

Washington Center for Equitable Growth

Factsheet: Streamlining income supports can help single mothers and foster equitable U.S. economic growth

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This factsheet is the second in a series of pieces examining the systemic inequities in the U.S. economy that hinder the economic well-being and economic mobility of single mothers. The series highlights three policy mechanisms that can improve these economic outcomes—eliminating work requirements for income supports, streamlining income supports, and improving child care infrastructure—to foster equitable economic growth that is strong and stable.

Income supports, such as Unemployment Insurance and Temporary Assistance for Needy Families, fulfill multiple key roles in the functioning of a strong economy. During economic downturns, income supports [automatically stabilize](#) the U.S. macroeconomy by maintaining spending and consumption levels despite higher rates of unemployment. Income supports are a crucial mechanism for improving the economic well-being of lower-income families.

Single-mother households, in particular, have a [comparatively greater risk of being in poverty](#) and have [lower wealth than any other group of U.S. households](#). Income supports help these households cover basic life expenses, which [research demonstrates](#) can have long-term benefits for promoting intergenerational economic mobility and ameliorating economic inequality—which, in turn, leads to stronger and more stable economic growth.

Yet the existing income support infrastructure in the United States—which is, broadly defined, government tax-and-transfer programs that increase the amount of cash available to households as temporary relief—is inadequate for meeting these macroeconomic needs and providing support for those who need it most, especially single-mother households.

This factsheet discusses the ways income supports do not currently meet the needs of single mothers, the policies at the state and federal levels that are attempting to remove barriers to income supports, and the ways streamlining income supports can improve the lives of single mothers and promote equitable growth across the United States.

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While more research on the precise impact of the current income support system on single mothers is needed, the systemic barriers and inequities they face are well-documented. Targeting these inequities will improve their economic well-being and mobility over the long term, and their children's too, as well as promoting strong, stable, and equitable economic growth.

Weaknesses in the current U.S. income support system

- **The poor design of the income support system in the United States limits access.** Only the U.S. Department of Agriculture's Supplemental Nutrition Assistance Program and Supplemental Security Income distributed via the Social Security system are entitlements, meaning these two income supports are guaranteed for all who qualify and apply. Other programs are limited by congressional funding requirements, and [there may not be enough funds](#) to provide services to all eligible individuals who need support. Among these types of income supports are:
 - The U.S. Department of Health and Human Services' Temporary Assistance for Needy Families program [only reached 1 in 4 of those eligible](#) in 2018. (It reached roughly 79 percent of eligible individuals under its predecessor program, Aid to Families with Dependent Children, in 1994.) More specifically:
 - Under the current program, jointly administered with state governments, states can spend less and less on cash assistance. From 1997 to 2019, federal and state spending on monthly cash aid [dropped from 71 percent of TANF funds to only 21 percent](#). Some states choose to spend less on cash assistance to families and instead divert funding to other state priorities, such as [anti-abortion clinics](#).
 - When people do get access to this income support program, it is not enough to help support their families. In 2020, maximum TANF amounts from every state [were less than half of the federal poverty line](#) and [18 states](#) had benefits that were at or below 20 percent of the federal poverty line. In February 2025, the Texas [Department of Health and Human Services](#) states that for a single parent with one child, the maximum monthly TANF amount is \$305 (or \$353 if they have two children)—less than a fifth of the [2025 federal poverty line amount of \\$21,150](#) for a family of two.
 - The Child Tax Credit, administered by the IRS, is claimed by [more than 46 million taxpayers on average each year](#).

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- The 2021 American Rescue Plan’s temporary [CTC expansion](#) increased its maximum amount and made it fully refundable. That expansion lifted an estimated 2.9 million children out of poverty before it expired. Analysis conducted in 2023 by the Center for Budget and Policy Priorities suggests that 3 million fewer children would have been living in poverty in 2022 had Congress not let the temporary expansion expire. Instead, an estimated 9 million U.S. children lived in poverty in 2022.
- In 2022, researchers from the [University of Michigan](#) found that the 2021 CTC expansion reduced food insecurity, medical hardship, and inability to pay utility bills and was not associated with a reduction in local labor supplies, suggesting it did not impact employment.
- [In 2025](#), parents can claim up to \$2,000 for each child under the age of 17 and can be refunded up to \$1,600. In 2026, the Child Tax Credit will revert back to the [pre-Tax Cuts and Jobs Act](#) maximum credit value of \$1,000 for each child under the age of 17.
- Unemployment Insurance, jointly administered by the U.S. Department of Labor and U.S. states, also is not fully utilized by eligible recipients. In a [recent analysis](#) of the 2020 Coronavirus Aid, Relief, and Economic Security, or CARES, Act, economists from the University of Illinois, Urbana-Champaign find that while there was an improvement in the percent of eligible persons receiving Unemployment Insurance, this increase merely went from 27 percent in 2018 to only 36 percent in 2020–2021. The researchers point to misinformation around eligibility as a primary reason for not receiving Unemployment Insurance.
- **Racial and gender inequities have historically structured who can access income supports, and the legacies of those structures reverberate today.** Specifically:
 - Agricultural and domestic work was [historically excluded](#) from income support programs, such as Unemployment Insurance. These were industries with the greatest concentration of Black women at the time that the exclusions were enacted.
 - A [large body of academic work](#) shows that institutional racism weakens income support programs. [Research](#) that compares social infrastructure in European countries with that of the United States finds that racism is a major reason why the United States spends less on income supports than peer nations.
- **The application process for income supports is [too burdensome](#).** Specifically:

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- A [2024 survey](#) by Columbia University's Alexander Hertel-Fernandez finds that challenges with the application process for supplemental nutrition assistance, including communication challenges with staff and onerous documentation requirements, are among the reasons individuals are not enrolled in this key income support program.
- Black and especially Hispanic individuals were more likely to strongly agree that the application experience was stressful, at 41 percent and 47 percent, respectively. Moreover, 42 percent of individuals reporting a disability and 39 percent of parents with children in the household strongly agreed that applying to the Supplemental Nutrition Assistance Program was stressful.
- **These barriers are especially relevant to single mothers and their children, who already face an increased likelihood of poverty, as well as increased burdens relevant to accessing supports.** Specifically:
 - Households headed by single mothers are [disproportionately food insecure](#), at 33 percent, and therefore especially benefit from supplemental nutrition assistance. Research [demonstrates this income support program](#) reduces the likelihood of being food insecure by 30 percent.
 - For nonentitlement programs, such as housing assistance and child care subsidies, lack of federal funding or the inability to find assistance or providers in many local areas can stand in the way families accessing affordable housing or finding a child care provider so they can go to work. The lack of [child care is a real barrier to work](#) for most families, but single mothers feel it especially acutely.
 - The Temporary Assistance for Needy Families program's paperwork, work requirements, confusing eligibility rules (including for future assistance), and personal pride [all have been cited as barriers to participation in this program](#).
 - To enroll in temporary income assistance and nutrition assistance programs, applicants must [cooperate](#) with [child support enforcement services](#), but not all single mothers want to participate in these services, particularly when it requires invasive paternity determinations.
 - Then, there are federal regulations that allow states [to reduce the number of families receiving assistance to meet federal work requirements](#). In 2020, 26 states did so. [Research](#) finds that implementing work requirements in income support programs can [push families deeper into poverty](#) regardless of if the families were subject to the work requirements.
 - Work requirements are a hindrance for all mothers. Research shows that the work requirements in the Temporary Assistance for Needy Families program have [done](#)

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[little to improve the financial situation of Black and Latina mothers](#) who are able to meet it.

Recent improvements to the U.S. income support system and current landscape

- **At the federal level, the Biden administration took action to identify and reduce administrative burdens for accessing income supports.** Specifically:
 - The Biden administration, in 2021, issued an executive order to improve the design and delivery of public services. The [executive order](#) aimed to minimize “[time taxes](#)” and similar burdens in accessing government benefits and services.
 - In April 2023, the White House Office of Information and Regulatory Affairs [launched an initiative](#) with federal agencies to “more completely and transparently articulate burdens and associated costs experienced by the public when accessing essential public benefits programs, and ... use that analysis to minimize the Federal information collection burden, with particular emphasis on those individuals and entities most adversely affected.” This included more than 100 initiatives from 20 agencies.
- **In January 2025, the second Trump administration issued an [overarching executive order](#) rescinding almost all of President Joe Biden’s executive orders.** Although it did not include a reference to the executive order aimed at reducing “time taxes,” the Trump administration will likely explore adding increased administrative burdens, such as increased work requirements on income support and health care programs, based on [executive orders issues during his first administration](#) that heavily supported implementing them.
- In January 2025, [a list of potential spending cuts](#) being explored by congressional Republicans as avenues to [fund tax cuts for the wealthiest Americans](#) included implementing work requirements on income support programs and Medicaid.

Options to improve the U.S. income support system

- **Address barriers to accessing income supports by integrating and streamlining the application process.** For example:
 - States have had some [preliminary success streamlining](#) benefits sign-up through integrating applications to limit paperwork duplication for entitlement programs, such as the Supplemental Nutrition Assistance Program and Medicaid, but have a

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harder time [integrating with nonentitlement programs](#) such as the U.S. Department of Agriculture's Women, Infants, and Children food voucher program and housing vouchers from the U.S. Department of Housing and Urban Development.

- Some states—among them Minnesota, Michigan, Alaska, Colorado, Louisiana, and Vermont—have partnered with nonprofit organizations such as [Code for America](#) to design integrated benefits programs to streamline processes for applications. In Minnesota, the MNBenefits portal has reduced application time from 1 hour and 50 minutes to 20 minutes.
- **Ease the psychological burdens of receiving income supports** by targeting application assistance to communities most impacted by stress during the application process, as well as integrating applications across programs.
- **Increase and introduce state-level Child Tax Credits, in addition to the federal Child Tax Credit, to significantly reduce economic hardships.** For example:
 - Minnesota created the [largest state Child Tax Credit](#) in [2023](#) with [full refundability](#) (up to \$1,750 per child), including for immigrants with Individual Taxpayer Identification Numbers from the IRS. The reforms are [expected to cut child poverty in the state by roughly one-third](#).
 - Fifteen states provide Child Tax Credits. Six of them provide benefits greater than \$1,000 per child, and 11 states have [fully refundable](#) credits.
- **At the federal level, Congress could:**
 - Require states to spend a greater proportion of their funding for Temporary Assistance for Needy Families on direct cash assistance to families
 - Remove the requirement for cooperation with child support enforcement agencies for single mothers to receive temporary income assistance
 - Make the federal Child Tax Credit fully refundable [to reach more single mothers with children](#)

Conclusion

For the U.S. economy to remain strong and stable, equitable access to expanded income supports for single mothers without all the unnecessary and unproductive barriers in place today will be paramount. However, the second Trump administration and Republican majorities in the new 119th U.S. Congress have already suggested that they will lean on [increased implementation of](#)

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[work requirements](#) to reduce federal spending on programs upon which low-income families rely so they can pay for [tax cuts for the wealthiest Americans](#).