

Senate Appropriations Committee
February 8, 2023
SB 2291
Senator Kathy Hogan

Chair Bekkedahl and members of the Senate Appropriations Committee, my name is Kathy Hogan, and I represent District 21.

SB 2291 is a simple bill that raises the monthly Temporary Assistance to Needy Family (TANF) benefit from 25% of the poverty level to 50% of the poverty level.

TANF is a federal program that was converted from the Aid to Families with Dependent Children program that was established in the 1930's with the Social Security Act, during the great depression, to a block grant program with the passage of Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA).

Since the major work that was done during the 1997 legislative session to outline the structure for the TANF program, few modifications have been made to that structure. Since that time, the numbers of families receiving assistance have consistently dropped and the % of funding to assist low-income families has also dropped as TANF funding has been redirected to other programs.

The current standard of need, as outlined in North Dakota Administrative Code, means that families whose household income is approximately 22-25% of the Federal Poverty Limit may be eligible to receive assistance from the TANF program.

Translated into dollars and cents, this means that a single parent household with two children may be eligible to receive a financial benefit from TANF if their household income is equal to or less than \$5,069 a year, or approximately \$422 of earnings per month.

The change proposed in Senate Bill 2291 would allow families with household income that is equal to approximately 50% of the Federal Poverty Limit to become eligible for TANF financial assistance in North Dakota. This would mean that a single parent household with two children may be eligible for the TANF program if their income is equal to or less than \$11,520 a year, or approximately \$960 a month.

After researching this national trend and looking at the ND data, this bill emerged. In addition to proposing an increase in the poverty level for payments, I hope that we as a legislature can better monitor the uses of all TANF funds. In

some states, there have been excessive abuses of the TANF block grant funds, and we need to assure that we are more diligent in monitoring these funds.

Thank you for the opportunity to share these comments. I am willing to answer any questions.