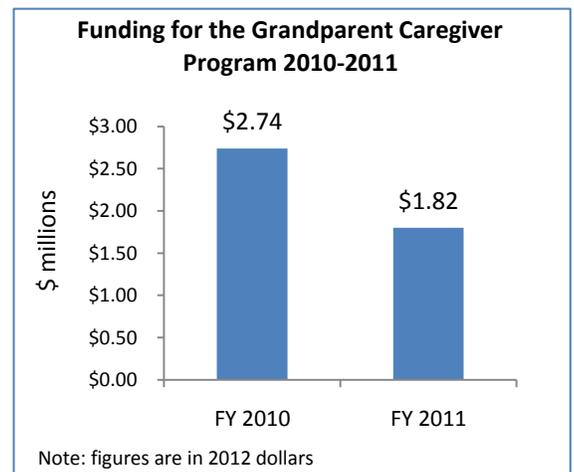


The Cost of Cuts to DC's Cash Assistance

In 2008, the economic downturn led to a decrease in District revenues, resulting in budget cuts almost across the board. The cuts include reductions to cash assistance to several groups of low-income residents, including people with disabilities, grandparents raising grandchildren, and parents with children. The cuts in some cases were reductions in benefit levels, and in other cases represent cuts in the number of eligible residents who can be served. In all cases, the benefits that provide basic support are intended to help very low-income residents meet basic needs — like housing and transportation — and even prior to the reductions, the benefit levels generally were well below poverty. The reductions thus make it harder for thousands of residents to make ends meet.

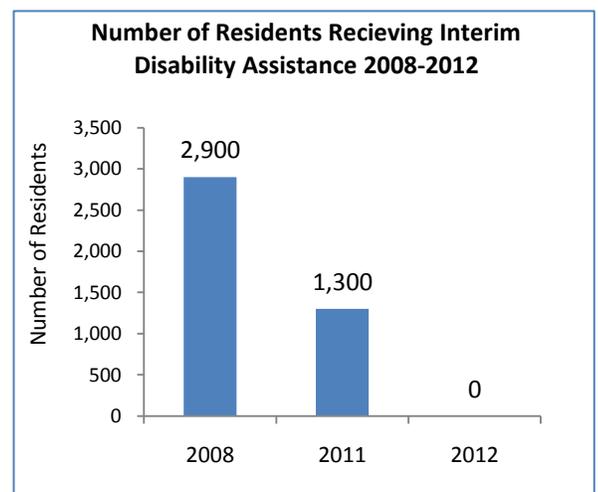
SUPPORT FOR GRANDPARENTS RAISING GRANDCHILDREN HAS BEEN CUT BY ONE THIRD

- ❖ Thousands of DC children are being raised by their grandparents. The Grandparent Caregiver program provides assistance to grandparents caring for about 700 children. This assistance helps keep children with relatives out of foster care.
- ❖ In 2011, funding for the Grandparent Caregiver program was cut by one third, reducing assistance by over \$200 per month per family. The FY 2012 proposed budget maintains benefits at the reduced 2011 levels.



ASSISTANCE TO RESIDENTS WITH DISABILITIES HAS BEEN CUT BY MORE THAN HALF — AND MAY BE ELIMINATED IN 2012

- ❖ The Interim Disability Assistance program offers \$270 a month (30 percent of the poverty level) to residents with disabilities who have no other income and are applying for federal disability assistance. Some 37 states offer interim assistance because the application for federal benefits often is lengthy.
- ❖ Some 2,900 residents received IDA assistance in 2008, but that has fallen to 1,300 as a result of budget cuts.
- ❖ The FY 2012 budget would suspend the IDA program, meaning that IDA participants enrolled at the end of FY 2011 will have all benefits terminated, even if federal benefits have not yet been approved.



BENEFITS FOR 6,500 FAMILIES WITH CHILDREN HAVE BEEN CUT — AND FURTHER CUTS ARE PROPOSED

- ❖ DC's TANF program provides cash assistance and job readiness services to low-income families with children. The current TANF benefit is just \$428 a month for a family of three – 28 percent of poverty. Other states with a high cost of living, including Maryland, Massachusetts and New York, offer monthly benefits of nearly \$600 or more.
- ❖ In 2011, TANF benefits were cut by one-fifth – to \$342 a month for a family of three – for any family that has received assistance for more than 60 months. These cuts affected benefits for 6,500 District families. Prior to this reduction, families had not been informed that benefits would be time limited.
- ❖ The FY 2012 budget proposes further cuts for families receiving assistance for more than 60 months, reducing their benefits to just \$257 a month for a family of three. This will affect 7,000 families by the time the cuts go into effect in October. The cuts will occur before changes to employment services are implemented.

