

■ FACT SHEET

Re-Imagining TANF as an Anti-Racist Program That Effectively Serves Families

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An America where no one experiences poverty is achievable. Transforming the Temporary Assistance for Needy Families (TANF) program is a key step in this direction.

TANF Has Potential To Address Poverty & Advance Racial Equity

TANF provides cash assistance to low-income families with children, helping them meet basic needs such as food, shelter, and clothing. As of September 2023, about [1 in 120 people](#) in the United States were participants in TANF, totaling around [2.8 million individuals](#). However, TANF has seen a decline in participation, with recent estimates suggesting that only [20 percent](#) of eligible families benefit from the program.

Direct cash assistance is a crucial component in the effort to end racial inequality and poverty. Several methods of direct cash assistance—such as [guaranteed income](#), the refundable [Child Tax Credit](#) (CTC), and direct cash from TANF—have proven to be effective at reducing poverty and financial stress. The temporary expansion of the CTC in 2021 reduced monthly child poverty rates by [close to 30 percent](#) during the pandemic. Evidence from a [guaranteed income pilot program](#) showed that additional cash boosted entrepreneurship and helped families pay for food and rent. Increasing TANF direct cash assistance is a crucial step towards transforming the TANF program to meaningfully address poverty and advance racial equity by providing support to families.

Insufficient Supports & Institutionalized Discrimination Undermine TANF's Effectiveness

Public benefits programs in the U.S. have [a long history](#) of policies shaped by racism and sexism. TANF is no exception, as emphasized by the program's statutory goals:

- Provide assistance to needy families so that children can be cared for in their own homes or in the homes of relatives;
- End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
- Prevent and reduce the incidence of out-of-wedlock pregnancies; and
- Encourage the formation and maintenance of [two-parent families](#).

These four broad goals have resulted in a program that contributes to structural racism and is ill-equipped to make significant reductions in poverty. The program focuses on punitive measures and obligations—such as time limits, difficult application processes, and work requirements—that [reduce](#) TANF's accessibility and effectiveness. Eligible families often encounter a bureaucratic maze that features delays, long wait times, and poor communication that can frustrate the application process and block eligible people from receiving needed resources. Even if an applicant is able to successfully navigate the maze of administrative burdens, the assistance that TANF provides is often inadequate, which contributes to persistent poverty among low-income families. Further, the stigma associated with receiving TANF benefits discourages many eligible families from applying, exacerbating the program's limited reach and impact.

A New Vision To Promote Racial Justice Through TANF

An effective TANF program would support families and preserve family autonomy, dignity, and privacy. Policy and lawmakers should leverage TANF to reduce child poverty, increase economic security, and advance racial equity. Reforms can and should be implemented at both federal and state levels to counteract systemic inequities perpetuated by current state-level flexibility in TANF administration.

DEVELOP NEW STATUTORY GOALS THAT BOOST RACIAL EQUITY & ALLOW ALL AMERICANS TO FLOURISH

TANF's four core statutory goals reflect the racist, classist, and sexist narratives historically dominant in cash policies. These goals shape state programs and services, harming people of color and undermining TANF's effectiveness. To build an anti-racist TANF program that meaningfully serves people, new goals should:

- Advance economic security and promote long-term prosperity, including by gradually tapering off benefits in response to increases in income;
- Support families navigating emergencies, including by offering timely access to lump-sum cash payments in case of emergency;
- Reach as many eligible people as possible, including by eliminating burdensome work requirements; and
- Promote racial and gender equity and actively combat racist narratives and social stigma associated with participating in public benefits programs.

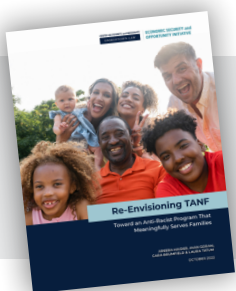
CREATE NEW FUNDING & ACCOUNTABILITY STRUCTURES TO ENSURE THAT ALL ELIGIBLE PEOPLE HAVE ACCESS TO BENEFITS

TANF's capped block grant fails to adapt to changing needs, as seen during the COVID-19 pandemic when [TANF participation declined](#) while [Supplemental Nutrition Assistance Program \(SNAP\) participation increased](#). To advance racial equity, the TANF block grant must be replaced with a new funding structure that ensures benefits for all eligible people. The new structure should ensure sufficient direct cash assistance, maintain funding for critical services like child care, and prevent the misuse of funds by states. An [uncapped funding structure](#) would allow TANF to better respond to economic downturns and crises, which [disproportionately harm people of color](#), who generally have less wealth and financial resources to weather these crises. This structure should include uncapped federal funding, similar to SNAP and Social Security, and be paired with clear goals and accountability standards for states.

IMPLEMENT EXPLICIT POLICY CHANGES TO PROGRAM RULES & SERVICE DELIVERY TO ADVANCE AN ANTI-RACIST TANF BENEFITS PROGRAM

To create a more equitable TANF benefits program, it is essential to implement explicit policy changes specifically aimed at dismantling systemic racism within the system. These policy changes should include:

- **Establishing a federal minimum benefit** to ensure consistent support across states, addressing disparities that disproportionately affect Black families in [states with minimal benefits](#).
- **Increasing income eligibility thresholds** to expand TANF access to those currently excluded due to low limits, while reducing administrative burdens to [simplify application processes](#).
- **Eliminating asset limits** to allow families to build savings, and removing the Work Participation Rate and Caseload Reduction Credit to [shift the focus to participant success](#).
- **Banning harmful program policies with racially disparate impacts**, including lifting restrictions on immigrant families, abolishing sanctions, eliminating time limits, reducing administrative burdens, suspending drug-related bans, and ending the family cap.
- **Improving support for survivors of domestic violence** by eliminating harmful rules, ensuring discretion, and offering voluntary services like employment, housing, and transportation.
- **Standardizing short-term benefits** to ensure equitable support for all TANF participants, regardless of race or location. Ensuring states provide standardized and accessible short-term benefits without penalizing families for seeking additional assistance would help families [manage emergencies](#) and [achieve long-term financial stability](#).



This fact sheet summarizes and adapts key concepts from "Re-Envisioning TANF: Toward an Anti-Racist Program That Meaningfully Serves Families," by Areeba Haider, Ayan Goran, Cara Brumfield, and Laura Tatum. Georgetown Center on Poverty and Inequality, October 2022. Available at <https://www.georgetownpoverty.org/issues/re-envisioning-tanf/>.