

Improving TANF Benefits

to support Georgia's young children and families

What is TANF?

Temporary Assistance for Needy Families (TANF) is federal funding that can be used by states to provide **cash assistance to families living in poverty**, as well as support child welfare programs, child care, and after-school programs.

Very few Georgia children currently receive TANF cash assistance due to restrictive eligibility requirements. **Under current policy, a working parent would need to make less than minimum wage to meet both the work and income-eligibility requirements.** Georgia's policymakers have an opportunity to improve the effectiveness of the TANF program and promote the healthy development of young children experiencing poverty.

Key Facts about TANF

- **For every 100 Georgia families in poverty, fewer than 5 receive TANF cash assistance.**ⁱ
- Currently, only **10% of Georgia's TANF spending provides cash assistance to TANF families.**ⁱⁱ
- The **gross income limit for TANF eligibility in Georgia is \$925 per month** for a family of four.
- Very few families across the state receive TANF cash assistance. **As of June 2023, only 8,145 children across the state receive TANF, with 4,558 of those representing child-only/kinship care cases.**ⁱⁱⁱ

The benefits of TANF for young children and families:

- **Reduction in child welfare involvement:** Policies that increase access to TANF cash benefits are associated with reductions in foster care placements. One study estimated that roughly 29,000 fewer children would have entered foster care nationally (from 2004 to 2016) if states had made it easier for families to receive TANF cash assistance.^{iv}
- **Brain development:** A recent study provided predictable monthly cash payments to mothers of infants with low incomes. One-year-old children whose mothers received \$333 per month showed increased brain activity associated with learning and thinking compared to infants in the control group whose mothers received \$20 per month.^v



Policy Recommendations:

- **Increase the monthly eligibility limit**, which at its current level means a working parent would need to make less than minimum wage to meet both the work and income requirements.
- **Increase the monthly maximum TANF allotment**, which is currently \$330 for a family of four.
- **Increase the lifetime benefit limit**, which at 48 months prevents recipients from accessing cash assistance when they need it, even when their income remains unchanged (HB 565).
- **Raise the asset limit from \$1,000 to \$5,000 and disregard the recipient's first vehicle**, which currently counts toward the limit yet is crucial to families' economic security (HB 565).

Recent Policy Improvements

During the 2023 legislative session, HB 129, which extends TANF benefits to pregnant women who do not already have another child and removes the family cap, allowing incremental increases to women who give birth while on TANF, passed.

In a recent survey of parents with young children, conducted by Hart Research, commissioned by GEEARS, 8 in 10 parents surveyed indicated they have struggled to pay for some kind of basic necessity (like housing, food, utilities, health care, child care, baby necessities) in the past year.^{vi}



References

- [i] Center for Budget and Policy Priorities. "TANF serves hardly any families living in poverty in some states. Found at: <https://www.cbpp.org/tanf-serves-hardly-any-families-living-in-poverty-in-some-states-2>
- [ii] Georgia Budget and Policy Institute. "Modernizing Cash Aid for Thousands of Georgia Children in Deep Poverty" (2021). Found at: <https://gbpi.org/modernizing-cash-aid-for-thousands-of-georgia-children-in-deep-poverty/#:~:text=However%2C%20through%20the%20state's%20appropriation,spent%20on%20basic%20cash%20assistance.>
- [iii] Information provided by Georgia Division of Family and Children's Services
- [iv] Chapin Hall. "The Role of TANF in Economic Stability and Family Well-being and Child Safety" (July 2023). Found at: https://www.chapinhall.org/wp-content/uploads/Chapin-Hall.TANF_Policy_Brief_7_6_23.pdf.
- [v] Sanford School of Public Policy at Duke. "Study Shows Cash Support for Low-Income Families Impacts Infant Brain Development" (2022). Found at: <https://sanford.duke.edu/story/study-shows-cash-payments-low-income-families-impact-infant-brain-developmentODIt/>
- [vi] Hart Research Associates. Survey of 400 Georgia parents with children ages 0-5 commissioned by GEEARS (November 2023)