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TANF Time Limits and Maine Families: Consequences of Withdrawing the Safety Net

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Executive Summary

In 2011 the Maine legislature established a 60-month lifetime limit on the length of time that poor families with children could receive help from the Temporary Assistance for Needy Families (TANF) Program. The time limit was implemented as of June 2012. During the next four and one-half months more than 1,500 families, including an estimated 2,700 children, lost this assistance.

Sandra Butler, a professor of Social Work at the University of Maine with over twenty years of experience in research related to low-income Maine families, conducted a study of the impact of this time limit on the first wave of families to lose their TANF assistance. This work, which included both a survey and personal interviews with a sample of affected families, was commissioned by Maine Equal Justice Partners.

The study found that families losing assistance face multiple barriers to work and experience severe hardships as a result of losing TANF assistance due to time limits. Further, the findings indicate a failure by the Department of Health and Human Services (DHHS) to properly implement key statutory protections in a fair and uniform manner. This survey also raises important questions about the adequacy of services provided to families, particularly those with disabilities, through the ASPIRE program while they are receiving TANF.

Key Questions and Findings

1. Who are the families that reach the TANF time limit and what are their circumstances?

Findings from this study are consistent with prior research showing that only a small percentage of Maine families receive TANF for 60 months or more. When the new time limit policy was implemented it affected only a small minority (13.6%) of all families receiving TANF at the time. Going forward it is estimated that only.008% of TANF families will reach this limit each month. Study results indicate that this minority of families tend to share certain demographic characteristics.

- **A significant percentage (39%) of respondents losing assistance reported a work-limiting disability; 26% reported having a child or other dependent with a disability.** Maine law provides a “hardship extension” allowing for continued assistance for families coping with disability. For this reason it is surprising that such a high percentage of people with disabilities appeared in this survey.
- **More than two-fifths (40.7%) of survey respondents had less than a high school education.** This rate is four times higher than Maine’s adult population as a whole. It helps to explain the low wages and difficulty finding employment of many in this study.

- **Wages are very low for working families.** The average wage for the respondents who were working at the time they filled out the survey was \$9 per hour; the wage for other working household members was only slightly higher at \$10.59. These wages leave the average family, despite work, with income below the federal poverty level, which is currently \$1,628 per month for a family of three.
- **The median income of families losing assistance was \$260 a month, or \$3,120 a year, which equals only 16% of the federal poverty level.** About 40% of survey respondents had no income at all after leaving TANF.

2. The Legislature deliberately established hardship extensions in the time limit law to extend benefits to families unable to work through no fault of their own. Were these protections implemented effectively?

- **A surprisingly small minority (26%) of families received a “hardship extension” as provided by Maine law.** This result is particularly alarming given that Maine and national research shows that a much higher percentage of those receiving TANF for longer periods face serious barriers to work. In particular, only 19.5% of families reaching 60 months received a hardship extension based on disability despite findings from a 2010 Maine survey indicating that nearly 90% of families receiving TANF for 60 months or more included a member with a disability limiting the family’s ability to work.
- **One in four (25.9%) respondents reported that they did not understand they could apply for an extension; many of those who did know reported that they were discouraged by a DHHS worker from applying for one.**

3. Does the time limit policy further the goals of the TANF program to protect the wellbeing of children in need and prepare their parents for economic self-sufficiency through employment?

- **Loss of TANF did not result in a statistically significant increase in wages or hours of employment.** After losing TANF, the number of employed respondents and/or other family members increased by only a small margin (approximately 7 percentage points).
- **Survey respondents who were not working face significant barriers to employment.** Of the respondents who were not employed, health problems of the respondent (17.1%) or a family member (14%) limited their ability to work. Others reported a lack of affordable childcare, inadequate skills for the available job opportunities, and the scarcity of jobs overall in this economy as barriers to employment.
- **Lack of adequate education and training left many unprepared for work when they lost TANF.** Of respondents stating “need more education or training to find a job”, only 12.5% had participated in an education or training program through the ASPIRE Program, even though 75% of those responding that they needed more education to find a job did not have a high school diploma.
- **Families and children that were terminated from TANF due to time limits experienced severe hardships.** Nearly 70% reported that they had to go to a food bank after losing TANF and more than 1 in 3 families lost a utility service, such as electricity. One in 5 reported being evicted from their home; having to relocate, often to overcrowded living conditions; or needing to go to a homeless shelter.

I. Introduction

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) or “welfare reform,” passed by Congress in 1996, replaced the Aid to Families with Dependent Children (AFDC) program, with a block grant to states called the Temporary Assistance for Needy Families (TANF) program. The program is widely regarded as having two goals: 1) providing a safety net for families with children in need; and 2) preparing adult participants for economic self-sufficiency through employment. The Maine TANF program promotes these goals by providing monthly cash assistance to low-income families (the maximum grant for a family of three is \$485 per month) and providing employment and training activities and work supports through the TANF work program, ASPIRE (Additional Support for People in Retraining and Employment).

The 1996 federal welfare reform law also imposed a lifetime 60-month limit on cash assistance funded with federal block grant dollars. Recognizing that some families would need assistance for more than five years, the law permits states to use federal funds to extend this limit for up to 20% of a state’s caseload. In addition, states may use state funds to provide assistance to additional families beyond 60 months. States are required to appropriate a certain amount of their own funds annually for this program as a condition of receiving the full federal block grant. These funds are known as state “maintenance of effort” funds.

Prior to 2012, Maine’s policy for families reaching 60 months was to continue to provide TANF assistance if they were complying in all respects with program rules, including the work requirement. Even with this policy in place, Maine’s TANF caseload never exceeded the 20% federal allowance for families exceeding the 60-month time limit.

A new state law, enacted by the 125th Maine State Legislature and effective January 1, 2012, imposed for the first time a 60-month lifetime time limit on the receipt of TANF cash assistance. Families that had already received 60 months of assistance were scheduled for termination between June and October 2012. More than 1,500 Maine families, including an estimated 2,700 children, lost their TANF benefits during this period.

About 13.6% (1,813 families) of the entire TANF caseload (13,320 families) met the 60-month criterion in the month prior to this initial closure. These families were sent a letter at the start of 2012 informing them that they would lose their benefits beginning in June. An additional 339 families were sent similar letters over the following four months. In these letters, families were told they could apply for an extension to their benefits if they faced a hardship (e.g., disability, domestic violence, caring for a disabled family member) that met the extension criteria established by the Maine Department of Health and Human Services (DHHS). From June through October 2012, 44% (n = 943) of the families who were to lose benefits requested an extension; of these, 60% (n = 569) were granted extensions. However, this represents only 26% of *all* the cases scheduled for termination as a result of the 60-month time limit (Maine DHHS, 2012; Mayhew, 2012). Going forward DHHS estimates that only .008% of all TANF families will reach this limit each month.

This result is surprising given that a 2010 Maine study found that disability played a significant role in TANF families’ lives. The 2010 TANF study found that 67% of all households, and 90% of those receiving assistance for 60 months or more, included a family member with a work-limiting disability (McLaughlin & Butler, 2011).

To better understand how families who lost benefits due to the 60-month time limit were faring, the University of Maine undertook this 2012 Maine Time Limit Study. This study will first summarize what is known about long-term recipients in Maine and other states that have conducted surveys to assess the circumstances of TANF families reaching time limits. It will then discuss the results of the 2012 survey.

II. Families That Reach the TANF Time Limit

Since the advent of TANF numerous studies have documented the barriers to employment for individuals who remain on TANF for longer periods of time and their circumstances when they leave TANF. These studies consistently suggest that a subset of TANF recipients need specialized assistance and ongoing support to be able to provide for their families, and that these recipients are disproportionately found among those receiving benefits for longer periods of time.

A 2010 study of Maine families receiving TANF found that most families receive assistance for a short time; the median length of time on the program was 18 months for study participants. Family health problems were much more prevalent among longer-term TANF recipients than for those needing assistance for shorter periods: 90% of families receiving TANF for five years or more had an adult with a work-limiting disability and/or a child or other family member with a disability. Not surprisingly, those study participants with less than a high school diploma were also more likely to have received TANF for longer periods than those with more education (McLaughlin & Butler, 2011).

Seefeldt and Orzol (2005) investigated the factors associated with TANF families in Michigan accumulating more months on the program and found persistent maternal and child health problems, domestic violence, and low levels of education to be related to longer periods of TANF receipt. In Minnesota, recognizing the challenges faced by many families reaching the 60-month TANF time limit, Ramsey County implemented a program that included psychological testing, in-home functional needs assessments, and intensive case management to reduce the number of families leaving TANF without employment or another source of income (Pavetti & Kauff, 2006). These diagnostic assessments, not generally used in TANF employment programs, revealed major barriers to employment including significant mental and physical health problems and low cognitive functioning.

In Utah, in-depth interviews with a random sample of 284 TANF recipients who were nearing that state's time limit revealed multiple barriers to self-sufficiency including physical health problems that prevent work, educational deficits and learning disabilities, domestic violence, and severe mental health issues (Taylor & Barusch, 2004). In a subsequent Utah study, the authors compared the circumstances of families who left TANF due to reaching their lifetime time limit to those who left TANF due to increased income or other reasons. Those leaving the program due to time limits were less likely to have a high school diploma, more likely to have experienced recent domestic violence, and more likely to have physical or mental health problems than those who left the program for other reasons (Taylor, Barusch, & Vogel-Ferguson, 2006). In addition, this study found that those who left the TANF program because of time limits were more likely than those who left for other reasons to live in severe poverty with 32% having income below 50% of the poverty line and another 41% with income below 100% of the poverty line (Taylor et al., 2006).

At its core, TANF is a program for families with children and one of its most important goals is to protect the well-being of those children. The consequences of such poverty on children, as documented by these studies cannot be overstated. A longitudinal study comparing children growing up in poor

households with those in households at 200% of the poverty line or greater revealed deleterious outcomes as adults for the children that grew up in poverty. They complete “two fewer years of schooling, earned less than half as much money, worked 451 fewer hours per year, received \$826 per year more in food stamps, and are three times as likely to report poor overall health” (Duncan & Magnuson, 2011, p. 26). Moreover, recent research has found that the consequences of poverty are most severe when experienced very early in life because the rapid development of the brain in young children leaves them particularly vulnerable to environmental conditions (Duncan & Magnuson, 2011).

III. 2012 Maine Time Limit Study

As time limits take effect in Maine as a consequence of the 2012 law, it is important to understand the impact they are having on Maine families. To gain this information, the University of Maine collaborated with Maine Equal Justice Partners to implement the Maine TANF Time Limit Study. In late summer 2012, a four-page survey was disseminated to 29 agencies throughout the state who have contact with low-income families (e.g., Head Start Programs, General Assistance offices, housing authorities, family violence agencies) and who agreed to distribute the survey to the families who had lost their TANF benefits due to time limits. Another 105 surveys were sent directly to individuals who had participated in the 2010 TANF Survey and who would have reached their 60-month time limit if they had remained on TANF over the subsequent two years. Of the 62 surveys returned, 54 were from families who had lost their TANF benefits due to time limits. Others lost TANF largely as a result of a new sanction policy.¹ The data from those 54 surveys form the basis of the findings reported herein. Additionally, telephone interviews were conducted with eight survey respondents in order to obtain more in-depth information about their circumstances.

Families Affected by Time Limits

The people responding to the survey ranged in age from 23 to 62 with a mean age of 35, making them somewhat older than the overall Maine TANF population in which over half of all recipients are below the age of 30 (U.S. Department of Health and Human Services [DHHS], 2010). Survey respondents were all raising children, ranging in age from infants to late teens; a few were raising grandchildren. Nearly all the respondents (92.6%) were female; only four men filled out surveys. Not surprisingly, over two-fifths of the sample had less than a high school education (40.7%). This is a considerably higher proportion than in the overall TANF population in Maine, in which just over a quarter (27%) of participants had less than a high school education in 2010 (U.S. DHHS, 2010) and far higher than the percentage in Maine’s general population without a high school education (9.1% for those over 25 years of age; U.S. Census, 2012).

Nearly two-fifths (38.9%) of the survey respondents reported having a disability that limited their ability to work and a quarter (25.9%) had a disabled child or other family member whose care interfered with their ability to get and keep a job. Our sample deliberately excluded those who continued to receive TANF. Given that extensions to the 60-month limit are provided for parents with a physical or mental condition that precludes gainful employment or who are caring for a family member with a similar condition, we would not expect to see these individuals in this survey sample. The fact that we did, and in such high numbers, suggests an issue that deserves additional exploration.

¹ At the same time that the Maine Legislature enacted the time limit policy described in this paper it also modified the TANF sanction policy that applies to families that fail to comply with program rules. The past penalty for non-compliance was to eliminate the parent’s share of the TANF grant, thus reducing, but not eliminating assistance to the family. Pursuant to PL 2011 Ch. 380, Part PP the entire family will lose assistance in certain circumstances.

Employment Status

Prospects for gainful employment without additional supports are not promising for this group of people, given their low levels of education and high levels of disability, especially in our current economy. Less than a quarter (24.1%) of the survey respondents reported that they and/or someone else in their household were working at the time of losing their TANF benefits. The jobs held by respondents were all part-time, ranging from 8 to 30 hours per week with an average of 20 hours per week. Those jobs held by other adult family members (in the small minority of families that included another adult family member) averaged more hours, at 35 hours per week. After losing TANF, the number of employed respondents and/or other family members increased but only slightly; still less than a third (31.5%) were employed. The average number of hours worked also increased, but again only slightly for both respondents (23 hours per week—an increase of only 3 hours per week) and other family members (37 hours per week—an increase of only 2 hours per week). For those survey respondents who were working both before and after losing TANF, the increase in hours was not statistically significant.

The jobs held were not only part time, but also low wage. The average wage for the respondents who were working at the time they filled out the survey was \$9 per hour; the wage for any other working household members was somewhat higher at \$10.59.

In the survey, respondents who were not working (77.8%) were asked to identify from a list of seven options the primary reason for their unemployment. Over a quarter of those not working (26.8%) marked “not being able to find a job” as the primary reason for not being employed. Nearly a fifth (19.5%) noted that they “needed more education or training” and another fifth (19.5%) said they “couldn’t afford childcare or find work with hours that allowed appropriate childcare to be secured.” Health problems (17.1%) or family member health problems (14.6%) were chosen as the primary reason why they were not working by the remainder of the unemployed respondents. Again, we would expect the number of individuals with health conditions to be small in this survey sample because of the way the sample was selected, and the way Maine’s time limit extension policy is intended to work.

Those with the least education were significantly ($p < .01$) more likely to choose either “need more education” or “can’t find a job” for why they were not employed as compared to those with more education, who were more likely to list health or childcare problems. And indeed, there was a statistically significant difference ($p < .05$) in employment depending on the level of education: among those with a high school diploma or higher education, 45.2 % were employed; but only 13.6% of those with less than a high school education were working at the time they completed the survey.

The ASPIRE program is set up to help people receiving TANF find work or become job ready. It requires people on TANF to work, be looking for work, be in school, or volunteer for 20 to 30 hours per week depending on the age of their children. People may be exempt from ASPIRE activities if they have good cause, such as a disability or a child with a disability who needs extensive care. Nearly three-quarters of the survey respondents reported that they had participated in the ASPIRE program (70.4%). Those who responded that they needed more education or training to find a job indicated that ASPIRE did not adequately prepare them for the job market. Only 12.5% had participated in educational activities even though 75% had less than a high school diploma. Doing volunteer work was the most common ASPIRE activity listed for the group of survey respondents who indicated they needed more education to be employable.

Hardships After Losing TANF

Survey respondents were asked about their household income at the time of the survey. Two-fifths (40%) had no income at all. The remaining respondents had household income after leaving TANF ranging from \$66 to \$2,400 per month. The median income for the 54 families was \$260 per month, which is barely 16% of the federal poverty level. Whether income came from wages, child support, or Supplement Security Income (SSI), the great majority of respondents clearly did not have enough to provide for their families.

When asked whether they had experienced any of a list of hardships since losing their TANF benefits, all survey respondents noted that they had experienced at least one, and most had experienced many. Families indicated dealing with serious food insecurity since losing TANF with 68.5% going to a food bank. They also experienced problems maintaining a safe place for their families to live with a substantial number—1 out of 5 (20.4%)—being evicted from their homes, being forced to reside with friends or family, or needing to go to a homeless shelter. The table below illustrates some of the hardships faced in the months since losing TANF.

Hardships Experienced Since Losing TANF

Hardship experienced	Number of Respondents	Percentage
Went to food bank	37	68.5
Phone, electricity or gas got shut off	19	35.2
No transportation for more than a month	15	27.8
Ran out of heating fuel	9	16.7
Had to move in with a friend or family member	9	16.7
Was evicted or lost home	8	14.8
Had to go to a homeless shelter	5	9.3

Respondents reporting a disability themselves were significantly more likely to encounter hardships than those without one, including running out of fuel ($p < .05$), not having transportation ($p < .05$) and having their utilities cut off ($p < .05$).

Families' Experience with Extensions

A surprisingly small minority (26%) of all TANF families reaching the 60-month time limit received a "hardship extension" as provided by Maine law. This number is particularly alarming given that Maine and national research shows a much higher percentage of those receiving TANF for longer periods face serious barriers to work. In particular, only 19.5% of families reaching 60 months received a hardship extension based on disability despite findings from a 2010 Maine survey, indicating that nearly 90% of families receiving TANF for 60 months or more included a member with a disability limiting the family's ability to work.

Also of concern is that one in four families (25.9%) in the survey sample did not even understand they could apply for an extension, notwithstanding the new law's requirements that this option be explained to people several months before their benefits are due to end. Moreover, many of those who did know about the extension said they were discouraged from even applying for one; they reported that their caseworkers had determined that their situations were not severe enough to keep them from employment

without adequate evaluation. The in-depth case studies of nine survey respondents described below provides more information on these families' experiences in applying for extensions after they reached the 60-month time limit.

IV. A Closer Look at Nine Families

Nine survey respondents agreed to be interviewed for this study in order to provide additional detail about their circumstances and the impact of the new law on their families. One individual was unable to complete the interview because of family crises, but her story is included, using information provided on her survey. The names have been changed to protect their confidentiality. Most of the stories that follow describe the experiences of individuals with disabilities that interfere with their ability to be employed. The remaining individuals have been trying unsuccessfully to secure employment for a considerable period of time. These stories illustrate the impact of Maine's new time limit policy on families' lives. They corroborate the data cited above, in raising serious concerns about the new law's effectiveness in helping Maine meet the goals of the TANF program: to provide a safety net for families with children in need and prepare adult participants for economic self-sufficiency through employment.

Leo-A Widowed Grandfather Now Living with No Income

Leo was one of the few males who responded to this survey. He is a widower in his mid-50s taking care of his 8-year-old grandson. Despite never going beyond 7th grade in school, he always worked until his wife became ill 10 years ago. When asked if his lack of education had hindered his employment in the past, he said no: *"I can do just about anything, I guess, trades and everything. I can do roofing, siding, mechanical work."* While caring for his wife, who received SSI, he sustained multiple injuries from a vehicle accident, which now prevent him from doing the physical work he used to do. He applied for disability benefits once and was denied; he is now considering reapplying. He never participated in the ASPIRE program, being exempt as a grandparent caregiver. His TANF benefits were cut off just a few months after his wife's death in March 2012, her SSI income, which helped support the household, stopped at about the same time. He and his grandson now have no income at all.

Since losing TANF his utilities have been cut off, he has run out of heating fuel and he has been denied assistance from his town. His landlord showed him kindness after his wife's death by offering to turn over the ownership of the house he had been renting. He is very grateful for this but also worried about the expenses, given his lack of income. *"Now I have to come up with the money to pay my taxes, and water and sewer. And with nothing coming in, I'm stressed."* His low level of education and the fact that his disabilities prevent him from doing the type of work he did as a younger adult leave him in a tough position. His prospects for economic self-sufficiency through employment are not hopeful. He did apply for an extension of his TANF benefits but was denied without explanation. *"They just said I didn't qualify."* When asked what could improve his situation, he stated, *"If I had money coming in, I could take care of my grandson the way he should be taken care of."*

Kate-Lost Her Home and Her Children

Kate is in her late-30s, married with six children. Both she and her husband are disabled and in the process of applying for disability benefits. After Kate's TANF benefits were cut off, she could no longer pay her rent. She lost her apartment and most of her family moved in with her brother. Her eldest son (age 17) moved out and she sent her two middle children (ages 7 and 11) to live with their father, a man who had been abusive to her over many years. *"He is not a very stable person, but unfortunately, right now, he is the one with income [SSI]."* The two youngest children (ages 6 months and 2) were taken by DHHS due to her precarious living situation. She has 30 hours of unsupervised visitation with them

each week and expects to get them back early in 2013, now that she has secured another apartment. She received General Assistance from her town, and with that funding and support from her mental health counselor, was able to secure her new apartment.

Kate applied for a TANF extension due to her disability three times and was denied each time, with the explanation that she was “not so disabled that she could not work”. Then she asked for help from Pine Tree Legal Assistance and her extension was granted. *“And the next thing I know they [DHHS] call me to tell me to come in and reapply, that I had been granted it. I’m not sure what changed their mind. I think because I got somebody legal involved.”* The extension is for six months, which will pay her rent and give her time to reapply for SSI. Her husband is also disabled after many years working in the woods and driving heavy machinery; he currently awaits a decision on his application for Social Security Disability Insurance (SSDI). She is hoping to bring her children home soon and said, *“I’m not used to them being gone. This is the first time I’ve had to be away from any of my kids since the first was born 17 years ago.”*

Kate is currently on her second application for SSI due to her anxiety, panic attacks, depression and post-traumatic stress syndrome (PTSD) resulting from 22 years in abusive relationships. She describes her condition: *“One minute I can stay a little bit focused, next minute it is over. I start having an anxiety attack and stuff starts closing in. And if I stay in that kind of situation, I eventually pass out.”* She never completed high school and has worked with ASPIRE in the past, which she says helped her secure a job at Tim Horton’s when she was living with her previous partner. *“The guy I was with was very abusive and also on SSI himself. He more or less could do nothing, so I was finding myself having to work and do ‘mother hours’ and employers don’t like to work around mother hours.”*

Eventually she lost the job when her boss did not understand her need to get her children on and off the school bus each day as her partner could not do that. She did not receive any help from ASPIRE for childcare or transportation. She stated, *“When I was first working with ASPIRE they said they would help but I never got a thing.”* Ultimately this meant that she drove an uninspected car to her job, as she could not afford to fix it.

Kate hopes that her application for SSI is successful and that her husband is able to get SSDI. Eventually she would like to be able to work, but she and her mental health counselor do not believe that is possible for her at this time. In the meantime, the six-month extension has allowed her to regain some stability in her life. She said, *“I don’t think DHHS realizes they aren’t hurting the parents, they are hurting the children. Children cannot fend for themselves.”*

Laura-Difficulty Finding Work Given Physical Limitations

Laura is in her late-40s, has a high school diploma, and an eight-year-old son. She began receiving TANF five years ago when she became disabled. *“It started out as a pulmonary embolism. I had a blood clot in my leg and I thought it was a muscle thing and it went to my lungs. That was five years ago. Since then I have osteoarthritis in my back and knees.”* She was working as a certified nursing assistant (CNA) when she developed this condition. She has also held jobs in childcare and retail in the past. She is currently working with a job developer through Vocational Rehabilitation to see what type of work she might be able to do. She states that she hopes her job developer *“could find something I could do that would be sitting down, but I could also have breaks from that, because sitting lengths of time hurts my back too. I can’t win.”* While she was receiving TANF, she was exempt from ASPIRE due to her disability. She did not understand that she could apply for a TANF extension when she lost her benefits.

She has applied for disability benefits and recently learned that her application was denied; she has

reapplied and is waiting to hear the results. She said, *“I didn’t want to be disabled. That is why I waited so long to apply in the beginning. I kept saying ‘I’m going to get better.’”* She also wants to find employment, although, given her restrictions and that she lives rurally, finding a job will be difficult. *“Well, if I can find some way to make a small income. That is what I’m hoping voc rehab will be able to do. They are thinking hotel or motel check-in. I don’t have a lot in my area. Something that is basically slow paced, for 10 or 15 hours per week.”*

She feels very fortunate to have her Section 8 apartment, but is worried that if she can’t afford to heat it that she will lose it. She has had the apartment for two years. Prior to that, she lived in a camper for 18 months because she lost her home soon after becoming disabled. She is grateful for the TANF she has received for the past five years. She did not know she could apply for an extension and has had no income since losing TANF. She is trying to cope by applying for fuel assistance, borrowing money from friends, continuing to work with Vocational Rehabilitation, and reapplying for disability. She ended the interview by saying, *“I’m going to keep up the fight.”*

Helena-No Extension Despite Severe Disabilities

Helena lives with three children and one grandchild in a Section 8 apartment. Although she lost her TANF benefits for herself and her youngest children, her oldest daughter and grandchild continue to receive \$336 in TANF assistance each month. Helena is quite disabled; several months after her TANF was cut off, her application for SSDI benefits was approved. She had applied three previous times and been denied. She worked with an advocate and she believes that helped her to be successful in this final application. Prior to learning that she would be receiving SSDI, she had applied for an extension of her TANF benefits based on her disability and was denied. She said, *“In their eyes I wasn’t disabled. They said that I could just change my job position. But they were overlooking my anxiety, my bipolar. I have PTSD. It is hard for me to leave my house...besides my back, having arthritis all through my spine. And my right arm was broken in half. And I just had that fixed.”*

Due to her disability, Helena had been exempt from the usual ASPIRE rules of working 30 hours per week. Her ASPIRE worker had always been encouraging. For nearly a year, she had taken classes online to do medical transcription—a job she thought she could manage with her disabilities. She had to stop her coursework due to domestic violence and ultimately the online program did not honor the work she had completed, leaving her without a degree and burdensome student loans to repay. She is grateful for the support she received from her ASPIRE worker, but speaks of her own frustrations trying to prepare for work she could do. *“Sometimes things don’t pan out. There is always a roadblock in anything you do in life. And sometimes you can get over the roadblock and sometimes the roadblock is so high you can’t get over it.”*

Helena hopes that when her SSDI begins she will be able to find more stable housing for herself and her children. *“I will not let my kids and grandkids struggle like I did throughout the years.”*

Marta-Did Not Understand About the Extension

Marta, in her mid-40s, lives with her two younger children, one of whom (age 14) receives SSI for a number of mental health issues. Marta has applied for SSI for herself and has been denied two times. Her disabilities include arthritis in her back, knees and shoulders; bulging discs; bipolar symptoms; and PTSD. In the past, she has done CNA work, and since losing TANF, her mother has hired her to provide personal care. Marta said the only reason she can manage this job is because her mother understands her disabilities. *“She knows that I can’t do much and I have to take breaks. I only get paid for eight hours a week but I’m up there like six hours a day. She don’t [sic] care if I sit down after five or ten minutes.”* This employment adds \$260 to her income, about \$200 less than she was receiving through TANF.

Marta was not required to participate in the ASPIRE program as she had an exemption based on her disabilities. She has an attorney who helped her with her two previous applications for SSI and her doctors are supportive of her case. She is hesitant to apply again as she is afraid she will be denied one more time. She said she feels discouraged about the future. She stated that she did not know about the possibility of applying for the extension of her TANF benefits. *“If I had known about the extension that would have helped.”*

Michelle-Facing Housing and Family Instability

Michelle is a 25-year-old mother of three young children. She was able to receive an extension of her TANF benefits when she was initially cut off in August 2012. The extension was based on her mental health challenges, including PTSD, anxiety, and a bipolar diagnosis. The extension was secured for four months, and she received it one month after she lost her TANF benefits. Simultaneously, her living situation became unstable when the house she had been living in went into foreclosure. It had been her father’s home, where she had been living since moving in to take care of him before his death in 2010. Although she had been paying the mortgage for two years, the man who owned the mortgage discovered in the summer of 2012 that there were two liens from the IRS and began the foreclosure process. Michelle left with her children to live with a sister, but quickly found that the situation was not going to work out. *“I was homeless in a different state, so a church down there helped us out.”* She came home to Maine less than 30 days later, but the move caused her to lose her TANF extension and she was told that she could not get it back.

At the time of the interview, she was living with a friend. Michelle’s mother had her five-year-old son and another sister was caring for her three-year-old twins. Her only income was \$112 per month in child support. Michelle has not worked for two years due to her disabilities, though she had previously worked as a CNA. Although she had been exempt from ASPIRE when receiving TANF, her worker had set her up with a job coach through Vocational Rehabilitation, who helped her explore various work options. Michelle had found that helpful, and despite applying for disability benefits, she had hopes of being able to return to work eventually. She stated, *“If I can get my meds straightened out, then I will go back to work.”*

At the time of the interview her life was very unstable. She was separated from her children and had to move in with a friend in an over-crowded living situation. *“I don’t have my kids temporarily because I don’t have housing. I put in a housing application and I’m waiting on that.”* Just prior to the interview, Michelle had called her TANF worker, who told her that she could apply for TANF again; she would be denied due to the 60-month time limit; but then she could apply for an extension one more time with a new letter from her doctor—a lengthy process with no guarantee of success. She plans to do that and hopes to eventually receive benefits again so she can secure stable housing, reunite her family, and continue to work with her job counselor.

Sarah-Unable to Find a Job; Not Adequately Prepared for the Job Market

Sarah is in her late-20s, has her GED, and has two children ages four and eight. When she lost her TANF benefits and explored applying for an extension, she was discouraged from doing so. *“They told me that unless I had a reason that I can’t work, that I wasn’t qualified to get an extension. The only thing that is preventing me from working is not being able to find a job.”* When participating in the ASPIRE program, she started to take courses to improve her employability, but had to stop when ASPIRE withdrew her childcare assistance. She described the situation:

I started going to college because that was one of the options they had was to go to school. So I went to school for almost a year, to be a medical assistant and then they stopped paying for my childcare, so I had no choice but not to go because I had nobody to watch my children. They told me it wasn't enough hours, that I had to do more hours and I didn't have time to do more hours with my children, school, trying to find a job. Now I owe all that money that I can't afford to pay. I have a whole year of student loans that I have to pay off.

Sarah has been looking for a job for six years. She doesn't have a vehicle but has tried to find work within walking distance of her home. She stated, *"I've gone to every place that is in a reasonable distance from where I am and filled out applications more than once in all these places and called them 50 million times. I've gone to all the McDonalds; I've gone to all the Burger Kings; I've gone to all the Dunkin Donuts, Sam's, the Big Apples, the Rite Aids. I've gone to everything I can think of, besides places I can't get interviews since I don't have a college degree."*

Since losing TANF, Sarah has had to borrow money, has gone to a food bank, has lost electricity and her telephone service, and has been unable to buy school clothes for her two children. She owes \$4,000 in student loans that she is unable to pay. When asked what would improve her situation, she replied, *"Find a job or at least get my TANF back until I can find one."* When asked what TANF/ASPIRE might have done to better prepare her for the job market, she stated, *"If they would have kept paying my childcare, it would have helped. I would have a degree by now. Without childcare, I had no way to better myself."*

Caroline-Faulty Communication about Benefit Termination and Extension

Caroline is in her early 40s and has one child finishing high school and another in elementary school. She said she was not told specifically when her benefits would be cut but was told by her worker: *"You might get it for another three months, another six months, or it could be cut next month."* So I was looking for work." When her TANF ended, she applied for an extension to help her complete her training to become a Personal Support Specialist. She was denied and told that in order to qualify for an extension based on education or training she would have to already be progressing successfully in a training program. Caroline stated: *"They should have told me that before, so I that I could have already been in that class and doing that. It is kind of hard with them [DHHS]. Like when I applied for an extension they said 'Well, last time we met with you, you never said that you needed an extension.' Because, I didn't at the time. How was I supposed to know that I would need an extension?"* For her the whole experience was confusing and felt like a "catch-22". Without the extension in benefits, she said that both the cost of the course and the necessary transportation were prohibitive. She thought that being trained as a PSS would have been a good step toward being more job ready, saying *"There is a lot of need out there for that. That is something that I think is a good thing to do and they need help. And it was a guaranteed job, pretty much."*

Caroline has previously worked in childcare and as a teaching assistant and has been actively looking for work. She said: *"I've looked into schools; I've looked into health care centers. I've even applied at K-Mart. But the economy is hard and I don't have a degree in certain things, so I'm still looking."* She was asked back for an interview, but because her car is not registered, and she couldn't find a ride, she had no way to get to the interview. She said that the extension would have helped her find a job. *"It would hold me over a least a few months, so I can travel to the interviews and stuff. I don't even really have clothes they expect you to wear to interviews."*

When receiving TANF in the past, Caroline participated in the ASPIRE program and had begun

work on an associate's degree in medical office management, but was having difficulty balancing her responsibilities as the mother of a young child and school and she ultimately was unable to finish the degree at the time. She recalled, *"It was a lot. My daughter was young at the time and I had all the schoolwork and I fell behind and couldn't do it. I had to take four classes because ASPIRE makes you take four classes, and that is a lot, especially as you get closer to the end of the degree and you're taking harder classes. It was too much for me."*

Despite living in public housing, she has continued to have some housing costs since losing TANF, and without any income she has had a difficult time paying them. Her town has helped her twice with General Assistance. She also applied to DHHS for Emergency Assistance, but was told that because she had no income, she was not eligible. She said, *"Because I have no income they denied me. They said 'If we pay it now who is going to pay it next month? So because you have no income, we deny you. But if you can get a job, even a part-time one, you're eligible.' Well, if I can get a job, I can pay my own rent!"*

She has recently started babysitting for someone and hopes that income will allow her to at least keep up with some of her bills. In addition to her job search, Caroline applied and was accepted into a program in special education at the University of Maine at Augusta. She is waiting to see if her application for financial aid will be approved, and if it is, she hopes to start classes in the spring 2013 semester. She believes such a degree will help her to find more stable work in the future. Caroline hopes to be able to move forward with her degree without the help of TANF, but she does not know if that will be possible.

Wendy-Severe Hardship Caused by Loss of Benefits

Wendy had agreed to complete an interview for this report, but the chaos of her life without income ultimately caused the interview to be rescheduled several times and finally meant that it could not occur. Before Wendy was time limited off from TANF in June 2012, she was working 25 hours per week at a new job and her three small children were in day care. The loss of TANF meant she could not afford to travel to her job or maintain other work-related expenses. She lost her job, then her home and had to move to a homeless shelter with her three children. She was unable to do the interview in part due to serious illnesses for both herself and her children, which required hospitalization. Shelter living exacerbated these illnesses. On her survey she wrote, *"We lost everything and are at the homeless shelter. I have no clue what I'm going to do. If I can't find a job, we may be here awhile, which is not my goal."* She was denied an extension, being told that *"being homeless was not a good enough reason to get one."*

V. Conclusion

The Maine TANF Time Limit Study confirms the findings of other state studies. Terminating TANF families without the means of providing for themselves leaves many vulnerable to extreme hardships. Just as was found in Michigan (Seefeldt & Orzol, 2005), Minnesota (Pavetti & Kauff 2006), and Utah (Taylor et al., 2006), families in Maine reaching the 60-month time limit face steep obstacles to self-sufficiency. Many of the adults have a high level of disability that interferes with their ability to be employed; a significant number of families include children with disabilities who require extensive care; and a high proportion of these long-term recipients have not graduated from high school, leaving them ill-prepared for the job market.

Finding work without a high school education is becoming increasingly difficult in today's economy. Even occupations in Maine in which people with less education have been traditionally employed (e.g., food service, grounds maintenance, construction) have recently seen a decrease in the number of

people hired with a high school or less education and an increase in the number with some college or an associate's degree (Maine Department of Labor [DOL], 2011). This trend is expected to continue. Carnevale and colleagues (2010) projected that from 2008 to 2018, Maine would create 196,000 job vacancies from new jobs or job openings through retirement. More than half of these jobs (59%) will require post-secondary credentials; more than a third (36%) will require a high school diploma; and only about 5% will hire people with less than a high school education. Moreover, for the past 20 years, wages have been falling for Maine workers without higher education while they have been rising for those with post-secondary degrees (Maine DOL, 2011). In short, the prospects of economic self-sufficiency are very bleak for those former TANF recipients who do not have at least a GED or high school diploma.

The consequences of losing their TANF benefits for these families have been harsh. Similar to previous studies that have shown many families leaving welfare live well below the poverty line, often in quite destitute conditions (Acs & Loprest, 2004; Hill & Kauff, 2001; Taylor et al., 2006). This study of Maine families identified severe hardships. With 40% of the families in the study having no income whatsoever, and the overall median income for the rest at \$260 per month, it is not surprising that so many lost their housing, were without heat, and did not have enough to eat. Such circumstances have a profound effect on family stability and the ongoing development of young children. As noted by Duncan and Magnuson (2011), these children will likely face increased challenges throughout their lives due to the extreme poverty in which they live in their early years. The study also revealed that many families who appear to meet the criteria for benefit extensions do not understand they are able to apply, or have applied and been denied. This finding warrants close investigation so that the rules regarding extensions are implemented as they were intended.

Study findings clearly demonstrate that the needs of families receiving TANF do not go away when they reach the time limit. In fact, hardships increase with the loss of TANF assistance. Either families' needs go unmet with devastating consequences or they are shifted elsewhere, such as municipal general assistance programs. Several survey respondents reported that they had to turn to their towns in order to stay housed and feed their family. The impact of these hardships on families and their communities are an important part of the story that cannot be ignored.

Policy Recommendations

The experience of families responding to this study provides valuable insight into the ways in which Maine's TANF and ASPIRE programs could be improved. The following recommendations are informed by their experiences:

- 1. Improve screening and assessment of TANF families to identify health conditions and other barriers to employment so that they may be addressed earlier.** Maine would do well to adopt a plan similar to that in Ramsey County, Minnesota, (Pavetti & Kauff, 2006) in which families receive individualized needs assessments and intensive case management so they do not lose benefits before they are job ready or with another source of income, such as disability benefits. The findings from these more comprehensive assessments should inform the content of the family's ASPIRE plan to ensure that the plan more appropriately addresses serious barriers to employment faced by the family, or assists the family in accessing other appropriate assistance such as SSI.

2. **Implement standards and procedures to ensure more effective administration of “hardship” extensions to the TANF time limit.** Maine DHHS should review and improve the processes that are used to determine eligibility for extensions to ensure that those who qualify do not fall through the cracks, as was the case with several of the survey respondents. DHHS should also establish more clearly defined standards and guidance for determining eligibility for extensions, particularly disability-related extensions, currently available under Maine law.
3. **Establish a hardship extension for those reaching 60 months who are still unable to find employment through no fault of their own.** A new hardship extension should be established for those who reach 60 months, but are not yet able to engage in gainful employment because they lack a high school diploma, have limited English language proficiency, have a learning disability or cognitive impairment, or live in an area with particularly high unemployment. These individuals could be enrolled in an ASPIRE plan designed to reduce or eliminate these barriers and would continue to receive assistance provided that they remain in compliance with that plan.

These improvements would result in a program that is both more humane and economical in the long-term. This is a wise approach for the State to pursue if it is to truly achieve the goals of the TANF Program.

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