

Overview of TANF Policy: In 2020, Alaska provided TANF cash support to 20% of families with children living below the poverty level, very close to the national average in that year (21%).¹ To three-person families, Alaska provides a maximum monthly benefit of between \$923 and \$1,525 (34% to 57% of the 2024 Federal Poverty Level, or FPL. According to a report from the Department of Health and Human Services, as of **2021 the state held TANF funds in reserve of \$548,810; the state received \$44,397,466 in federal block grants in the following year, 2022.**²

As of 2016, Alaskan families' gross income must be no higher than 85% of the state median income (SMI) to qualify for cash assistance.

Like most states, Alaska provides cash assistance to families led by parents holding green cards with at least five years' residence in the U.S.

Pregnant people without children are eligible for a benefit amount of \$514/month starting in the third trimester of pregnancy. Alaska has also partially eliminated the eligibility ban for those convicted of drug-related felonies.

Assessment of TANF Policy: By increasing maximum benefit amounts, Alaska could lift more parents and children above the poverty level during periods of financial setback or acute need. Mandating recurring benefit increases tied to inflation or costs of living assessments would also ensure adequate support for families in the future. Additionally, eliminating or increasing the asset limit from \$2,750 would support the long-term economic mobility of low-income families by enabling them to retain savings for emergencies and future expenditures, including their children's education. Alaska could also consider using state funds to provide cash assistance to low-income parents holding green cards who have resided in the country less than five years.

Eliminating the requirement for parents to search for a job before their application is approved would provide much-needed support for families in periods of critical need. In place of monthly TANF cash assistance for families who are not in immediate need, Alaska could consider providing a lump-sum benefit as a one-time diversionary payment while parents seek or continue employment; such payments can help with items such as car payments to facilitate parents' continued employment and independence from monthly assistance.

Additionally, the state could provide transitional assistance to those parents who begin to earn enough to stop receiving cash assistance; this measure would reduce benefit cliffs for parents as they earn higher incomes, thereby supporting workforce participation.

As of 2023, 85% SMI was \$78,400 – a 41% increase compared to 2016. Updating the gross income test to be more responsive to the high and rising cost of living in Alaska would provide families with an appropriate expansion of cash assistance. The state may also consider eliminating TANF's full-family sanctions by reducing rather than terminating benefits for parents not fulfilling the program's work requirements, as more states are doing. Finally, providing cash assistance to pregnant people earlier in pregnancy would greatly support children's healthy early development.³

¹ For more on TANF-to-poverty ratios, see <https://www.cbpp.org/research/income-security/state-fact-sheets-trends-in-state-tanf-to-poverty-ratios>.

² Block grants and spending priorities for 2022 for all states are accessible here: <https://www.acf.hhs.gov/ofa/data/tanf-and-moe-spending-and-transfers-activity-fy-2022>.

³ For research detailing effects of some state-level TANF policies and administrative practices on children and families, see <https://www.nccp.org/ec-profiles-pes-policies-related-research-and-resources/#parenting>.

| Alaska’s Cash Assistance (TANF) policy: Family Independence Temporary Assistance Program | | |
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| HOW MUCH CASH ASSISTANCE CAN A FAMILY OF THREE RECEIVE? | | |
| Flexibility | Current policy | Potential improvement |
| <p>Maximum benefit allowed</p> <p>What is the maximum monthly amount a family of three could receive in cash assistance?</p> | <p>\$923/month, or 34% FPL in 2024.</p> | <p>Increase maximum benefit levels to lift more families with children above the poverty line during challenging periods (e.g., California or Minnesota).</p> |
| <p>Recurring benefit increases</p> <p>Has the state mandated increases to these amounts in future, as the cost of living rises?</p> | <p>No.</p> | <p>Make recurring increases to state benefit amounts, tied to a cost-of-living or poverty measurement.</p> <p>Example: Ohio requires scheduled cost-of-living updates to TANF benefit amounts each year on January 1st.</p> |
| <p>Deductions from countable income</p> <p>In what ways are Alaska families able to increase the amount of assistance for which they qualify and retain earnings, thereby encouraging workforce participation?</p> | <p>For Alaska parents, \$150 and 33% of their remaining earned income will be disregarded for the first twelve months of earnings when calculating benefit amounts.</p> | <p>N/A</p> |
| WHO IS ELIGIBLE FOR CASH ASSISTANCE? | | |
| Flexibility | Current policy | Potential improvement |
| <p>Maximum income</p> <p>How much can a family of three earn and still be considered eligible to receive cash assistance?</p> | <p>Families cannot exceed 85% of Alaska’s 2016 state median income, which was \$5,156 for</p> | <p>Consider updating the gross income limit to a more current figure for 85% SMI (e.g.,</p> |

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| | a family of three (192% FPL in 2024). | \$78,400 for a family of three as of 2023). |
| <p>Asset limit</p> <p>How much can a family maintain in savings while still being eligible for cash assistance?</p> | \$2,000 | <p>Consider removing the asset limit to promote family savings and economic mobility, as other states have done (e.g., Ohio).</p> <p>As an alternative, raise the asset limit.</p> <p>Example: In Nevada, families can retain up to \$6,000 in savings.</p> |
| <p>Eligibility during pregnancy for parents without children</p> <p>Are pregnant people with no children in the household eligible for cash assistance?</p> | A pregnant person in their third trimester with no dependent children may receive a \$514/month benefit. | <p>Consider providing eligibility earlier in pregnancy, as some other states have done.</p> <p>Example: Washington provides eligibility from the first month of pregnancy.</p> |
| <p>Provision of cash assistance to out-of-work parents before they search for a job</p> <p>Does Alaska provide eligibility to parents without a search for employment?</p> | No. Failure of applicants to apply to job openings can result in a reduction of the benefit. | <p>Consider eliminating this requirement, which can prevent families from receiving assistance at times of critical need.</p> <p>Examples: Arkansas and Louisiana have eliminated the requirement for a job search.</p> |

| ADDITIONAL RULES AND RESTRICTIONS | | |
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| Flexibility | Current policy | Potential improvement |
| <p>Time limit</p> <p>Does Alaska allow families to receive cash assistance up to the federal limit of 60 months?</p> | <p>The lifetime limit is 60 months.</p> | <p>N/A</p> |
| <p>Provision of federal TANF cash assistance to immigrant families who are lawful permanent residents (LPRs) *after* five years' residence in US</p> <p>Can parents who hold green cards access cash assistance in Alaska once they have been in the country <i>for five years or longer</i>?</p> | <p>Yes.</p> | <p>N/A</p> |
| <p>Use of state funds to provide cash assistance to immigrant families who are lawful permanent residents (LPRs) with less than five years' residence in US</p> <p>Can parents who hold green cards access cash assistance in Alaska if they have been in the country <i>for less than five years</i>?</p> | <p>No.</p> | <p>Provide families led by parents who are lawful permanent residents (LPRs) with less than five years' residence in US with cash assistance using state funding. Examples: Washington, California, and Georgia provide such families with cash assistance using state funds.</p> |
| <p>Transitional cash benefits for families when they stop receiving TANF</p> <p>Will parents who have just begun to earn enough to be ineligible for TANF cash assistance receive</p> | <p>No.</p> | <p>Consider providing families with transitional amounts of cash assistance for a few</p> |

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| <p>some additional support for a limited period?</p> | | <p>months after parents' earnings exceed the income threshold (e.g., Kansas, Kentucky, and Missouri).</p> |
| <p>Providing one-time cash payments to families in need</p> <p>Does the state provide a formal diversion program to support families with specific short-term needs?</p> | <p>No.</p> | <p>To families not in imminent need, consider providing a lump-sum payment in order to help them with expenses that may enable continued employment, as other states have done (e.g., Arkansas, Florida and Georgia).</p> |
| <p>Lifting full-family sanctions</p> <p>Are other family members able to continue receiving cash benefits if an adult does not meet work requirements?</p> | <p>After initial determination of noncompliance by an adult with work requirements, administrators can reduce the full payment twice – the second time after determining that the reduction will not endanger children. After seven months of reduced payments and continued noncompliance, a full-family sanction can occur.</p> | <p>Lower the benefit amount in place of full-family sanctions if parents do not meet work requirements (e.g., Illinois).</p> |
| <p>Lifting drug felony bans</p> <p>Are persons convicted of drug-related felonies eligible for cash assistance?</p> | <p>Alaska modified its ban to permit those with drug-related convictions to receive benefits as long as they have been and are compliant with requirements for treatment, rehabilitation, or probation.</p> | <p>N/A</p> |
| <p>Lifting the family cap for a new birth</p> <p>Can families receive additional cash assistance if they have</p> | <p>Yes; Alaska never instituted a family cap.</p> | <p>N/A</p> |

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| another child while receiving assistance? | | |
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