



August 6, 2020

Members
Oregon Legislative Assembly
900 Court Street NE
Salem, OR 97301

Members:

As you consider how to balance Oregon's budget, we respectfully urge you to protect families facing the greatest economic barriers. We ask you not to cut \$14 million from the TANF program currently designated for several yet-to-launch pilot projects, and instead expand cash resources for TANF families. Doing so would prevent further harm for families with children already experiencing extreme hardship during the pandemic, disproportionately families of color.

Cutting TANF pilot programs reneges on Oregon's 2019 commitment

The pilot programs established in 2019 by the legislature are an acknowledgment that for years Oregon has underinvested in children and families experiencing extreme economic hardship. Oregon has done so, in part, by diverting federal TANF funds to non-TANF purposes. As a first step in reversing this pattern, the 2019 legislature created three pilot programs in housing, mental and behavioral health, and employment worth \$15.5 million. The purpose of these pilot programs was to inform future decisions about investing the on-going federal dollars in a manner that would help TANF families with the highest barriers.

Regrettably, the budget co-chairs propose eliminating the housing and employment pilots, together worth \$14 million. This action would renege on the legislature's commitment to more adequately invest in TANF families.

The pandemic has made life even harder for TANF families

Life has become harder for families relying on TANF. Families were already navigating virtually impossible economic circumstances prior to the pandemic, challenges that have only deepened since.

Housing insecurity is extreme for TANF families. Most TANF families do not receive housing assistance.¹ At \$506 per month for one adult and two children, the maximum TANF grant is not enough to afford a one-bedroom apartment in any county in Oregon, much less cover other basic necessities.² As a result, TANF families often live in doubled-up situations or are otherwise homeless.³ The pandemic makes those informal doubled-up



arrangements less stable. While we applaud the Oregon legislature’s decision to establish an eviction moratorium, the reality is that the moratorium only helps those with a formal lease agreement — something doubled-up TANF families often lack.

TANF families must also contend with a troubling spike in food prices since the onset of the pandemic.⁴ Additional SNAP benefits provided through the federal Families First Coronavirus Response Act help few TANF families, given that most of these families already qualify for the maximum SNAP amount.⁵ Prior to the pandemic, SNAP benefits lasted only about three weeks each month.⁶ Now they are running out even sooner — nearly certain to raise food insecurity and hunger among TANF families.

The cuts target Black, Hispanic, Indigenous, Hawaiian and Pacific Islander families

Racist structural barriers to education, employment, health care, and other opportunities mean Black, Hispanic, Indigenous, Hawaiian and Pacific Islander families are more likely to rely on TANF.⁷ TANF cash assistance is already paltry. Reducing program resources moves us in the wrong direction. In sum, cutting TANF would exacerbate racial inequality in Oregon.

Reinvest if necessary, but don’t cut TANF funds

Every dollar invested in TANF can reduce extreme hardship among families with children. It is imperative that the legislature avoid cutting this already underfunded support. If the pilot programs cannot be launched, the legislature should reinvest the funds in cash assistance to help families cope with the current crisis. For example, the funds could be used to provide:

- A one-time supplemental payment for all TANF families;
- A monthly supplemental grant for all TANF families through the rest of the biennium; or
- A monthly supplemental grant for TANF families not receiving a housing subsidy

Protecting Oregon’s most vulnerable families with children must be a top priority for the legislature. We urge you to protect scarce program funds intended for TANF families.

Endnotes

¹ 13.1 percent of Oregon households receiving TANF in 2018 were receiving subsidized housing. “Characteristics and Financial Circumstances of TANF Recipients Fiscal Year (FY) 2018,” U.S. Housing and



Urban Development, available at

https://www.acf.hhs.gov/sites/default/files/ofa/fy18_characteristics_web_508_2.pdf.

² OCPP analysis of data from U.S. Department of Housing and Urban Development, available at

<https://www.huduser.gov/portal/datasets/fmr.html>.

³ In the 2018-19 school year, more than 22,000 school-age children were homeless, with nearly 17,000 of them doubled up with other families. "Oregon Statewide Report Card," available at

<https://www.oregon.gov/ode/schools-and-districts/reportcards/Documents/rptcard2019.pdf>.

⁴ "Consumer Prices for Food At Home Increased 4.8 Percent for Year Ended May 2020," U.S. Bureau of Labor Statistics, June 16, 2020, available at https://www.bls.gov/opub/ted/2020/consumer-prices-for-food-at-home-increased-4-point-8-percent-for-year-ended-may-2020.htm?view_full

⁵ Analysis from the Center on Budget and Policy Priorities, shared with OCPP on August 6, 2020 finds that the typical TANF family receiving the maximum TANF grant receives the maximum SNAP allotment. (Most Oregon TANF recipients have no earned income and receive the maximum TANF grant. "Characteristics and Financial Circumstances of TANF Recipients Fiscal Year (FY) 2018," U.S. Housing and Urban Development, available at https://www.acf.hhs.gov/sites/default/files/ofa/fy18_characteristics_web_508_2.pdf, The Families First Coronavirus Response Act enabled states to increase SNAP benefits to the maximum allowed per family size. Families already receiving the maximum amount are not eligible for additional benefits. *States are Using Much-Needed Temporary Flexibility in SNAP to Respond to COVID-19 Challenges*, Center on Budget and Policy Priorities, available at <https://www.cbpp.org/research/food-assistance/most-states-are-using-new-flexibility-in-snap-to-respond-to-covid-19>.

⁶ OCPP analysis of data from Urban Institute. "Does SNAP Cover the Cost of a Meal In Your County?," Urban Institute, available at <https://www.urban.org/does-snap-cover-cost-meal-your-county>.

⁷ OCPP analysis of TANF caseload data for 2018. "Characteristics and Financial Circumstances of TANF Recipients Fiscal Year (FY) 2018," U.S. Housing and Urban Development, available at

https://www.acf.hhs.gov/sites/default/files/ofa/fy18_characteristics_web_508_2.pdf, and American Community Survey data for Oregon population by race, 2018.