

Overview of TANF Policy: In 2020, South Carolina provided TANF cash support to 9% of families with children living below the poverty level, far below the national average (21%).¹ The state provides a maximum monthly benefit of \$418/month for a family of three (19% 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 \$10,062,450; the state received \$111,507,587 in federal block grants the following year, 2022.**²

South Carolina **annually increases its cash assistance benefit amounts, tied to the federal poverty limit.** Income eligibility tests enable a family of three with a net income of approximately \$1,035/month (48% FPL) to qualify for the benefit after deductions and earning disregards – a **higher eligibility limit than in some other states.**

Assessment of TANF Policy: By **increasing maximum benefits**, South Carolina could lift more parents and children above the poverty level during periods of acute need. **Removing the asset test for eligibility** would also support the long-term economic mobility of more low-income families.³

South Carolina maintains the 60-month federal lifetime limit on TANF cash assistance, but families in the state may only receive the benefit for 24 months within a ten-year period. **Providing eligibility over time with fewer restrictions would better support families during critical periods.** The state could 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. Because sufficient economic support during pregnancy and very early childhood is essential to children’s healthy development, the state may also consider **eliminating the “family cap”** and **providing cash assistance for pregnant people without children.**

Finally, in recognition of the benefits cash assistance provide to the development of children, South Carolina could consider eliminating the **lifetime ban on eligibility for those convicted of drug-related felonies** as some states have done.

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>.

South Carolina’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>\$418/month, (or less than 19% FPL in 2024).</p>	<p>Increase the Standard of Need, or benefit level.</p> <p>Example: Wyoming provides benefits from \$576 to \$838 (27-39% FPL), depending on whether families also receive housing support.</p>
<p>Recurring benefit increases</p> <p>Has the state mandated increases to these amounts, as the cost of living rises?</p>	<p>Yes. Benefit levels are scheduled to increase every October in relation to the FPL.</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>The gross income limit for a family of three is \$1,914/month (89% FPL). After disregards and deductions, income must be no higher than \$1,035/month (48% FPL).</p>	<p>Increase limits, disregards, and/or deductions to extend cash assistance to more families.</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> <p>How much can a family maintain in savings while still being eligible for cash assistance?</p>	<p>\$2,500.</p>	<p>Remove or raise the asset limit to enable families to save and promote economic mobility.</p> <p>Examples: Louisiana has eliminated its asset limit, and</p>

		Indiana has raised theirs to \$10,000.
<p>Eligibility during pregnancy for parents without children</p> <p>Are pregnant people with no children in the household eligible for cash assistance?</p>	No.	<p>Consider providing eligibility to low-income pregnant people with no other children, as several other states have.</p> <p>Example: Ohio provides eligibility from the sixth month of pregnancy, and Washington in the first month.</p>
ADDITIONAL RULES AND RESTRICTIONS		
Flexibility	Current policy	Potential improvement
<p>Time limit</p> <p>Does South Carolina allow families to receive cash assistance up to the federal limit of 60 months?</p>	Yes, but the state limits household to 24 months of assistance within a 10-year period.	<p>Enable families to receive cash assistance with fewer restrictions, even if limiting cumulative months of receipt. Particularly for children, it is important to provide support through periods of acute need.</p> <p>Example: Indiana provides 60 months of cash assistance to families but restricts assistance for adult household members to a 24-month lifetime limit.</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>	No. Benefits for the household will be terminated in response to noncompliance with work requirements, without a “legal cause” explanation.	<p>Eliminate full-family sanctions or lower the benefit amount 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</p>	No. South Carolina has neither eliminated nor softened the	<p>Eliminate the ban or modify it to extend eligibility to those</p>

<p>assistance?</p>	<p>ban on cash assistance for parents convicted of drug-related felonies.</p>	<p>that have completed treatment or other programs related to their sentence.</p> <p>Examples: Kentucky has fully eliminated its drug felony ban.</p> <p>North Carolina grants eligibility to parents once six months have elapsed since conviction or the related release from custody.</p>
<p>Lifting the family cap for a new birth</p> <p>Can families receive additional cash assistance if they have another child while receiving assistance?</p>	<p>No. If a child is born to a family ten or more months after a month in which they received TANF cash benefits, there will be no increase in the benefit size despite the increase in family size.</p>	<p>Discontinue the family cap. It is not a federal requirement and does not exist in most states. Cash support during early childhood is important for reducing parental stress and building better developmental outcomes in children.</p>