



# Families in Focus: Moving Beyond Anecdotes

*Lessons from a 2010 Survey of Maine TANF Families*

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THE VOICE OF MAINE WOMEN

*“My work schedule...was 3 to midnight so there was no typical daycare available. And one of my kids... kept getting sick. She was, you know, probably 3 or 4. And so I’m sure you guys have heard of the book, “I’m One Sick Child Away From Being Fired”. That was literally the case and between the shift change and my daughter being sick so often, I ended up losing that job.”*

**37-year-old mother of two living in Fairfield**

## Executive Summary

Over the last year, the University of New England (UNE) School of Social work in collaboration with the University of Maine at Orono (UMO) conducted a comprehensive study of TANF households in Maine. This work was commissioned by Maine Equal Justice Partners and the Maine Women's Lobby. TANF recipients were randomly sampled from all eligible recipients. The 2010 Survey was mailed to 6,382 randomly selected Maine TANF households and yielded a response rate of 17%. Sampling frames from four different groups of TANF recipients were created in order to ensure a statistical representation of those families.

The 2010 Survey results illustrate that families seek help from TANF for three principle reasons: for some, it's the inability to find or maintain stable and secure employment; for others family health problems limit a parent's ability to work; and still others face family-related crises stemming from domestic violence, separation or divorce. In most instances, families receive TANF for only a short time. Among the 2010 survey respondents, the median length of time on the program was 18 months. The average family size is 1.7 children and only 12 percent of TANF families that were entitled to receive child support actually received it regularly.

Employment data from the 2010 Survey indicates that TANF recipients are eager to work; 97% of them reported that they have work experience with an average of three jobs in the past five years. Unfortunately, the data suggests that nearly 70% of them worked in low skilled sales or service sector jobs. Additionally, these low wage jobs provided little job security and typically required irregular work hours. As other research has shown, education is the key to stable employment but nearly 25% of the TANF recipients did not have a high school diploma or GED.

Moreover, disability plays a significant role in TANF families' lives. Sixty-seven percent of all households responding to the 2010 Survey had at least one family member with a disability. Nearly half (48.3%) of all parents had health conditions that limited their ability to work; 10.2% of families included another *adult* member in the household receiving SSI disability; and 8.5% of families included a *child* receiving SSI based on disability. However, for families receiving assistance for longer periods—more than five years—nearly 90% included a family member with a serious disability.

TANF respondents also reported significant challenges related to sustaining employment and providing for their family. Access to child care dominated parents' concerns as they looked toward finding a job. Nearly 43% worried that they would not be able to find someone they trusted to care for their child even if they had help paying for care; 55% believed that their work schedule would make it difficult to find child care; and 58% felt that their employer wouldn't understand if they needed to take time off to care for a sick child.

This research examines the lives of Maine TANF families in the context of their experience in the labor market, coping with a disability, and in the aftermath of domestic violence and other family-related crises. It offers policy recommendations tailored to meet the distinct needs of Maine families who turn to TANF.

## Introduction

In 1996, the Temporary Assistance to Needy Families (TANF) program was enacted with a focus of moving people into the workforce and the promise of greater state flexibility. It was funded by a fixed federal block grant that has not increased since that time. TANF was created when the U.S. economy was strong. Its policies were predicated on the premise that jobs were plentiful and anyone who wanted a job could find one.

Today, after nearly fifteen years, opinions vary on whether or not TANF has achieved its goals. Many point to the steep decline in the number of families receiving TANF cash benefits as a key indicator of the Program's success. In Maine the number of families receiving assistance fell by 41% since TANF implementation in 1996 through 2007, the last full calendar year before the onset of the recent recession.

But caseload decline does not tell the whole story. Understanding who benefited from welfare reform and who did not; the characteristics of families receiving assistance today; and the environment in which they work, or try to work, are all key factors that must be considered as both federal and state lawmakers reevaluate future policy for this program.

There is little disagreement that we live in a very different world than we did in 1996. Clearly, in today's economy jobs do not exist for all who seek them. But, even when jobs are available, many of those jobs do not create pathways out of poverty for poor families. Many workers today are having a hard time making ends meet, but the lowest wage workers experience particular hardship. Their wages, adjusted for inflation, are actually *lower* than they were in 2001.<sup>1</sup> Additionally, single mothers, the most typical household heads of TANF families, tend to have unemployment rates two to three times higher than married men.<sup>2</sup> This broader economic context is an essential framework for any meaningful analysis of the TANF program today.

Today, although views differ about TANF, program administrators, lawmakers, the general public and those in need of assistance all agree that the program must change. The question is how.

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<sup>1</sup> Economic Policy Institute analysis of Current Population Data, August 2010.

<sup>2</sup> <http://www.iwpr.org/pdf/SingleMomWebinar.pdf>

Changes must be made with care as TANF is the primary source of assistance for the poorest children in Maine and throughout the nation. As policymakers examine TANF, it is critical that they craft thoughtful, evidence-based solutions informed by the experience of Maine families. This is essential in order to redesign the program to match the educational and employment demands of today's economy and help families leave poverty behind permanently. It is the goal of this study to contribute to that effort.

## **2010 Study of Maine TANF Households**

Throughout the last year, researchers at the University of New England (UNE) and the University of Maine at Orono (UMO) conducted an extensive study of TANF households in Maine to better understand their individual circumstances and needs, and their experience with the TANF program. This work was commissioned by Maine Equal Justice Partners and the Maine Women's Lobby. The survey was mailed to 6,382 randomly selected Maine TANF households (hereinafter, the 2010 survey) and yielded a response rate of 17%. Sampling frames from four different groups of TANF recipients were created in order to ensure a statistical representation of those families who were on TANF at the time. Sampling frames from these various groups were randomized and selected based on a random number generation within each grouping. As such, the data is generalizable to the larger TANF population. The survey was supplemented by qualitative research through focus groups and selected phone interviews providing a deeper understanding of survey findings related to employment and disability. Findings from this quantitative and qualitative research, along with data provided by the Maine Department and Health and Human Services (DHHS) and other sources referenced below form the basis of this report.

## **Who Receives TANF in Maine?**

The TANF program helps families with children with low incomes throughout the nation, including the State of Maine. As of November 2010, 14,775 Maine families from every county in the State, representing 25,891 children, received TANF assistance.<sup>3</sup> Families seek help from TANF for three principal reasons: for some, it's the inability to find stable and secure employment; for others family health problems limit a parent's ability to work; and still others face family-related crises stemming from domestic violence, separation or divorce. In most instances, families receive TANF for only a short time. Among the 2010 survey respondents, the median length of time they had been on the program at the time that the survey was administered was only 18 months.

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<sup>3</sup> <http://www.maine.gov/dhhs/OIAS/reports/2010/geo-november.pdf>

## A Snapshot of Families Receiving TANF

**Family Characteristics: The vast majority of TANF families are headed by a woman raising young children on her own.**

- **Gender.** Of all respondents to the 2010 survey, 92.4% were women, reflecting the fact that TANF families are predominantly headed by women raising children on their own.
- **Age of Parent.** The average age of parents receiving TANF is 31 years.
- **Age of Child.** Children receiving TANF tend to be very young. The median age of a child in a TANF family is just under two years old.
- **Family Size.** Respondents have an average of 1.7 children per family.<sup>4</sup> This is the same child per family ratio that exists in the general Maine population.<sup>5</sup>
- **Support.** Only 12% of all respondents that were due child support from an absent parent reported receiving it on a regular basis.

**Employment: Nearly all TANF recipients have work experience, but that experience is typically in low-wage jobs with little job security and irregular work schedules.**

- **Work Experience.** Respondents to the 2010 survey do not lack work effort; 97% report work experience. On average, they have held three jobs in the past five years.
- **Employment Sector.** Nearly 70% of respondents reported working in the sales or service sector of the labor market.

**Education: Many parents on TANF lack the education and skills necessary to acquire jobs in today's economy.** Nearly one-quarter of all respondents to the 2010 survey did not have a high school diploma or GED.

**Transportation: Many families lack basic access to transportation.**

- **Access to Transportation:** Nearly 46% of all respondents do not own a vehicle. Of those, 80% said that it was hard to get a ride or find transportation when they needed it.
- **Unreliable Transportation.** 35% of respondents identified unreliable transportation as a reason for applying for TANF.

**Child Care: Access to child care dramatically affects parents' ability to work.**

- **Lack of child care.** When asked about their reason for applying for TANF, 28% of respondents noted their inability to find or afford child care.

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<sup>4</sup> ibid

<sup>5</sup> <http://www.census.gov/population/socdemo/hh-fam/tabST-F1-2000.pdf>

- **Barrier to employment.** Access to child care dominated parents' concerns as they looked toward finding a job.
  - Nearly 43% worried that they would not be able to find someone they trusted to care for their child even if they had help paying for care.
  - 55% believed that their work schedule would make it difficult to find child care.
  - 58% felt that their employer wouldn't understand if they needed to take time off to care for a sick child.

**Health Status: A disability for one or more family members is disproportionately high among TANF families.**

- **Incidence of disability.** Overall, 67% of all households responding to the 2010 survey had at least one family member with a disability.
  - Nearly half (48.3%) of all parents had health conditions that limited their ability to work;
  - 10.2% of families had another *adult* member in the household receiving SSI disability; and
  - 8.5% of families had a *child* receiving SSI based on disability.

**Housing: The majority of TANF families are renters, but few have access to a rent subsidy.**

- **Living arrangement.**
  - Nearly two-thirds of respondents (65%) are renters. Of these, less than one-quarter of all respondents (22%) lived in public housing or had access to a HUD Section 8 voucher providing a rent subsidy.
  - Only 12% of respondents owned their own homes;
  - The remainder (23%) had alternative living arrangements, such as sharing rent expenses with others, staying with friends or relatives, or living in a homeless shelter.
- **TANF prevents homelessness.** A large majority of survey respondents (81.3%) responded that they and their children would not have a place to live if they did not get help from TANF.

**How Are Families Faring?**

The majority of survey respondents share an experience of profound hardship. The extent of hardship reported by TANF families in 2010 is considerably greater than that experienced by families in a similar survey in 1997.<sup>6</sup>

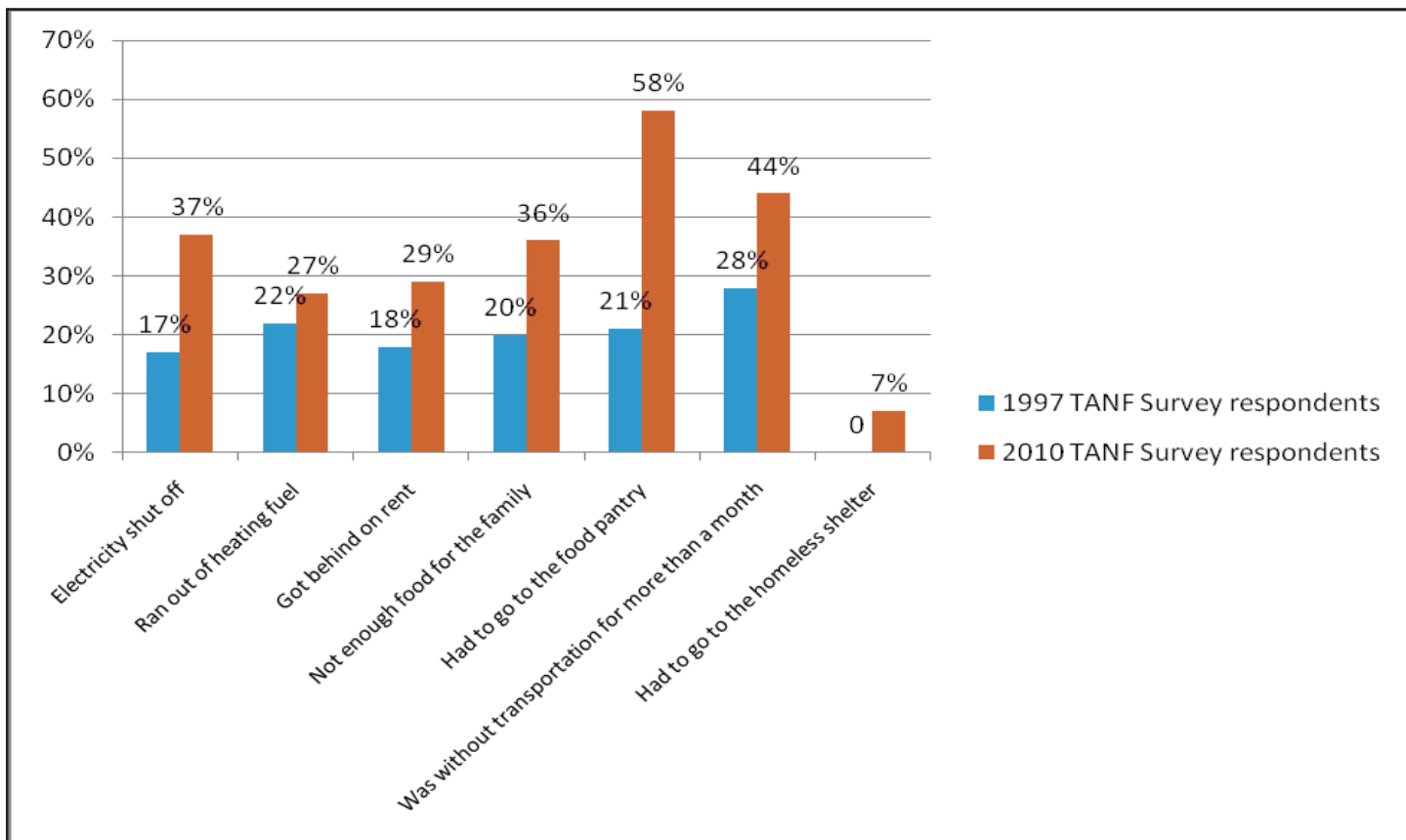
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<sup>6</sup> Sequino, Stephanie, University of Vermont; Sandra Butler, University of Maine; “Struggling to Make Ends Meet in the Maine Economy”, March 1998.

As hardships have increased for families receiving TANF, the TANF benefit itself has lost value. Maine’s maximum TANF benefit has not been raised since 2001. Today’s TANF benefit would have to be \$569 instead of its current \$485 to have the same purchasing power as it did in 1997. While the TANF benefit has decreased in value, the cost of renting an apartment has increased by 53% since 1997.<sup>7</sup>

The following figure contrasts TANF families’ experience between 1997 and 2010.

Figure 1: Comparison of problems faced by families in 2010 as compared with the 1997 data.



## Why Do Families Turn to TANF?

While no one single story explains why families turn to TANF, one thing is clear: families seek TANF assistance in response to the larger social and economic factors affecting their lives.

Typically families turn to TANF for one of three reasons: (1) the instability of work in the low-wage labor market; (2) the impact of illness and disability; or (3) family-related problems including divorce, separation and domestic violence. Because families need TANF for different reasons, a one-size-fits all

<sup>7</sup> <http://www.huduser.org/portal/datasets/fmr.html>



policy approach does not provide the necessary support for all families. Gaining a better understanding of the various roles that TANF plays in families' lives will lead to more informed policy solutions to improve the program and the lives of participating families.

## The Instability of Work in the Low-Wage Labor Market

Many families turn to TANF when they cannot find work. Of all those responding to the 2010 survey, 42.2% of families applying for TANF did so because they “couldn’t find a job.” Moreover, even for those who find work, many struggle to sustain employment in sectors of the labor market where low wages and insecure employment predominate. For these families, low pay, irregular hours, and difficulty balancing work and family lead to ongoing job insecurity. As a result many move back and forth between TANF and employment. A large percentage (43.6%) of respondents left and returned to TANF at least once as an adult. Among these families, 55.3% reported leaving and returning at least twice in the last ten years. This experience is consistent with national research showing that even when low-wage workers are steadily employed their wages and benefits are very low and their prospects for advancement are poor.<sup>8</sup>

- **Wages for TANF families lag far behind average wages in Maine.** TANF recipients working at the time of the 2010 survey reported a median hourly wage of \$8.36. This is an increase of only 4.5% over the median hourly wage of \$8.00 found in a survey of a similar group of Maine TANF recipients in 2001.<sup>9</sup> By comparison, Maine’s average weekly wage for all workers (both full and part time) increased by 20.3% during a similar period between 2001 and 2008. This means that wage increases for all Maine workers were *four* times greater than for TANF families during this period.<sup>10</sup>
- **Wages insufficient to support families.** Among all respondents 35% indicated that they “can’t earn enough from work to support my family” as a reason for applying for TANF. This response was even larger (50%) for families that returned to TANF at least twice over the last ten years.
- **Certain sectors of the labor market are less secure than others.** Approximately 10% of *all* respondents reported that their current or most recent job was in the health care sector (often working as a CNA). But, when you look at people who have returned to TANF multiple times in comparison to those who did not, these individuals are 60% more likely to have worked in this sector. This raises particular questions about the sustainability of certain jobs within this fast growing sector

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8 [http://www.npc.umich.edu/publications/working\\_papers/](http://www.npc.umich.edu/publications/working_papers/)

9 Pohlmann, Lisa, “Welfare Reform: Lessons From Maine”, Maine Center for Economic Policy, Augusta, Maine 2002.

10 Since Average Weekly Wage Data is not yet available for 2009 and 2010, it is likely that this understates the difference between the earnings of TANF workers and all Maine workers.

- **Too often TANF serves as the Unemployment Insurance (UI) Program for low-wage workers.**

Nationally, low-wage workers are among those least likely to receive UI when they become unemployed.<sup>11</sup> These workers are 2 ½ times more likely to be out of work than higher wage earners, yet they are only half as likely to get unemployment benefits when they lose a job.<sup>12</sup> Maine's survey data reflects this problem:

- Of all respondents to the 2010 survey who recently lost a job, less than one-third (32.2%) applied for unemployment insurance (UI) benefits. Of those that applied, only 31.9% actually received UI.
- By comparison, in a companion 2010 survey of parents receiving Food Supplement benefits (formerly Food Stamps), but not TANF, less than one-third also applied for UI (31.1%). However, in the case of these Food Supplement families, fully 62% of applicants received UI benefits. This is nearly *double* the number of TANF families that actually received UI. This data corroborates that families turn to TANF when UI does not help them.

- **Education Matters.** Higher educational levels are strongly correlated with less time spent on TANF and lower frequency of return to cash assistance.

- Nearly one-third (31.2%) of all TANF recipients who had been on TANF three or more times, had less than a high school diploma. By comparison, 60% of those who had not been on TANF before had at least some college or technical school education.
- Nearly 60% of those with a high school diploma receiving TANF for 6 months or less indicated that they would be likely to leave TANF within 6 months. By comparison only 11% of those with an 8<sup>th</sup> grade education or less thought that they would be likely to leave within 6 months.
- Although only a relatively small number of college graduates reported receiving TANF, these families received assistance for an average of only 8 months. By comparison those recipients with less than a high school diploma reported being on TANF for an average of 21 months.
- A strong majority (63%) of all respondents to the 2010 survey reported that they were engaged in an employment, education, or training program. Of those nearly 80% were working to increase their skill or education level.
- Just over 16% of all respondents applied for and enrolled in a post-secondary education program through the Parents as Scholars Program.

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11 <http://www.gao.gov/new.items/d071147.pdf>

12 *ibid*

## **Family Voices:**

### **Balancing obligations of work and family can be extremely difficult.**

*“I lost [my job] due to having to call out of work for my kids being sick and not having backup babysitters. It’s hard, also because they wanted me to work weekends and I didn’t have anybody to watch my kids on weekends. I had to find somebody every week and it’s not easy. So I lost my job and I actually liked working there.”*

**28-year-old mother of two living in Westbrook**

### **Finding sustainable employment without a higher level of education is challenging in today’s economy.**

*“The more education you have the better job you’re going to have with the more time off and the more medical. And so it’s another catch because you know, if you’re trying to work but you don’t really have the education you’re not going to have the time off to have sick children or be sick yourself. And then you do end up in a cycle where you’re on TANF and then you’re off because you have found a job, but then something’s happened and you’re on TANF. And I think that’s why you see a lot of people on and off.”*

**37-year-old mother of two living in Fairfield**

### **TANF parents recognize the importance of education.**

*“Over the past three years I’ve had several jobs. But it is hard to keep a job. Of course I don’t have a degree so I can’t really get a good job.”*

**22-year-old mother of one living in Waterville**

### **Many parents who turn to TANF have struggled to hold onto gainful employment within the retail sector.**

*“And as far as the retail goes, that’s great, you know, there are retail jobs for ten hours a week, and you’re going to get laid off as soon as money’s not coming into the store, which is what keeps happening to me.”*

**35-year-old mother of one living in Sidney**

### **A scarcity of jobs makes it even more difficult to find gainful employment in today’s economy.**

*“Verso Paper in Jay, which is four miles from my house...just hired a hundred people. But they had over a thousand applicants for those hundred jobs.”*

**47-year-old mother of four living in Fayette**

## The Impact of Illness and Disability

Study findings indicate a high prevalence of disability among TANF families. As stated previously, 67% of all responding families included at least one member with a disability. In families receiving TANF for a longer period, the prevalence is considerably greater. Nearly **90%** of families receiving TANF for 60 months or more had a work-limiting disability themselves and/or a child or family member with a disability.

Notably, the percent of respondents indicating that they had a work limiting disability themselves is more than *double* the percent reporting such limitation in 1995. Since TANF was enacted in 1996 those parents who were able leave the program for work have largely done so. Today's TANF program reflects that change and, as a result, includes a much greater percentage of those with a disability than was the case in the mid-nineties.

Health problems lead many families to apply for TANF. Nearly 30% of all respondents reported that a physical or mental health problem was the immediate reason that led them to apply for TANF. More than one in five said that they applied because they had a child with a physical or mental health problem or another adult family member who needed their care. These families often cannot work or sustain employment as a result of their health problems.

- **Not surprisingly families coping with disability have less recent work history than respondents as a whole.** The average number of jobs in the past five years for all survey respondents was three, but for families with disabilities the average was one.
- **Children with a disability are absent from school three times more frequently than all survey children.** Only 5.4% of the children of all respondents were absent from school once a week or more. However, 18.36% of children with a disability were absent once a week or more due to illness. Certainly children with disabilities require a higher level of care by their parents. As a result parents caring for these children have greater difficulty maintaining steady employment.
- **An overwhelming majority (96.1%) of respondents with a work-limiting disability who have received TANF for more than 60 months worried that their health was not good enough to keep a job.** This compares to 34.7% of *all* respondents expressing this same concern.

## Family Voices:

**While waiting for her daughter to undergo a necessary surgery, one mother has put her own need for cancer treatment on hold.**

*“Well I had a job, ...and then my daughter had to have back surgery. She was born with spina bifida...Yes, I’m waiting, she is awaiting reconstructive surgery. With all her appointments...we probably make three trips to Bangor, roughly, in a week, depending on how many appointments she has or tests she has to have done.”*

**37-year-old mother of 3 living in northern Maine**

**Families with disabilities face multiple challenges.**

*“My daughter’s a stroke survivor and my son’s immune compromised. I just counted on my calendar and between all the members of my household we had 18 medical appointments in May, which is probably a pretty typical month. So it’s pretty tricky to find work that meets my financial needs. It took my son almost seven years I think to get disability.”*

**Mother living in Fayette.**

## Family-related problems including divorce, separation and domestic violence

Sudden economic disruption resulting from divorce, separation or the need to flee an abusive situation is the third most common reason that families seek help from TANF. These families often view TANF as a short term bridge to get them through a time of crisis when they have lost their usual source of financial support

- 24% of survey respondents reported applying for TANF because of a divorce or separation;
- 23% reported applying because they left an abusive relationship. National studies have found that over half of the women receiving public assistance report experiencing domestic violence in their lifetimes.<sup>13</sup>
- The majority (52.6%) of these families who applied because of either job or family-related reasons believed that they would be likely to leave TANF within six months. This is nearly *double* the percent of all respondents who believed that they would leave TANF in the next 6 months (27.3%).

<sup>13</sup> <http://www.legalmomentum.org/assets/pdfs/not-enough-what-tanf-offers.pdf>

## **Family Voices:**

**TANF provides vital support for survivors of domestic violence.**

*“Because of domestic violence I was running on auto pilot while I helped my kids back to health. My youngest son was 7 and his dad offered to load the shotgun for him to kill me... I ended up losing my job and TANF has been very helpful and supportive.”*

**44-year-old mother of two living in Waterville**

## **Where do these findings lead us?**

Findings from this 2010 survey indicate that any policy initiatives aimed at reducing poverty among families with children must consider the larger context in which they live and the many economic, social and health factors affecting their lives.

Looking at families lives through this lens provides a more informed understanding of why so many families in Maine and throughout the nation can't make ends meet.

Improving opportunity and economic security for low-income families and their children requires a thoughtful examination of the reasons that families turn to TANF and the strategies that are effective in helping them leave the program permanently. It is our hope that the experience of Maine families gleaned from this study will inform evidence-based solutions to help these families succeed. The following recommendations are offered with the intention of furthering that objective.

## **Policy Implications and Recommendations: Employment and Education**

### **TANF as a stepping stone to sustainable employment**

Based on survey responses the following changes would improve the effectiveness of the TANF Program in helping families make a permanent transition to employment:

- Expand and promote opportunity for parents to develop new skills that will enable them to move into more secure jobs with higher wages and more access to benefits.
- Amend federal law to encourage states to adopt strategies that encourage access to post-secondary education for TANF families;
- Maintain and streamline transitional services such as child care and transportation that help families sustain employment to ensure that they are more uniformly administered and access is improved;

- Revise federal work participation requirements to give states more flexibility to serve families with individualized activities designed to eliminate barriers to employment;
- Change federal performance measures so that states are not measured by rigid process measurements, but are rather held accountable for family outcomes such as job retention and poverty reduction;
- Increase access to work supports like child care and transportation for families *before* they have to turn to TANF.

A key strategy in this area is to modify federal law so that it encourages, not discourages states from offering access to post-secondary education. In today's economy it is broadly recognized that individuals must have *more than* a high school diploma to earn a family-supporting wage. Moreover, this is where opportunities will lie as employment growth is expected to continue to be concentrated at the upper end of the educational attainment spectrum. Nearly two-thirds of net job growth is expected in occupations that generally require some post-secondary education.<sup>14</sup> Studies show that wages and overall income increase significantly with additional education beyond high school.<sup>15</sup> Data from this study, suggests a direct relationship between increased education and increased wages. In addition, higher levels of education correspond with lower unemployment and poverty rates.<sup>16</sup>

Maine's successful Parents as Scholars Program has offered a proven route out of poverty for thousands of TANF parents. It has increased wages by nearly 50%, significantly improved access to employer-provided benefits like health insurance, and raised the aspirations of children in participating families.<sup>17</sup> Nevertheless, current federal law continues to subject states to the risk of financial penalty for providing this valuable opportunity to poor families with children.

With respect to transitional assistance for families leaving TANF for work, Maine already provides critical assistance with health care, child care, transportation, and food. The study shows that these transitional benefits significantly reduce concerns about leaving assistance for TANF families, with nearly 75% of respondents indicating that they worry less about returning to work because this assistance is available. However, access to these programs could be improved and they could be streamlined to both simplify administration and promote greater access.

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14 Labor Market Digest, Maine Department of Labor, Center for Workforce Research and Information, November 2010

15 <http://www.census.gov/prod/2002pubs/p23-210.pdf> .

16 Sandy Baum & Jennifer Ma, "Education Pays: The Benefits of Higher Education for Individuals and Society," Trends in Higher Education Series; 2007. [http://www.collegeboard.com/prod\\_downloads/about/news\\_info/trends/ed\\_pays\\_2007.pdf](http://www.collegeboard.com/prod_downloads/about/news_info/trends/ed_pays_2007.pdf)

17 <http://www.mejp.org/PaSeduworks.htm>

## Looking Beyond TANF

The workforce experience of TANF families makes clear that policy changes in areas beyond the scope of the TANF program itself are essential. For example, raising the minimum wage would dramatically improve economic prospects for this group of workers. **The following approaches seem particularly promising based on survey responses.**

- Modernize the unemployment insurance program to better support unemployed low-wage workers;
- Expand the State Earned Income Tax Credit (EITC) and make it refundable; and
- Provide all employees with a minimum amount of earned paid sick leave at their jobs.

As noted above, TANF has filled the gap where unemployment insurance fails low-wage workers. In the more than seven decades since the UI program was established the nature of both work and unemployment has fundamentally changed, yet the UI program has failed to adapt accordingly. Manufacturing jobs that once provided lifetime employment for many are disappearing. They have been replaced by jobs in the service sector with higher turnover rates, lower pay, and irregular hours. Women's employment has increased dramatically with many women providing the sole support for their family. The current UI system does not recognize the reality of work for many women attempting to balance their obligations to both their jobs and their family. As evidenced by the studies findings, these are the workers who turn to TANF when they lose their job instead of the program designed to protect unemployed workers.

Although Maine has a State EITC, it is minimal and non-refundable. Many families with incomes modestly above the official poverty line –\$18,310 for a family of three –face great difficulty in meeting the costs of food, housing, transportation, clothing, and other necessities. They cannot make ends meet on wages alone. Sluggish wage growth for low-earning families means that many families are likely to continue to struggle. State EITCs can help reduce poverty and hardship among families with children.

Guaranteed paid sick time would make a significant difference for low-wage working single parents. As noted previously, 58% of survey respondents felt that their employer wouldn't understand if they needed to take time off to care for a sick child. Their concern is well-founded as low-wage workers are often given the least amount of flexibility in their schedules, and are the least likely to receive earned sick time. In Maine, while over 40% of full-time workers in the private sector lack paid sick days, approximately 75% of low-wage workers are denied even one paid sick day per year.<sup>18</sup> Earned paid sick leave would decrease this disparity.

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<sup>18</sup> Maine Center for Economic Policy analysis using the Institute for Women's Policy Research (IWPR) Paid Sick Days Estimator, [http://www.iwpr.org/Work/Research\\_work.htm#PSDtoolkit](http://www.iwpr.org/Work/Research_work.htm#PSDtoolkit)  
The Estimator uses IWPR analysis of the U.S. Bureau of Labor Statistics' March 2006 National Compensation Survey.



## **Policy Implications and Recommendations: Illness and Disability**

### **Improving TANF as a support for families living with disability**

Families coping with disability could be better served by the TANF program. Solutions to this problem require changes in federal law.

- Expand the activities that “count” toward meeting the federal participation rate to include all activities reasonably designed to eliminate employment barriers for people with disabilities.
- Adapt federal participation requirements to provide for flexibility in the number of hours that a participant is required to work.

Federal law currently allows only a very narrow group of activities to “count” toward the federally required “participation rate”—the measure that determines whether or not a state will receive its full federal block grant. States often risk financial penalty if they attempt to individualize programs to accommodate a participant’s need even if their future employment rests on addressing these conditions. For example, approving alternative work arrangements, including reduced work hours for certain people with disabilities not able to work full-time means that that individual will not be “counted” toward the state’s participation quota, reducing the likelihood that it will meet its federally required participation rate. Specialized services are typically not available. Key barrier removal activities needed to enter the workforce, including professionally recommended levels of treatment, are not now recognized as legitimate activities under federal law despite their effectiveness in helping people become ready for employment. Removing these limitations would enable the TANF program to better serve people with disabilities.

### **Looking Beyond the TANF Program**

Other programs and resources play an important role in assisting families with disabilities.

- Establish a program to provide comprehensive assistance in navigating the SSI application and appeals process for TANF recipients with disabilities.

The Supplemental Security Income Program (SSI) is an important source of financial support for low-income people with total and permanent disabilities. Yet, this program is notoriously difficult to navigate and initial denials are frequent. Of the survey families that include at least one member receiving SSI, the majority (55%) indicated that people need help applying for SSI. Data from the Social Security Administration for 2008 indicates that 64% of SSI applications are initially denied. For those who

dispute the initial denial, 90% are denied at the reconsideration level. However, for those who continue to appeal, more than 50% are ultimately found eligible.<sup>19</sup>

These delays and denials are often the result of inadequate medical evidence or other information necessary to make an accurate determination. TANF frequently provides income to families during delays in the SSI determination or appeals process or when their disability does not meet the strict SSI standard of total and permanent disability. A program facilitating access to the SSI program for TANF families would provide badly needed additional income and a stable source of support for families with disabilities. It will also save state TANF dollars.

## **Policy Implications and Recommendations: Family-related problems including divorce, separation and domestic violence**

### **Improving TANF to better support families in crisis**

Certain components of the current TANF program could be changed to assist families that need help to get back on their feet.

- Increase TANF benefits to reduce severe hardships and more adequately reflect the cost of living and families' basic needs; and
- Restructure federal work requirements so that they recognize and permit the most reasonable and effective strategies for reemployment. For example, in the case of those who will only need assistance for a short period of time, the work requirements might be modeled after the work search requirement used in the unemployment compensation program.

### **Looking beyond the TANF Program**

Families at all income levels are impacted by divorce, separation and domestic violence. For families with low income, however, this crisis is exacerbated by financial hardship. These families need accessible and comprehensive services to stabilize their lives.

- Expand services for victims of domestic violence or families displaced by divorce or separation;

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<sup>19</sup> [http://www.socialsecurity.gov/policy/docs/statcomps/ssi\\_asr/2009/sect10.pdf](http://www.socialsecurity.gov/policy/docs/statcomps/ssi_asr/2009/sect10.pdf)

## **Conclusion: Lessons from Yesterday and Today; Strategies for Tomorrow**

A broader framework and perspective is needed as policy makers reevaluate the TANF program at both the state and federal level. The vision must not be confined to the TANF program alone, but rather must recognize the broader social and economic context in which poor families live.

Today TANF plays different roles for families experiencing different circumstances, thus the one-size-fits-all approach of the past does not work as an effective strategy for the future. As described above the data from the 2010 Survey underscores the multiple reasons why families turn to TANF and families would be the first to agree that flexible, individualized approaches are needed for them to reach their shared goal of self sufficiency.

Fundamentally, the way that success is currently measured in the TANF program must change. It can no longer be based on a simplistic pass/fail approach that does not consider actual outcomes for the families it serves. Today, it measures only whether a state reaches a rigid numeric target for the number of families engaged in a narrow set of activities defined as “work”, ignoring individualized needs and limiting states’ ability to innovate.

Instead the program should be accountable for the actual outcomes achieved for the families it serves—has the program increased families’ wellbeing; have a greater number of families left poverty; have we really made a difference that will be reflected in the lives of the children from these families in the future? This fundamental shift in the program’s goal is perhaps the single most important change that can be made for the future.

We have much to learn from the experience of TANF program and the families it has served. These lessons provide key sources of information as policymakers work to reevaluate and restructure the TANF program for future years. As this report is published, one in every six Maine children is living in poverty.<sup>20</sup> Future policy changes could offer them a more hopeful world.

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<sup>20</sup> <http://datacenter.kidscount.org/data/acrossstates/Rankings.aspx?ind=43>