



TENNESSEE DEPARTMENT OF
HUMAN SERVICES



*Temporary Assistance
For Needy Families*



January 18th, 2022 | Families First Community Advisory Board Meeting

Agenda

- Commissioner's Update
- Benefits Cliff Overview
- Adjourn



Commissioner's Update

Benefits Cliffs

Brittany Birken
January 18, 2022



Advancing Careers for Low-Income Families

The Atlanta Fed's Advancing Careers initiative works to improve economic mobility and resilience by:

- Identifying how benefits cliffs and other structural barriers create financial disincentives to career advancement
- Conducting research, developing tools, and analyzing solutions on mechanisms for reducing barriers to economic mobility and resilience
- Engaging in partnerships to support community and state efforts to improve economic security for families

Benefits Cliffs

- Many public programs support low-income families with food, housing, child care, and other services.
- These programs have income eligibility requirements.
- Work-related earnings gains are offset by the loss of public programs with income eligibility requirements.
- Low-income workers may be better off financially by not taking a job with either higher pay or more available hours due to the loss of public program benefits.

The Impact of Benefits Cliffs

Annual Net Financial Resources
Income + Public Assistance - Expenses - Taxes

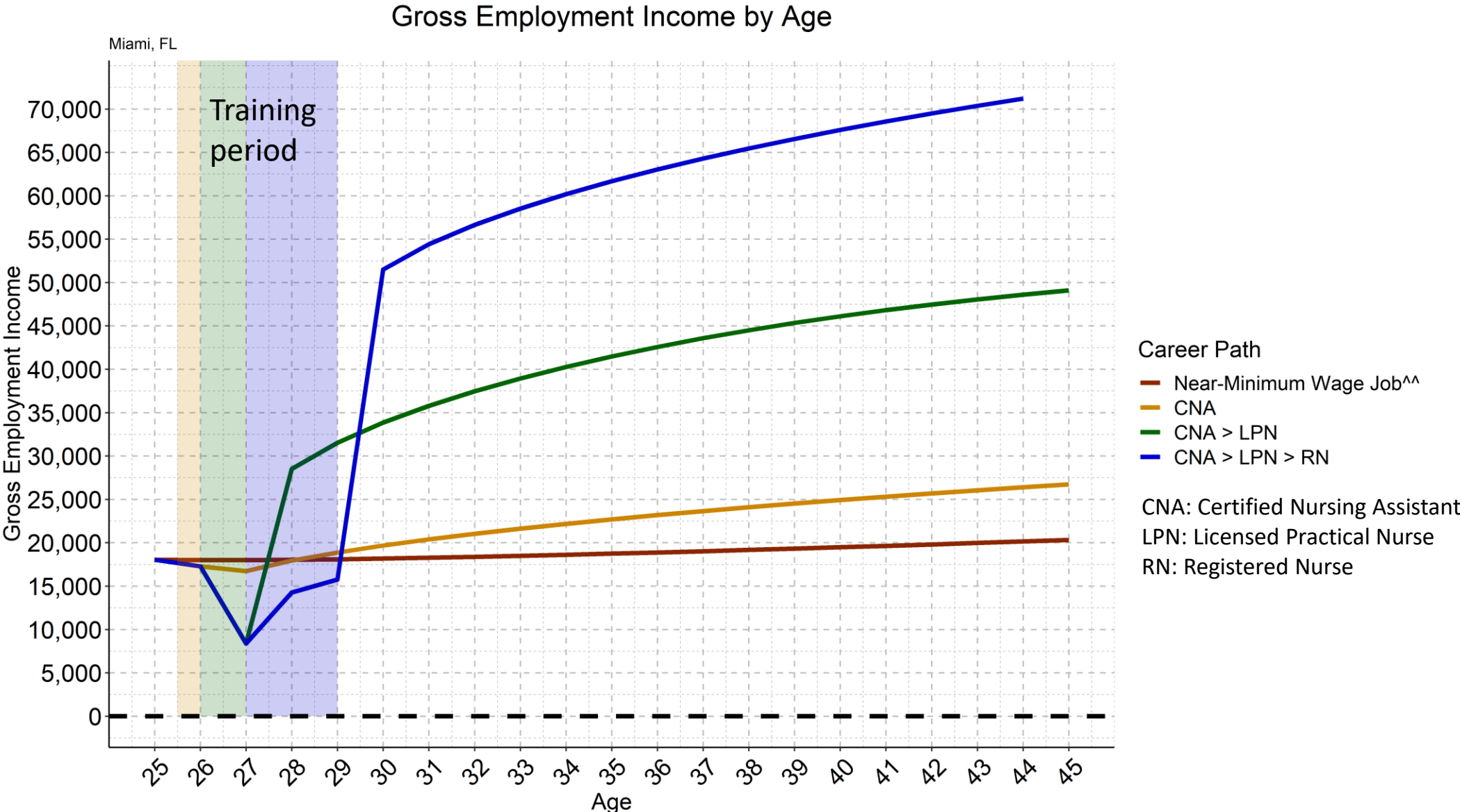


The Impact of Benefits Cliffs

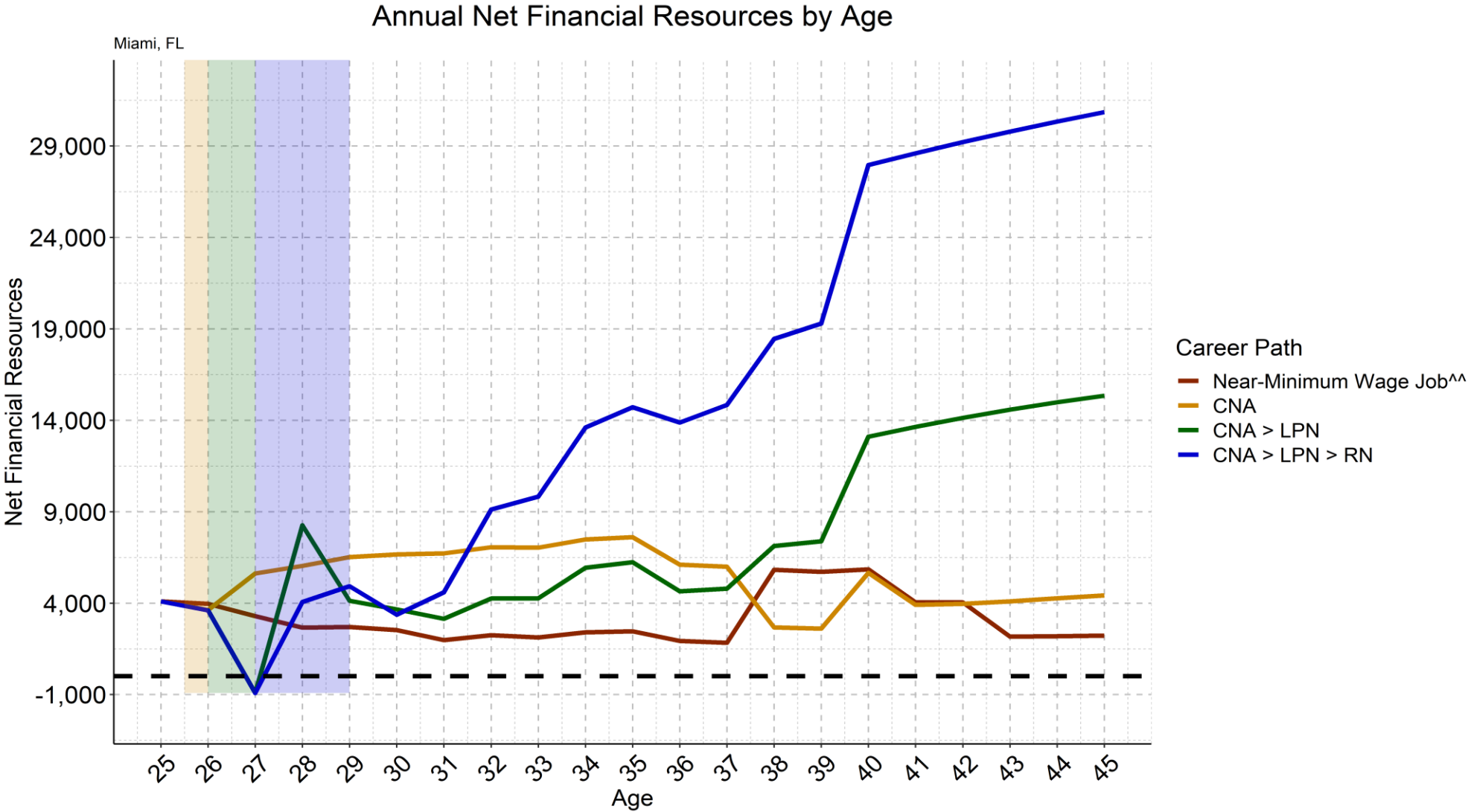
Annual Net Financial Resources
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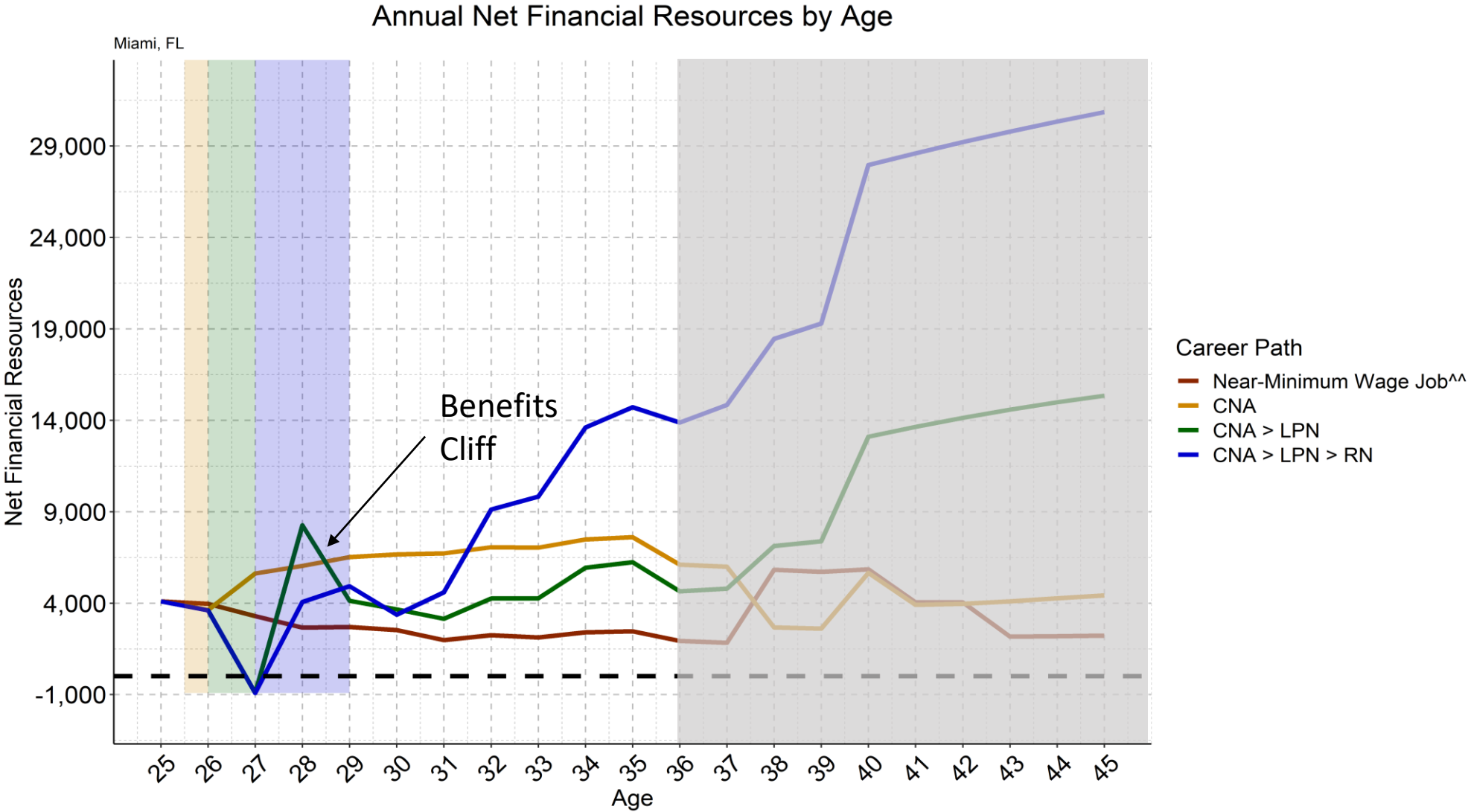
Career pathways lead to progressive earnings gains



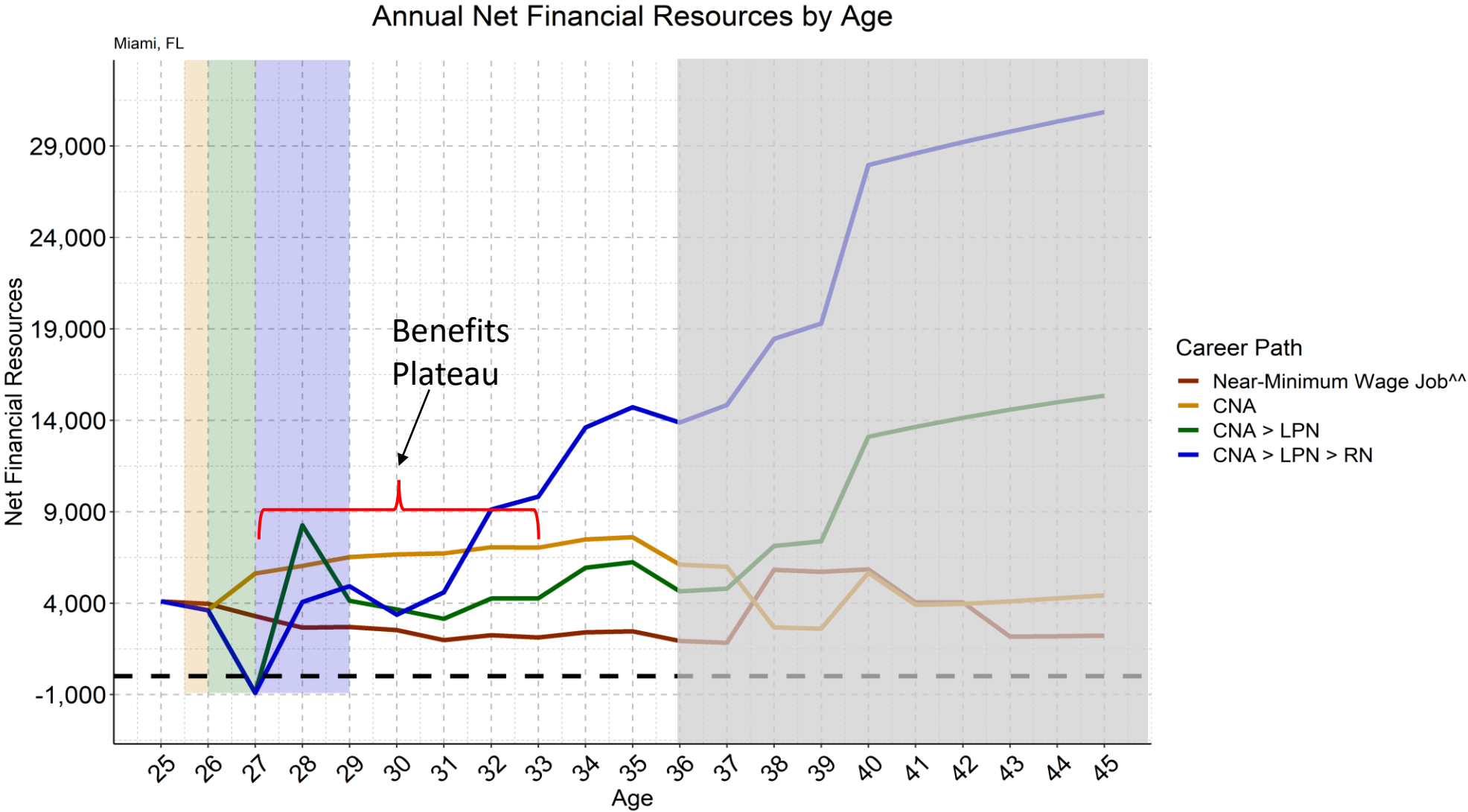
Incorporating benefits cliffs into the career pathway picture



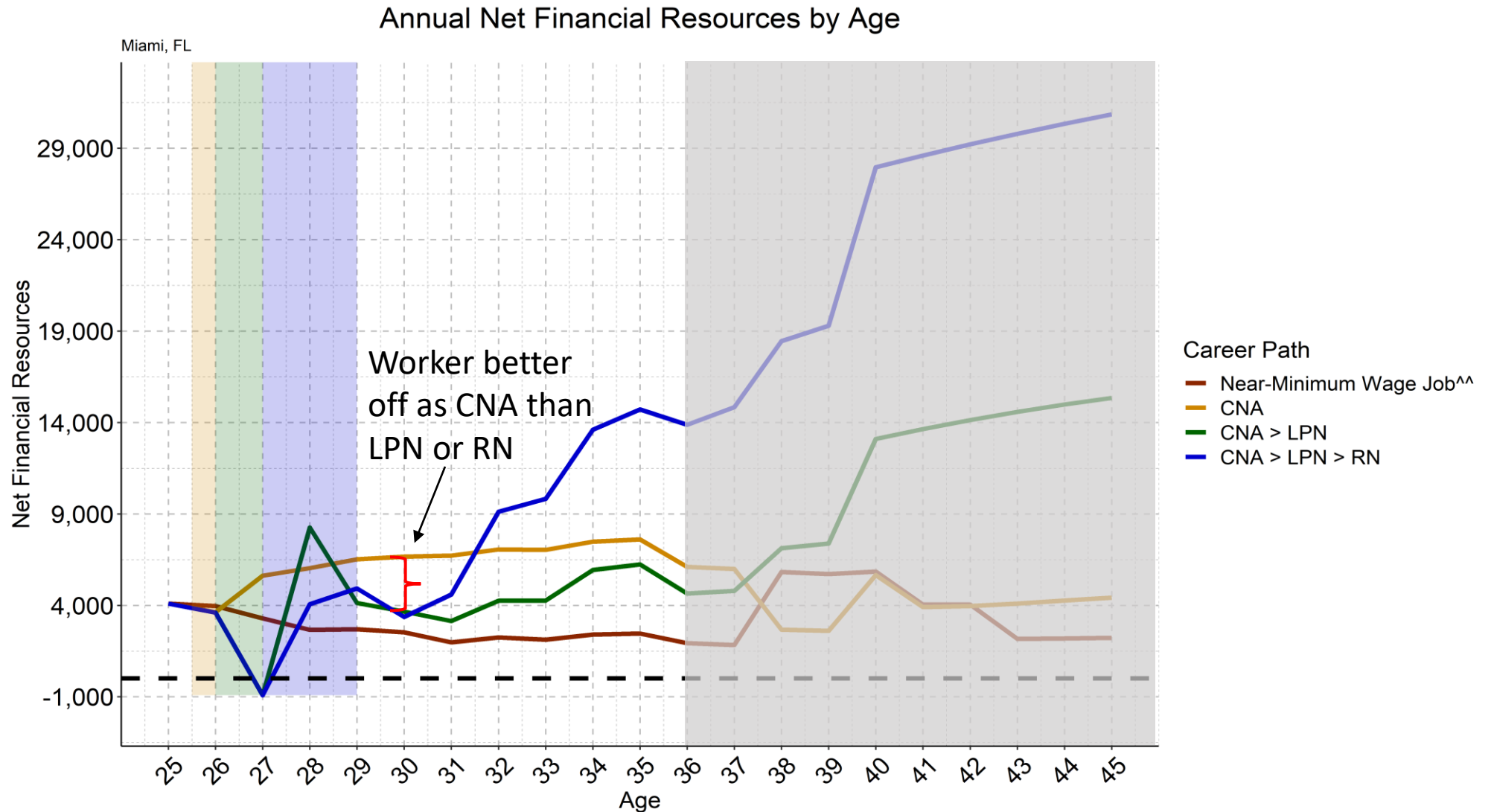
Incorporating benefits cliffs into the career pathway picture



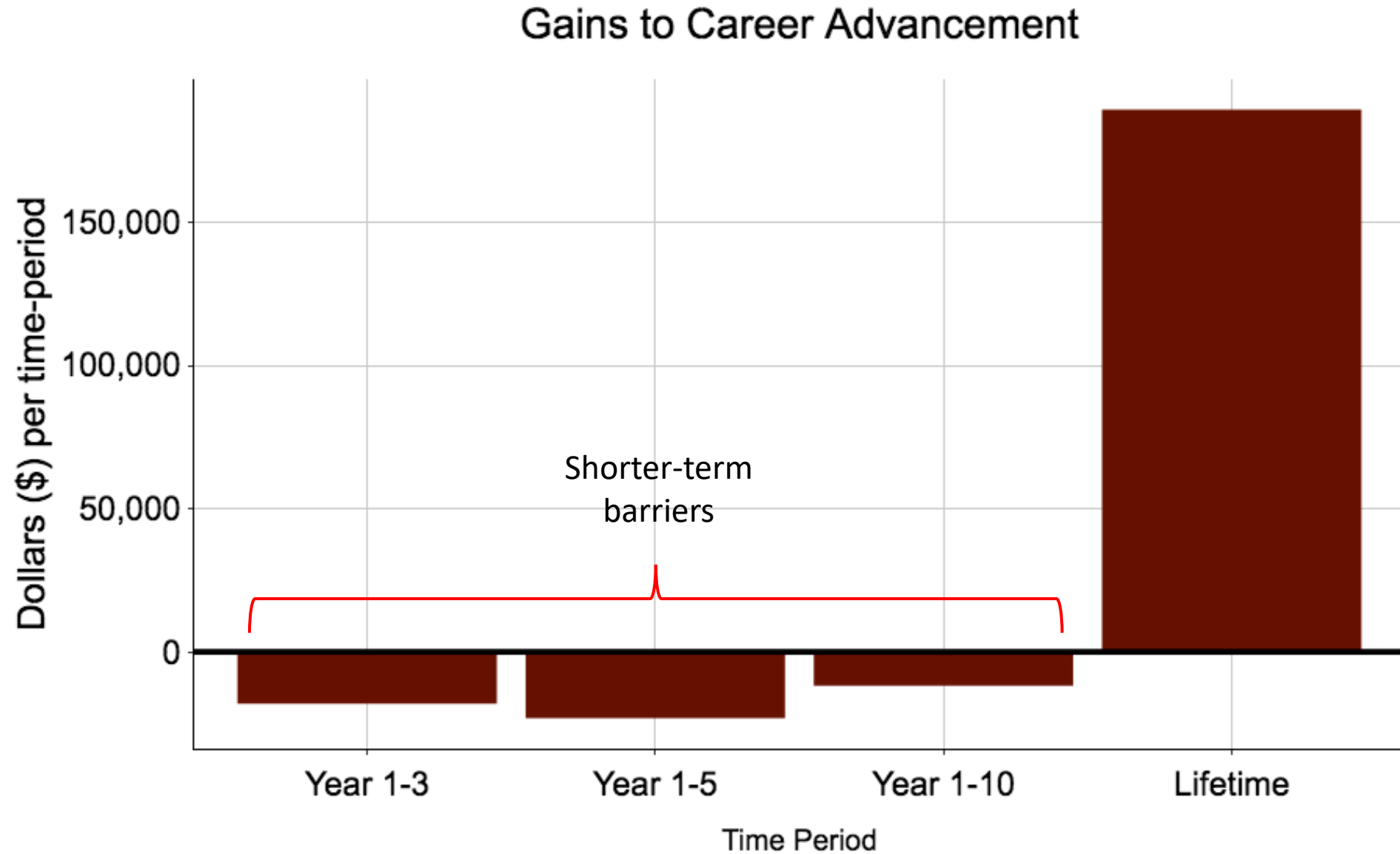
Incorporating benefits cliffs into the career pathway picture



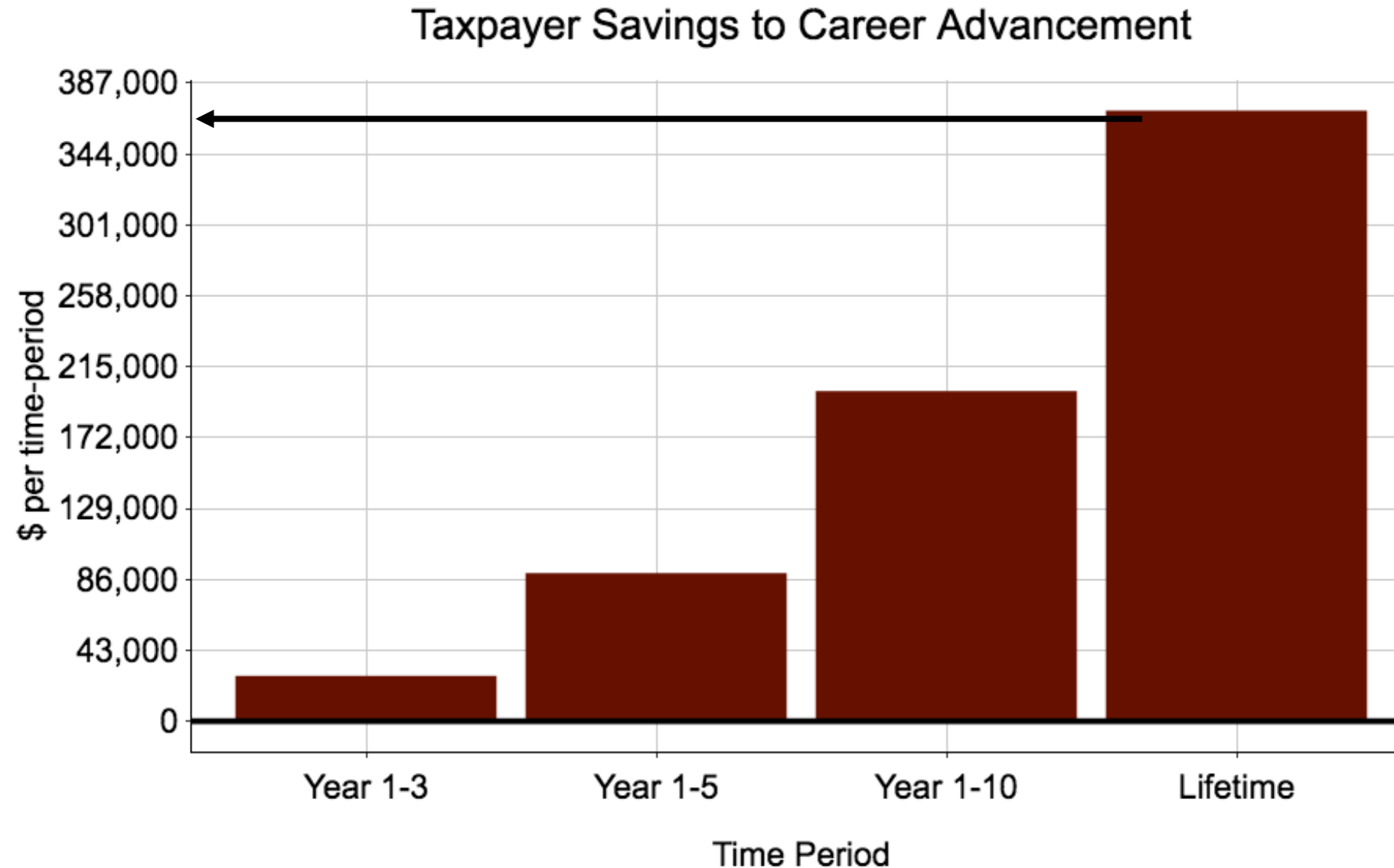
Incorporating benefits cliffs into the career pathway picture



Short-term barriers may prevent the worker's realization of long-term gains.



The net returns to the taxpayer are significant if the worker becomes an RN.



Case Study: Meet Leia

Leia is a single parent with two children ages 2 and 3. She lives in Memphis, TN.

She wants to move into an in-demand occupation that allows her to move up the economic ladder.

She currently receives assistance for food, child care, children's health insurance, and various tax credits.



Two Career Exploration Questions for Leia

Does the career choice offer a path to economic self-sufficiency?

What financial barriers will she face on her career advancement path?



housing



healthcare



non-profits



food program



educators



policymakers

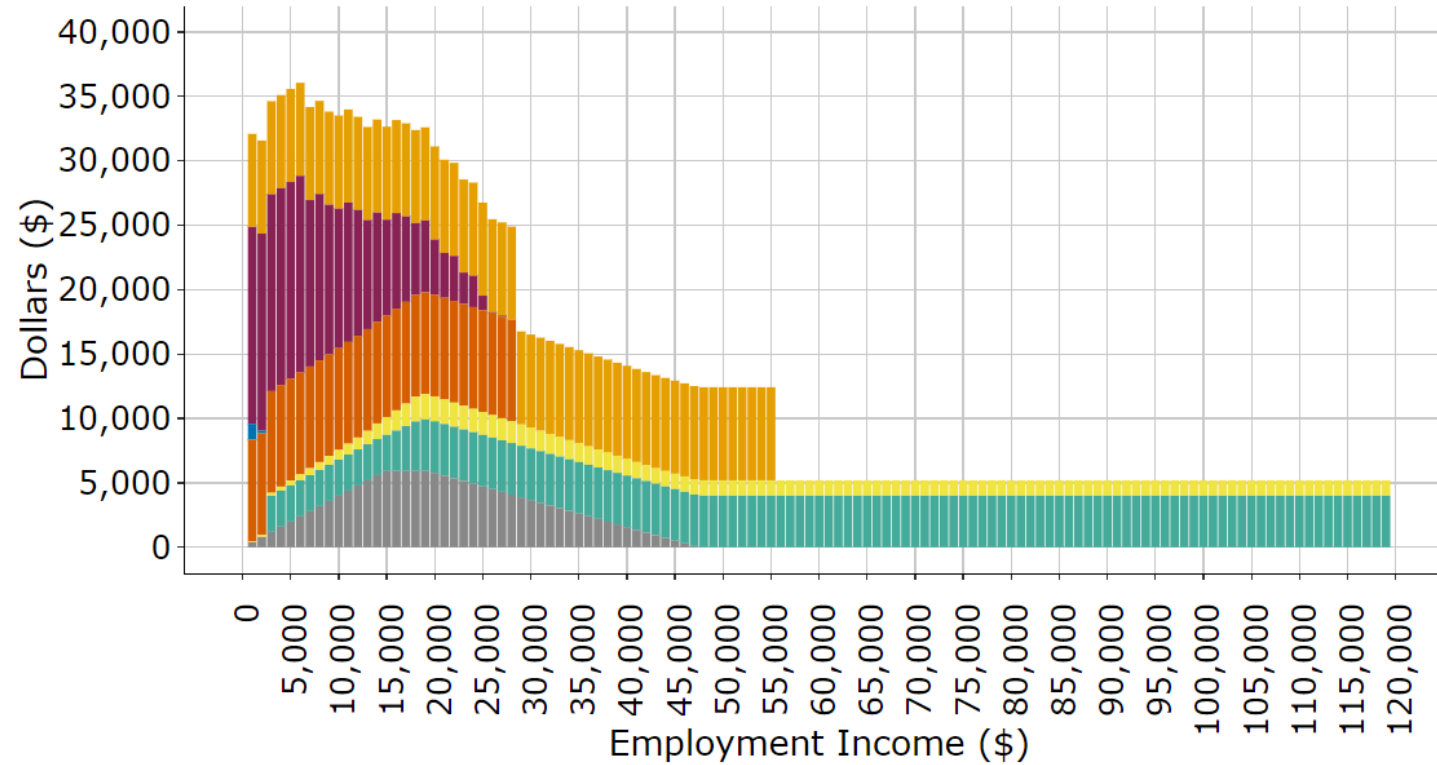


childcare



employers

Public Assistance by Employment Income

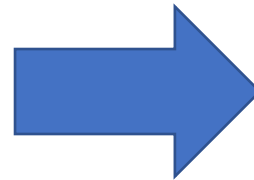


Shelby County, TN

- Medicaid for Children/CHIP
- CCDF
- TANF
- SNAP
- CDCTC
- CTC
- EITC

Tools and Resources to Support a Variety of Activities

 Federal Reserve Bank *of* Atlanta
Policy Rules Database



Partnerships

Community,
State, and
Federal Policy
Solutions

Career and
Financial
Coaching
Solutions

Employer
Solutions

Research

What can be done?

Mapping Benefits Cliffs

- Awareness of Issue
- Benefits cliffs calculators

Workforce Development

- Student advisement to increase post-secondary educational attainment
- Adult career planning and coaching toward self-sufficiency
- Career pathways design/targeted occupation and industry analysis
- Align wrap-around supports with training plans
- Employer engagement on matching talent needs to skill attainment

Policy Simulation/Changes

- Change asset limits
- Income disregards
- Alignment of rules/services across programs
- Tax credits for working families
- Graduated phase-outs

Cross-system Collaboration

- Asset mapping
- Common definition of economic self-sufficiency
- Identify target populations for services

Select Partnerships

State Partners

- Alabama
- Connecticut
- Florida
- Louisiana
- Maine
- Oklahoma

Non-Profit Partners

- Circles USA
- Goodwill Industries International
- United Way
- Local workforce boards

Institutional Partners

- Federal Reserve System Banks
- Administration for Children and Families Regions 3 and 4

Employer Partnerships

- Buffalo-Niagara Partnership
- Large utility company

Colleges and Universities

- Broward College
- Nashville State Community Colleges

Discussion

Reminders and Important Info

- Next Advisory Board Meeting: ***February 15th, 2022 (1pm CST)***
- TDHS will continue to post updated information online about the TANF Opportunity Act:
 - <https://www.tn.gov/humanservices/tanf-opportunity-act.html>
- You can sign up online to join the TANF Opportunity Act contact list and receive the latest updates.
- Board members who are not state employees should complete travel reimbursement forms.