

OVERVIEW

| Cash Assistance (CA) (TANF) | [State name] | U.S. Average or Total |
|---|---------------|-----------------------------|
| Annual (federal-only) block grant amount | \$206,116,672 | \$16,488,600,000 (total) |
| % of TANF block grants spent on cash assistance, 2024 | 6.6% | 21.8% |
| % families who participated in TANF per 100 families with children living in poverty, 2022-23 | 5.0% | 20% |
| Total # families receiving TANF in 2025 | 5,281 | 848,631 (total) |
| % of cases designated "Child-Only" in 2025 | 45.0% | 39.3% |
| "Unobligated balance" (or stockpiled amounts, which must be used for cash assistance or admin) | | |
| TANF Funds "unobligated balance," as of 2024 | \$212,861,049 | \$7,986,470,560 (total) |
| "Unobligated balance" as share of total block grant amount | 103% | 49.5% |
| Change (+ or -) in "unobligated balance" from 2023 | +\$20,587,933 | +\$241,306,628 |

INDIANA'S CASH ASSISTANCE (TANF) POLICY

| 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> | \$513/month, or 24% of the Federal Poverty Level (FPL) | <p>Consider increasing the maximum benefit level to provide more support to families with children during challenging periods.</p> <p>Example: Ohio provides a maximum benefit of \$623/month.</p> |
| <p>Recurring benefit increases</p> <p>Has Indiana mandated increases to these amounts, as costs of living increase?</p> | Yes. | N/A |

| Flexibility | Current policy | Potential improvement |
|---|--|--|
| <p>Deductions for calculation of benefit amount</p> <p>Can parents deduct some earnings or expenses from their income when calculating the benefit amount?</p> | <p>Yes, parents can deduct 75% of gross earned income.</p> | <p>The state could consider a larger deduction for a period after family member becomes employed.</p> <p>Example: Rhode Island allows a deduction of 100% of earned income when an adult first gains employment in the state’s works program for up to six months.</p> |

HOW ELSE DOES INDIANA DETERMINE THE GENEROSITY OF CASH ASSISTANCE?

| Flexibility | Current policy | Potential improvement |
|---|--|--|
| <p>Time limit</p> <p>Does Indiana allow families to receive cash assistance up to the federal limit of 60 months?</p> | <p>Assistance to adults limited to 24 months; children can receive assistance for 60 months.</p> | <p>Consider maintaining the lifetime limit of 60 months, as many states do, so that families can return to the support when setbacks like job loss occur.</p> <p>Examples: Alabama, Iowa, and Kentucky maintain the 60-month limit without restrictions.</p> |
| <p>Transitional cash benefits for families who become ineligible after receiving cash assistance</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>Consider providing a portion of the benefit, to avoid benefit cliffs and support economic stability.</p> <p>Example: Wyoming provides 50% of families’ former assistance amounts for up to six consecutive months.</p> |

| Flexibility | Current policy | Potential improvement |
|---|---|---|
| <p>Providing one-time cash payments to families in with specific financial needs</p> <p>Does Indiana provide a formal diversion program to support families with specific short-term needs?</p> | No. | <p>Consider providing a generous one-time “diversion” payment that can help families with critical expenses (such as car repairs), enabling caregivers to remain employed and deferring the need for cash assistance.</p> <p>Examples: Pennsylvania, Illinois, and Kentucky provide diversion payments.</p> |
| <p>Eligibility for monthly assistance less than six months after a diversion payment</p> <p>Can families who receive diversionary payments apply for monthly assistance within six months afterward?</p> | N/A | N/A |
| <p>Providing assistance with housing</p> <p>Does the state provide housing vouchers with TANF funds?</p> | No. | <p>Providing housing vouchers alongside cash assistance can ease high costs for eligible families.</p> <p>Examples: Hawaii and Maine provide housing vouchers worth several hundred dollars along with TANF cash assistance.</p> |
| <p>Providing assistance with diaper purchases</p> <p>Does Indiana provide assistance to families with diaper expenses using TANF funds?</p> | Yes. The Indiana Diaper Bank TANF Service provides a one-month supply of diapers up to every other month for two years. | N/A |

| 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 for cash assistance eligibility?</p> | <p>\$778/month</p> | <p>Consider increasing the gross income limit to provide eligibility to more families, including those experiencing sudden job loss.</p> <p>Example: Florida maintains a gross income limit of 185% FPL, or \$4,109/month.</p> |
| <p>Deductions for assessment of benefit eligibility</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 income as a work expense.</p> | <p>Consider providing a higher deduction in order to increase support for employed parents.</p> <p>Example: Idaho deducts 60% of gross income to assess eligibility for cash assistance.</p> |
| <p>Asset limit</p> <p>How much can a family maintain in savings while still being eligible for cash assistance?</p> | <p>\$1,000 for initial eligibility. Once eligible, families can maintain \$10,000.</p> | <p>Consider increasing or eliminating the asset limit to support families' retention of savings.</p> <p>Examples: Arkansas' limit on resources is \$3,000. Alabama has eliminated the asset limit entirely.</p> |
| <p>Eligibility during pregnancy for parents without children</p> <p>Are pregnant people with no children in the household eligible for cash assistance?</p> | <p>Yes.</p> | <p>N/A</p> |

| Flexibility | Current policy | Potential improvement |
|--|---|--|
| <p>Provision of federal TANF cash assistance to immigrant families who are lawful permanent residents (LPRs) *after* five years' residence in US</p> <p>Can parents who hold green cards access cash assistance in Indiana once they have been in the country <i>for five years or longer</i>?</p> | <p>No. Eligibility for LPRs after five years' residence is available only under certain conditions.</p> | <p>Consider using state funds to provide cash assistance to these parents.</p> <p>Examples: Georgia and Maryland provide cash assistance to some before five years' residence.</p> |
| <p>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</p> <p>Can parents who hold green cards access cash assistance in Indiana if they have been in the country for <i>less than five years</i>?</p> | <p>No.</p> | <p>Consider using state funds to provide cash assistance to these parents.</p> <p>Example: Georgia and Maryland provide cash assistance to some caregivers before five years' residence, using state funds.</p> |
| <p>HOW DOES INDIANA TREAT CHILD SUPPORT OWED TO A FAMILY APPLYING FOR AND RECEIVING CASH ASSISTANCE?</p> | | |
| Flexibility | Current policy | Potential improvement |
| <p>Child support pass-through</p> <p>Does Indiana "pass through" a portion of the payments received by the state in child support for the family?</p> | <p>No.</p> | <p>Consider "passing through" at least a portion of child support payments collected by the state for each family, to contribute to households' economic stability.</p> <p>Example: Mississippi provides up to \$100 of any child support.</p> |

WHAT ARE INDIANA'S WORK REQUIREMENTS FOR CASH ASSISTANCE?

| Flexibility | Current policy | Potential improvement |
|--|---|--|
| <p>Provision of cash assistance to out-of-work parents before they search for a job</p> <p>Does Indiana provide eligibility to parents without a search for employment?</p> | <p>No. Parents must participate in job search for 4 hours per day for 20 days within the 60-day application period.</p> | <p>Consider providing cash assistance to families before or during the search for employment.</p> <p>Examples: Arkansas, Tennessee, and Texas require no job search before processing applications.</p> |
| <p>Counting educational activities as "core" work requirements</p> <p>Does Indiana provide credit for all educational activities, including college, as "core" work activities for cash assistance?</p> | <p>No.</p> | <p>Consider allowing postsecondary attendance and vocational education to count as "core" work participation.</p> <p>Examples: Ohio, Kentucky, and Pennsylvania allow specific types of postsecondary education for different periods to exempt parents from work activities.</p> |
| <p>Exemption for caregivers of infants</p> <p>Are parents or caregivers caring for a child under twelve months of age exempt from work requirements?</p> | <p>No. Exemptions apply for single parents of children under three months.</p> | <p>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.</p> <p>Example: Georgia and Mississippi provide exemptions for parents with children up to twelve months of age.</p> |

| Flexibility | Current policy | Potential improvement |
|---|---|---|
| <p>Other exemptions from work requirements</p> <p>What are other conditions for exemptions from work requirements?</p> | <p>Another condition for exemptions is the care of any person living in the home with a disability.</p> | <p>Consider adding other exemptions, including:</p> <ul style="list-style-type: none"> • Pregnancy • Caregiver’s disability or temporary medical inability to work • Circumstances involving domestic violence |

WHICH RESTRICTIONS ON CASH ASSISTANCE HAS INDIANA EASED?

| Flexibility | Current policy | Potential improvement |
|---|---|--|
| <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> | <p>No, the state withdraws the benefit for the entire household.</p> | <p>In cases of non-compliance with work requirements, consider only reducing the benefit amount instead and eliminating full-family sanctions.</p> <p>Examples: Arkansas merely reduces the benefit.</p> |
| <p>Lifting drug felony bans</p> <p>Are persons convicted of drug-related felonies eligible for cash assistance?</p> | <p>No, those with drug-related state or federal felony subject to an ineligibility period of 10 years</p> | <p>Consider eliminating the ban to provide support for families in challenging times.</p> <p>Examples: Alabama, Arkansas, and Mississippi consider those with felony convictions eligible as long as they meet other requirements.</p> |
| <p>Refraining from drug testing applicants or recipients</p> <p>Does Indiana refrain from enforcing drug testing of caregivers who are either receiving or applying for cash assistance?</p> | <p>No.</p> | <p>Consider making treatment available to all parents and refrain from any drug testing.</p> <p>Examples: Florida and Alabama refrain from drug testing applicants and recipients.</p> |

Indiana

TANF State Profile Summary 2025/2026

| Flexibility | Current policy | Potential improvement |
|---|----------------|-----------------------|
| 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 |

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>