

**Overview of TANF Policy:** In 2020, Minnesota provided TANF cash support to 60% of families with children living below the poverty level, well above the national average (21%).<sup>1</sup> The state provides a maximum monthly benefit of up to \$1,370 for a family of three (64% of the 2024 Federal Poverty Level, or FPL), depending on the family's earned and unearned income amounts. **Benefits are also scheduled to increase annually with cost-of-living adjustments.** According to a report from the Department of Health and Human Services, as of 2021 **the state held TANF funds in reserve of \$50,888,708; the state received \$259,569,108 in federal block grants the following year, 2022.**<sup>2</sup>

After deductions, only families earning less than 70% FPL (\$1,507/month for a family of three) can receive TANF cash assistance.

Minnesota **maintains the federal 60-month lifetime limit** on TANF cash assistance and **extends eligibility to pregnant people who have no other children from the first month of pregnancy** if they meet other requirements. Additionally, the state has **modified the eligibility ban for those convicted of drug-related felonies.** Currently, Minnesota pays benefits directly to vendors of shelter and utilities if an adult in the household has a drug-related felony conviction.

**Assessment of TANF Policy:** By **increasing maximum benefits** and **extending income limits**, Minnesota could lift more parents and children above the poverty level during periods of financial setback or acute need.<sup>3</sup>

The state restricts the cash assets that a family can retain to \$10,000 for eligibility. **Eliminating the asset limit entirely** would bolster families' economic mobility.

Minnesota could also consider **eliminating TANF's full-family sanctions** by adjusting benefit levels to continue support for children and non-working caregivers, rather than terminating benefits for the household when a parent is not fulfilling the program's work requirements.

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<sup>1</sup> 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>.

<sup>2</sup> 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>.

<sup>3</sup> 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>.

<b>Minnesota's Cash Assistance (TANF) policy: Family Independence Temporary Assistance Program</b>		
<b>HOW MUCH CASH ASSISTANCE CAN A FAMILY OF THREE RECEIVE?</b>		
<b>Flexibility</b>	<b>Current policy</b>	<b>Potential improvement</b>
<b>Maximum benefit allowed</b>  What is the maximum monthly amount a family of three could receive in cash assistance?	Up to \$1,370/month (64% FPL).	N/A
<b>Recurring benefit increases</b>  Has the state mandated increases to these amounts in future, as the cost of living rises?	Yes.	N/A
<b>WHO IS ELIGIBLE FOR CASH ASSISTANCE?</b>		
<b>Flexibility</b>	<b>Current policy</b>	<b>Potential improvement</b>
<b>Maximum income</b>  How much can a family of three earn and still be considered eligible to receive cash assistance?	Less than 70% FPL (\$1,507/month) after deductions.	N/A
<b>Asset limit</b>  How much can a family maintain in savings while still being eligible for cash assistance?	\$10,000.	<b>Consider removing the asset limit entirely, as many states have (e.g., Alabama, Louisiana).</b>
<b>Eligibility during pregnancy for parents without children</b>  Are pregnant people with no children in the household eligible for cash assistance?	Yes, from the first month of pregnancy.	N/A

ADDITIONAL RULES AND RESTRICTIONS		
Flexibility	Current policy	Potential improvement
<p><b>Time limit</b></p> <p>Does Minnesota allow families to receive cash assistance up to the federal limit of 60 months?</p>	The lifetime limit is 60 months.	N/A
<p><b>Lifting full-family sanctions</b></p> <p>Are other family members able to continue receiving cash benefits if an adult does not meet work requirements?</p>	No. After eight months (i.e., sanctions), the case is closed.	<b>Consider lowering the benefit amount in place of full-family sanctions if parents do not meet work requirements (e.g., Illinois).</b>
<p><b>Lifting drug felony bans</b></p> <p>Are persons convicted of drug-related felonies eligible for cash assistance?</p>	Yes.	N/A
<p><b>Lifting the family cap for a new birth</b></p> <p>Can families receive additional cash assistance if they have another child while receiving assistance?</p>	Yes; Minnesota never instituted a family cap.	N/A