

OVERVIEW

Montana Temporary Assistance for Needy Families (TANF)	Montana	U.S. Average or Total
Annual (federal-only) block grant amount (for 2024)	\$37,888,854	\$16,488,600,000 (total)
% of TANF block grants spent on cash assistance, 2024	26.7%	21.8%
% families who participated in TANF per 100 families with children living in poverty, 2022-23	14.0%	20%
Total # families receiving TANF in 2025	1,540	848,631 (total)
% of cases designated "Child-Only" in 2025	54.3%	39.3%
"Unobligated balance" (or stockpiled amounts, which must be used for cash assistance or admin)		
TANF Funds "unobligated balance," as of 2024	\$83,104,658	\$7,986,470,560 (total)
"Unobligated balance" as share of total block grant amount	219.3%	49.5%
Change (+ or -) in "unobligated balance" from 2023	\$7,945,001	+\$241,306,628

MONTANA'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>	\$725/month, or 32% of the Federal Poverty Level (FPL)	<p>Increase the maximum benefit level to provide more support to families with children during challenging periods.</p> <p>Examples: Wyoming provides a maximum benefit of \$902/month.</p>
<p>Recurring benefit increases</p> <p>Has Montana mandated increases to these amounts, as costs of living increase?</p>	No.	<p>Consider making recurring increases, tied to a cost-of-living or poverty measurement.</p> <p>Examples: Ohio and Wyoming mandate annual cost-of-living increases to the maximum benefit level.</p>

Montana

TANF State Profile Summary 2025/2026

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>Each working parent can deduct a work-related expense of \$200, and then deduct 25% deduction of the remaining earned income.</p>	<p>Consider increasing deductions to provide more support for families.</p> <p>Examples: Arkansas provides a 20% “work-related” deduction as well as a 60% “work incentive” deduction. In Colorado, families may deduct 67% of their earned income.</p>
HOW ELSE DOES MONTANA DETERMINE THE GENEROSITY OF CASH ASSISTANCE?		
Flexibility	Current policy	Potential improvement
<p>Time limit</p> <p>Does Montana allow families to receive cash assistance up to the federal limit of 60 months?</p>	<p>Yes.</p>	<p>N/A</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>Yes. Families may receive \$100 per month for the first six months after leaving TANF, and \$50 per month for the next six months.</p>	<p>N/A</p>
<p>Providing one-time cash payments to families in with specific financial needs</p> <p>Does Montana provide a formal diversion program to support families with specific short-term needs?</p>	<p>No.</p>	<p>Consider providing a portion of the benefit once parents increase earnings, to avoid benefit cliffs and support economic stability.</p> <p>Examples: Washington, Texas, and Colorado provide some transitional assistance to families no longer receiving assistance.</p>

Montana

TANF State Profile Summary 2025/2026

Flexibility	Current policy	Potential improvement
<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.</p>
<p>Providing assistance with diaper purchases</p> <p>Does Montana provide assistance to families with diaper expenses using TANF funds?</p>	No.	<p>Providing assistance with diaper costs provides significant support for families.</p> <p>Examples: Hawaii and Washington provide assistance with diapers.</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 for cash assistance eligibility?</p>	\$1,465 per month.	<p>Consider increasing the gross income limit to provide eligibility to more families.</p> <p>Examples: Minnesota provides gross income eligibility for families with income up to \$3,211/month.</p>

Montana

TANF State Profile Summary 2025/2026

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<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>Each working parent can deduct a work-related expense of \$200, and then deduct 25% deduction of the remaining earned income.</p>	<p>Consider increasing disregards in order to provide support for more families.</p> <p>Example: Arkansas provides a 20% work related deduction followed by a 60% work incentive deduction.</p>
<p>Asset limit</p> <p>How much can a family maintain in savings while still being eligible for cash assistance?</p>	<p>\$3,000</p>	<p>Consider increasing or eliminating the asset limit to support families' retention of savings.</p> <p>Examples: Michigan has increased the asset limit to \$15,000. Ohio and Colorado have eliminated it entirely.</p>
<p>Eligibility during pregnancy for parents without children</p> <p>Are pregnant Montanans with no children in the household eligible for cash assistance?</p>	<p>Yes, in the final trimester of pregnancy.</p>	<p>Consider providing cash assistance during pregnancy to support early development outcomes and reduce parental stress.</p> <p>Examples: Michigan and Colorado provide cash assistance in any trimester of pregnancy.</p>
<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 Montana once they have been in the country <i>for five years or longer</i>?</p>	<p>Not uniformly. Families are only eligible if parents have 40 qualifying quarters (under Title II of the Social Security Act).</p>	<p>Consider providing access to eligible applicants who are legally-protected residents after five years' US residence, along with 43 states and the District of Columbia.</p>

Montana

TANF State Profile Summary 2025/2026

Flexibility	Current policy	Potential improvement
<p>Use of state funds to provide eligibility 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 Montana if they have been in the country for <i>less than five years</i>?</p>	No.	<p>Consider using state funds to provide cash assistance to these parents.</p> <p>Examples: Colorado and Georgia provide cash assistance to some caregivers before five years' residence, using state funds.</p>

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

Flexibility	Current policy	Potential improvement
<p>Child support pass-through</p> <p>Does Montana “pass through” a portion of the payments received by the state in child support for the family?</p>	Yes.	N/A

WHAT ARE MONTANA’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 Montana provide eligibility to parents without a search for employment?</p>	Yes.	N/A
<p>Counting educational activities as “core” work requirements</p> <p>Does Montana provide credit for all educational activities, including college, as “core” work activities for cash assistance?</p>	No.	<p>Consider counting postsecondary attendance as a “core” work activity.</p> <p>Examples: New Mexico, Kentucky, and Pennsylvania allow postsecondary education to count as a “core” work activity.</p>

Flexibility	Current policy	Potential improvement
<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 only for parents of children under four months.</p>	<p>Consider providing an exemption from work requirements for the first year of each infant’s life, to support their early development and reduce parental stress.</p> <p>Example: Colorado provides exemptions for parents with children up to twelve months of age.</p>
<p>Other exemptions from work requirements</p> <p>What are other conditions for exemptions from work requirements?</p>	<p>Other conditions for exemption include:</p> <ul style="list-style-type: none"> • Inability to find childcare • Participation in “family stability” activities 	<p>Consider adding other exemptions, including:</p> <ul style="list-style-type: none"> • Pregnancy • Caregiver’s disability • Circumstances involving domestic violence • Caring for family member with disability living in the home
WHICH RESTRICTIONS ON CASH ASSISTANCE HAS MONTANA 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 will enact full-family sanctions although not immediately.</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: Colorado, Oregon, and Pennsylvania will merely reduce the benefit.</p>

Montana

TANF State Profile Summary 2025/2026

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<p>Lifting drug felony bans</p> <p>Are persons convicted of drug-related felonies eligible for cash assistance?</p>	<p>Yes, if their sentence has been discharged, they are in compliance with supervision conditions, and/or they are actively participating in treatment.</p>	<p>N/A</p>
<p>Refraining from drug testing applicants or recipients</p> <p>Does Montana 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>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>Yes, Montana 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>