TANF Family Caps

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BACKGROUND ON TANF

Center on Law and Social Policy
What is TANF?

Temporary Assistance for Needy Families

TANF Block Grant and MOE

TANF Assistance and Work Activities
TANF is a Two-Generational Program

• Targeted to low income families with children

• Two-generational strategies take into account:
  • Parents’ importance to children both as nurturers and as providers; and children’s importance in parents’ lives.

• Parents are essential in a child’s earliest years.
Opportunity to Make a Difference

Cash Assistance + Work Activities + High Quality Child Care + Supportive Services

More Money
Better Child Outcomes
TANF: A Missed Opportunity

Narrow eligibility criteria and burdensome requirements have combined to limit the share of poor children that TANF reaches.
Poor Countercyclical Response

- In a block grant, states bear full cost of increased caseload
- Thus, in the recession, many states were reluctant to allow TANF caseload to rise

TANF Responded Only Modestly to Recession

- Change in national number of unemployed persons
- Change in national TANF families
- Change in national SNAP families

Note: Temporary Assistance for Needy Families
Source: Analysis of CBPP-collected TANF caseload data from state agencies, Agriculture Department SNAP household data, and the Bureau of Labor Statistics’ unemployment data.
Basic Assistance is a Smaller Part of TANF and MOE Spending

**FY 1997 TANF/MOE Spending**
- Basic Assistance: 71%
- Other Non-Assistance: 9%
- Work-Related Activities: 4%
- Administration and Systems: 9%
- Child Care Spent or Transferred: 5%
- Remaining Categories: 2%

**FY 2015 TANF/MOE Spending**
- Child Care Spent or Transferred: 14%
- Work-Related Activities: 7%
- Program Management: 10%
- Refundable Tax Credits: 8%
- Pre-Kindergarten/Head Start: 6%
- Child Welfare: 8%
- Remaining Categories: 23%
- Basic Assistance: 24%

**Note:**
- Refundable tax credits includes EITC and non-EITC spending
- Child Welfare includes foster care spending from basic assistance, AUPL, and Non-AUPL
TANF: A Missed Opportunity

• TANF Block Grant provides states with flexible funding, opportunity to provide individualized services.

• Families have limited access to high-quality child care, even with child care subsidies.

• TANF programs rarely look at the holistic needs of families and connect them to the full range of services.
More than Half of TANF Adults are Under Age 29

TANF Adult Recipients by Age Group

- Under 20: 5%
- 20-24: 13%
- 25-29: 27%
- 30-39: 31%
- 40-49: 4%
- Over 49: 21%

Source: CLASP, Young Adults and TANF, October 2016
Mixed Effects Even for Families Who Receive Assistance

Cash Assistance

Work Requirements

Sanctions

Child Care

More Money
More Stress
?? Child Outcomes
State Policies Vary Widely

<table>
<thead>
<tr>
<th>State</th>
<th>TANF to Poverty Ratio</th>
<th>Max Grant for Family of Three</th>
<th>Time Limit</th>
<th>Family Cap</th>
<th>Sanctions for First Instance of Non-Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona</td>
<td>8</td>
<td>$278</td>
<td>12 months</td>
<td>Yes</td>
<td>25% reduction in benefit, 1 month</td>
</tr>
<tr>
<td>California</td>
<td>65</td>
<td>$704</td>
<td>48 months</td>
<td>No!</td>
<td>Adult portion of benefit, until compliance</td>
</tr>
<tr>
<td>New York</td>
<td>40</td>
<td>$789</td>
<td>None</td>
<td>No</td>
<td>Pro rata portion of the benefit, until compliance</td>
</tr>
<tr>
<td>North Carolina</td>
<td>8</td>
<td>$272</td>
<td>24 months</td>
<td>Yes</td>
<td>Case is closed, must reapply</td>
</tr>
<tr>
<td>Ohio</td>
<td>26</td>
<td>$473</td>
<td>60 months</td>
<td>No</td>
<td>Entire benefit, 1 month</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>31</td>
<td>$421</td>
<td>60 months</td>
<td>No</td>
<td>Adult portion of benefit, 30 days</td>
</tr>
</tbody>
</table>
MISTAKES

It is good to learn from your mistakes. It is better to learn from someone else's.
HISTORY OF FAMILY CAPS

Center on Reproductive Rights and Justice
1960s
Welfare Queen Trope Starts
1970s
Policies Begin Regulating Repro Rights of Welfare Recipients

1992
New Jersey Adopts First Welfare Family Cap

1996
Welfare "Reform" Enacted

2002
Maryland Is First State to Repeal its Family Cap
<table>
<thead>
<tr>
<th>FAULTY ASSUMPTIONS</th>
<th>FACTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Welfare recipients have large families</td>
<td>Families who receive public assistance and those who do not have the same average number of children: 2.</td>
</tr>
<tr>
<td>Cash aid incentivizes childbearing</td>
<td>Family caps have not lowered birth rates, namely because welfare recipients do not have additional children in order to collect slightly more cash aid.</td>
</tr>
<tr>
<td>Welfare disincentivizes marriage</td>
<td>States with more generous cash allowances do <strong>not</strong> have higher birth rates among unmarried people.</td>
</tr>
</tbody>
</table>
The [Family Cap] rule evolved from America's eugenic laws that once forced sterilization upon its [presumed] inferior and, therefore, reproductively unfit population.

Eric F. McBurney
Bringing Families out of ‘Cap’tivity: the Path Toward Abolishing Welfare Family Caps
Minnesota's Family Cap on Welfare Draws Fire

By: Jennifer Frieden
October 13, 2014

(WOMENSENEWS) - When Tim Pawlenty was elected governor of Minnesota in 2002 he inherited a $4.5 billion deficit. In order to reduce the gap, he introduced a budget that included significant reductions to Minnesota's welfare program.

Among the decisions he made was to stop making the birth of another child a criterion for increasing the payments to parents receiving cash aid under the Temporary Assistance for Needy Families.

Such “family cap” policies are not unusual; nearly half the states have them.

But what surprised critics was Minnesota’s implementation of such a measure in 2003, at a time when doubts about the policy were growing and a few states were reevaluating it.

Chris Christie Rejects Effort To Repeal Racist, Sexist Rule That Punishes Poor Children

Growing number of states repeal family welfare caps

By: Teresa Wiltz, Stateline
July 13, 2016 at 8:46 AM EST
The Most Discriminatory Law in the Land

It was based on a racist stereotype of unfit black mothers. Today, family cap laws do nothing but punish the poor for being poor.

By Jamelle Bouie

Governor Jerry Brown, it's time to #RepealMFG! California can't continue subjecting women to this racist, sexist and classist policy - and neither should the state budget.
Welfare Family Caps By State

As of July 2016, 7 states have repealed and 17 states have retained some form of a family cap.

Cap Repealed: State restored cash grant eligibility for new children joining households.

No Grant Increase: State does not increase family’s cash grant when a new child joins the household.

Flat Cap: State provides each family a cash grant of the same size, regardless of the number of children in the household.

Vouchers: State provides benefit vouchers and does not increase family’s cash grant when a new child joins the household.

Reduced Grant Increase: State increases family’s cash grant, albeit at a reduced rate, when a new child joins the household.

No Cap: State increases family’s cash grant for each new child who joins the household.
HOW FAMILY CAPS HURT WOMEN AND FAMILIES

National Women’s Law Center
National Diaper Bank Network
If TANF benefits had kept up with inflation, benefits would be $577--$145 higher than current benefits.
Expenses of a Newborn

- In states with family caps, families must pay for the same costs they had prior to a birth, as well as the expenses of a baby, with the same amount of TANF benefits they had previously.

<table>
<thead>
<tr>
<th>Baby Supplies</th>
<th>Cost for a Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feeding (Infant to solid foods)</td>
<td>$300- $3,000</td>
</tr>
<tr>
<td>Diapering</td>
<td>$500- $1,000</td>
</tr>
<tr>
<td>Clothing</td>
<td>$200- $500</td>
</tr>
<tr>
<td>Nursery</td>
<td>$300- $2,500</td>
</tr>
<tr>
<td>Bathing</td>
<td>$30- $70</td>
</tr>
<tr>
<td>Baby Gear (car seats, swings, play yards, seats, strollers, etc.)</td>
<td>$200- $2,000</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>$1500- $9,000</strong></td>
</tr>
</tbody>
</table>

*Total depends on cost saving measures, brands, stores, baby shower gifts, etc.*
Diapers: Impact of Family Caps

- TANF is the only assistance program that can be used for diapers, but often is not enough even without a cap

| State | AZ  | AR  | CT  | DE  | FL  | GA  | IN  | MD  | MA  | MS  | NJ  | NC  | ND  | OK  | SC  | TN  | VA  |
|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
|       | 278 | 204 | 698 | 338 | 303 | 280 | 288 | 636 | 618 | 170 | 424 | 272 | 486 | 292 | 282 | 185 | 409 |
| Cash for family of 3 | 29% | 39% | 11% | 24% | 26% | 29% | 28% | 13% | 13% | 47% | 19% | 29% | 16% | 27% | 28% | 43% | 20% |
| % used for diapers for 1 kid* | 57% | 78% | 22% | 47% | 52% | 57% | 55% | 26% | 26% | 94% | 38% | 59% | 33% | 55% | 57% | 86% | 39% |
| % used for diapers for 2 kids* |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |

* Based on $80 per month for diapers, answers rounded to 2 digits
Family Caps Exacerbate Poverty

- Family experiences poverty
- Begins receiving TANF
- No family planning services available
- Pregnancy
- Family is capped and doesn’t receive benefits for newborn
- Family is in deeper poverty
Long-Term Effects of Poverty

Source: Children’s Defense Fund, 2015
TANF Family Caps, Reproductive Health Care, and Workplace Policies State-by-State Map

Arkansas -- No Increase in Cash Assistance

- ✔ Expanded Medicaid
- ✔ Has Expanded Eligibility Coverage of Family Planning Services Under Medicaid
- × Permits Private Insurance Coverage of Abortion
- × Has Pregnancy Accommodation Laws
- × Has Fair Scheduling

- $8.50 Minimum Wage
- 18.6% Percentage of Women in Poverty
- $0.79 Amount a Woman Makes for Every $1.00 a Man Makes

www.nmrc.org
LESSONS LEARNED FROM CALIFORNIA

Western Center on Law & Poverty
The Maximum Family Grant Rule
California’s Family Cap

- Denied $130/Mo to Child Based on When Conceived
- Increased Deep Poverty Among Children by Est. 13%
- Interfered in Family Reproductive Decisions & Privacy
- Undermined Poverty-Fighting Goals of TANF

California has more children in deep poverty than any other state!
Repeal MFG Success Story
Step By Step

AB 271 (Mitchell) – Women’s Policy Institute, EBCLC & WCLP

SB 899 (Mitchell) - WPI, EBCLC, WCLP, ACLU, CWDA

SB 23 (Mitchell) in 2015-2016 – Full Campaign

Full Budget Committees & Conference Passed in 2015 & 2016

Lost in Budget Negotiations in 2015 – finally passed 7/2016

Repeal Implemented in January, 2017
**Sponsors**

- Western Center on Law and Poverty (co-sponsor)
- American Civil Liberties Union of California (ACLU) (co-sponsor)
- CA Welfare Directors Association (co-sponsor)
- ACCESS Women’s Health Justice (co-sponsor)
- East Bay Community Law Center (co-sponsor)
- CA Latinas for Reproductive Justice (co-sponsor)

**Other Support**

- ACT for Women and Girls
- Alameda County Community Food Bank
- Alliance for Community Transformations
- American Federation of State, County & Municipal Employees (AFSCME)-California
- Asian Law Alliance
- Asian Pacific Policy & Planning Council
- Association of California Commissions for Women
- Black Women for Wellness
- California Black Health Network,

**Sample Tweet:**

> Congrats #CALeg #CABudget for #RepealMFG @KDeLeon @Rendon63rd @JerryBrownGov

**Teams**

- **TEAM #REPEAL MFG**
  - **OVER 100 ORGANIZATIONS**

| California Association of Food Banks | University of California Childen Now |
| California Alternative Payment Program | Child Care Law Center |
| Association | Children’s Defense Fund of CA |
| California Catholic Conference | Citizens for Choice |
| California Community College CalWORKs | Courage Campaign |
| Association | Coalition of CA Welfare Organizations |
| California Food Policy Action Coalition | Raising California Together |
| Advocates California Hunger Action Coalition | Rights Organizations, Inc |
| California Immigrant Policy Center | County of Los Angeles |
| California Labor Federation | Having Our Say Coalition |
| California NOW | Health Access |
| California Pan-Ethnic Health Network | Health & Human Services Network |
| California Partnership | Help A Mother Out |
| California Partnership to End Domestic Violence | Housing California |
| Coalition | Hunger Advocacy Network of San Diego County |
| Californians United for a Responsible Budget | Interface Children & Family Svs |
| California Women's Law Center | Guam Communications Network |
| California WIC Association Center for Law and Social Policy | Feminist Democrats ofSac County |
| Center | Friends Cmte on Legislation of CA |
| California Black Health Rights & Justice - UCBerkeley | Jewish Family Service of San Diego |
| | John Burton Foundation |
| | Legal Aid Society- Employment Law Center |
| | Los Angeles County Board of Coalition Supervisors |
| | Laborers’ Intl Union of North America Local 777 |
| | Laborers’ Intl Union of North America Local 792 |
| | Law Students for Reproductive Justice |
| | Lutheran Office Public Policy CA |
| | NARAL Pro-Choice California |
| | National Council of Jewish Women California |
| | National Association of Social Workers – CA Chapter |
| | National Women’s Political Caucus of California |
| | Nevada County Business and Professional Women |
| | Monterey County Board of Supervisors |
| | Rainbow Services, Ltd. |
| | Parent Voices California |
| | Peace Over Violence |
| | Physicians for Reproductive Health |
| | Planned Parenthood Affiliates of California |
| | Public Interest Law Project |
| | Public Counsel |
| | San Diego Hunger Coalition |
| | San Francisco Living Wage |
| | Safe Alternatives to Violent Environments (SAVE) |
| | Service Employees International Union (SEIU) |
| | SEIU Local 721 |
| | Strong Hearted Native Women’s Coalition, Inc. |
| | St. Anthony’s San Francisco Special Needs Network, Inc |
| | The Women’s Foundation of CA |
| | United Ways of California |
| | Western Regional Advocacy Project (WRAP) |
| | Women’s Health Specialists of CA |
| | YWCA of Glendale |
Children no longer denied aid because they were conceived and born while poor.

130,000 children now valued same as all other children
Contact Information

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- Alison Weir, Chief of Policy, Research and Analysis, NDBN
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- Jessica Bartholow, Policy Advocate, WCLP
jbartholow@wclp.org
Additional Resources

• CLASP’s TANF 101 series

• CLASP’s TANF and the First Year of Life

• NWLC’s TANF Family Caps Map