TANF is a federally funded program that acts as an entitlement to states (a fixed amount is provided each year to states based on historical data). For New York State the federal award in 2021 was just under $2.4 billion (which it has been for decades). Total annual federal funds for TANF are fixed at $16.5 billion and have not changed since 1996. Because the amount has not changed, today’s award has lost about 50 percent of its buying power.

As a condition of receiving federal TANF funds, states are required to spend a certain amount of their own funds through a maintenance-of-effort (MOE) on TANF-allowable categories. New York identified $2.9 billion in MOE items for 2021 with the biggest state expenditures related to earned income tax credits ($1B), pre-school/Head Start ($820M), basic cash and other assistance ($666M) and childcare ($102M).

Core Purpose of TANF and Spending

The TANF program provides states flexibility to operate programs designed to help low-income families with children achieve economic self-sufficiency. The federal government does not provide TANF cash assistance directly to the public. Instead, states use their TANF grants to fund monthly cash assistance payments to low-income families with children, as well as a wide range of services that are designed to address one or more of the program’s four broad purposes:

- 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.

In New York, federal TANF and state MOE dollars, $5.3 billion, are primarily spent as follows:

- **Basic Assistance** - $1.6 billion (31 percent of the total) – 45% higher than national average
- **Foster Care and Child Welfare** - $398 million (7.5 percent) – just below national average
- **Work, Education and Training** - $139 million (2.7 percent)
TANF, cont.

- Child Care and Preschool/Head Start - $920 million (17.3 percent)
- Refundable Tax Credits - $1 billion (19.3 percent)
- Program Management - $480 million (9.1 percent)

Eligibility

The maximum income limit is 200 percent of the federal poverty limit in New York, along with asset limitations that include about a dozen exemptions including a house, some funds in bank accounts, an automobile, items necessary for employment, etc.

U.S. citizens and nationals are eligible along with a list of aliens admitted to the U.S. as a refugee, granted asylum, and qualified aliens that have lived in the U.S. for a long time, among others. (See attached chart, Non-Citizen Eligibility Desk Aid).

TANF recipients are subject to a 60-month lifetime limit and must meet certain work, non-substance abuse standards.

After the 60-month limit if families or individuals are still eligible for services due to their circumstance, they would become eligible for New York’s state (29%) and county (71%) funded Safety Net Program.