



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Economic Services Administration

May 31, 2012

The Honorable Geoff Davis, Chairman
Subcommittee on Human Resources
Committee on Ways and Means
U.S House of Representatives
1101 Longworth HOB
Washington, D.C. 20515

Re: May 17, 2012 Hearing on State TANF Spending and Its Impact on Work Requirements

Dear Chairman Davis:

Thank you for the opportunity to submit comments on this important matter. As you know, the Temporary Assistance for Needy Families (TANF) program was intended to provide states with the flexibility to design a program in ways they felt would best move vulnerable families on a pathway to economic self-sufficiency -- as long as states complied with the broad statutory goals and state spending was maintained at a federally mandated level. However, the federal requirements have created barriers for this state with regard to effectively utilizing limited resources that support families moving to self sufficiency.

Work Participation Requirements Lack Flexibility

The work participation requirements of TANF are not flexible, with significant limits on the types of activities that count toward meeting the work participation requirements. The narrow definition unduly restricts state level flexibility. It also hampers efforts to tailor service delivery to address the specific needs of the family.

We are seeing increasing numbers of parents who lack a basic education. Yet high school completion is not a core activity, and only 10 hours a week count toward the 30 hour requirement for single parents. For a two-parent family, this decreases to five hours per week.

As unemployment benefits are exhausted, parents are turning to TANF for relief, but the core activity for most is Job Search. For parents who have been unable to find work, requiring continued job search overlooks and crowds out the opportunity to increase their employability by other means. While they could benefit from skills training, there is little that counts toward the 30 hour weekly requirement.

Vocational education is helpful, but states are not allowed to count more than 30 percent of their work participation from parents engaged in vocational education. In addition, vocational education counts for 12 months in the lifetime of the parent while some programs take longer than one year to complete.

We are also seeing parents who have received vocational education in the past and could benefit from it again, but cannot because of the 12 month time limit. Should a state decide that this education activity is appropriate, activity by that parent does not count toward the participation rate.

The Importance of Excess MOE

We consider the effect of excess MOE expenditures as an opportunity for the state to undertake strategies that move families toward self-sufficiency while still meeting the work participation targets.

States face increasing pressure to provide basic assistance to needy families while maintaining focus on the need to achieve self-sufficiency. When a family obtains employment and leaves the TANF program, the state cannot count that parent's hours of employment toward the work participation rate. This can create a negative incentive to keep families on TANF longer in order to receive credit for the employment hours.

We are seeing increasing numbers of families that have significant barriers to employment. We engage them in appropriate barrier removal activities but we cannot receive work participation credit for many of these activities.

Work participation requires that parents engage in work activities an average of 30 hours each week. Many parents cannot participate up to that average, so states cannot receive participation credit for less than the statutory requirement.

The effect of excess MOE expenditures is to lower work participation targets to a level that allows states to provide necessary and appropriate activities for these families that need our help.

Recommendations

As the reauthorization of TANF is considered, we offer the following recommendations:

1. Continue to permit states to receive caseload reduction credit for excess MOE expenditures.
2. Allow states to receive work participation credit for families that leave TANF due to employment for one year.
3. Expand the varieties of work activities by increasing the number of core activities to include barrier removal activities. Some of these are presently classified as Job Search / Job Readiness and limited to the equivalent 6 weeks in a 12-month period.
4. Eliminate the arbitrary 10 hour limit on non-core educational activities. These activities are increasingly important and critical to many families.
5. Allow states to receive credit for part-time participation when appropriate.

Comments on State TANF Spending and Impact on Work Requirements

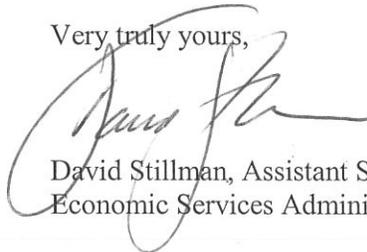
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6. Allow states to receive credit for evaluation and assessment activities. Many times, these require multiple interviews and evaluations before the optimal responsibility plan is developed. States do not receive credit for the hours that parents are engaged in these activities.

Thank you again for the opportunity to provide comments on this critical topic.

Very truly yours,

A handwritten signature in black ink, appearing to read "David Stillman", written over a circular stamp or seal.

David Stillman, Assistant Secretary
Economic Services Administration