

# **TANF is a Vital Lifeline**

**Recent TANF Cuts Will Throw More DC  
Children Into Poverty**

# Setting the Stage

- TANF provides modest cash benefits to 24,000 DC families with little or no income
- **3 steep cuts** are coming to TANF in FY 2027, hurting 15k DC kids
- The resulting harm will be immediate and widespread
- The cuts reverse commitments DC made a decade ago, and without any rationale



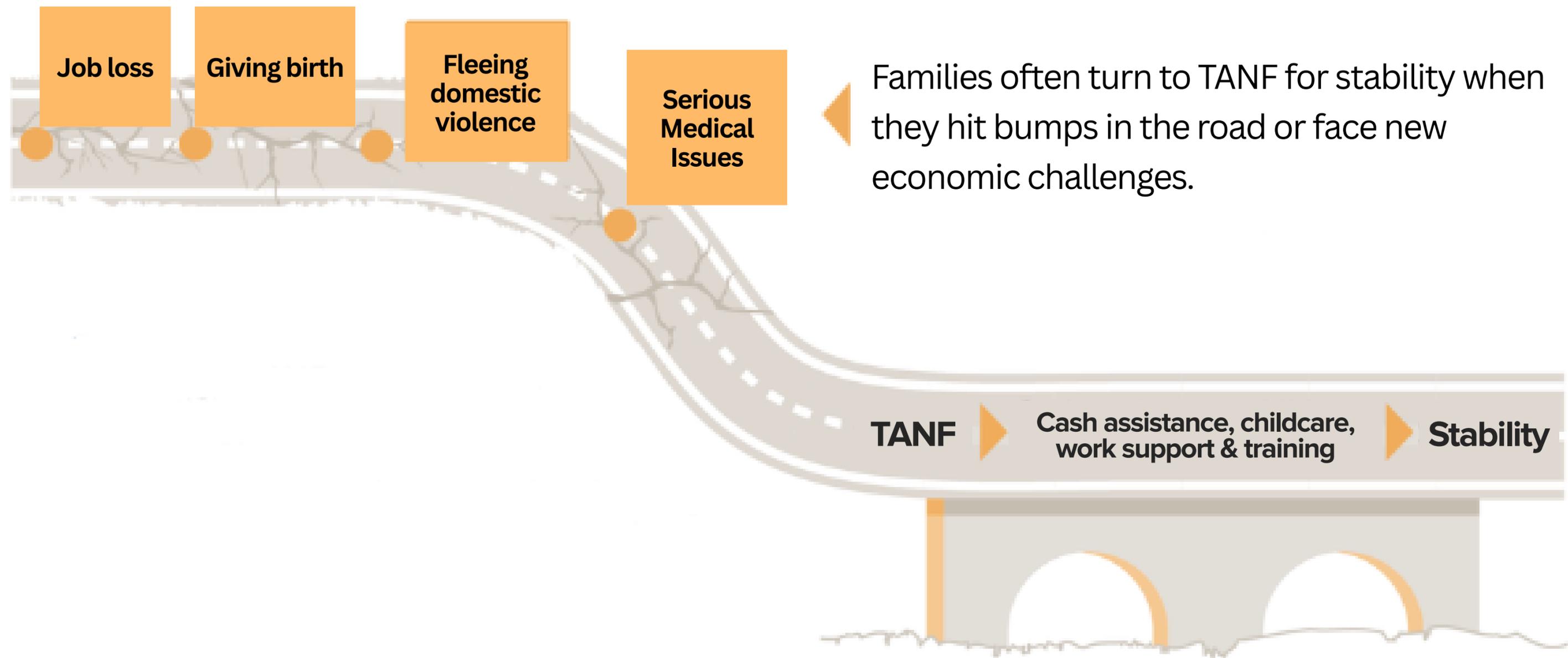
# FY2027 TANF Cuts

- The FY2027 cuts are three parts:
  - **Ending cost-of-living adjustments for TANF benefits;**
  - **Reinstating time limits for families receiving TANF for 60 months or more; and**
  - **Increasing sanctions for not meeting work readiness requirements**

# **Unpacking the Role and History of TANF and the Devastating Impact of Proposed Cuts**

# What is TANF?

- TANF is the District's only cash-based assistance program for families with children.
- TANF helps pay for rent, utilities, diapers, clothes, transportation, and other essentials.
- DC TANF benefits, before any cuts, are just **\$803 a month for a family of three**, 35% of the poverty line.



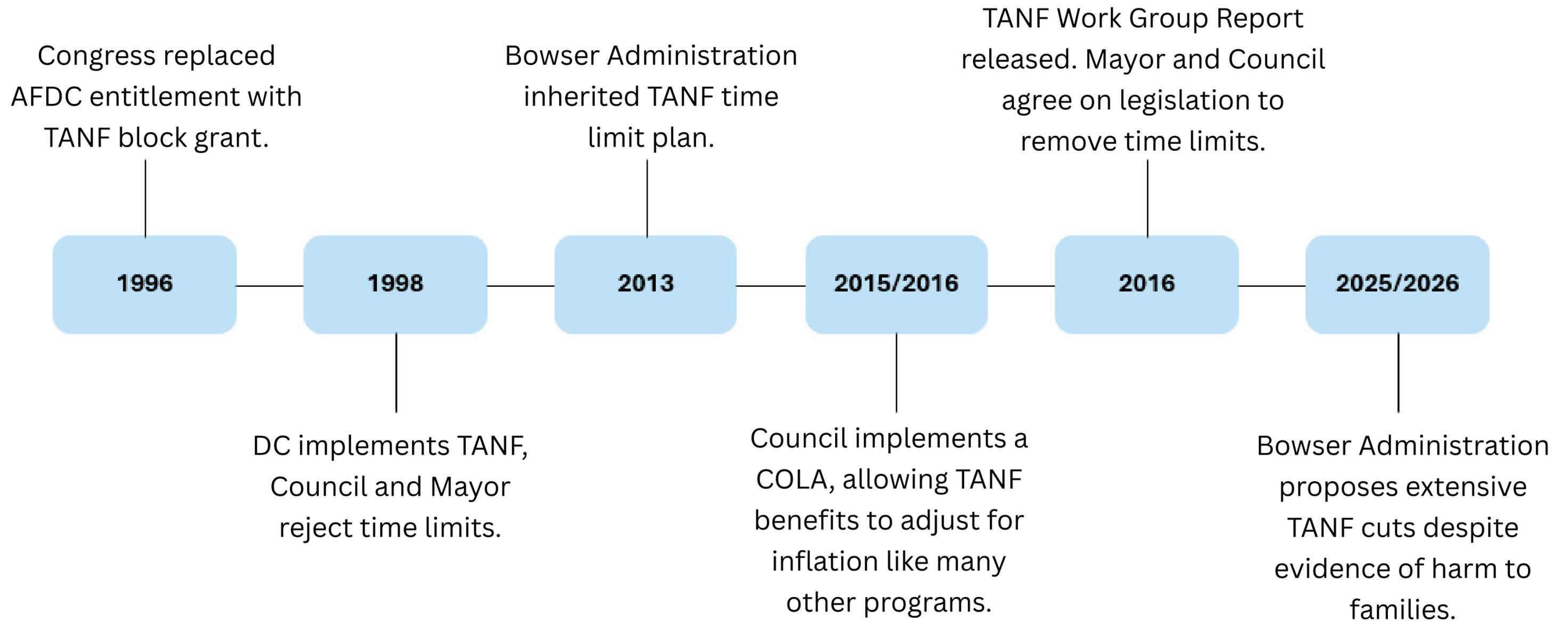
Families often turn to TANF for stability when they hit bumps in the road or face new economic challenges.

Source: <https://www.cbpp.org/infographic-tanf-cash-assistance-is-vital-to-families-ability-to-meet-their-basic-needs>

# Who Receives TANF

- There is no one typical family on TANF
- In DC in FY 25, average household size of 2.8
- Research shows high rates of: physical and mental health impairments, low education levels, limited English proficiency and experience with domestic violence and other trauma, among other barriers to employment.
- However, despite barriers, many families work:
  - Nature of low-wage labor market makes it hard to sustain employment.
  - Impact of racial and gender discrimination on a population that is predominately women of color

# History of TANF in DC



# TANF Supports Families in Low-Wage Economy

- Most TANF recipients work.
- Most parents on TANF end up in low-wage high-turnover jobs that leave them poor.
- Working consistently is a challenge due to types of jobs & personal challenges.
- Economic downturns and racism affect employment opportunities.

# TANF Supports Families With Barriers to Work

- Long commutes to get to jobs
- Jobs with unpredictable and/or inconvenient hours
- Child Care Access Challenges
- Mental/Physical Health Challenges
- Parenting Challenges
- Benefits Cliff that means jobs don't always pay off

# Time Limits & Sanctions Don't Work and Cause Harm

- Time limits have only modest impacts on employment
- Parents with greatest barriers have very low rates of employment after time limits and sanctions
- As a result, time limits and sanctions increase child poverty

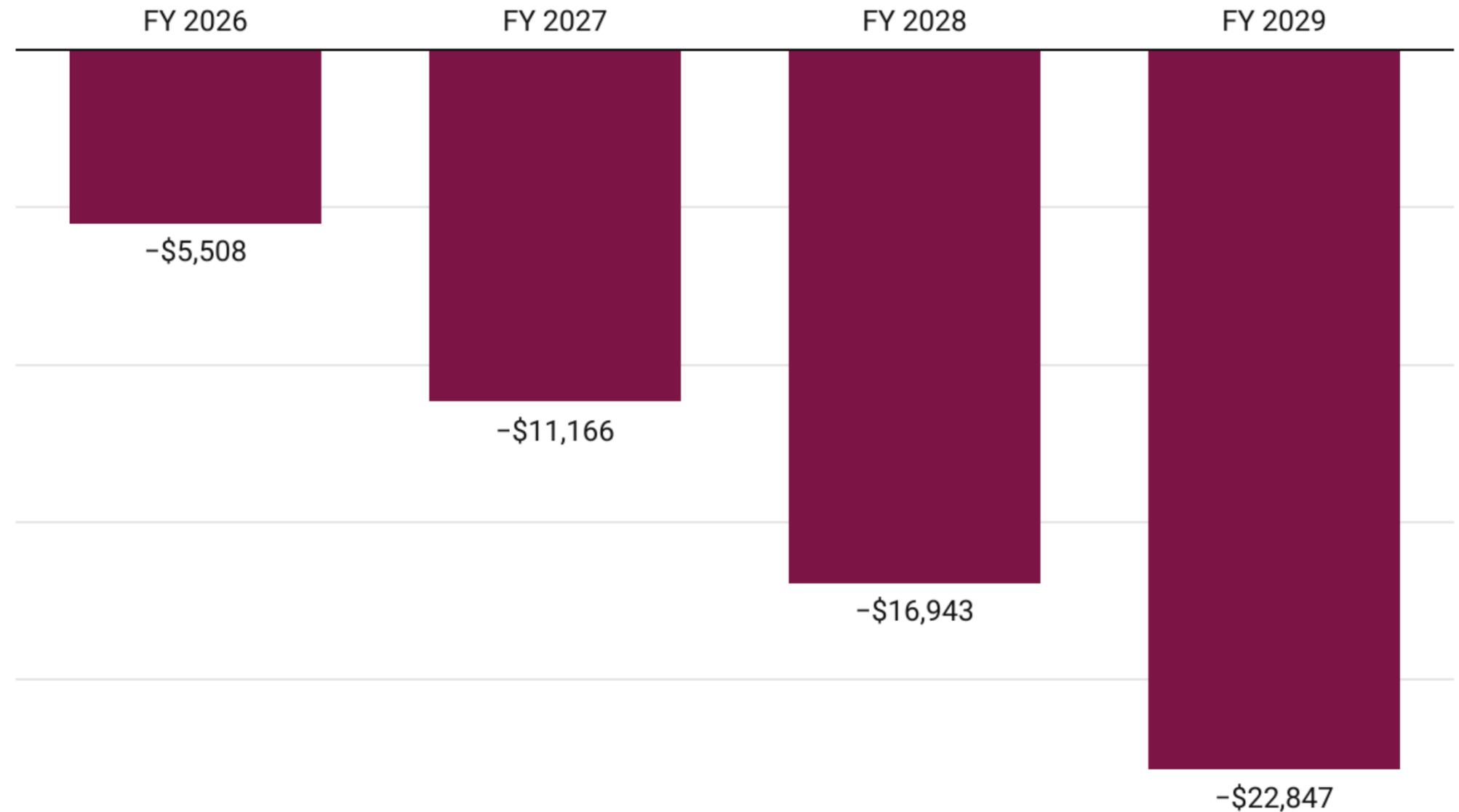
# Government Supports are Insufficient, Particularly Post-OBBA

- Childcare subsidies help, but there is an inadequate supply of childcare for non-traditional hours, children with special needs, etc.
- Significant cuts to SNAP and Medicaid
- Even when eligible for benefits, they can be difficult to access.
- Job training and other supports are fragmented and underfunded.

**Eliminating  
TANF COLA  
Exacerbates  
Harm of Other  
Safety Net  
Cuts**

# DC's Poorest Families Denied Millions in Cash Benefits Under Mayor's Proposal that Ends Inflation Adjustments

Total Cut by Fiscal Year, In Thousands



Total includes ending the inflation adjustment for TANF, POWER, and GAC programs.

Source: Fiscal Impact Statement for Mayor's FY 2026 Budget Proposal. • Created with Datawrapper

# What Will Happen if Time Limits and Sanctions Remain?

- 15,000 children and 7,000 parents will be affected by time limits this year
- By 2028, benefits will drop to \$201/month for family of 3 under time limits
- If a family also faces sanctions, benefits will be \$151 a month

# Time Limits & Sanctions Will Leave Families With Little Cash

	Maximum Benefit for a Family of 3		
	FY 2027	FY 2028	FY 2029
<b>Time Limit Only</b>	\$562	\$402	\$201
<b>Sanction Only</b>	\$602	\$602	\$602
<b>Time Limit &amp; Sanction</b>	\$422	\$301	\$151
<b>COLA Only</b>	\$803	\$803	\$803

# What Works to Support Economic Mobility?

- Economic stability is a foundation of economic mobility
- Education and training vs. job search
- Voluntary jobs programs vs. requirements with penalties
- Reducing the benefits cliff

# Likely Harmful Impacts of Higher Child Poverty



Child hunger



Family homelessness



Absenteeism and worse school outcomes



Risk of child neglect due to parental stress

# Cost Comparison Between TANF, Foster Care, and Homelessness

- Average annual cost of keeping a child in foster care = **\$42,884**
- Average annual cost of shelter for an unhoused child = **\$49,700**
- Maximum annual TANF benefit for a household of two (one parent and one child): **\$7,548**

# DCFPI's TANF Focus Groups

- DCFPI conducted two focus groups in December 2025.
  - **Goal:** to better understand the harm cuts will have on families receiving TANF, along with the barriers that limit their pathways off assistance.
- Engaged 16 TANF recipients living in DC who had reached/were approaching the time limit.
  - All identified as Black women.
  - Most lived in Ward 7 and 8.

## **Finding #1: Current TANF Benefits Are Too Low to Meet Families' Needs; Cuts Will Only Deepen Hardship**

“While it’s minimal assistance, we would be drastically affected because that’s all we have right now.”

“Even at this rate, people are still struggling. So, to reduce that... how does that help anything?”

# Finding #2: Participants Want to Work, But Structural Barriers and Labor Market Challenges Limit Their Opportunities

<b>Inaccessible Child Care</b>	“Even though, yes, they’ll give us a child care voucher for our kids to go to school in the daytime, what about the nighttime?”
<b>Physical and Mental Health Challenges</b>	“I gotta be strong for my kids, but some days I don’t wanna get out of bed.”
<b>Economic Downturns</b>	“I’m having a hard time finding a job right now... The only thing I’m thinking is that God just got something else for me, because it’s not for lack of trying.”
<b>Low Wages and the Benefits Cliff</b>	“The jobs that we’re getting are actually maintaining poverty.”

## Finding #3: Design Flaws Limit TEP's Ability to Support Participants' Long-Term Career Goals

Mismatch between the milestones TEP incentives and the milestones participants need to reach toward their career goals.

Misalignment between the jobs available through TEP and participants' career goals.

No guaranteed path to employment.

# **Calls to Action**

# Calls to Action

- Reverse cuts
  - FY27: \$20.5 million
  - FY28: \$34.8 million
  - FY29: \$51.4 million
- Engage, track, and oversee TANF working group process and scrutinize the eventual findings from the working group
- Meet directly with residents receiving TANF
- Interrogate The Employment and Education Program (TEP) within the context of DC's economy
- Attend United Planning Organization TANF Briefing on February 17<sup>th</sup>
- Attend DHS Performance Oversight Hearing on February 26<sup>th</sup>

# Thank you!

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## **TANF is Still a Lifeline Webpage:**

<https://childrenslawcenter.org/TANF>