

Highlight of TANF Agreements on H.R. 3630 Conference

Overview

On December 13, 2011, in a bipartisan fashion, the House of Representatives voted to extend and improve the Temporary Assistance for Needy Families (TANF) program as part of a larger bill to provide tax relief for the middle class, among other purposes. TANF is now operating through February 29th as part of the legislation extending the temporary payroll tax cut for two months.

The provisions in the conference report on H.R. 3630 extend TANF and related programs through September 30, 2012 while making bipartisan, bicameral reforms to ensure taxpayer funds are protected from abuse.

Reforms to TANF

The following changes are made to the TANF program:

- 1. Improves program administration by establishing data exchange standards to improve integrity and collaboration**
 - Improves data matching and program integrity by requiring standardized data structures and HHS coordination of exchanges across State TANF programs.
 - This is the same policy as was contained in the *Child and Family Services Improvement and Innovation Act* that became law in 2011 (P.L. 112-34), which required standardization of child welfare data.
 - This language continues bipartisan efforts to standardize human services program data to allow for better sharing of information and to improve understanding of how individuals interact with multiple welfare programs.
- 2. Closes the current “strip club loophole”**
 - The legislation ensures that welfare funds cannot be accessed at ATMs in strip clubs, liquor stores, and casinos. In California alone, [nearly \\$5 million](#) in state-issued cash benefits was withdrawn from ATMs in casinos between January 2007 and June 2010. [Another \\$20,000](#) in benefits was withdrawn from ATMs in adult entertainment establishments during a similar period.
 - The proposal penalizes states that do not enforce this provision and report to the Department of Health and Human Services within two years of enactment.
 - This same policy is contained in the *Welfare Integrity Now for Children and Families Act of 2011*, introduced by Ranking Member Hatch and cosponsored by Chairman Baucus, both of the Senate Finance Committee. The House

Temporary Assistance for Needy Families Extension
Extending and Improving the Integrity of a Program for Needy Families

approved a bill (H.R. 3567) closing the strip club loophole on February 1, 2012, but the Senate has not acted.

BACKGROUND

TANF was created as part of the 1996 welfare reform law. The law established increased work requirements for recipients and limited the length of time individuals could receive Federal welfare checks.

BY THE NUMBERS

- According to the [most recent data](#), there are 4.4 million TANF recipients in the U.S.
- Media reports in [numerous States have documented](#) how thousands of dollars in welfare benefits have been accessed at ATMs in strip clubs, liquor stores and casinos under current law.