

TANF is a Step Backward for the Poor and for Conservatism *An Explanation for Shawn Fremstad*

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On December 5, 2016, the American Enterprise Institute held an event, “The limited reach of the Child Support Enforcement system,” which featured a recent paper by University of Texas at Austin research scientist Daniel Schroeder.² A central focus of the paper and the event was the declining reach of the Child Support Enforcement program due, in part, by the “dramatic decline” in number of families receiving cash assistance through the Temporary Assistance for Needy Families (TANF) “program.”³

During the question and answer session, Shawn Fremstad of the Center for American Progress raised an important question:

... Since 2002, when I look at the HHS data, the number of families who are eligible for TANF has increased by over a million, so it's now 5.7 million, but the number who are actually receiving TANF has steadily declined since that time, so there is a gap, there about 3.8 million families, who don't receive TANF that could be [eligible], so why don't we fix TANF first, that sounds like the broken program here? If you get TANF fixed, you get people the help they need and they will also be hooked up with the child support system...⁴

Robert Doar, the Morgridge Fellow in Poverty Studies at the American Enterprise Institute (AEI), responded by saying TANF was “a step forward.” I disagree with Doar and other conservatives who claim that TANF is a success. I argue that TANF is a massive policy failure and should not be held out as an example of “conservatism.” I favor an alternative conservative approach based on a model developed in the Reagan Administration, which provided states flexibility, but had strong accountability provisions – most notably cost neutrality and rigorous evaluation – to ensure that states actually help needy families. For the past year, I have been writing critiques of TANF and “responses” to those who advocate welfare reform based on the “TANF model.”

This paper addresses a number of the claims Doar made in response to Fremstad's questions about TANF's reach. Selected statements by Doar are followed by a “PC Response” (where PC refers to my pseudonym – “Peter the Citizen”).

Robert Doar: “On TANF, the fact is that many, many, many, families receive all kinds of forms of assistance, whether it’s cash welfare or EITC or food stamps or disability assistance, so there are many ways in which we are providing assistance to poor households outside of TANF and we have more people working.”

PC Response: While there are many safety net programs, the degree of multiple program participation for those programs designed to meet basic needs is not as common as conservatives portray, particularly for those families without earnings. For example, on June 7, 2016, Speaker Ryan released the “Poverty, Opportunity, and Upward Mobility” report as part of a series of reports under the rubric of *A Better Way*.⁵ In a discussion about the incentives of moving from welfare to work, the report uses an example of a single mother with two children in 2015 living in Pennsylvania, with a welfare package that includes TANF cash assistance, the Supplemental Nutrition Assistance Program (SNAP) benefits, housing assistance, and Medicaid, and then adds child care subsidies, the Earned Income Tax Credit (EITC), and the Additional Child Tax Credit (ACTC) as the family begins to work.⁶ The total “value “of all these benefits when earnings are \$0 comes to over \$35,000. The problem with this package is that almost no one receives all of these benefits (perhaps only 1 or 2 percent of low-income families with children).⁷ The Congressional Research Service estimated the percentage of the eligible population served in 2012 by some of the major means-tested programs.⁸ While SNAP provided benefits to 69.6 percent of eligible persons, TANF served just 28.4 percent of those eligible; for housing assistance and child care subsidies the reach was even lower – 18.2 percent and 16.9 percent, respectively.⁹

This issue of multiple benefit receipt was addressed directly in a recent American Enterprise Institute publication – *The US Labor Market: Questions and Challenges for Public Policy*.¹⁰ In the chapter, “The US Safety Net and Work Incentives: Is There a Problem? What Should Be Done?,” Robert Moffitt, the Krieger-Eisenhower Professor of Economics at Johns Hopkins University, examined data from the Survey of Income and Program Participation (SIPP) on the incidence of multiple benefit receipt among low-income families (see Table 1).¹¹ (Note: This table reports figures adjusted for underreporting by the author and is not in the AEI publication itself, but is consistent with the reported findings.¹²) He focused on the primary programs aimed at meeting non-medical basic needs – TANF, Supplemental Security Income (SSI), SNAP, and housing assistance – and examined benefit receipt based on the “private” income of “very low income” families (i.e., private incomes between 0 and 50 percent of the poverty line) and “low income” families (i.e., private incomes between 50 percent and 100 percent of the poverty line).

Moffitt’s findings suggest that the safety net for American’s very low-income families is not as robust as Doar’s remarks suggest. Among all “very low-income families,” 37 percent receive benefits from no programs at all and about 35 percent receive benefits from only one program (primarily SNAP); thus, fewer than 30 percent receive multiple benefits from these programs.¹³ The incidence of multiple benefit receipt was higher among single-parent families, but even then 55 percent received no benefit or only one benefit; only 4 percent of “very low income” single-parent families received SNAP, TANF, and housing assistance.¹⁴

Table 1
Percent of U.S. Low Income Families Receiving
Multiple Safety Net Benefits, 2013

	All Families		Single Parent Families	
	Very Low Income	Low Income	Very Low Income	Low Income
No Program	37	49	13	20
One Program Only				
SNAP	30	33	43	51
TANF	<1	0	0	0
Housing	1	1	0	1
SSI	3	2	1	1
Two Programs Only				
SNAP, TANF	2	1	4	2
SNAP, Housing	8	6	15	14
SNAP, SSI	11	5	9	4
Three Programs Only				
SNAP, TANF, Housing	1	1	3	4

Notes: “Very Low Income Families” have private income between 0 and 50 percent of the government poverty line. “Low Income Families” have private income between 50 percent and 100 percent of the government poverty line. Figures may not add to 100 percent because some benefit combinations are not included.

Source: Personal communication from Robert A. Moffitt, updated table to adjusted for under-reporting based on, “The US Safety Net and Work Incentives: Is There a Problem? What Should Be Done?” in *The US Labor Market: Questions and Challenges for Public Policy*, edited by Michael R. Strain (Washington D.C.: AEI, 2016), p. 127, available at <https://www.aei.org/wp-content/uploads/2016/10/The-US-Labor-Market.pdf>.

While adding tax credits, such as the EITC and ACTC, would expand multiple “benefit” receipt, these benefits are only available to those who work – and families generally don’t receive these payments until they receive their tax refunds, which can be well over a year after they’ve started working.

A real safety net should respond in a timely manner to those who have no other means of support. Consider a single mother with two children with no earnings. With \$0 in income, she would qualify for about \$511 in SNAP benefits. This represents less than one-third of the poverty level of \$1,591 for a family of three (in 2015). The fact that the family receives Medicaid may be important if her family incurs medical expenses, but otherwise it does little to help meet daily living expenses. She is unlikely to receive housing assistance, and while the family may qualify for more food aid (e.g., WIC or benefits from various child nutrition programs), these programs provide relatively small benefits and don’t help her purchase other basic necessities. How is she supposed to pay rent, buy clothing, or purchase other household essentials without cash? Families need some cash each month, but TANF cash assistance is virtually “dead” in many states.¹⁵ The 70 percent of families with incomes low enough to be eligible for, but not receiving TANF (3.9 million families in 2013), probably do receive SNAP, and some may receive disability assistance or housing aid, but most do not.¹⁶ Yet, this is the very group the safety net is supposed to catch.

Even with TANF cash assistance, which ranged from \$170 a month for a family of three in Mississippi to \$789 a month in New York (in 2015), the combined TANF/SNAP benefits represent just 40 to 75 percent of the poverty line (about 55 percent in the median state). This is about \$680 to \$1,200 a month (about \$875 in the median state).¹⁷

While most conservatives do not seem concerned about the collapse of the cash assistance safety net, many don't seem to have a problem spending tens of billions of dollars to reward what they call "earned success." If the same single mother described above gets a job working full-time at the minimum wage, and earns \$1,256 per month, she would still be able to retain about \$420 a month in SNAP benefits. At this level of earnings, she would qualify for over \$7,500 in tax benefits from the EITC and ACTC (about \$625 a month, although these refundable tax credits are not paid monthly) for a total assistance package of \$1,045. In other words, the safety net in many states for many families is more generous for those with earnings around the poverty line than those with *no earnings*. The primary focus of the nation's anti-poverty policies should first and foremost be on the neediest families – providing a floor of support and providing the help they need to move into the labor force, whether this is through financial incentives, work requirements, or other services.

In terms of Doar's comment about "more people working," the rise in the employment rate among single mothers is small relative to the dramatic decline in their receipt of cash welfare. For example, between 1996 and 2013, the employment rate for single mothers rose from 63.5 percent to 65.3 percent; by way of comparison, the share of single mothers receiving TANF fell from about 33 percent to 12 percent.¹⁸ So, even if one believes a simple pre-post analysis is indicative of causal effects, it is important to provide a full picture. Moreover, the employment rate for single mothers peaked at 72.8 percent in 2000 and has declined since; meanwhile, the percent of single mothers receiving TANF has continued to drop steadily.

Robert Doar: "So, I think people generally, I think they do, I don't know, I didn't see a great TANF reform agenda coming out of the Obama Administration in the last eight years, agree that change has generally been a step forward – not perfect, but a step forward."

PC Response: The fact that the Obama Administration didn't produce what Doar would consider a "great TANF reform agenda" is not evidence that TANF has been a "step forward." Notably, President Obama signed the American Recovery and Reinvestment Act in response to the Great Recession, which did include several TANF provisions, including the Emergency Contingency Fund, and the Administration has proposed additional reforms in various budget proposals, most notably the FY 2017 budget.

Most conservatives in Congress and in "think tanks" have ignored TANF's very real problems and have politicized the welfare reform debate. This problem is most evident in their response to the Obama Administration's waiver proposal in 2012, suggesting that it would "gut" work requirements. Regardless of the substance of the waiver proposal, the fact of the matter is that conservatives themselves gutted work requirements in 1996 by creating a myriad of loopholes states have been exploiting since TANF's inception. I describe these at length in "The Failure of TANF Work Requirements: A *Much Needed* Tutorial for The Heritage Foundation and the

American Enterprise Institute” and “The Failure of TANF Work Requirements in 2015: The Need for ‘A *Much Better Way*.’”¹⁹ Beyond work requirements, nothing in TANF works the way it is supposed to. It is not “welfare reform”; it is a blank check to states with no meaningful accountability. (See *TANF is Broken! It’s Time to Reform “Welfare Reform.”*²⁰)

Robert Doar: “And, I don’t think the solution is to bring back the old entitlement system in order to get people into the child support program.”

PC Response: The 1996 law eliminated the entitlement to assistance, by allowing states to adopt lifetime, full family sanctions and time limits that removed families from the rolls, without regard to the consequences. We shouldn’t bring back the entitlement system just to get more people into the child support program; we should bring it back because TANF has eviscerated the cash assistance safety net and reduced the reach of welfare-to-work programs as well as child support. The solution isn’t extending the TANF model to SNAP, as Doar would have us do, but to develop thoughtful, evidence-based policies to improve our safety net.

Doar says he ran a “model” TANF program in New York – both at the state level and in New York City. According to his bio, “Before joining the Bloomberg administration, he was commissioner of social services for the state of New York, where he helped to make the state a model for the implementation of welfare reform.”²¹ Notably, under Doar’s leadership, New York didn’t eliminate the entitlement (though perhaps only because of a state constitutional provision) – New York did not adopt full family sanctions or automatically close cases when they reached TANF’s five year limit (instead, transferring many of them to a “separate state program”).²² If state policymakers want to adopt full family sanctions and time limits, the responsible approach is to evaluate the effects of such policies – the requirement before TANF replaced the prior evidence-based approach to welfare reform.

If Doar is correct about TANF’s success in New York City, eliminating the entitlement was not needed. Indeed, he presents data showing that between 2000 and 2013, the percent change in poverty rate in New York City was minus 0.9 percent – the lowest in the nation among 20 major cities, followed by Los Angeles and San Diego (plus 3.6 percent and plus 7.5 percent, respectively).²³ At the opposite end of the spectrum, with the largest increases in poverty, were Indianapolis (81.5 percent), Charlotte (67 percent), and Detroit (57.9 percent). What made New York and California different from many of the other states with cities in Doar’s sample, besides having a vastly better record in reducing poverty rates? The answer: they didn’t really eliminate the entitlement and both at least maintained a semblance of a cash assistance safety net.

Robert Doar: “Eligible families is a broad definition – they may be receiving other forms of assistance that are part of our safety net system and that statistic sometimes pretends that other form of assistance doesn’t exist – and it does.”

PC Response: Actually, the term “eligible families” has a precise definition as used in the HHS estimates Fremstad was referring to; estimates that relate directly to TANF’s own reach when it comes to cash assistance. The estimates of families eligible for TANF cash assistance come

from each state’s own eligibility rules and are produced by experts using survey and administrative data, with careful attention to reporting issues and program rules. For TANF, the eligibility estimates come from the TRIM model, which has been used for over 40 years by administrations of both parties to calculate eligibility for TANF and other programs.²⁴ Program administrative data are used for the number of families receiving benefits.

Table 2 shows the change in the average monthly number of families eligible for assistance compared to the average monthly number receiving assistance for selected years from 1996 through 2013. In 1996 (before TANF), about 5.6 million families were eligible to receive benefits, and about 4.4 million (79 percent) did so. In 2013 the number eligible for TANF was the same (5.6 million), but the number receiving benefits had dropped over 60 percent to 1.7 million (or 31 percent of eligible families). Using the conventional conservative pre-post method for assessing impact (not my preferred approach but one that seems to resonate with conservatives), a reasonable question is: If TANF is such a success and if families had really been “helped” (or motivated to get jobs because TANF is “less appealing”), why isn’t the number of families with incomes below TANF’s eligibility thresholds lower today?²⁵

Table 2: Number and Percentage of Eligible Families Participating in TANF (Average Monthly Data, Selected Years, 1996-2013)				
Year	TANF			
	Eligible (millions)	Participating (millions)	Eligible, Not Participating (millions)	Participation Rate (%)
1996	5.6	4.4	1.2	78.9
2000	4.4	2.3	2.1	51.8
2004	5.1	2.2	2.9	42.0
2008	5.2	1.7	3.5	33.0
2013	5.6	1.7	3.9	30.7

Source: U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, *Welfare Indicators and Risk Factors: Fourteenth Report to Congress*, August 22, 2016.

The more important statistic that can be derived from this table is the increase in the number of families that were eligible to receive TANF, but that did not. This number grew from 1.2 million in 1996 to 3.9 million in 2013. This is an increase of 2.7 million very poor families that were eligible for assistance but did not receive it. For the affected families, this represents a loss in benefits of about \$200 to \$750 per month (the maximum grant for a family of three, depending on the state). Most of these families were poor before being pushed off TANF (or “discouraged” from coming on it) and are poor afterwards. This may not be reflected in a change in the poverty rate, but certainly the fact that they are deeper in poverty should be a matter of concern.²⁶

Between 1996 and 2013, spending on cash assistance declined by about \$22 billion, from \$30.8 billion to \$8.7 billion (in 2013 dollars).²⁷ It is true that total spending on means-tested programs has increased since the 1996 law, but these increases have generally not helped the neediest families – those with incomes low enough to qualify for TANF cash assistance. Robert Moffitt has documented a decades-long shift in spending on means-tested program away from the very poor (those with incomes below 50 percent of the federal poverty line) to those with incomes as much as 200 percent above the poverty line.²⁸ He observes, “You would think that the

government would offer the most support to those who have the lowest incomes and provide less help to those with higher incomes. But that is not the case.”²⁹

Instead of just dismissing a question about the decline in TANF’s reach with general statements of multiple benefit receipt, Doar should support his statements with data. Certainly, the data cited in Table 1 – *based on an AEI publication* – should give pause to claims about “all kinds of assistance” for our nation’s neediest families.

Conclusion – A Step Forward?

In “The Need for Common-Sense Conservative Welfare Reform: Ten Questions for House Speaker Paul Ryan,”³⁰ I posed 10 questions to the Speaker about TANF (and any welfare reform proposal). He didn’t answer my questions, but maybe Doar can explain which of the following questions could be answered in the affirmative – maybe then we would see how TANF has been a “step forward.”

1. Does it make sense to have work requirements that don’t work and that states regularly game?
2. Does it make sense to have a funding structure for a safety net program that is unresponsive to changes in economic and demographic circumstances?
3. Does it make sense to give states so much flexibility they can count virtually any expenditure as “reasonably calculated” to achieve a TANF purpose?
4. Does it make sense to permit states to use TANF to supplant existing state expenditures and use it as a giant slush fund?
5. Does it make sense to replace a simple and effective federal-state matching approach with an ineffective, Rube Goldberg-like financing scheme?
6. Does it make sense to give states so much flexibility they can duplicate the benefits and services of dozens of other low-income programs with virtually no accountability?
7. Does it make sense to provide funding for safety net programs that have either no income limit or that permit states to set very high income limits?
8. Does it make sense to impose rules that are ineffective and/or needlessly complicated?
9. Does it make sense to ignore evidence-based research?
10. Does it make sense to use TANF as a model for reforming other welfare programs?

The answer to questions 1-9 should be “NO” and thus TANF should not be a model for reforming other welfare programs. It is indeed a giant step backward for social policy and conservatism.

¹ The views in this document reflect my own as a citizen and do not reflect the views of any organization I am now or have ever been affiliated with. By way of background, I am a conservative and have worked on welfare issues for the Heritage Foundation, the American Enterprise Institute, and the White House under both President Reagan and President George H.W. Bush. This paper assumes the reader has a basic understanding of the TANF program, but for those readers who want more context and background, see Peter Germanis, *TANF is Broken! It's Time to Reform "Welfare Reform" (And Fix the Problems, Not Treat their Symptoms)*, July 25, 2015 draft, available at: <http://mlwiseman.com/wp-content/uploads/2013/09/TANF-is-Broken.072515.pdf>.

² The event can be viewed at: <http://www.aei.org/events/the-limited-reach-of-the-child-support-enforcement-system/>.

³ TANF is not really a "program"; it is more appropriately viewed as a flexible funding stream.

⁴ The event can be viewed at: <http://www.aei.org/events/the-limited-reach-of-the-child-support-enforcement-system/>.

⁵ "Poverty, Opportunity, and Upward Mobility," in *A Better Way: Our Vision for a Confident America*, June 7, 2016, available at: http://abetterway.speaker.gov/_assets/pdf/ABetterWay-Poverty-PolicyPaper.pdf.

⁶ Peter Germanis, "Speaker Ryan's 'Poverty, Opportunity, and Upward Mobility Report': The Need for 'A Much Better Way'," August 17, 2016, available at: <http://mlwiseman.com/wp-content/uploads/2016/05/The-Need-for-a-Much-Better-Way.Final.pdf>.

⁷ Peter Germanis, "Speaker Ryan's 'Poverty, Opportunity, and Upward Mobility Report': The Need for 'A Much Better Way'," August 17, 2016, available at: <http://mlwiseman.com/wp-content/uploads/2016/05/The-Need-for-a-Much-Better-Way.Final.pdf>. For a full discussion of the methodology and its limitations, see Gene Falk, "Illustration of Combined Earnings and Potential Government Benefits for a Single-Parent of Two Children in Philadelphia, Pennsylvania," Congressional Research Service, August 2, 2016. The valuation of Medicaid is particularly problematic. In the example, the "value" of Medicaid is about \$12,700. If the family had no income, it would receive over \$6,000 in SNAP benefits in 2015, bringing the combined total about \$19,000, which is about equal to the poverty threshold in 2015 for one adult and two children. In other words, counting the value of just SNAP and Medicaid would mean the family is not "poor," even though it has no money for other basic necessities, such as housing, clothing, and household items.

⁸ Gene Falk, Alison Mitchell, Karen E. Lynch, Maggie McCarty, William R. Morton, and Margot L. Crandall-Hollick, "Need-Tested Benefits: Estimated Eligibility and Benefit Receipt by Families and Individuals," Congressional Research Services, December 30, 2015, available at: <https://fas.org/sgp/crs/misc/R44327.pdf>.

⁹ *Ibid.*, p. 14.

¹⁰ Michael R. Strain (editor), *The US Labor Market: Questions and Challenges for Public Policy*, edited by Michael R. Strain (Washington D.C.: AEI, 2016), p. 127, available at <https://www.aei.org/wp-content/uploads/2016/10/The-US-Labor-Market.pdf>.

¹¹ Robert A. Moffitt, "The US Safety Net and Work Incentives: Is There a Problem? What Should Be Done?" in *The US Labor Market: Questions and Challenges for Public Policy*, edited by Michael R. Strain (Washington D.C.: AEI, 2016), p. 127, available at <https://www.aei.org/wp-content/uploads/2016/10/The-US-Labor-Market.pdf>.

¹² Table provided by author, personal communication dated December 21, 2015.

¹³ *Ibid.*

¹⁴ The data reported in the table are for a four-month period in the second half of 2013. The percent receiving no benefit would be lower if the data were adjusted for underreporting and if other means-tested benefits, such as Medicaid and the EITC and ACTC were included.

¹⁵ Kathryn J. Edin and H. Luke Shaefer, *\$2.00 a Day: Living on Almost Nothing in America* (New York: Houghton Mifflin Harcourt, 2015).

¹⁶ U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, *Welfare Indicators and Risk Factors: Fourteenth Report to Congress*, August 22, 2016.

¹⁷ Megan Stanley, Ife Floyd, and Misha Hill, "TANF Cash Benefits Have Fallen by More Than 20 Percent in Most States and Continue to Erode," Center on Budget and Policy Priorities," October 17, 2016, available at: www.cbpp.org/research/family-income-support/tanf-cash-benefits-have-fallen-by-more-than-20-percent-in-most-states.

¹⁸ Peter Germanis, "Making Progress on 'Welfare Reform': A Response to Scott Winship," September 30, 2016, available at: <https://www.docdroid.net/QxGauf8/making-progress-on-welfare-reform.pdf.html>.

¹⁹ Peter Germanis, “The Failure of TANF Work Requirements: A *Much Needed* Tutorial for the Heritage Foundation and the American Enterprise Institute,” August 12, 2016, available at: <http://mlwiseman.com/wp-content/uploads/2016/05/The-Failure-of-TANF-Work-Requirements-1.pdf> and Peter Germanis, “The Failure of TANF Work Requirements in 2015: The Need for ‘A *Much Better Way*,’” December 18, 2016, available at: <http://mlwiseman.com/?portfolio=peter-the-citizen>.

²⁰ Peter Germanis, *TANF is Broken! It’s Time to Reform “Welfare Reform” (And Fix the Problems, Not Treat their Symptoms)*, July 25, 2015 draft, available at: <http://mlwiseman.com/wp-content/uploads/2013/09/TANF-is-Broken.072515.pdf>.

²¹ “Robert Doar,” bio, available at: <https://www.aei.org/scholar/robert-doar/>.

²² The entitlement provision in New York is the result of a state constitutional provision. Doar is on record supporting full-check sanctions in a paper ironically called, “Preserving and Strengthening the TANF Program,” co-authored with Sidonie Squier, Lillian Koller, and Rickey Berrey, available at:

<http://nebula.wsimg.com/8c8aa8ebd365f1efd27bd9adcbd8029a?AccessKeyId=EEB98E648E3097DCA50D&disposition=0&alloworigin=1>. Doar and his colleagues assert: “The absence of this provision results in many on the caseload not doing anything but receiving partial benefits. The inclusion of this provision will have the greatest effect on outcomes of anything the Congress can do.” While the provision *may* have positive motivational effects that lead to work, it could also lead to homelessness, greater food insecurity, and a myriad of other unintended effects. Hence, the need for evaluating policy changes that represent significant changes to the *status quo*.

²³ Linda Gibbs and Robert Doar, “New York City’s Turnaround on Poverty,” *Washington Monthly*, June 19, 2016, available at: <http://washingtonmonthly.com/2016/06/19/new-york-citys-turnaround-on-poverty/>. For a discussion of Doar’s paper, see: Peter Germanis, “Does Making Welfare Much ‘Less Appealing’ Reduce Poverty?” November 29, 2016, available at: <http://mlwiseman.com/wp-content/uploads/2016/05/Making-Welfare-Less-Appealing.pdf>.

²⁴ For more detail on the TRIM model, see: U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, *Welfare Indicators and Risk Factors: Fourteenth Report to Congress*, September 22, 2015, available at:

<https://aspe.hhs.gov/sites/default/files/pdf/116161/FINAL%20Fourteenth%20Report%20-%20FINAL%209%2022%2015.pdf>; and, The Urban Institute, “TRIM3: Transfer Income Model, Version 3,” available at: <http://trim.urban.org/T3Technical.php>.

²⁵ It is true that the number of families with children grew by about 10 percent during this period, so one might expect a larger number of potentially eligible families, but TANF’s financial eligibility rules have become more restrictive over time, particularly since benefit levels and income eligibility limits have not kept pace with inflation.

²⁶ In addition, nearly half the states have not increased their benefit levels since 1996 and some have actually reduced them, representing a decline of 34.5 percent or more when adjusted for inflation. Whereas the participation rate of eligible families was about 80 percent for the 15 years preceding the 1996 law, the erosion in the real value of AFDC/TANF benefits started in the 1970s. So, even those families remaining on assistance have been pushed deeper into poverty. Ife Floyd and Liz Schott, “TANF Cash Benefits Have Fallen by More Than 20 Percent in Most States and Continue to Erode,” Center on Budget and Policy Priorities, October 15, 2015, available at: <http://www.cbpp.org/research/family-income-support/tanf-cash-benefits-have-fallen-by-more-than-20-percent-in-most-states>.

²⁷ U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, *Welfare Indicators and Risk Factors: Fourteenth Report to Congress*, September 22, 2015, available at: <https://aspe.hhs.gov/sites/default/files/pdf/116161/FINAL%20Fourteenth%20Report%20-%20FINAL%209%2022%2015.pdf>.

²⁸ “U.S. Welfare Spending Up – But Help for the Neediest Down,” Press Release, May 6, 2014, available at: <http://releases.jhu.edu/2014/05/06/u-s-welfare-spending-up-but-help-for-the-neediest-down/>.

²⁹ *Ibid.*

³⁰ Peter Germanis, “The Need for Common Sense Conservative Welfare Reform: Ten Questions for House Speaker Paul Ryan,” January 6, 2016, available at: <http://mlwiseman.com/wp-content/uploads/2015/11/Germanis2016Need.pdf>.