



### OVERVIEW

Cash Assistance (CA or TANF)	Arizona	U.S. Average or Total
Annual (federal-only) block grant amount	\$199,407,313	\$16,488,600,000 (total)
% of TANF block grants spent on cash assistance, 2024	4%	21.8%
% families who participated in TANF per 100 families with children living in poverty, 2022-23	5%	20%
Total # families receiving TANF in 2025	3,867	848,631 (total)
% of cases designated "Child-Only" in 2025	69.1%	39.3%
<b>"Unobligated balance" (or stockpiled amounts, which must be used for cash assistance or admin)</b>		
TANF Funds "unobligated balance," 2024	\$58,358,866	\$7,986,470,560 (total)
"Unobligated balance" as share of total block grant amount	29.3%	49.5%
Change (+ or -) in "unobligated balance" from 2023	+\$21,879,491	+\$241,306,628

### ARIZONA'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>	\$347/month, or 15% of the Federal Poverty Level (FPL)	<p><b>Consider increasing the maximum benefit level to support families with children during challenging periods.</b></p> <p><b>Examples:</b> In New Mexico, families can receive as much as \$549. Colorado provides as much as \$649/month.</p>
<p><b>Recurring benefit increases</b></p> <p>Has Arizona mandated increases to these amounts, as the 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, Wyoming, and Texas mandate regular increases to benefit amounts.</p>



# Arizona

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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, parents can deduct \$90 and then 30% of remaining income as well as child care expenses.</p>	<p><b>Consider allowing larger deductions to provide more assistance to families.</b></p> <p><b>Example:</b> In Colorado, families may deduct \$90 and then another 60% of remaining earned income indefinitely.</p>

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

Flexibility	Current policy	Potential improvement
<p><b>Time limit</b></p> <p>Does Arizona allow families to receive cash assistance up to the federal limit of 60 months?</p>	<p>No. Families are allowed 12 months of assistance. Extensions of 12 months may be granted.</p>	<p><b>Consider maintaining the lifetime limit of 60 months without restrictions.</b></p> <p><b>Examples:</b> Colorado and California maintain the 60-month limit without restrictions.</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> Wyoming provides 50% of families' former assistance amounts for up to six consecutive months.</p>
<p><b>Providing one-time cash payments to families in with specific financial needs</b></p> <p>Does Arizona provide a formal diversion program to support families with specific short-term needs?</p>	<p>No.</p>	<p>N/A</p>



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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>	<p>Yes, the state prevents assistance for no more than three months.</p>	<p>N/A</p>
<p><b>Providing assistance with housing</b></p> <p>Does the state provide housing vouchers with TANF funds?</p>	<p>No.</p>	<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.</p>
<p><b>Providing assistance with diaper purchases</b></p> <p>Does Arizona provide assistance to families with diaper expenses using TANF funds?</p>	<p>No.</p>	<p><b>Providing assistance with diaper costs provides significant support for families.</b></p> <p><b>Examples:</b> Hawaii and Washington provide assistance with diapers.</p>
<b>WHO IS ELIGIBLE FOR CASH ASSISTANCE?</b>		
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>	<p>Parents' countable income cannot exceed \$2,221/month, or 100% FPL.</p>	<p><b>Consider increasing the gross income limit to provide eligibility to more families.</b></p> <p><b>Examples:</b> Minnesota provides gross income eligibility for families with income up to \$3,211/month.</p>



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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, parents can deduct \$90 and then 30% of remaining income as well as child care expenses.</p>	<p><b>Consider increasing disregards in order to provide support for 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>Families can maintain up to \$2,000 in cash or savings accounts.</p>	<p><b>Consider increasing or eliminating the asset limit to support families' retention of savings.</b></p> <p><b>Examples:</b> Michigan has increased the asset limit to \$15,000. Ohio and Colorado have eliminated it entirely.</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>Consider providing cash assistance during pregnancy to support early development outcomes and reduce parental stress.</b></p> <p><b>Examples:</b> Michigan and Colorado provide cash assistance in any trimester 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 Arizona once they have been in the country <i>for five years or longer</i>?</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 Arizona 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>Examples:</b> Colorado and Georgia provide cash assistance to some caregivers before five years' residence, using state funds.</p>

**HOW DOES ARIZONA 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 Arizona “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 to support economic stability.</b></p> <p><b>Example:</b> Colorado provides a portion of child support to the household.</p>

**WHAT ARE ARIZONA’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 Arizona provide eligibility to parents without a job search?</p>	Yes, no job search is required.	N/A
<p><b>Counting educational activities as “core” work requirements</b></p> <p>Does Arizona provide credit for all educational activities, including college, as “core” work activities for cash assistance?</p>	Yes, full-time participation in postsecondary activities may qualify.	N/A



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Flexibility	Current policy	Potential improvement
<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>Yes, exemptions apply for parents of children under twelve months.</p>	<p>N/A</p>
<p><b>Other exemptions from work requirements</b></p> <p>What are other conditions for exemptions from work requirements?</p>	<p>Other conditions for exemptions include:</p> <ul style="list-style-type: none"> <li>• Temporary or permanent disability</li> <li>• Temporary medical inability to work</li> <li>• Domestic violence</li> </ul>	<p><b>Consider adding other exemptions, including:</b></p> <ul style="list-style-type: none"> <li>• Care of an ill or incapacitated family member;</li> <li>• Being a single parent and unable to find childcare for a child under six years.</li> </ul>

## WHICH RESTRICTIONS ON CASH ASSISTANCE HAS ARIZONA 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> California and Oregon merely reduce the benefit.</p>
<p><b>Lifting drug felony bans</b></p> <p>Are persons convicted of drug-related felonies eligible for cash assistance?</p>	<p>No.</p>	<p><b>Consider modifying or eliminating the ban on assistance for those with drug-related felony convictions to provide support for families in challenging times.</b></p> <p><b>Examples:</b> Alabama, Arkansas, and Mississippi consider those with felony convictions eligible as long as they meet other requirements.</p>



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Flexibility	Current policy	Potential improvement
<p><b>Refraining from drug testing applicants or recipients</b></p> <p>Does Arizona refrain from enforcing drug testing of caregivers who are either receiving or applying for cash assistance?</p>	<p>No.</p>	<p><b>Consider making treatment available to all parents and refrain from any drug testing, since it does not effectively support low-income parents or children.</b></p> <p><b>Examples:</b> Florida and Alabama refrain from drug testing applicants and recipients.</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>No.</p>	<p><b>Consider discontinuing the family cap in order to support early development and reduce parental stress after birth.</b></p> <p><b>Note:</b> The family cap did not originate in federal guidelines, and many states never enacted it.</p> <p><b>Examples:</b> Georgia repealed its family cap in 2023.</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>