

Overview of TANF Policy: In 2020, Maryland provided TANF cash support to 29% of families with children living below the poverty level, above the national average (21%).¹ The state provides a maximum monthly benefit of \$862 for a family of three (40% 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 \$54,408,842; the state received \$255,543,913 in federal block grants the following year, 2022.**²

Maryland maintains the federal 60-month lifetime limit on TANF cash assistance and has eliminated the asset limit for cash, savings, and other accounts. The state has also modified the eligibility ban for those convicted of drug-related felonies to allow people compliant with the testing terms of their release, probation, or supervision to regain eligibility.

Assessment of TANF Policy: By increasing maximum benefits and extending income limits Maryland could greatly benefit parents and children during periods of acute need. Mandating recurring benefit increases tied to inflation or cost-of-living assessments would also ensure adequate support for families in the future.

Maryland 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. Further, the state may consider providing cash assistance for pregnant people without children, given that sufficient economic support during pregnancy and very early childhood is essential to children's healthy 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>.

Maryland’s Cash Assistance (TANF) policy: Family Independence Temporary Assistance Program		
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>\$727/month (34% FPL in 2024).</p>	<p>Increase the maximum benefit level.</p> <p>Example: Minnesota’s maximum payment to a family of three is \$1,370 (64% FPL).</p>
<p>Recurring benefit increases</p> <p>Has the state mandated increases to these amounts, as the cost of living rises?</p>	<p>No.</p>	<p>Make recurring increases to the state’s benefit amount, 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>
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>A family of three must have gross income below \$909/month (42% FPL).</p>	<p>Increase limits, disregards, and/or deductions as other states have done to enable families earning more to receive cash assistance.</p> <p>Example: Wisconsin provides gross income eligibility to three-person families earning up to \$2,382/month (111% FPL).</p>
<p>Asset limit</p>		

How much can a family maintain in savings while still being eligible for cash assistance?	Maryland no longer maintains an asset limit.	N/A
Eligibility during pregnancy for parents without children Are pregnant people with no children in the household eligible for cash assistance?	Yes. Pregnant people without other children are eligible for assistance from the first month of pregnancy.	N/A
ADDITIONAL RULES AND RESTRICTIONS		
Flexibility	Current policy	Potential improvement
Time limit Does Maryland allow families to receive cash assistance up to the federal limit of 60 months?	Yes.	Consider eliminating the lifetime limit (e.g., Washington, D.C.).
Lifting full-family sanctions Are other family members able to continue receiving cash benefits if an adult does not meet work requirements?	Yes.	N/A
Lifting drug felony bans Are persons convicted of drug-related felonies eligible for cash assistance?	Maryland has a modified ban; If conviction occurs during the cash assistance, an individual can regain eligibility after one year if they are compliant with testing after release, probation, or supervision.	Consider eliminating the ban entirely, as other states have (e.g., Kentucky, Mississippi).
Lifting the family cap for a new birth Can families receive additional cash assistance if they have another child while receiving assistance?	Yes.	N/A

