

November 4, 2009

Tom Vilsack, Secretary
U.S. Department of Agriculture
(by email to ECH2015@fns.usda.gov)

Re: Improvements Needed in TANF to Realize President Obama's Pledge to End
Childhood Hunger in the United States by 2015

Dear Secretary Vilsack:

I am writing in response to USDA's solicitation of suggestions on how to realize President Obama's pledge to end childhood hunger by 2015.¹ President Obama first made this pledge in his campaign position paper *Tackling Domestic Hunger*,² noting that “[t]oo many fellow citizens – over 35.5 million Americans, including 12.6 million children – face a constant struggle against hunger.”

Childhood poverty is the principal cause of childhood hunger. USDA reported in *Household Food Security in the United States, 2007*³ that 43.7% of poor households with children were “food insecure,” four times the 11.1% food insecurity rate for the population as a whole. Since “[p]overty is the primary cause of hunger” as *Tackling Domestic Hunger* observed, to eliminate childhood hunger it is necessary to “reduce and alleviate poverty.”

Though USDA has been charged with primary responsibility for developing a plan to realize the President's pledge, I am copying this comment to the Secretary of the Department of Health and Human Services because improvements in the anti-poverty programs for which HHS is responsible *must* be part of the plan.

Legal Momentum endorses the recommendations made by the Food Research and Action Center (FRAC) in its report *Ending Childhood Hunger By 2015: The Essential Strategies For Achieving The President's Goal*.⁴ These recommendations include enhancements in nutrition programs, job creation, and steps to raise the incomes of the lowest income families, including through improvements in the Temporary Assistance for Needy Families (TANF) program.

TANF was created in 1996 to replace Aid to Families with Dependent Children (AFDC) as the national social assistance program for families with children. As TANF's current legislative authority expires on September 30, 2010, the Administration must develop a TANF reauthorization proposal for consideration by Congress next year.

¹ The USDA solicitation is available at <http://www.fns.usda.gov/fns/ech/default.htm>.

² Available at http://obama.3cdn.net/c4b14802fd5e66ee67_xum6bn6nu.pdf

³ Available at <http://www.ers.usda.gov/Publications/ERR66/>

⁴ Available at http://frac.org/pdf/endingchildhunger_2015paper.pdf

Legal Momentum has long advocated improvements in family social assistance because adequate assistance is so important to the wellbeing of low-income children and their caretakers, a substantial majority of whom are women. Our recommendations for helping to realize the President's pledge focus on the TANF improvements that the Administration should include in its reauthorization proposal.

TANF is supposed to be the nation's last line of defense against childhood poverty, but yet the program falls far short of achieving any such antipoverty goal because assistance levels are inadequate and because assistance reaches a minority of eligible families. These problems have significantly worsened since TANF replaced AFDC. By 2008 the number of children receiving TANF had fallen to only 23% of the number of poor children because sub-poverty state eligibility levels make many poor children ineligible and because access barriers blocked many poor children who were still eligible from actually getting assistance.

Millions of children will continue to face the “constant struggle against hunger” that the President has pledged to eliminate unless TANF benefit levels and participation rates are substantially increased. The Administration’s TANF reauthorization proposal must include policies and funding to achieve these aims.

1. TANF Reauthorization Must Raise Benefit Levels To Reduce Childhood Hunger

As detailed in Legal Momentum's recent report, *Meager And Diminishing Welfare Benefits Perpetuate Widespread Material Hardship For Poor Women And Children*,⁵ TANF benefit levels are far below the official poverty line, currently \$1,526 a month for a family of 3, and have declined substantially since TANF was enacted. In July 2008, the monthly benefit for a family of 3 was less than \$700 in forty eight states, less than \$600 in forty two states, less than \$500 in thirty six states, less than \$400 in twenty two states, less than \$300 in thirteen states, and less than \$200 in two states. The daily benefit per person was less than \$8.00 in all but one state, less than \$5.00 in thirty states, and as low as \$1.86 in one state. The real value of the benefit had declined under TANF in all but four states, with a decline of 20% or more in twenty eight states, and a decline of 17% in the median state benefit. TANF benefits ranged from a low of 12% of official poverty in Mississippi to a high of 50% of official poverty in Alaska, and equaled 29% of official poverty in the median state.

New federal policies are needed to halt and reverse the continued erosion in TANF benefit levels. The Administration's TANF reauthorization proposal should include requirements, incentives, and new funding that no later than 2015 will raise every state's TANF benefit (when combined with Food Stamps) at least to the official poverty standard.

2. TANF Reauthorization Must Raise Participation Rates To Reduce Childhood Hunger

As detailed in Legal Momentum's recent report *The Bitter Fruit Of Welfare Reform: A Sharp Drop In The Percentage Of Eligible Women And Children Receiving Welfare*,⁶ the percentage of eligible families receiving benefits has declined precipitously under TANF, falling from 84% in 1995 to 40% in 2005, the most recent year for which HHS has provided estimates of the number of families eligible for but not receiving TANF. The current participation rate is probably significantly less than 40%, as the relative increase in TANF receipt since the recession

⁵ Available at <http://www.legalmomentum.org/assets/pdfs/tanf-meager-benefits.pdf>

⁶ Available at <http://www.legalmomentum.org/assets/pdfs/lm-tanf-bitter-fruit.pdf>

began in December 2007 has been far less than the relative increase in poverty, in unemployment, and in Food Stamp receipt. Between December 2007 and December 2008 the number of Food Stamp recipients increased 16% but the number of TANF recipients increased less than 4%.

In contrast with TANF's 40% or less participation rate, USDA's recent publication *Trends in Supplemental Nutrition Assistance Program Participation Rates: 2000-2007*⁷ reported that the Food Stamp participation rate for eligible children was 85% in 2007. The disparity between TANF's 40% (or less) and Food Stamp's 85% participation rate for eligible children is a product of fundamental differences in federal policy.

By the year 2000, it was clear both that TANF participation rates had plummeted, and that declining participation in TANF had reduced children's participation in Food Stamps. Neither HHS nor Congress took any action to address the TANF participation problem and TANF participation has continued to fall.

The federal policy response to children's declining Food Stamp participation was quite different. USDA took steps to encourage states to make it easier for families to apply for Food Stamps, and has continued to embrace such measures. In 2002 Congress passed legislation that encouraged high participation by creating a system of financial rewards for high performance. Pursuant to this legislation, each year USDA provides financial bonuses to the four states with the highest participation (as measured by the "Program Access Index") and to the four states with the most improved participation performance. Children's participation rate, which had fallen to 70% in 2001, rapidly increased reaching 85% in 2007.

The Administration's TANF reauthorization proposal must include new accountability mechanisms like those in Food Stamps to halt and reverse the continued decline in children's TANF participation. The TANF statute should be amended to include:

- i. a legally enforceable mandate for states to aid all eligible children with authority for HHS to enforce this mandate;
- ii. access protections like those in Food Stamps;
- iii. a financial bonus system like that in Food Stamps.

Thank you for this opportunity to submit comments and suggestions on this very critical issue of ending childhood hunger. Please let me know if I can provide further information or answer any questions.

Sincerely,

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cc: Kathleen Sebelius, Secretary, U.S Department of Health and Human Services (via email to Ashley.Files@hhs.gov)

⁷ Available at <http://www.fns.usda.gov/ora/menu/Published/snap/snapPartNational.htm>