



Tracking the Earnings of TANF Leavers: A Measure of their Impact on the Workforce

From 1996 to 2007, the Mississippi Temporary Assistance for Needy Families (TANF) program caseload decreased by more than 100,000 people. While notable, there is no information to measure the success of TANF leavers in the workforce. By measuring the wages earned by TANF leavers Mississippi can use the information to target its TANF program towards activities that contribute to success and upward mobility in the workforce.

Recommendation: Tracking Earnings of TANF Leavers

The state acknowledges that leaving TANF and entering the workforce is not the same as leaving poverty. Individuals who have left TANF for entry level jobs are likely earning wages that are too low to support their families. As a part of its post-employment assistance programs, the state could measure the earnings of TANF leavers benchmarked to 100 percent and 200 percent of the federal poverty level at 6, 12 and 24 months after leaving the program. This measurement could be used to gauge their status in the workforce, as well as their level of self-sufficiency.

Examples from Other States

Several other states track the earnings of TANF leavers as an outcome measure of their TANF employment programs. Arkansas recently began tracking the earnings of their TANF leavers. In December of 2004, 12 percent were earning above the federal poverty level, while 2 percent were earning higher than 200 percent of poverty. Arkansas used the findings to develop training and education opportunities for TANF recipients that contribute to more opportunities for high wage jobs upon leaving the TANF Program. Table 1 illustrates measures from Arkansas, Texas and Washington State.

| State | Percent at 100% FPL | Percent at 200% FPL | Measurement Period |
|--------------|--------------------------------|--------------------------------|---------------------------|
| Arkansas | 12 | 2 | 6 months |
| Texas | n/a | 7 | 12 months |
| Washington | 36-42 | 5-9 | 12 months |
| Washington | 41-45 | 8-10 | 24 months |
| Washington | 48 | 12 | 36 months |

Source: The Working Poor Families Project “Promoting Economic Self Sufficiency as a State TANF Outcome” Policy Brief Spring 2006. www.aecf.org/initiatives/fes/workingpoor/