

TANF Extended To September 30 With A Funding Cut And New Restrictions On Accessing Benefits

TANF's federal authorization was extended to September 30, 2012 by the same legislation that extended the payroll tax cut, the Middle Class Tax Relief and Job Creation Act of 2012, P.L. 112-96. TANF's authorization must be extended again before the November elections, so there is a possibility of additional pre-election cuts and restrictions.

The extension legislation failed to provide funding for the \$319 million a year in TANF supplemental grants that had been provided to 17 states with special needs since TANF was created in 1996. The Center on Budget and Policy Priorities reports that funding for the supplemental grants was blocked by key Republican negotiators on the Conference Committee for the legislation.¹ The Center has also reported that child poverty rates averaged 22% in the 17 supplemental grant states.²

The extension legislation also added a new requirement that states establish policies to prevent TANF recipients from accessing benefits at ATMs located in liquor stores, casinos, or adult entertainment establishments. No exceptions are provided for cases in which the only convenient ATM is located in such a venue. The Center on Law and Social Policy describes this new provision as part of a growing trend of policies that stigmatize struggling families, and says that the idea that TANF recipients are using their benefits on gambling sprees or drinking them away is not supported by facts.³

The extension legislation does nothing to address TANF's two most fundamental flaws: shockingly low benefit amounts and enrollment rates.⁴ Benefit amounts are far below the official poverty level in every state and only 28% of poverty in the state with the median benefit amount. The number of children receiving TANF is now less than 25% of the number of poor children.

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¹ Center on Budget and Policy Priorities, *Poorer States Lose Out Again in Latest TANF Extension*, Feb. 23, 2012, available at <http://www.offthechartsblog.org/poorer-states-lose-out-again-in-latest-tanf-extension/>.

² Center on Budget and Policy Priorities, *Expiration of TANF Supplemental Grants a Further Sign of Weakening Federal Support for Welfare Reform*, June 27, 2011, available at <http://www.cbpp.org/cms/index.cfm?fa=view&id=3524>.

³ Center on Law and Social Policy, *EBT Restrictions Stigmatize Struggling Families*, Feb. 17, 2012, available at http://www.clasp.org/issues/in_focus?type=temporary_assistance.

⁴ See Legal Momentum, *Welfare Reform at Age 15: A Vanishing Safety Net for Women and Children*, April 2011, available at <http://www.legalmomentum.org/our-work/women-and-poverty/resources--publications/welfare-reform-15.pdf>