

OVERVIEW

Families First (TANF)	Tennessee	U.S. Average or Total
Annual (federal-only) block grant amount	\$190,891,768	\$16,488,600,000 (total)
% of TANF block grants spent on cash assistance, 2024	17.1%	21.8%
% families who participated in TANF per 100 families with children living in poverty, 2022-23	7%	20%
Total # families receiving TANF in 2025	12,760	848,631 (total)
% of cases designated "Child-Only" in 2025	62.7%	39.3%
"Unobligated balance" (or stockpiled amounts, which must be used for cash assistance or admin)		
TANF Funds "unobligated balance," as of 2024	\$675,393,456	\$7,986,470,560 (total)
"Unobligated balance" as share of total block grant amount	353.8%	49.5%
Change (+ or -) in "unobligated balance" from 2023	-\$76,946,115	+\$241,306,628

TENNESSEE'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>	<p>\$387/month, or 17% of the Federal Poverty Level (FPL) for 2026.</p>	<p>Consider increasing the benefit level to provide more support.</p> <p>Examples: Louisiana provides \$484/month. West Virginia provides \$542/month.</p>
<p>Recurring benefit increases</p> <p>Has Tennessee mandated increases to these amounts, as the costs of living increase?</p>	<p>No.</p>	<p>Consider making recurring increases, tied to a cost-of-living or poverty measurement.</p> <p>Examples: South Carolina, Virginia, and Ohio mandate annual updates.</p>

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, each adult earning an income can deduct a \$250 work-related expense.</p>	<p>Consider providing a larger earned income deduction on an on-going basis.</p> <p>Example: Arkansas provides a 20% “work-related” deduction as well as a 60% “work incentive” deduction for each month.</p>

HOW ELSE DOES TENNESSEE DETERMINE THE GENEROSITY OF CASH ASSISTANCE?

Flexibility	Current policy	Potential improvement
<p>Time limit</p> <p>Does Tennessee 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 can receive the same benefit amount as they received during their last month of assistance for up to 6 months.</p>	<p>N/A</p>
<p>Providing one-time cash payments to families in with specific financial needs</p> <p>Does Tennessee provide a formal diversion program to support families with specific short-term needs?</p>	<p>Yes.</p>	<p>N/A</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>	<p>Yes. The state imposes no ineligibility period.</p>	<p>N/A</p>

Flexibility	Current policy	Potential improvement
<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 Tennessee provide assistance to families with diaper expenses using TANF funds?</p>	No.	<p>Providing assistance with diaper costs provides significant support for families with young children.</p> <p>Examples: Hawaii and Washington provide assistance with diapers for families with very young children.</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>	Families can earn up to \$2,866 per month.	<p>Consider increasing the gross income limit to provide potential eligibility to more families.</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>	Yes, each adult earning an income can deduct a \$250 work-related expense.	<p>Consider providing a higher deduction to provide greater support to employed parents.</p> <p>Example: Maryland allows a 20% deduction from gross earned income for eligibility.</p>

Flexibility	Current policy	Potential improvement
<p>Asset limit</p> <p>How much can a family maintain in savings while still being eligible for cash assistance?</p>	<p>Families may retain up to \$2,000 in cash or savings accounts.</p>	<p>Consider eliminating the asset limit to support families' retention of savings.</p> <p>Example: Alabama has eliminated the consideration of cash assets or resource tests for eligibility.</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, beginning in the sixth month of pregnancy.</p>	<p>Providing cash assistance during pregnancy is critical for early development outcomes and in reducing parental stress.</p> <p>Examples: Maryland and Oklahoma provide assistance from the start of pregnancy.</p>
<p>Provision of federal TANF cash assistance to immigrant families who are lawful permanent residents (LPRs) <i>after</i> five years' residence in US</p> <p>Can parents who hold green cards access cash assistance in Tennessee 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>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 Tennessee 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>Example: Maryland provides cash assistance to some caregivers before five years' residence, using state funds.</p>

HOW DOES TENNESSEE 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 Tennessee “pass through” a portion of the payments received by the state in child support for the family?</p>	Yes.	N/A

WHAT ARE TENNESSEE’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 Tennessee provide eligibility to parents without a search for employment?</p>	Yes. There is no job search required.	N/A

Flexibility	Current policy	Potential improvement
<p>Counting educational activities as “core” work requirements</p> <p>Does Tennessee 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 to exempt parents for other 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>Exemptions apply for single parents of children under twelve months and for two-parent families with children under 16 weeks.</p>	<p>N/A</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"> • Disability or temporary incapacitation • Care of a relative with a disability living in the home 	<p>Consider providing exemptions for additional conditions, including:</p> <ul style="list-style-type: none"> • Pregnancy in the third trimester. • Circumstances involving domestic violence

WHICH RESTRICTIONS ON CASH ASSISTANCE HAS TENNESSEE 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 reducing the benefit amount instead.</p> <p>Examples: Arkansas merely reduces the benefit.</p>

Flexibility	Current policy	Potential improvement
<p>Lifting drug felony bans</p> <p>Are persons convicted of drug-related felonies eligible for cash assistance?</p>	<p>The ban has been modified to permit eligibility as long as the conviction was not for a Class A felony.</p>	<p>Consider eliminating the ban entirely, as many states have done.</p> <p>Examples: Alabama and Maryland have eliminated the ban entirely.</p>
<p>Refraining from drug testing applicants or recipients</p> <p>Does Tennessee 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, since it does not effectively support low-income parents or children.</p> <p>Examples: Florida and Alabama refrain from drug testing applicants and recipients.</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, the state does enforce a family cap, a policy that was never recommended through the federal TANF program.</p>	<p>Consider repealing the family cap. Thirteen other states, including Georgia, Indiana, Oklahoma, and Virginia, have already done this.</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>