

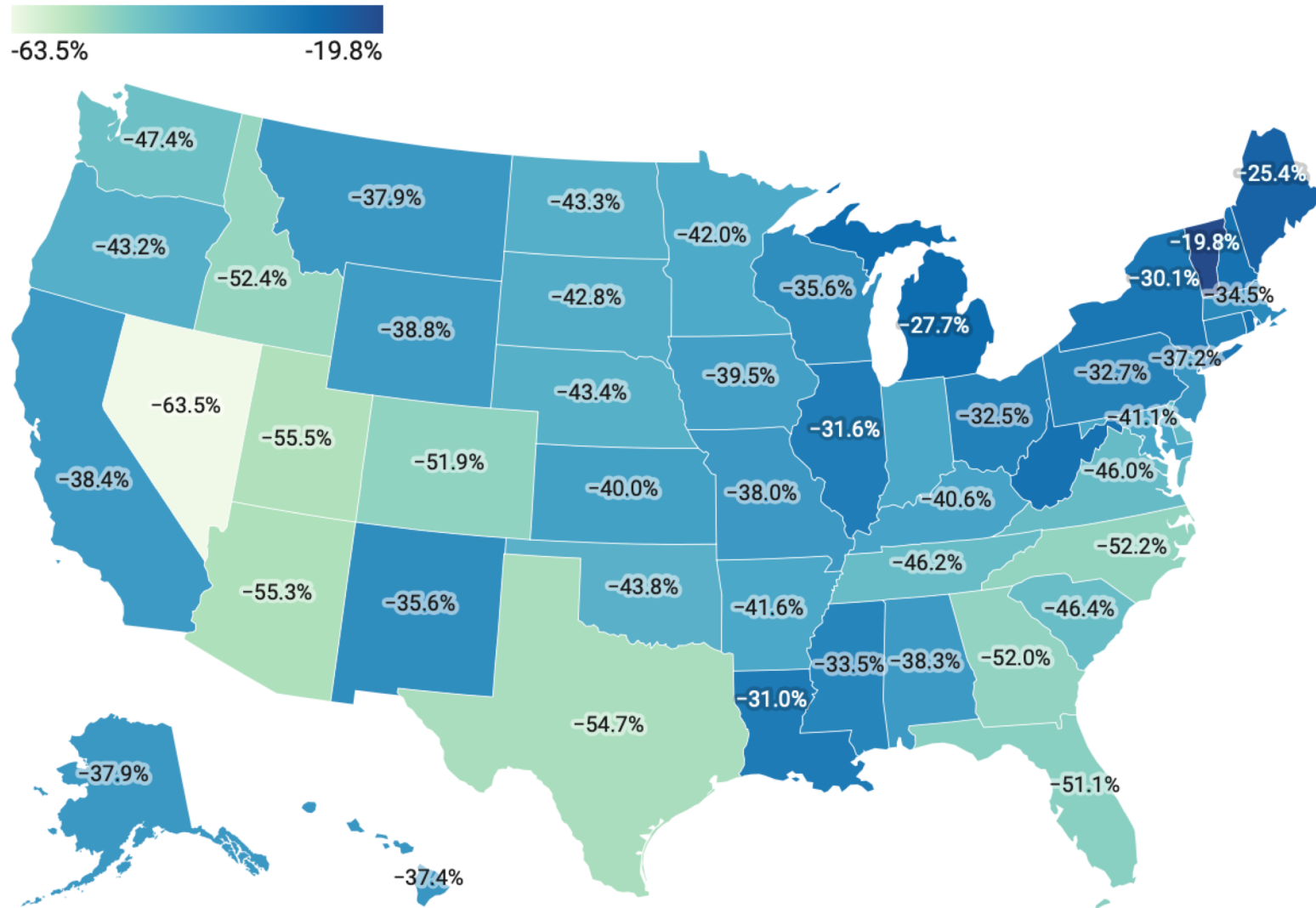
INEQUITABLE AND INADEQUATE

**Reforming Federal
Grants for State
Social Assistance
Programs**

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Change in Federal TANF Funding

Percent decrease in real dollars per child since 1996



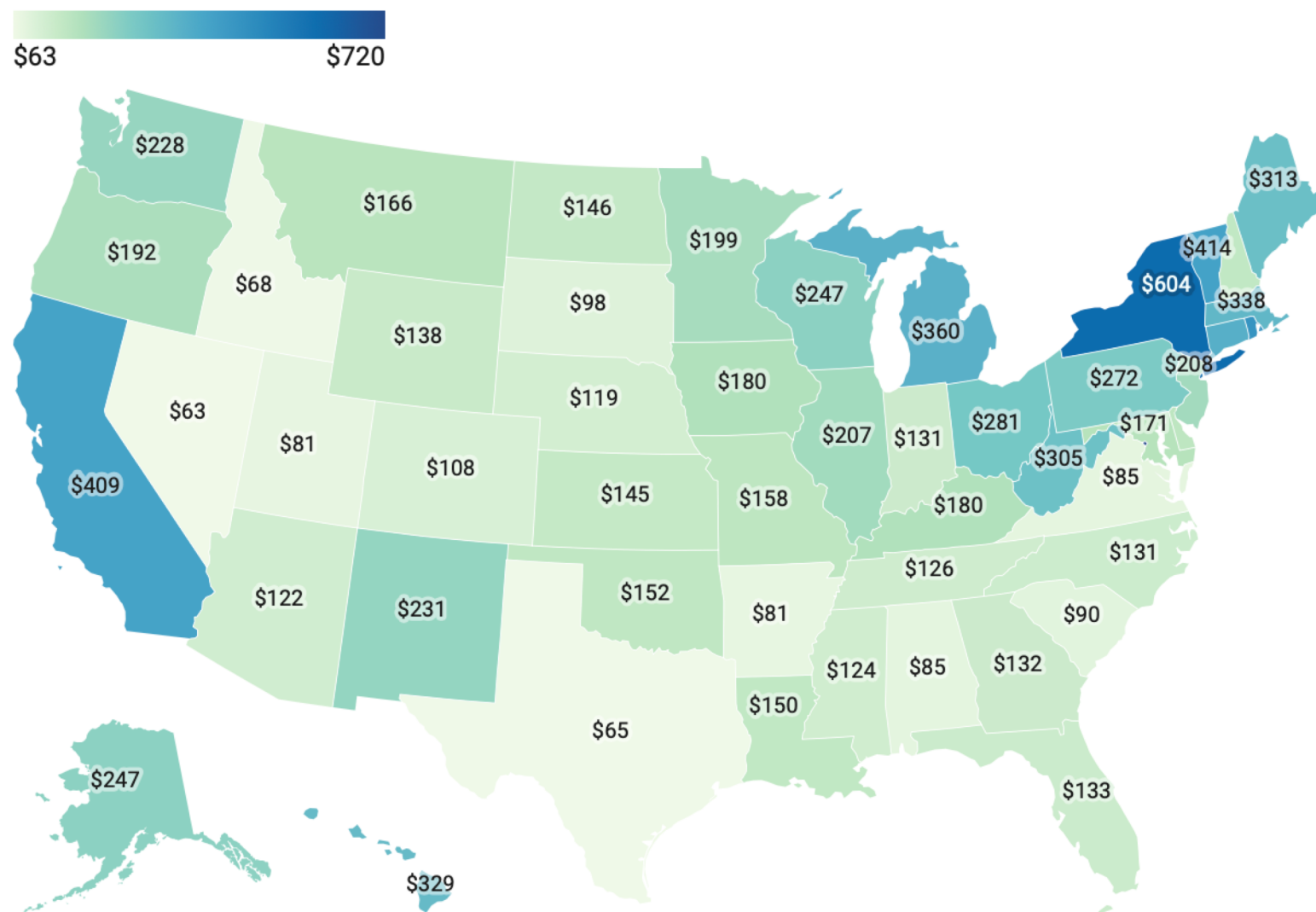
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PROBLEM #1

Inadequate federal support

Federal TANF Funding Across States

Funding per child, 2019

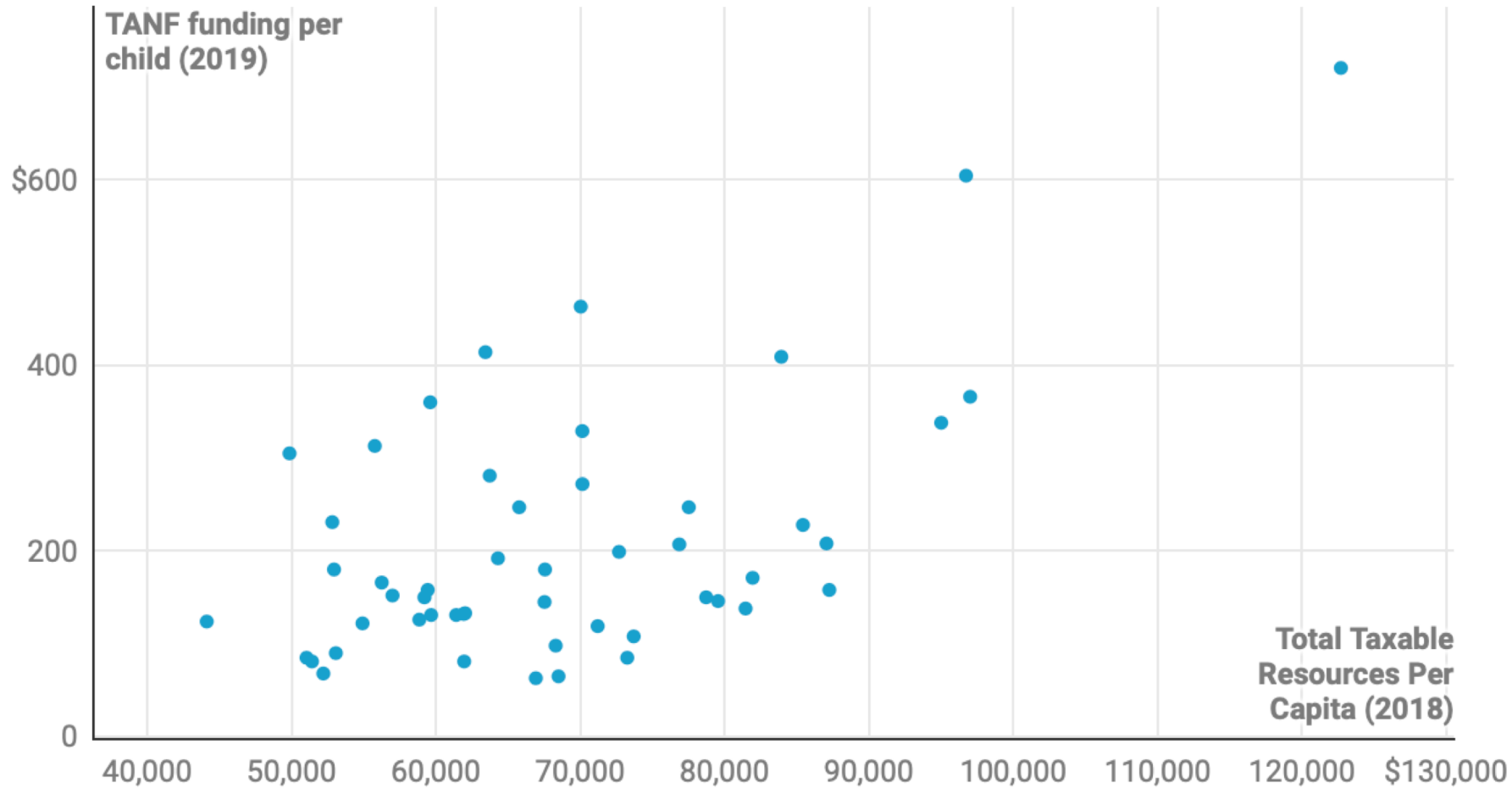


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PROBLEM #2

Inequitable
allocation

Federal TANF Funding and Fiscal Capacity



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PROBLEM #2

Inequitable
allocation

TWO APPROACHES TO FISCAL FEDERALISM

United States

- Block grant for social assistance
 - Only covers families with children
 - Allocated to states based on spending in the mid-1990s
 - Not indexed for inflation
 - Declining reach and benefit levels
- SALT deduction

Canada

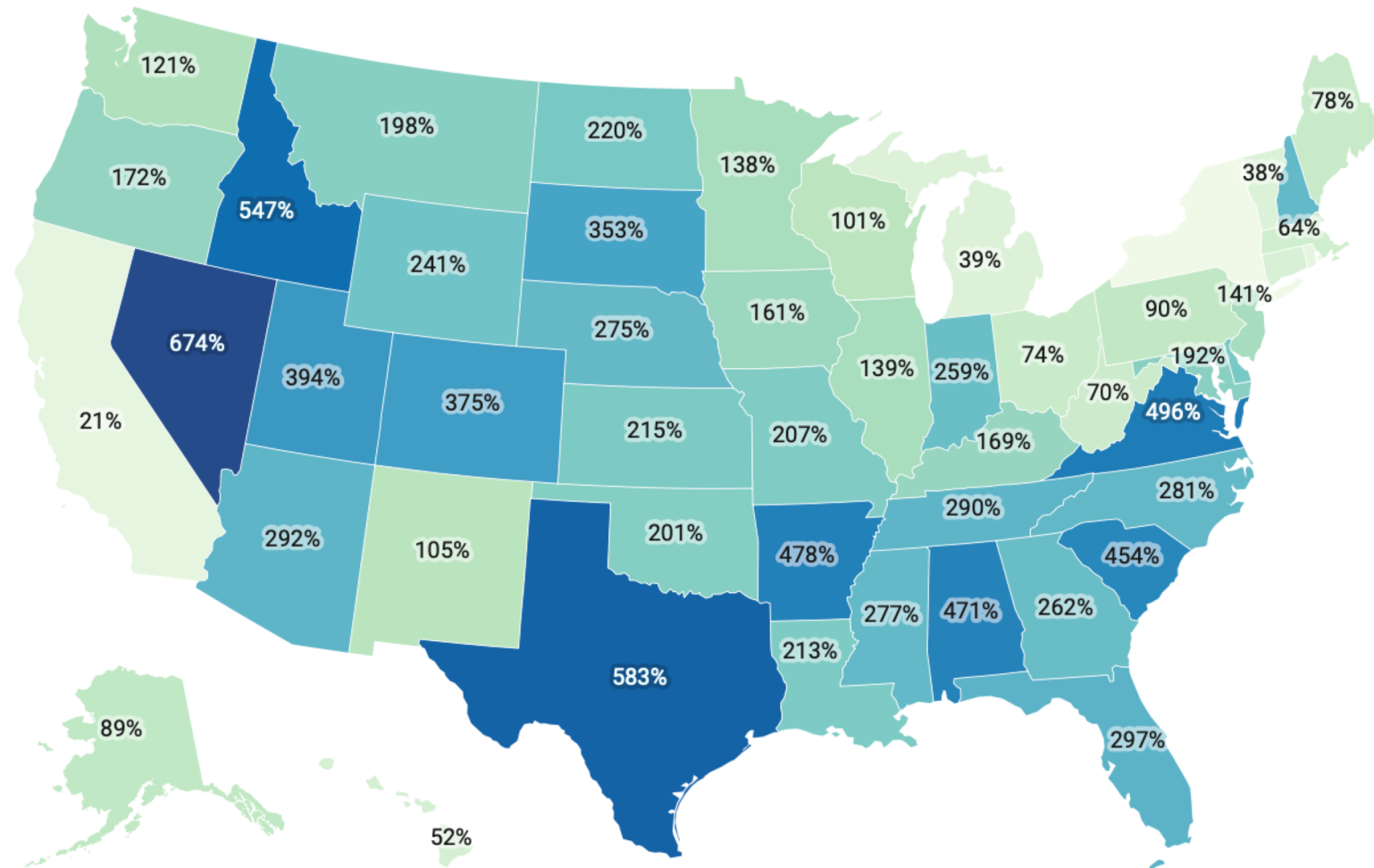
- Block grant for social assistance
 - Families with children and ABAWDs
 - Allocated to provinces on per capita basis
 - Legislated automatic 3% increase
 - Stable reach and benefit levels
- No SALT deduction

SOCIAL ASSISTANCE BLOCK GRANT PROPOSAL

1. Eliminate the SALT deduction (\$21.1 billion) and use those revenues to increase total funding to states for social assistance programs (\$16.5 billion)
2. Expand federal support to general assistance programs for ABAWDs
3. Allocate ~\$36.2 billion in funding to states on an equal per capita basis and index those amounts for inflation

Increase in Total Federal Funding Under Proposal

Percent increase relative to current TANF allocation



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ADEQUATE AND EQUITABLE

This amounts to
\$131 per capita
under 65 years old