

## OVERVIEW

Family Assistance Program (FAP, or TANF)	Alabama	U.S. Average or Total
Annual (federal-only) block grant amount	\$93,007,267	\$16,488,600,000 (total)
% of TANF block grants spent on cash assistance, 2024	13.7%	21.8%
% families who participated in TANF per 100 families with children living in poverty, 2022-23	7.0%	20%
Total # families receiving TANF in 2025	5,983	848,631 (total)
% of cases designated "Child-Only" in 2025	53.5%	39.3%
<b>"Unobligated balance" (or stockpiled amounts, which must be used for cash assistance or admin)</b>		
TANF Funds "unobligated balance," as of 2024	\$46,731,540	\$7,986,470,560 (total)
"Unobligated balance" as share of total block grant amount	50.2%	49.5%
Change (+ or -) in "unobligated balance" from 2023	-\$12,502,824	+\$241,306,628

## ALABAMA'S CASH ASSISTANCE (TANF) POLICY

HOW MUCH CASH ASSISTANCE CAN A FAMILY OF THREE RECEIVE?		
Flexibility	Current policy	Potential improvement
<p><b>Maximum benefit allowed</b></p> <p>What is the maximum monthly amount a family of three could receive in cash assistance?</p>	\$344/month, or 16% of the Federal Poverty Level (FPL).	<p><b>Consider increasing the maximum benefit level to provide more support to families with children during challenging periods.</b></p> <p><b>Examples:</b> Louisiana provides \$484/month, and West Virginia provides \$542/month.</p>
<p><b>Recurring benefit increases</b></p> <p>Has Alabama mandated increases to these amounts, as costs of living increase?</p>	No.	<p><b>Consider making recurring increases, tied to a cost-of-living or poverty measurement.</b></p> <p><b>Examples:</b> Nebraska and South Carolina mandate increases.</p>

Flexibility	Current policy	Potential improvement
<p><b>Deductions for calculation of benefit amount</b></p> <p>Can parents deduct some earnings or expenses from their income when calculating the benefit amount?</p>	<p>Yes, 30% of income is subtracted from gross income (for work expenses including child care). For those newly employed, 100% of income is disregarded for the first 12 months.</p>	<p><b>Consider increasing the earned income deduction further to provide more on-going support.</b></p> <p><b>Example:</b> Arkansas provides a 20% “work-related” deduction as well as a 60% “work incentive” deduction.</p>

## HOW ELSE DOES ALABAMA DETERMINE THE GENEROSITY OF CASH ASSISTANCE?

Flexibility	Current policy	Potential improvement
<p><b>Time limit</b></p> <p>Does Alabama allow families to receive cash assistance up to the federal limit of 60 months?</p>	<p>Yes.</p>	<p>N/A</p>
<p><b>Transitional cash benefits for families who become ineligible after receiving cash assistance</b></p> <p>Will parents and caregivers who are newly ineligible for cash assistance receive additional cash support for a limited period?</p>	<p>No.</p>	<p><b>Consider providing a portion of the benefit once parents increase earnings, to avoid benefit cliffs and support economic stability.</b></p> <p><b>Example:</b> Georgia and Florida provide some transitional assistance to families no longer receiving assistance.</p>
<p><b>Providing one-time cash payments to families in with specific financial needs</b></p> <p>Does Alabama provide a formal diversion program to support families with specific short-term needs?</p>	<p>No.</p>	<p><b>Consider providing a generous one-time “diversion” payment to help families with critical expenses (such as car repairs).</b></p> <p><b>Examples:</b> Florida and Georgia provide diversion payments.</p>

# Alabama

TANF State Profile Summary 2025/2026

Flexibility	Current policy	Potential improvement
<p><b>Eligibility for monthly assistance less than six months after a diversion payment</b></p> <p>Can families who receive diversionary payments apply for monthly assistance within six months afterward?</p>	N/A	N/A
<p><b>Providing assistance with housing</b></p> <p>Does the state provide housing vouchers with TANF funds?</p>	No.	<p><b>Providing housing vouchers alongside cash assistance can ease high costs for eligible families.</b></p> <p><b>Examples:</b> Hawaii and Maine provide housing vouchers worth several hundred dollars along with TANF cash assistance.</p>
<p><b>Providing assistance with diaper purchases</b></p> <p>Does Alabama provide assistance to families with diaper expenses using TANF funds?</p>	No.	<p><b>Providing assistance with diaper costs provides significant support for families with young children.</b></p> <p><b>Examples:</b> Hawaii and Washington provide assistance with diapers for families with very young children receiving TANF cash assistance.</p>

## WHO IS ELIGIBLE FOR CASH ASSISTANCE?

Flexibility	Current policy	Potential improvement
<p><b>Maximum income</b></p> <p>How much can a family of three earn and still be considered for cash assistance eligibility?</p>	Parents may earn up to \$759/month for gross income eligibility (before deductions).	<p><b>Consider increasing gross the income limit to provide assistance to more families.</b></p> <p><b>Example:</b> Florida provides \$4,109/month.</p>

# Alabama

TANF State Profile Summary 2025/2026

Flexibility	Current policy	Potential improvement
<p><b>Deductions for assessment of benefit eligibility</b></p> <p>Can families deduct a portion of earnings or some expenses from their income to meet income eligibility requirements?</p>	<p>Yes, a 20% deduction for eligibility assessment is allowed, along with some care expenses.</p>	<p><b>Consider providing a higher deduction to provide support to more families.</b></p> <p><b>Example:</b> Several states permit families to disregard 50% of their income during eligibility assessment.</p>
<p><b>Asset limit</b></p> <p>How much can a family maintain in savings while still being eligible for cash assistance?</p>	<p>Alabama has eliminated the asset limit for cash assistance.</p>	<p>N/A</p>
<p><b>Eligibility during pregnancy for parents without children</b></p> <p>Are pregnant people with no children in the household eligible for cash assistance?</p>	<p>No.</p>	<p><b>Providing cash assistance during pregnancy is critical for early development outcomes and in reducing parental stress.</b></p> <p><b>Example:</b> Louisiana and Tennessee provide cash assistance to pregnant people starting in the sixth month of pregnancy, and Oklahoma provides it from the start of pregnancy.</p>
<p><b>Provision of federal TANF cash assistance to immigrant families who are lawful permanent residents (LPRs) *after* five years' residence in US</b></p> <p>Can parents who hold green cards access cash assistance in Alabama once they have been in the country for five years or longer?</p>	<p>Yes.</p>	<p>N/A</p>

Flexibility	Current policy	Potential improvement
<p><b>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</b></p> <p>Can parents who hold green cards access cash assistance in Alabama if they have been in the country for <i>less than five years</i>?</p>	No.	<p><b>Consider using state funds to provide cash assistance to these parents.</b></p> <p><b>Example:</b> Maryland provides cash assistance to some caregivers before five years' residence, using state funds.</p>

## HOW DOES ALABAMA TREAT CHILD SUPPORT OWED TO A FAMILY APPLYING FOR AND RECEIVING CASH ASSISTANCE?

Flexibility	Current policy	Potential improvement
<p><b>Child support pass-through</b></p> <p>Does Alabama “pass through” a portion of the payments received by the state in child support for the family?</p>	No.	<p><b>Consider “passing through” at least a portion of child support payments collected by the state for this family, to contribute to the household’s economic stability.</b></p> <p><b>Example:</b> Mississippi provides up to \$100 of any child support to the household.</p>

## WHAT ARE ALABAMA’S WORK REQUIREMENTS FOR CASH ASSISTANCE?

Flexibility	Current policy	Potential improvement
<p><b>Provision of cash assistance to out-of-work parents before they search for a job</b></p> <p>Does Alabama provide eligibility to parents without a search for employment, to help stabilize families’ economic circumstances as soon as possible?</p>	No, parents must provide documentation of at least three job applications before their application can be finalized.	<p><b>Consider providing cash assistance to families before or a search for employment.</b></p> <p><b>Examples:</b> Arkansas, Tennessee, and Texas require no job search before processing applications.</p>

Flexibility	Current policy	Potential improvement
<p><b>Counting educational activities as “core” work requirements</b></p> <p>Does Alabama provide credit for all educational activities, including college, as “core” work activities for cash assistance?</p>	<p>No.</p>	<p><b>Consider allowing postsecondary attendance and vocational education to count as “core” work participation.</b></p> <p><b>Examples:</b> Ohio, Georgia, and Pennsylvania allow specific types of postsecondary education for different periods to exempt parents from work activities.</p>
<p><b>Exemption for caregivers of infants</b></p> <p>Are parents or caregivers caring for a child under twelve months of age exempt from work requirements?</p>	<p>No, only mothers of children under four months are exempt.</p>	<p><b>Consider providing an exemption from work requirements for the first year of each infant’s life, to support parents’ mental health and children’s development.</b></p> <p><b>Example:</b> Georgia and Mississippi provide exemptions for parents with children up to twelve months of age.</p>
<p><b>Other exemptions from work requirements</b></p> <p>What are other conditions for exemptions from work requirements?</p>	<p>Other reasons for exemptions:</p> <ul style="list-style-type: none"> <li>• Care of an ill or disabled child</li> <li>• Doctor's statement of inability to work</li> <li>• Domestic violence</li> <li>• Drug or alcohol treatment</li> <li>• Lack of childcare for children under six</li> </ul>	<p>N/A</p>

WHICH RESTRICTIONS ON CASH ASSISTANCE HAS ALABAMA EASED?		
Flexibility	Current policy	Potential improvement
<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>	<p>No, the state will enact full-family sanctions although not immediately.</p>	<p><b>In cases of non-compliance with work requirements, consider only reducing the benefit amount instead and eliminating full-family sanctions.</b></p> <p><b>Examples:</b> Arkansas merely withdraws a portion of the benefit, never enacting a full-family sanction.</p>
<p><b>Lifting drug felony bans</b></p> <p>Are persons convicted of drug-related felonies eligible for cash assistance?</p>	<p>Yes</p>	<p>N/A</p>
<p><b>Refraining from drug testing applicants or recipients</b></p> <p>Does Alabama refrain from enforcing drug testing of caregivers who are either receiving or applying for cash assistance?</p>	<p>Yes</p>	<p>N/A</p>
<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>	<p>Yes, the state never enacted a family cap.</p>	<p>N/A</p>

### NOTES ON SOURCES:

TANF state profiles were compiled by extensive review of administrative guidelines including those published in state TANF manuals. Additionally, NCCP researchers referred to enacted state legislative resources.

NCCP gratefully acknowledges the of states' TANF-to-poverty ratios as developed and provided by the Center on Budget and Policy Priorities:

Center on Budget and Policy Priorities. (2025, April 11). *AFDC and TANF caseload and poverty data*. <https://www.cbpp.org/research/income-security/afdc-and-tanf-caseload-and-poverty-data>

We have drawn on the publication of federal data on states' TANF block grant spending, including financial data, spending allocations, and caseload information:

Office of Family Assistance. (2026, February 10). *TANF and MOE spending and transfers by activity, FY 2024*. Administration for Children and Families, U.S. Department of Health and Human Services. <https://acf.gov/ofa/data/tanf-and-moe-spending-and-transfers-activity-fy-2024>

Office of Family Assistance. (2025). *TANF caseload data 2025*. Administration for Children and Families, U.S. Department of Health and Human Services. <https://acf.gov/ofa/data/tanf-caseload-data-2025>