

TANF is a Lifeline for Parents in Low-Wage Jobs and Those Facing Job Barriers

Time Limits and Sanctions Do Not Improve Employment Outcomes

In 2025, DC adopted changes that will sharply reduce TANF benefits for families with children – a 60-month limit for receiving full benefits and increased financial sanctions when parents don't meet work preparation requirements, regardless of a family's circumstances.

These cuts stem from the notion that many parents who could be working are not. **Yet the reality is far different.** As a result, time limits and sanctions do not improve job outcomes – instead, they increase child poverty in families struggling to get by.

Most TANF Recipients Work, But in Low Wage, Unstable Jobs:

- ▶ Between 74% and 91% of TANF recipients **worked over a 5-year period** in studies done in communities across the U.S.¹
- ▶ The majority of TANF recipients work in **low-paying sectors** with **high turnover rates**. TANF recipients who are employed typically earn well below the poverty line – less than \$26,650 for a family of three.²

Many TANF Parents Face Barriers to Work, Especially in a Weak Economy

- ▶ Residents with low incomes often live **far from job opportunities**. In DC, for example, Ward 8 residents have the longest commutes.³
- ▶ Parents who receive TANF have much higher rates of **physical and mental health problems** than other adults, compounding their difficulty obtaining gainful employment.⁴
- ▶ Black DC residents, who make up the majority of TANF recipients in DC, are disproportionately employed in low-paying jobs, reflecting a long history **systemic racism**, particularly educational and occupational discrimination.
- ▶ TANF supports families through **economic downturns**, which have long-lasting effects on people's ability to find a job. This is especially relevant as DC's economy is expected to fall into recession in 2026.

Time Limit Sanctions Do Not Address Barriers or Lead to Better Employment Outcomes

- ▶ Less than half of TANF recipients had **stable work** over five years, according to a review of multiple studies, and work rates were only modestly higher than among participants not subject to work requirements.⁵
- ▶ Parents cut off from TANF due to time limits and sanctions are **less likely to work** than those who leave on their own. The majority of parents cut off due to sanctions failed to find work according to several studies.⁶
- ▶ Time limits and sanctions **increase deep poverty**. One review found that deep poverty rates rose in more than half of reviewed programs with work requirements and didn't fall significantly in any of the surveyed programs.⁷

DC is Cutting TANF Benefits without Improving Services

- ▶ DC's TANF time limits and sanctions were not coupled with additional **employment support**, leaving TANF parents stuck in a cycle of low-wage and unstable employment.
- ▶ DC eliminated its **college access** program in 2024. The PATHS program helped TANF recipients attend the University of the District of Columbia.
- ▶ DC's **benefits cliff** makes it hard to transition to work. Parents start seeing a drop in TANF benefits after earning just \$160 per month. Every \$3 of earnings above that leads to a \$1 cut in benefits – equivalent to a 33% tax rate.

DC's new TANF approach is wrong-headed and will increase child poverty without improving job outcomes for parents.

Rather than instituting benefit cuts predicated on time limits and work sanctions, the District should strengthen TANF as a safety net for parents in low-wage, high-turnover industries, and strengthen approaches that help parents prepare for living wage jobs.

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Endnotes

¹ LaDonna Pavetti, “Work Requirements Don’t Reduce Poverty, Evidence Shows,” Center on Budget and Policy Priorities, June 7, 2016.

² Ali Safawi and LaDonna Pavetti, “Most Parents Leaving TANF Work, But in Low-Paying, Unstable jobs, Recent Studies Find,” Center on Budget and Policy Priorities, November 19, 2020.

³ Canaan Merchant, “Commutes take longer for District residents east of the Anacostia River,” Greater Greater Washington, February 16, 2017

⁴ Pavetti, op cit.

⁵ Pavetti, op cit.

⁶ *ibid.*

⁷ LaDonna Pavetti and Ali Zane, “TANF Cash Assistance Helps Families, But Program Is Not the Success Some Claim,” Center on Budget and Policy Priorities, August 2, 2021.