of Kansas TANF dollars went to cash assistance.^v Recent state policy changes have imposed restrictions and requirements on eligible families, making it more difficult for Kansans to access the supports provided by TANF.

Policy Changes Limit Access to TANF Services

During the 2015 Kansas Legislative Session, the HOPE Act was passed by the state legislature leading to significant changes in safety net programs, many of which limit the number of households who might benefit from critical programs like TANF's cash assistance program. Key components of the Kansas HOPE Act that limit TANF participation include:

- **A 24-month lifetime limit on TANF case assistance eligibility for every family.** Despite the fact that federal law allows up to five years of lifetime eligibility for cash assistance, as of July, 1, 2016, Kansas law limits families to two years. This means that if a family has benefited from TANF cash assistance in the past, they may reach their lifetime limit before finding steady employment, leading to economic instability for both parents and children.
- **Work requirements for new mothers.** Under state law, a new mother must return to work two months after her baby is born in order to receive cash assistance. A newborn child's first year of life is a critical period for healthy brain development that sets the stage for success in the future. Additionally, infant care availability can be limited and typically is more costly than non-infant child care.
- **No TANF purchases outside of Kansas.** Kansas families using TANF cash assistance are limited in where they can spend money. Any point-of-sale purchases outside of the state of Kansas are prohibited by law. This impacts families in Johnson County, who could benefit from the option of purchasing goods in Missouri, where sales tax and grocery tax are both lower than in Kansas.

How Did States Spend Their 2015 TANF Dollars?^{vi}

- Kansas is one of 24 states that used less than half of their TANF funds on "core activities," which include job training, subsidized work, child care, education and basic cash assistance.
- Kansas falls below the average 25% that most states spent of TANF funds on cash assistance to help families pay for basic needs, such as food, shelter and clothing.
- Kansas spent only 4.8% of its TANF funds on work activities, work supports and supportive services, yet has work requirements as a key qualifier for families trying to access TANF assistance. Forty states spent a larger percentage of their TANF funds than Kansas on these efforts.

Restore the Safety Net

The state of Kansas has chosen to spend the overwhelming majority of the TANF block grant on programs and activities that do not include direct cash assistance. While many of these programs are beneficial to the families who are served by them, the fact remains that families still need cash assistance to meet their basic needs while they look for stable employment. Kansas can restore and expand critical safety net programs with budget-neutral approaches, by:

- **Allocating** a portion of the estimated \$59 million in unused TANF fund to cash assistance for more families.
- **Redirecting** dollars from TANF-funded programs that could be funded through other means.
- **Modifying** the restrictive limitations to cash assistance access and eligibility that were passed into law through the 2015 HOPE Act.

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ⁱ Greg J. Duncan and Katherine Magnuson, "The Long Reach of Early Childhood Poverty," Pathways Magazine, Stanford University, Winter 2011

ⁱⁱ U.S. Census Bureau, American Community Survey 1 year estimates

ⁱⁱⁱ Kansas Department for Children and Families, EES Monthly Caseload Detail Reports, SFY 2012-SFY 2016

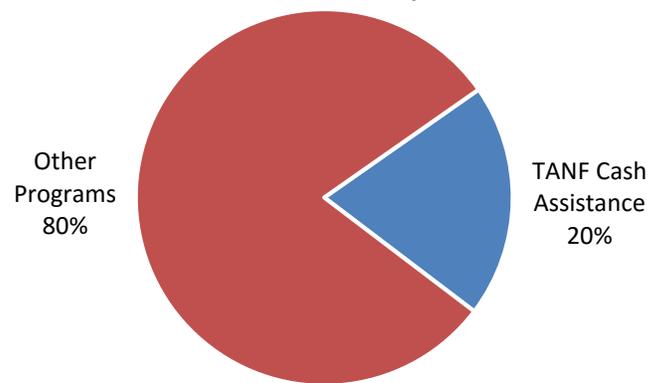
^{iv} Kansas Department for Children and Families, TANF Fact Sheet, September 2015. Retrieved from:

<http://www.dcf.ks.gov/Newsroom/Documents/TANF%20Fact%20sheet%209.18.15.pdf>

^v Kansas Department for Children and Families, EES Monthly Caseload Detail Reports, SFY 2012-SFY 2016

^{vi} <http://www.governing.com/topics/health-human-services/gov-welfare-work-state-spending.html> & Center on Budget and Policy Priorities analysis of federal data

2015 TANF Block Grant Expenditures



Does not include \$59 million in estimated reserves