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Temporary Assistance for Needy Families Program — Research Synthesis Brief Series

TANF and the Broader Safety Net

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- TANF is a relatively small component of the safety net, but it can serve as a portal to other safety net programs.
- Safety net programs vary tremendously in their funding, targeting, benefit design and levels, delivery systems, and how well they reach their target populations.
- States are experimenting with a variety of approaches to improve service delivery and access to other supports for TANF families.

Temporary Assistance for Needy Families (TANF) is part of a larger safety net for low-income families with children. A wide array of programs provides cash income support, tax credits, in-kind benefits (food, housing, child and health care), and other services to families with limited incomes.¹ Each program has a unique focus, with a different mix of federal and state policy roles as well as administrative and funding requirements.

This research brief summarizes what we know about the connections between TANF and other large safety net programs. TANF recipients typically represent a small share of the enrollment for other safety net programs, but other programs may provide sufficient support to help a family leave TANF or to avoid TANF altogether. In fact, early supporters of the TANF legislation claimed that there

were sufficient “work supports” to help a working parent live adequately without TANF, despite having low wages.² A large body of research subsequent to the passage of TANF has examined how TANF connects to the larger safety net.

What Is the Safety Net?

TANF arguably serves as the core of the safety net for very low income parents and their children, since it provides cash benefits, services, and connections to other safety net benefits. Other key elements of the safety net vary in their purpose, eligibility, and benefit structure (table 1). Some provide cash assistance for adults not working due to a serious disability or involuntary unemployment and for dependents of workers who experience unemployment, disability, or death. Other programs provide in-kind assistance to help with

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food, housing, child care, and health care costs. Some focus on services to collect child support and facilitate job search and training. Safety net programs can be entitlements, whose funding increases to meet the need, while others have a fixed amount of funding typically set through an appropriations process. Benefit levels vary tremendously across programs. Program administration can be federal, state, or local, with tremendous variation across states and even across local areas within states.³

Cash supports. TANF provides cash assistance, emergency or diversion benefits, and work support services to very low income families with children.^{4,5} TANF cash assistance eligibility is based on economic need, requiring low income and, in most states, low asset levels.⁶ Eligibility and benefit levels are established by the states and vary widely.

Other cash supports provide alternatives to TANF but are only available in specific circumstances, and some require special insured status. Unemployment Insurance (UI) provides benefits to involuntarily unemployed workers at all income and asset levels. In order to be insured, workers must work in a job covered by the UI system and have earned enough in a “base period” to qualify. Eligibility rules vary across the states. Except during recessions, fewer than half of unemployed workers typically receive UI benefits.⁷ Low-wage unemployed workers receive benefits less often than higher-wage unemployed workers.⁸

Social Security Disability Insurance (SSDI), a federal insurance program, provides benefits to insured workers who become disabled and to dependents of insured workers who become disabled or die. Social Security requires a minimum number of “credits” in covered employment during the 10 years prior to disability or death to qualify for a benefit.⁹ While Social Security does not target low-income families, it does play an important role in helping families avoid poverty (and the need for TANF assis-

tance) in the event of a working parent’s death or disability.¹⁰

Supplemental Security Income (SSI) provides cash assistance to very low income adults with minimal assets and disabilities serious enough to prevent work at any job and to children with physical or mental conditions that result in severe functional limitation. The federal government sets and pays for the basic SSI benefit, which states may supplement. (The income of other family members is taken into account when determining eligibility for children, and married adults’ eligibility depends in part on their spouse’s income.)

The federal earned income tax credit (EITC) was designed specifically to augment the incomes of low-earning families with children. (There is a much smaller credit for low-wage workers without children.) Nearly half the states (24) also have smaller credits for earners with children, ranging from 3.5 to 40 percent of the federal credit; these credits are refundable in 21 states.¹¹ The additional child tax credit is available to families with children under age 17 that have earned income above a threshold and carry insufficient tax liability to receive the full benefit of the regular nonrefundable child tax credit.

In-kind supports. These programs help low-income families pay for necessary services including food, housing, and child care. The Supplemental Nutrition Assistance Program (SNAP) entitles households to nutrition assistance “to permit low-income households to obtain a more nutritious diet by increasing their purchasing power.”¹² Housing assistance programs provide vouchers and public housing units that limit families’ rent to 30 percent of family income (with the maximum limited to “fair-market rents” in the area). Housing assistance funds are distributed to local housing authorities on the basis of several formulas and congressional appropriations.¹³ Families must apply, and the wait for assistance can range from several months to many

years.¹⁴ Child care assistance, while not an entitlement, can provide an important source of support for low-income working families with children under age 13.^{15,16} States usually require families to share the cost of care, depending on their income. Similar to housing assistance, states often have waiting lists to receive child care subsidies.¹⁷

Health programs undergird the safety net. Medicaid covers the cost of health care for many low-income parents and their children. Income eligibility rules vary tremendously across states. Most beneficiaries of TANF and SSI, those with income below state-specified guidelines, qualify for Medicaid, with more generous income eligibility standards for children than for parents. The Children’s Health Insurance Program (CHIP), enacted in 1997, expanded coverage for children in families with income above Medicaid eligibility levels up to at least 200 percent of the federal poverty level in all states.¹⁸ The Affordable Care Act passed in 2010 will expand Medicaid coverage to all nonelderly individuals with incomes up to 133 percent of the federal poverty level and offer subsidized care to families with incomes up to 400 percent of the federal poverty level by 2014. Starting in 2011, states may optionally expand Medicaid coverage to all nonelderly individuals with incomes below 133 percent of the federal poverty level.

Other services. The Office of Child Support Enforcement funds the federal and state-administered programs that locate parents, establish paternity and support orders, and collect support payments. These services are available automatically for families receiving TANF assistance and for other families upon request. While child support is not a benefit program, these enforcement services result in an important transfer of income to custodial parents. In addition, low-income parents may receive employment services (job search and preparation, training and education) directly through TANF or through the Workforce Investment Act (WIA) program.

Table 1. Key Safety Net Programs for Low-Income Families with Children

PROGRAM/PURPOSE/TYPE	ELIGIBILITY	MAXIMUM BENEFIT (IF NO OTHER INCOME) (2010)
Cash assistance		
TANF: temporary cash assistance, short-term diversion, job services. ^a Not an entitlement.	Low-income and, in most states, low-asset families with dependent children under age 18.	Cash assistance maximums vary by state: \$170 to \$808 per month for a family of 3; federal assistance is limited to 5 years; time limits vary by state.
Unemployment Insurance: cash benefit if involuntarily unemployed. Insurance.	Workers in covered jobs with sufficient work and earnings in base period. Eligibility varies by state; some include part-time workers and others do not.	Maximums vary by state: \$235 per week in MS to \$943 per week with dependents in MA; regular benefits last 26 weeks.
Supplemental Security Income: cash benefit if disabled. Entitlement.	Low income, low assets, and disability sufficient to prevent work at any job (adults); severe functional limitation (child).	\$674 per month federal aid for individuals; most states provide supplements.
In-kind assistance		
SNAP: food assistance to cover minimal diet. Entitlement.	Low-income (130% of FPL), low-asset households.	\$463 maximum per month for 3-person household.
Housing assistance: limits rental cost. Discretionary.	Low-income households with income below 75% of median, usually targeted to those with income below 30% of median.	Housing Choice voucher program and public housing pay the difference between 30% income and fair-market rent; some get public housing at below-market rent.
EITC: refundable tax credit. Entitlement.	Low-income earners with dependent children.	Federal maximum: \$5,180 for family with 2 children; 26 states have additional credits.
Child care: subsidizes cost of care. Discretionary.	Low-income parents working, searching for work, or attending school or training. States set eligibility at or below 85% of state median income and may set additional eligibility criteria, such as minimum hours of work per week. Children receiving or needing protective services may also be served, at state option.	Varies by state; the federal government recommends payments equal to at least the 75th percentile of market price; family copays related to income and family size are required.
Medicaid/CHIP: health insurance. Entitlement.	Medicaid covers very low income parents and children under the FPL. CHIP covers children and parents with incomes up to at least 200% of FPL in most states.	Comprehensive health care services; CHIP can require copays, coinsurance.
Services		
Child support collections from noncustodial parents. Entitlement.	Parent with custody of a child whose other parent lives outside the home; automatic for TANF families.	No maximum. Benefit depends on the child support obligation. For TANF families, states retain some child support collected to offset benefit costs; 26 pass \$50 or more to TANF families.
WIA: assistance in finding work. Discretionary.	Unemployed and underemployed workers, including TANF recipients.	Job search, education, and training geared to employers' needs.

Sources: TANF benefits from Rowe, Murphy, and Mon (2010); UI benefits from CBPP (2010); SSI from U.S. SSA (2010a); SNAP from Leftin, Gothro, and Eslami (2010); housing assistance from U.S. House of Representatives (2008); EITC from CBPP (2010); child care from U.S. DHHS (undated); Medicaid from Kaiser Family Foundation (2010); child support from U.S. DHHS (2010a); WIA from Social Policy Research Associates (2010).

a. TANF also provides noncash assistance to families not enrolled in the program.

How Does TANF Compare in Size and Scope with Other Safety Net Programs?

TANF is a relatively small component of the means-tested safety net (table 2). In 2009, 1.8 million families received TANF cash assistance; others received services or one-time emergency assistance but not regular cash benefits. (Counts of those receiving only services or one-time payments are not available.) TANF is a block grant and has had a constant funding level since it was first enacted, with the exception of additional funding through the 2009 American Recovery and Reinvestment Act (ARRA). Federal and state TANF costs were \$26 billion (excluding monies transferred to the Social Services Block Grant and child care spent directly or transferred to the Child Care and Development Block Grant), including \$9 billion in cash assistance in 2009.¹⁹ Many more families received support through SNAP, the EITC, and Medicaid than TANF cash assistance.²⁰ Health care costs for families with children far exceed all other elements of the safety net.²¹

Researchers monitoring safety net spending in the post-TANF era documented a shift away from cash TANF benefits and toward spending on refundable tax credits, employment services, child care subsidies, health care, and child welfare spending in the late 1990s and early 2000s. Social service spending outside of health slowed after 2002, as state budgets contracted during the 2001 recession.²² ARRA provided additional, temporary safety net funds, including \$5 billion for TANF programs to provide cash assistance, nonrecurring short-term benefits, and subsidized employment; a 13.6 percent increase in SNAP benefits; \$2 billion for child care subsidies; and an increase in EITC for families with three or more children and for married families.²³ States seized the opportunities presented through the ARRA TANF funding, using \$1.3 billion to set up new subsidized jobs programs and \$3.7 billion for increased basic assistance

and nonrecurring short-term benefits such as help to prevent eviction and homelessness.²⁴ The ARRA funding for TANF ended on September 30, 2010.

How Does TANF Connect to Other Parts of the Safety Net?

TANF offices may help applicants enroll in other cash support programs as substitutes for TANF, alert families about “transition” benefits available when they leave TANF, and connect families to other appropriate services. Of course, low-income families may apply for other safety net benefits themselves. These connections have been the focus of numerous research studies.

Connections to other cash benefits. Some state TANF programs connect recipients who have serious disabilities with SSI. A significant share of TANF recipients has physical or mental disabilities, and some have disabilities severe enough to qualify for SSI.²⁵ Since SSI usually provides a more generous benefit than TANF without time limits and most of the SSI benefit cost is borne by the federal government, many states find it advantageous to help eligible TANF recipients qualify for SSI and continue TANF assistance for the children.²⁶ Some TANF programs contract with legal services to ensure completion of the SSI application process, which can take up to 1.5 years.²⁷ Children in TANF families with serious disabilities may also qualify for SSI. About 16 percent of TANF families received SSI for the parent in 2009. One study estimated that 14 percent of SSI awards during 2000–2003 occurred among families receiving some TANF income.²⁸

Many hoped that as TANF and other supports encouraged more low-income mothers to work, more would gain UI coverage and avoid returning to TANF in the event of a job loss. Research to date shows that a relatively small share of post-TANF unemployed parents receives UI benefits.²⁹ We do not yet know whether recent liberalizations in UI eli-

gibility rules in many states (such as allowing those looking for part-time work to qualify for benefits and allowing the most recent earnings period to count in the base period) as a result of ARRA have increased UI receipt rates among former TANF recipients.

TANF families with earnings and those that leave TANF with earnings can apply for the EITC. Evidence that receipt of the EITC encourages employment among single parents has led many TANF offices to educate TANF recipients who are working or starting a job about applying for the EITC.³⁰

Connections to in-kind assistance. TANF programs usually automatically enroll beneficiaries in SNAP, child care assistance (if working or in school), and Medicaid. While these programs have different eligibility rules, many are waived for TANF recipients, and the vast majority of recipients have incomes and assets low enough to qualify under general program rules. A TANF household is categorically eligible for SNAP and therefore not subject to income or resource limits if all of its members receive cash or in-kind TANF assistance. TANF recipients may, however, live with other household members with incomes too high to qualify for SNAP benefits. In 2009, about 81 percent of TANF cases also received SNAP, 98 percent received Medicaid, and 9 percent received child care assistance (table 2).

Families that leave TANF also may qualify for SNAP, child care subsidies, and Medicaid as transition benefits for a number of months specified by the state. For example, all but four states offered transitional child care assistance in 2009, with most states guaranteeing these benefits for 12 months of transition.³¹ Nearly all states guarantee at least 12 months of Medicaid coverage as a transition benefit.³²

Shortly after TANF was implemented, researchers documented a drop in SNAP and Medicaid enrollment. While estimates vary on the relative importance of different factors affecting these declines, studies using various methodologies attribute at least some of the

explanation to the decline in TANF participation.³³ Families no longer received the enrollment support from local welfare offices. Subsequent changes in SNAP, including outreach, easier access for working families through extended office hours, and adoption of optional, more generous asset limits by many states all subsequently contributed to an expansion of participation.³⁴ Similarly, program outreach in Medicaid, eligibility simplification, and the enactment of CHIP reversed the decline in Medicaid enrollment.³⁵

In contrast to SNAP and Medicaid, child care assistance provided through the Child Care and Development Fund and TANF programs increased from \$4 billion in 1996 to nearly \$12 billion by 2001 as federal and state funds expanded to support work among low-income parents.³⁶ After 2001, however, child care funding remained relatively flat, limiting the number of subsidies available to working families. The ARRA increased child care funding by \$2 billion over 2009 and through 2011, but analysis of spending in 2009 indicated that the additional funds helped many states avoid cuts in their child care programs rather than allowing expansions.³⁷ Some states deliver child care assistance through local nonprofits, some run subsidies through their welfare or social service offices, and others use a combined approach.³⁸ Child care is not an entitlement, and most states give higher priority to current and former TANF recipients than to low-income families outside of TANF.

In 2009, about 14 percent of TANF families also received housing assistance (table 2). Studies have examined whether this support can help stabilize TANF families by substantially reducing their housing costs and whether it facilitates or hinders leaving TANF. One review shows that some studies find housing assistance discourages employment and encourages longer spells on TANF (since greater earnings reduce rent subsidies), while others find TANF recipients with housing assistance have more successful employment

outcomes and leave TANF more quickly than others.³⁹

Connections to other services. TANF usually coordinates with workforce development agencies, although these connections also vary across the states. These agencies provide a range of adult education and employment services consolidated through the WIA. Some TANF agencies transfer some or all of their work program responsibilities to these agencies and some agencies simply refer TANF clients to workforce agencies.⁴⁰ However, the number of TANF individuals leaving WIA services is quite small (table 2).⁴¹ In general, relatively few low-income workers receive WIA employment services, owing to the limited and declining funds behind WIA.⁴²

As noted above, all single-parent TANF families receive child support services. Among the child support caseload in 2009, 14 percent are current TANF families and 44 percent previously received TANF (table 2). The increased emphasis on child support after enactment of TANF increased collections, and child support now provides a larger share of income for post-TANF families than it did prior to passage.⁴³ Child support represents, on average, 10 percent of income for all poor custodial families and 15 percent of family income for all deeply poor custodial families. For those custodial families that receive support, child support makes up 40 percent of income for poor families and 63 percent of income for deeply poor custodial families.⁴⁴ Since the 2005 passage of the Deficit Reduction Act, states have the option to pay up to 100 percent of collected child support to current and former TANF families. Experimental results show that passing more on to families increases child support payments.⁴⁵ In 2009, 26 states passed some child support on to TANF families.^{46, 47} Once an order is established, child support can provide an important income source when families leave TANF.

What Safety Net Supports Do TANF Families Actually Receive?

Low-income families often do not receive all of the benefits for which they are eligible. Complex program rules and interactions can make it difficult for low-income families with children to get all of the services for which they qualify.⁴⁸ Participation rates vary across programs.⁴⁹ Demographics (education, race, and noncitizen ineligibility), a lack of knowledge about program rules, and stigma or personal attitudes all affect program participation.⁵⁰ Difficult application processes and local office attitudes and messages can also dampen participation.⁵¹ Also, some programs such as child care assistance are not entitlements, so not all eligible applicant families can be served.

Studies documenting the coordination of benefits in the post-TANF world often come to different conclusions. One study describes five states (New York, North Carolina, Wisconsin, Oklahoma, and Washington) as using a wide variety of structures to coordinate benefits such as collocation of services.⁵² Others document the uneven delivery of services,⁵³ including one that concludes programs in many parts of the country are poorly executed, are difficult for clients to understand, and treat many TANF clients with suspicion.⁵⁴ Others note the complexity of forms and regulations—hassles and hurdles to get on and stay on the rolls.⁵⁵ One study of the Texas system documents a lack of safety net supports among TANF leavers.⁵⁶

As shown earlier, TANF recipients typically also receive SNAP and Medicaid, and most working TANF families that need child care receive subsidies. It is more difficult to assess receipt of supports among TANF leavers and families at risk for TANF. Studies relying on representative surveys of TANF leavers in 1998 in selected states showed that while TANF-leaver families primarily depended on earnings, 5 to 20 percent received SSI, 4 to 8 percent received Social

**Table 2. Means-Tested Safety Net Programs Serving Families with Children
(Fiscal Year 2009 unless otherwise noted)**

Program	Total program cost (federal and state)	Program costs for families with children	Number with children	Share of TANF cash benefit cases with benefit ^a	TANF cash assistance recipients as share of caseload
TANF cash and noncash (excluding child care) ^b	\$26.4 b	\$26.4 b, including \$9.3 b cash assistance	1.8 m families with cash assistance	100%	100%
SSI ^c	\$53.8 b total \$41 b nonaged	n.a.	n.a. parents 1.2 m children	16.4%	14.1% of awards
SNAP ^d	\$53.6 b	\$39 b	7.5 m households	80.7%	18.7% of SNAP households with children
Housing assistance ^e	\$30.2 b	\$14.6 b	4.8 m (2007)	13.7%	n.a.
Federal EITC ^f	\$59.2 b total	\$57.6 b	20.8 m	12.1% had earnings	n.a.
Child care (including TANF) ^g	\$13 b	\$13 b	2.5 m children	8.9%	16%
WIA ^h	\$3.4 b	n.a.	Total (n.a.) 139,587 single parents	n.a.	3.2%
Medicaid ⁱ	\$381.0 b	\$126.0 b	34.1 m	97.7%	n.a.
CHIP ^j	\$10.7 b	\$10.7 b	7.7 m	n.a.	n.a.
Child support ^k	\$5.9 b	\$ 5.9 b (\$26.4 b distributed)	15.8 m cases (17.4 m children)	8.7%	14% current TANF (44% former)

a. All shares of TANF cases with other safety net benefits from characteristics of TANF households, U.S. DHHS (2011), table 13.

b. TANF spending and cases from U.S. DHHS (2010b) and U.S. DHHS (2011), respectively.

c. SSI represents payments and number of recipients in December 2009 (U.S. SSA 2010b); share of TANF with SSI represents adults with SSI and slightly underestimates total number with this income. TANF awards from Wamhoff and Wiseman (2005/2006).

d. SNAP from Leftin, Gothro, and Eslami (2010) includes administrative costs. Costs for households with children estimated as the reported share of monthly benefits paid to households with children (73.1% of total costs).

e. Housing assistance includes tenant-based and rental-based assistance, as well as public housing (operating and capital funds): U.S. budget for fiscal year 2011 (OMB 2010). Share allocated to families with children estimated from shares in tenant-based (59%), public housing (42%), and project-based (29%) assistance (U.S. House of Representatives 2008).

f. EITC from IRS (2011), table 2.5. Total credits and recipients are less those paid to families without children.

g. Child care costs and total caseload from Matthews (2011).

h. WIA caseload from Social Policy Research Associates (2010); includes cases with and without intensive services.

i. Medicaid payments for children and nondisabled, nonaged adults estimated from U.S. CBO (2010). Calculated as one-third of total federal (\$251 b) and state (\$130 b) spending, including administrative costs. Medicaid enrollment from Kaiser (2010) calculated as total children (25.8 m), plus 10.6 m nonaged and nondisabled adults) in December 2009.

j. CHIP enrollment and spending in 2009 from U.S. CBO (2010). Spending estimated as 70% of \$7.5 b total.

k. Child support from U.S. DHHS (2010a). The program cost \$5.9 b but collected and distributed \$26.4 b in child support. Services are available to all families with children, not only low-income families.

Security, 11 to 28 percent received child support, and 41 to 74 percent received SNAP.⁵⁷ A more recent study reporting results for three cities finds that later TANF leavers (those on in 2001 and off by 2005) retained SNAP benefits at much higher rates than earlier leavers; they were also in worse health and more often received disability benefits.⁵⁸

Other studies focus on the relationship between single sources of support and TANF. For example, a review of the interactions between TANF and child support concludes that women who leave TANF more often receive child support and higher amounts than those who stay on welfare.⁵⁹ A study following TANF recipients over multiple years in one county in Michigan reports that 41 percent of TANF leavers received SNAP in 2003, and 31 percent received child support.⁶⁰

Many other national studies examine sources of support among poor female-headed families with children, the prime target for TANF. These studies generally show post-TANF increases in earnings, the EITC, and child support and declines in TANF and SNAP between 1995 and 2006.⁶¹ One study reports that only 7 percent of working poor families with children received all three core supports (SNAP, child care subsidies, and Medicaid/CHIP) in 2001.⁶² Still other studies focus on how the safety net affects poverty and deep poverty. While safety net programs help protect many Americans from the deepest extremes of poverty, one recent study documents that fewer children were lifted above the deepest level of poverty in 2005 than in 1995.⁶³

What Are the Implications for State and Local Policymakers?

The considerable research documenting the complex and uneven linkages between TANF and other safety net programs suggests the value of new initiatives to encourage streamlining programs at the state and local levels. States are still experimenting with a variety of approaches to improve service delivery and access to other

supports such as SNAP.^{64, 65} Federal leadership seems warranted, through financial support and technical assistance to states to adopt systems that work. States also could be offered financial rewards for increasing access to safety net benefits for TANF families.

Limited funding for supports such as child care and WIA hinders states' ability to fully serve families with children and move them to secure employment. While expensive, child care funding should be sufficient to help all low-income families that need this help to work. Investments in early child education with a child care component would help. WIA funds must be sufficient to serve the needs of both employers and all disadvantaged workers, including current and former TANF recipients with very limited work experience. This program currently can serve very few individuals despite continued high rates of unemployment.

The broad take-up of ARRA incentives demonstrated states' eagerness to support low-income individuals through subsidized jobs and indicated the potential payoff of a longer-term investment in such an initiative. Many states also responded to ARRA incentives to expand UI coverage to part-time workers and to count most recent wages toward eligibility. Ideally, such incentives would continue so that more former TANF recipients can qualify for UI.

What Are the Gaps in Our Knowledge?

This summary documents the wide variety in connections between TANF and other safety net programs across the states, and it makes clear how little is understood about how this variation plays out for families. The American Community Survey (ACS) provides annual household-level data for each state but lacks specific questions about many of the key safety net programs (including housing assistance, Unemployment Insurance, child support, and child care). Ideally the ACS will be revised to include questions about key safety

net programs so that policymakers can understand the variation in support across the country. Administrative data linkages (across UI wage records, SNAP, and housing assistance, for example) could also provide a more comprehensive picture of how programs serve the TANF population at the state level. Even a national summary of safety net supports received by families with children poses challenges. While the annual Current Population Survey provides more detail on income than the ACS, some supports are omitted, and underreporting makes it difficult to get an accurate picture of the package of supports families receive.⁶⁶

It also is difficult to track safety net spending for families with children. Each program is administered by a different agency that reports benefits by program-relevant categories but often not receipt by family type. Each federal agency responsible for safety net administration should produce annual data for established subpopulation groups.

We also do not have a current understanding about what is happening at the front line of TANF and other service offices. Given the complexity of the system, studies focused on the broad delivery of services include only a few states, and studies that provide a broader picture of service delivery typically focus on a single program. Moreover, most of the existing studies describe the early evolution of TANF. We do not know how or whether the changes to TANF included in the 2005 Deficit Reduction Act changed service delivery, nor whether the recession has led states to change service delivery. ■

Notes

1. U.S. House of Representatives (2008).
2. See Haskins (2006) for a history of the legislation.
3. Burt and Nightingale (2010); U.S. GAO (2004).
4. In 2009, 34 states had formal diversion payment programs that typically provided one-time payments to help with employment search or unusual expenses such as car repairs or rent (Rowe, Murphy, and Mon 2010). Typically, a family that receives this payment is ineligible for TANF cash assistance for one year.
5. TANF has four purposes: providing assistance; ending dependence on government benefits by promoting job preparation, work, and marriage; preventing out-of-wedlock pregnancies; and encouraging the formation and maintenance of two-parent families (Public Law 104-193, 1996). State TANF programs address all four program goals. This review focuses on the first two goals of TANF.
6. “Nonassistance” TANF benefits often do not require applicants to pass an asset test.
7. CBPP (2010).
8. For example, one-third of low-income families with income below two times the federal poverty level received unemployment benefits in 2009 (Nichols and Zedlewski 2011).
9. A credit is defined as a minimum level of covered earnings, \$1,120 in 2011, and a maximum of four credits can be earned per year (U.S. SSA 2010b).
10. Gabe (2008) estimates, for example, that Social Security lifted nearly 1.3 million children above the federal poverty level in 2005.
11. Williams, Johnson, and Shure (2010).
12. Food and Nutrition Act of 2008, as amended, Public Law 95-113.
13. U.S. House of Representatives (2008).
14. *Ibid.*
15. Child care assistance in this brief refers to assistance provided through the Child Care and Development Fund (CCDF) and TANF funds. See Matthews (2011).
16. Under CCDF, states can optionally serve children under age 19 who are physically or mentally incapable of self-care or are under court supervision. Also, there is no age limit on TANF direct child care spending.
17. National Association of Child Care Resource and Referral Agencies (2011).
18. Kaiser Family Foundation (2010).
19. Note that all TANF money spent on child care is included in those totals below. TANF money transferred to the Social Services Development Block Grant is not included, since the beneficiaries of these services vary broadly and include individuals without children.
20. The Kids’ Share project tracks federal spending on children across many programs since 1998 (see Isaacs et al. 2010).
21. Spar (2011) provides an overview of all federal programs for low-income families and shows that Medicaid and CHIP far exceed spending in other programs.
22. Gais (2009).
23. ARRA also included a new Making Work Pay tax credit (up to \$800 for a couple earning up to \$190,000) and an expanded child tax credit for lower-income working families (Sherman 2009b).
24. Pavetti, Schott, and Lower-Basch (2011).
25. See Bloom, Loprest, and Zedlewski (2011) in this series for a description of TANF recipients with barriers to employment.
26. See Golden and Hawkins (forthcoming) in this series for a description of “child-only units” with parents on SSI. Wamhoff and Wiseman (2005/2006) describe these financial incentives.
27. Loprest et al. (2007); Nadal, Wamhoff, and Wiseman (2003/2004).
28. The share with TANF income was estimated from administrative data indicating that the SSI applicant received “income based on need that is wholly or partially federally funded.” A review of these data indicated that TANF accounted for 95 percent or more of that income (Wamhoff and Wiseman 2005/2006).
29. O’Leary and Kline (2008); Rangarajan, Razafindrakoto, and Corson (2002).
30. See Grogger (2003) for a summary of EITC effects on work. Lurie (2006) documents local offices’ efforts to educate recipients about the EITC.
31. From the 2009 Welfare Rules Database (WRD) (Rowe et al. 2010). Some states have a minimum TANF benefit receipt requirement to qualify for the transition benefit. Some impose an income eligibility requirement on families during the transition period, while others do not.
32. Approximated from the note fields in the 2009 WRD. Six states (Arizona, Connecticut, Delaware, New Jersey, South Carolina, and Vermont) guarantee more than two years of Medicaid, and a few states’ Medicaid transition rules are ambiguous.
33. Bitler, Gelbach, and Hoynes (2005); USDA (2001).
34. Hanratty (2006); Zedlewski and Rader (2005).
35. Hudson and Selden (2007).
36. Besharov, Higney, and Myers (2007), table 1. These figures are in 2005 dollars and represent actual spending in a given year, including funds carried over from a prior year.
37. Matthews (2011).
38. Adams, Snyder, and Banghart (2008).
39. Newman, Holupka, and Harkness (2009).
40. Holcomb and Martinson (2002).
41. The number may underestimate the number of TANF clients leaving WIA services, since when TANF agencies contract for WIA services, clients may not be recorded as enrolled in both programs.
42. Holzer (2009).
43. Parrott and Sherman (2006).
44. Sorensen (2010).
45. Cancian, Meyer, and Caspar (2008).
46. WRD (2009). The Deficit Reduction Act provided states with incentives to pass up to \$100 per month for families with one child and \$200 per month to families with two or more children. Among the states passing on support in 2009, 8 provided \$50 per month and 16 provided a higher supplement.

47. The vast bulk of collections are non-TANF related and overall, almost all child support collected by the child support program is distributed to families (94 percent was distributed in FY 2010).
48. For example, Currie (2006) argues that the complex structures of the various programs challenge families' abilities to make "rational" choices. Burt and Nightingale (2010) provide a comprehensive review of complexities in the enrollment processes.
49. U.S. DHHS (2009).
50. Burt and Nightingale (2010) offer a recent review of this literature.
51. Holcomb et al. (2006) describe the complexity of child care access and Bartlett, Burstein, and Hamilton (2004) describe access to SNAP benefits in 2001–2002.
52. U.S. GAO (2004).
53. Danziger (2010).
54. Handler and Hasenfeld (2007).
55. Watkins-Hayes (2009).
56. Lein and Schexnayder (2007).
57. Acs and Loprest (2001, 2004).
58. Frogner, Moffitt, and Ribar (2010).
59. Miller et al. (2005).
60. University of Michigan (2004).
61. U.S. CBO (2007) and U.S. House of Representatives (2008), both using data from the Annual Social and Economic Supplement to the Current Population Survey (CPS).
62. Zedlewski et al. (2006).
63. Sherman (2009a).
64. See USDA (2010) for a summary of SNAP modernization efforts.
65. HHS/ASPE funded a national scan of efforts to promote public benefit access through web-based tools and outreach; see Kauff, Sama-Miller, and Makowsky (2011).
66. See Meyer, Mok, and Sullivan (2006) for a summary of underreporting of government benefits in household surveys. The Census Bureau is reviewing the CPS income questions and intends to improve them starting with the 2012 survey.

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