



CABINET FOR HEALTH
AND FAMILY SERVICES

Temporary Assistance for Needy Families (TANF)

Block Grant Funding and Programs

Senate Families and Children Committee

Department for Community Based Services

Lesa Dennis, Acting Commissioner

Todd Trapp, Division of Family Support Director

Laura Begin, Staff Assistant

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History and Purpose of TANF

- Congress created the Temporary Assistance for Needy Families (TANF) Block Grant through the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
- Four purposes of TANF:
 - 1) Assist families in need so children can be cared for in their own homes or the homes of relatives;
 - 2) Reduce dependency of parents in need by promoting job preparation, work, and marriage;
 - 3) Prevent pregnancies among unmarried persons; and
 - 4) Encourage the formation and maintenance of two-parent families.

Allowed Uses of TANF Funds

- Federally, TANF funding may be allocated by states under these categories:
 - Basic assistance
 - Work, education, and training activities
 - Child care
 - Non-recurring short-term benefits
 - Work supports and supportive services
 - Fatherhood and two-parent family programs
 - Child welfare services
 - Program management (subject to a 15% cap)
 - Refundable tax credits
 - Pre-kindergarten/Head Start
 - Transferred to Social Services Block Grant for relative supports
 - Out-of-wedlock pregnancy prevention



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Household Eligibility for TANF Programs

- U.S. citizen or legal immigrant (with restrictions);
- Unemployed or underemployed with a low income;
- One-parent households must participate with child support; and
- All recipient households must have one of the following:
 - A child 18 years of age or younger;
 - A household member who is pregnant; or
 - The head of household is 18 years of age or younger.

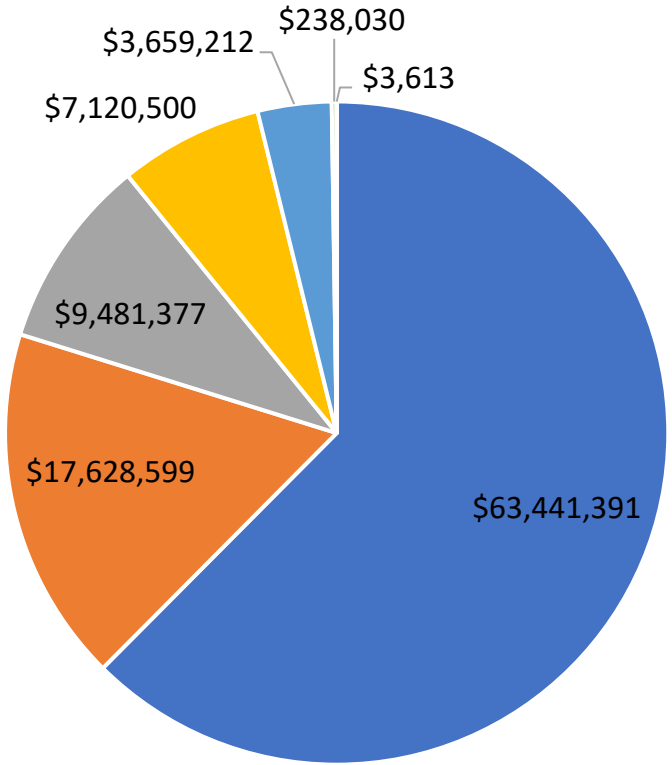
TANF-Funded Programs

- Kentucky Transitional Assistance Program (KTAP) and Kentucky Works Program (KWP) - 100% funded through federal TANF funds
- Kinship Care
- Relative placement support benefit
- Relative foster care and adoption subsidies
- Other Protection & Permanency (P&P) support programs



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TANF SFY 2023 FUNDING Through December 31, 2022



Total \$101,572,722

- Basic Assistance
- Supportive Services
- Work, Education, & Training
- Maintenance & Admin
- Child Care
- Fatherhood & 2 Parent

TANF Budget & Expenditures

SFY 2023 Through December 31, 2022

- Federal grant of approximately \$180M annually
- Maintenance of Effort (MOE) required of approximately \$75M

Finances	Federal Funds	General Funds (MOE)	Total
Annual Budget	\$180,689,420.00	\$74,520,000.00	\$255,209,420.00
Actual Expenditures	\$81,981,803.95	\$19,590,918.32	\$101,572,722.27
Remaining Balance	\$98,707,616.05	\$54,929,081.68	\$153,636,697.73

TANF-Funded Programs: KTAP

- Eligibility requirements previously discussed
- Federal 60-month lifetime limit
- Provides financial assistance to needy dependent children in Kentucky and their households (parents or other relatives)
- May provide supportive services, such as child care, transportation, relocation assistance, etc., if requested
- Payment is based on family size and income

TANF-Funded Programs: KWP

- Federal and state laws require recipients of public assistance programs to participate in a work program
- Required of some and available to all KTAP participants
- Goal of assisting work-eligible individuals in supporting their families through self-sufficiency
- Helps recipient households find work or obtain training for work
- Provides training and job-seeking assistance
- Provides supportive services, such as school supplies, transportation costs, or work-related needs (uniforms, tools, etc.) necessary in obtaining or maintaining work

Current Program Status

- Since the creation of TANF in 1996, there have been dramatic declines in the number of families receiving TANF assistance nationwide.
- Through the COVID-19 pandemic, TANF utilization reached a historic low.
- In 2022, an average of 10,088 families (consisting of 3,414 adults and 16,902 children) received KTAP cash assistance per month (down from 13,616 families per month in 2020).
- Other support services have been provided to less than ten individuals on average monthly.
- These declines pay for the proposed program changes.

Proposed Program Changes

- Amendments required by HB 7 (RS 2022) and HB 50 (RS 2017)
- Addressing dramatic declines in utilization
- Specifically helping two-parent families more than in the past
- Increasing benefit amounts from 1995 levels
- Addressing the benefits cliff

Eliminating the Deprivation Factor

- Currently, a child must be deprived of parental support or care to qualify (due to the death, absence, or incapacity of a parent)
- For two-parent households, a child must be deprived due to the unemployment of a parent
- Eliminating deprivation requirements allows more children and two-parent households to be eligible for assistance while still maintaining other eligibility criteria

Increasing KTAP Benefit Amount

- KTAP benefits amounts have not changed since December 1995
- Current monthly KTAP assistance:

The Maximum Payment Scale for each family size is:

Maximum Payment Scale							
Number of Eligible Persons	1	2	3	4	5	6	7 or more
Maximum	\$186	\$225	\$262	\$328	\$383	\$432	\$482

- Proposing to double benefit amounts

Increasing Eligibility Standards by 20%

Current
amounts
(monthly):

The Gross Income Scale is as follows:

1 person	\$ 742
2 persons	\$ 851
3 persons	\$ 974
4 persons	\$1,096
5 persons	\$1,218
6 persons	\$1,340
7 persons or more	\$1,462

Standard of Need							
Number of Eligible Persons	1	2	3	4	5	6	7 or more
Standard	\$401	\$460	\$526	\$592	\$658	\$724	\$790

Increasing Resource Limit

- The resource limit is the combined amount of resources accessible to a participating household
- Current KTAP resource limit (amount allowed to be in savings) is \$2,000 per household
- Increasing the resource limit to \$10,000 per household
- Allows families to build and maintain liquid resources to help support the family prior to being disqualified from KTAP, helps address the benefits cliff



Increasing Benefit Amount In Specific Circumstances

- Increasing assistance for short-term unemployment
- Increasing work incentive for households discontinued from KTAP due to obtaining work and exceeding income limits
- Increasing relocation assistance and including assistance in order to prevent homelessness

Increasing Supportive Services Necessary For Work

- Transportation assistance
 - Currently \$200 per month max, increasing to \$300 per month max
- Vehicle repairs
 - Currently \$1,500 per household, increasing to \$3,000 per household per 12-month period
- Required fees
 - Currently \$200 max per fee, increasing to \$400 max per fee
 - May include: Training registration fee, testing fee, application fee, etc.
- Other work supportive services
 - Currently \$400 per individual per 12-month period
 - Increasing to \$600 per individual per 12-month period
 - May include: Up to 3 uniforms, an interview outfit, licensure fees, required tools, etc.



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Questions?

