

Section-by-Section Summary: TANF Extension Discussion Draft

Title I. Improving Participation in Activities Leading to Employment

Section 101. Strengthening Partnerships to Improve Results for Families

Under current law, a state must make an initial assessment of each recipient and their skills, prior work experience, and employability within 30 days of determining an individual is eligible for assistance (or, at the option of the state, 90 days).

This provision requires states to make an initial assessment within 60 days. This provision also modifies the requirements so new plans will include the following:

1. Information on the recipient's immediate needs and a description of the resources the individual has to meet immediate needs, including individual, household, family, and other resources.
2. A description of the assistance and services the State will provide to help the individual meet immediate needs.
3. Information on responsibilities of the individual and the state which:
 - a. Includes an agreement noting the individual's responsibility to comply with program requirements to receive benefits;
 - b. Sets an employment goal, including specific and measurable benchmarks that will help the individual become and remain employed;
 - c. Describes the services the state will provide so the individual can obtain and maintain employment; and
 - d. Specifies a timeline for meeting the benchmarks contained in the plan with short-, medium-, and long-term goals, including a description of incentives if the individual meets or exceeds the obligations in the plan and penalties if the individual fails without good cause to comply with the plan.

This provision would also require the state, not less frequently than every 90 days, to review each work-eligible individual's plan, review progress made, and update the plan as needed.

Section 102. Increasing State Incentives to Help Individuals Secure Employment

Under current law, states may deem a recipient under age 20 as meeting the work participation requirement if they maintain satisfactory attendance at secondary school, or if they participate in education directly related to employment for 20 hours per week. States are also able to deem a recipient with a child under age 6 as meeting work participation requirements if they participate for 20 hours per week, instead of the 30 hours required for those with children age 6 and older.

This provision would allow states to deem certain individuals as meeting the work participation requirement without tracking specific hours of participation if they are engaged in an activity tightly connected to employment:

1. A recipient referred to an entity funded by the state for placement in work and the client is engaged with them, if at least 50 percent of the payment made to the entity for serving recipients is based on job placement and retention (and the state

reports to HHS on how they use these contracts, who they serve with them, and how they measure effectiveness to prevent gaming).

2. For no more than 6 months, a recipient participating in subsidized employment for at least 80 hours per month if the state pays at least 25 percent of the wage with TANF (the state could also count former recipients working in a subsidized job if they were a recipient when they started the subsidized job but no longer get assistance due to the subsidy).
3. For no more than 3 months, a recipient enrolled in and making adequate progress in an employer-directed training program (such as an apprenticeship or vocational education program) and the employer has agreed to hire the individual upon successful completion. The 30 percent limit on counting recipients in vocational educational training would not apply to this group.

Section 103. Strengthening Measurement of Recipient Participation

This provision would allow states to receive limited credit toward meeting the work participation rate requirement for those who participate in countable activities for some hours but for less than the required hours. One provision would allow all states to receive half credit for individuals participating for at least half of their required hours.

A second provision would, at the option of the state, allow a state to calculate a universal work participation rate tied to the current work participation requirements. Under this universal calculation the state would add up all hours of participation by all individuals required to participate (counting no more than the maximum hours each individual is required to participate and only counting activities according to current limitations on core/non-core, limits on job search, etc.) and divide this number by the total hours these individuals are required to participate—encouraging states to engage all recipients, not just those close to meeting the 20- or 30-hour work requirement.

Section 104. Supporting Treatment and Rehabilitation to Prepare Recipients for Employment and Support Employment

Current law limits the counting of participation in job search and job readiness to no more than six weeks, or 12 weeks if the state is a “needy state”. Under this provision, an individual who participates in substance abuse treatment, mental health treatment, or rehabilitation activities (the need for which was been determined necessary by a qualified independent medical, substance abuse, or mental health professional to prepare the individual for employment or to support the individual in employment) may have up to 6 weeks of such participation (or 12 weeks if the state is a “needy state”) disregarded for purposes of applying this limit.

Section 105. Improving Engagement and Employment Outcomes

This provision would allow HHS to approve up to 10 demonstration projects (as well as up to 3 tribal demonstration projects) for up to five years to evaluate the effectiveness of different engagement strategies on increasing employment, earnings, family stability and

other outcomes. A state operating a demonstration project would conduct a random assignment study allowing them to compare the outcomes for individuals participating in the demonstration program and those served through the TANF program. Funding to support demonstration projects would come from money already provided to HHS for research on low-income programs.

This provision would also require states to collect and report outcome information for the traditional TANF program, including employment, earnings, and program engagement of current and former TANF recipients

Title II. Strengthening Families

Section 201. Uniform Work Requirement for Single-Parent and Married Families

This provision would eliminate the separate and higher work participation requirement for two-parent families, making all families subject to the same work participation rate requirement, regardless of whether they are headed by one or two parents.

Section 202. Supporting Families by Ending TANF Marriage Penalty

This provision would ensure individuals who receive TANF and who marry are not disadvantaged as a result of this decision. Specifically, this provision would require states to disregard the income and resources of the new spouse for at least 12 months when calculating benefits for the family. It would also require states to identify and report to HHS other eligibility differences between single-parent and two-parent families, as well as explain how these differences do not impose additional burdens on two-parent families or what efforts the state is undertaking to ensure any differences do not disadvantage two-parent families.

Title III. Restoring the Integrity of TANF

Section 301. Strengthening State Requirements to Engage Recipients in Employment and Employment Preparation Activities

Under current law, states must engage 50 percent of their caseload in work activities to avoid penalty. However, states can reduce this percentage by reporting caseload declines since 2005 that are not the result of policy or eligibility changes, or by reporting state spending above the level required by law (as a result of this policy, 22 states have no work requirement today). This provision would continue to allow states to reduce their work participation rate requirement, but would set a minimum level each state must meet in future years. Specifically, each state would have to engage a minimum of 10 percent of their caseload in work activities in FY 2020, and a minimum of 20 percent in FY 2021 and each year thereafter.

Section 302. Measuring TANF Spending on Families Receiving Assistance and on Low-Income Families

This section would require states, beginning in 2020, to report the amount and percentage of TANF spent on families receiving assistance by category of spending, as well as estimate the amount and percentage of TANF spending on families in the state whose income is below 100 percent and 200 percent of the poverty level.

Title IV. Reauthorizing TANF Program

Section 401. 3-Year Reauthorization

This section would reauthorize TANF and related programs at current levels through FY 2021.

Title V. Miscellaneous

Section 501. Technical Corrections to Data Exchange Standards to Improve Program Coordination

This section makes technical corrections to data standards language already in TANF statute at the request of the Department of Health and Human Services.

Section 502. Effective Dates

This section specifies effective dates for provisions in the bill.