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Contact: Kenza Hadj-Moussa, 612-386-9556 | kenza@mnhomelesscoalition.org

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Task Force Report Finds Major Problem with Minnesota's Welfare-to-Work Program

St. Paul— A task force created by the Legislature to look into how Minnesota spends its federal TANF dollars outlined a major problem within the welfare-to-work program, according to the final report released this week. The problem is a legislative issue: monthly MFIP cash assistance has not increased since 1986. A family of three receives \$532 per month to cover basic expenses, including housing and transportation. As noted in the report:

In 1986, the MFIP cash grant supported a family at 70 percent of the federal poverty guideline. Today, the MFIP cash grant supports a family at just 32 percent of the federal poverty guidelines. Income below 50 percent of the federal poverty guideline is considered to be deep/extreme poverty. Childhood poverty in Minnesota has more than doubled, increasing 105 percent since 2000.

"Pretty basic technical changes at the Legislature can have a major impact. MFIP is an intense workforce development program for parents, but it is also leaving 70,000 children in severe poverty. Technical fixes are vital to keep the program from eroding further," said Jessica Webster, Minnesota Legal Aid attorney and TANF Task Force member.

Currently, federal TANF funds in Minnesota are spent in three places: MFIP programs, the Minnesota Department of Health, and the Working Family Credit. As a crucial fix, the TANF Taskforce unanimously recommends TANF funds be pulled back from the Minnesota Department of Health and Working Family Credit and replaced with general funds. This would allow TANF funds to be redirected into MFIP, raising cash assistance for the first time since 1986.

Bipartisan legislation is moving forward to raise MFIP cash assistance by \$100 per month, using TANF funds.

The Minnesota TANF Expenditures Task Force Final Report is available here.

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In 1986....

- Michael Jackson & Lionel Richie won a Grammy for "We Are The World"
- Governor Dayton was serving as the head of the Department of Economic Development
- Some lawmakers were not born