

Massachusetts Cash Assistance – A MassBudget Data Droplet

The cash assistance program was created to be a reliable back-up for the lowest-income families; today the program reaches only a small share of families in need.

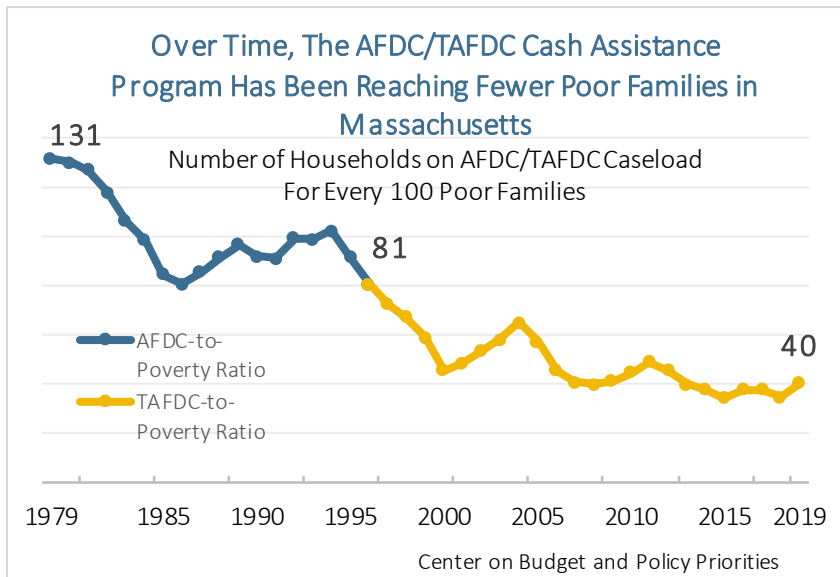
Cash assistance (Transitional Assistance for Families with Dependent Children or TAFDC) provides a **small monthly cash grant** to families with children or to pregnant people only if they have little or no income. The amount of this grant is **not enough to provide economic stability or help a family get back on its feet** during hard times. **Nor can this grant come even close to covering the costs of rent, diapers, school supplies, or other basic necessities.**

Even with a **recent legislatively-authorized 9.1 percent increase** in the grant amount, the current monthly TAFDC cash grant of \$712 for a family of three with no countable income amounts to about \$8,500 a year. People who pay rent in the private housing market receive an extra \$40 per month to cover the cost of rent.

Unfortunately, even though TAFDC was originally designed to be an economic safety net for families in need, the TAFDC **cash assistance amount is so low it does not even bring families out of “deep poverty.”** People in **deep poverty have incomes at half the official poverty threshold** or less. The poverty threshold for a family of three in 2022 is an income of \$23,030 a year, putting deep poverty at \$11,515.

TAFDC caseload fluctuates with the economy. Caseload tends to increase during economic recessions. For example, when unemployment increased during the most recent short recession, TAFDC caseload went up for a short period. Caseload has been increasing again with the expiration of federal unemployment and COVID relief and benefits.

From its beginning the program was built upon [punitive narratives](#) about poor people, especially Black women. This led to complicated rules about who would be “entitled” to the program. Unless specifically exempted, participants are [expected](#) to **look for work or go to school** when receiving benefits.



When first created, the federal Aid to Families with Dependent Children (AFDC) cash assistance program was **intended to be an important income support** for many low-income families. “**Welfare reform**” in the 1990s converted AFDC into a block grant that provides funding for the current TAFDC program. The shift to block grant funding also gave states significant latitude to spend the federal funds on a wide variety of programs beyond just direct cash assistance to low-income families.

The “**AFDC/TAFDC-to-poverty ratio**” shows the extent to which benefits reach families in need. In 2019, for every 100

families with incomes under the federal poverty line, only 40 received TAFDC. **While AFDC in its earliest year reached all or almost all poor families in Massachusetts, over the last decade and a half TAFDC has reached fewer than half** (see [graph](#)).