

WHAT IS WELFARE?



TEMPORARY ASSISTANCE FOR NEEDY FAMILIES



- 1996 - Personal Responsibility and Work Opportunity Act
 - “welfare reform”
- States receive block grants to design and operate programs that accomplish one of the purposes of the TANF program.



TANF GOALS



- **Four Goals:**
 - Provide assistance to needy families so that children can be cared for in their own homes
 - Reduce the dependency of needy parents by promoting job preparation, work and marriage
 - Prevent and reduce the incidence of out-of-wedlock pregnancies
 - Encourage the formation and maintenance of two-parent families
- TANF funds cash assistance programs and other programs aligned with these goals

TANF, CONT'D.

TANF Programs look very different in each state. However some standard requirements.

1. Recipients (with few exceptions) must work as soon as they are job ready or no later than two years after coming on assistance.
2. Single parents are required to participate in work activities for at least 30 hours per week. Two-parent families must participate in work activities 35 or 55 hours a week, depending upon circumstance.
3. Failure to participate in work requirements can result in a reduction or termination of benefits to the family.
4. States have to ensure that 50 percent of all families and 90 percent of two-parent families are participating in work activities.
5. If a state meets these goals without restricting eligibility, it can receive a caseload reduction credit. This credit reduces the minimum participation rates the state must achieve to continue receiving federal funding.

SIMPLE VIEW....

- 1. Recipients must work as soon as they are job ready – have maximum of two years to become job ready.**
- 2. Single parents – work activity minimum of 30 hours per week families – Two parent families - work activity minimum of 35 or 55 a week**
- 3. No work = a reduction or termination of benefits to the family.**

AFCD VERSUS WELFARE

Then-AFDC

- Established in 1935
- Entitlement Benefit
- No time limit
- No work requirement/sanctions
- In 1994, the median state grant for a family of three with no earned income was \$366 per month.
- 4.7 families served in 1996
 - 68 of every 100 families in poverty

Now-TANF

- Established in 1996
- Block Grant
- Five year max
- Work requirement/sanctions
- In 2013, the average benefit for a family with one child was \$378 per month.
- 1.4 million families served in 2014
 - 26 of every 100 families in poverty

WELFARE REFORM

WELFARE



WELFARE REFORM



THE CHRISTIAN SCIENCE MONITOR *Bennett*

OPPOSING VIEWS

REFINE CONTENT →



Robert Doar

@RobertDoar

September 29, 2015 | *Spotlight on Poverty and Opportunity*



TANF has been a success – Let's make it better



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TANF Weakening as a Safety Net For Poor Families

MARCH 14, 2012 | BY [DANILO TRISI](#) AND [LADONNA PAVETTI, PH.D.](#)

TANF IN OHIO



OHIO WORKS FIRST

- Eligibility: 50 percent of poverty rate, families with children only
- 36 month lifetime max
- Work requirement



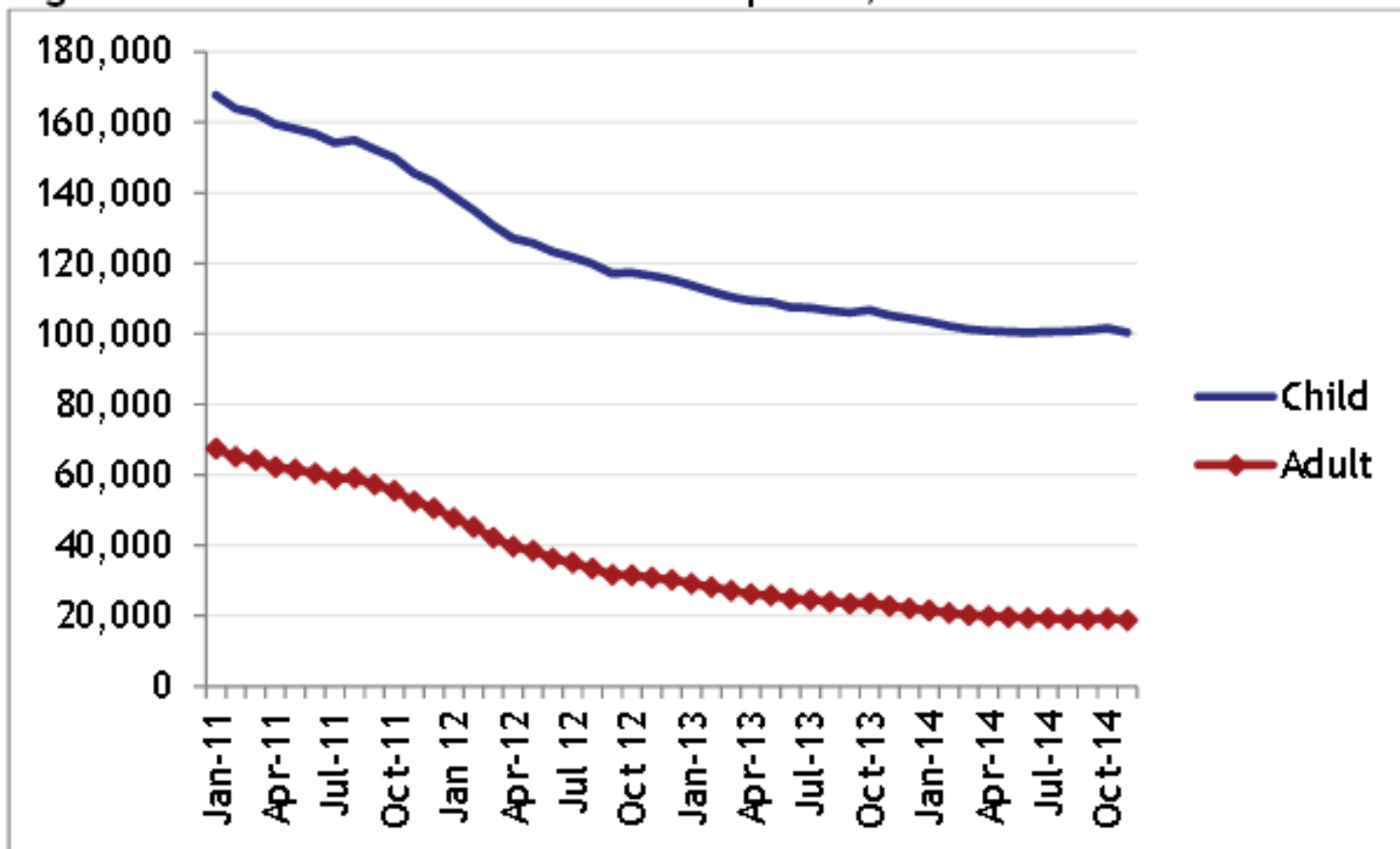
OHIO WORKS FIRST

- **110,000 recipients as of September 2015**
 - **MOST are child-only cases—2/3rds**
 - **Only 15K adult recipients in Ohio**
- **Average payment per recipient = \$193**
- **About 20 percent of families in Ohio live in poverty**

2015 FEDERAL POVERTY GUIDELINES

Persons in family/household	Poverty guideline
For families/households with more than 8 persons, add \$4,160 for each additional person.	
1	\$11,770
2	\$15,930
3	\$20,090
4	\$24,250
5	\$28,410
6	\$32,570
7	\$36,730
8	\$40,890

NUMBER CHILD AND ADULT RECIPIENTS, OWF CASH ASSISTANCE



Source: ODJFS, BIC system.

DISCUSSION

- Do we need TANF?
- Does cash assistance lead to dependency?
- Is TANF meeting its goals?
- Are work requirements effective?
- Should people face sanctions?
- What should Ohio do with its unspent money?
- How could the program be better?



CLEVELAND POVERTY RATE

ACCORDING TO THE U.S. CENSUS BUREAU



36% Almost 36% of all Cleveland residents live in poverty!

& MORE THAN HALF! 54%

OF CLEVELAND CHILDREN LIVE IN POVERTY

the second highest rate of any major city in the country²



A GROWING GAP IN AFFORDABLE HOUSING

\$29,390
(\$14.13/HR)

AMOUNT AN INDIVIDUAL MUST EARN PER YEAR TO AFFORD
A ONE-BEDROOM APARTMENT IN CUYAHOGA COUNTY

\$30,555
(\$14.69/HR)

AMOUNT A FAMILY MUST EARN PER YEAR TO AFFORD
A TWO-BEDROOM APARTMENT IN CUYAHOGA COUNTY³

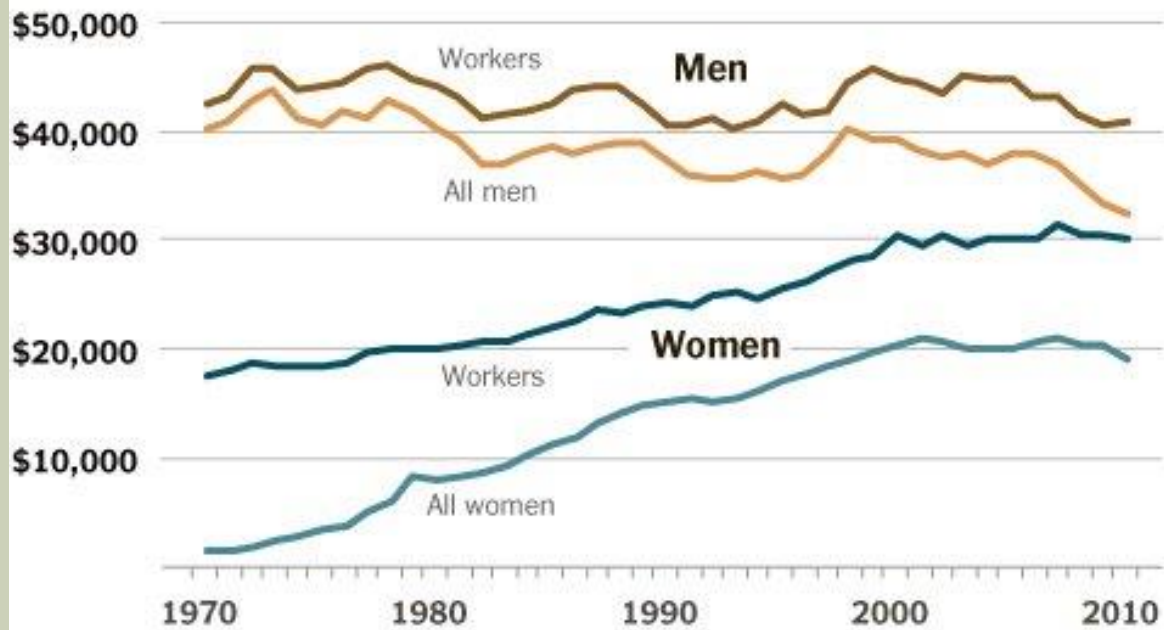
POVERTY LEVEL

BEYOND CLEVELAND 2009 to 2012⁴



**ALMOST
DOUBLED!**

EARNINGS of people ages 25-64



NOTE: Adjusted for inflation, in 2010 dollars.

Source: U.S. Census via The Hamilton Project, The Brookings Institution

THE NEW YORK TIMES

