

Board of Directors

## PRESS STATEMENT

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### CBPP STATEMENT ON THE NEW TANF REGULATIONS ISSUED TODAY BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

Today the Department of Health and Human Services issued new regulations related to the Temporary Assistance for Needy Families (TANF) program. These new regulations are intended to provide specifics to states about how they will be measured against the new requirements placed on them by the Deficit Reduction Act, including both increased work participation requirements and new requirements for how states must verify the hours that TANF recipients participate in work activities.

Sharon Parrott, Director of the Center's Welfare Reform and Income Support Division, noted that the rules are unduly restrictive, "Unfortunately, the Administration chose to adopt rigid rules that deny states the flexibility to prepare families for employment most effectively. Some states will no longer get credit for successful programs they now run." She added, "This result was not required by Congress; it was a choice made by the Administration. The new welfare law gave HHS the authority to provide states broader flexibility in a number of areas, but it chose not to do so."

Initial analysis of the regulations, which were made available today at the Government Printing Office, shows the following:

- **The regulations adopt narrow definitions of the work activities that limit the ability of states to place a parent with a disability or other barrier to employment into more**

**specialized services to address those problems.** Research has consistently documented that a large percentage of TANF recipients have physical and mental health problems or low cognitive functioning. While these recipients are often able to move toward employment, they sometimes need more specialized rehabilitative services to help them prepare for employment. In March, the National Governors' Association and the American Public Human Services Association asked HHS to provide flexibility to states so these specialized programs can count toward the participation rate. Under the new regulations, however, these activities can count only for four consecutive weeks, and only for six weeks in any 12 month period. States that have adopted broader definitions of the countable work activities will encounter difficulty under the new rules.

Parrott noted, "By disallowing credit for these activities, HHS has increased the incentives for states to restrict access to assistance to the poor families that have the greatest problems." She urged states not to fall prey to the new negative incentives, observing that,

#### KEY FINDINGS

##### The new TANF rules:

- **are too narrow, limiting states' ability to place parents with disabilities and other special needs into specialized services so they can find work;**
- **make it difficult for states to engage recipients in important and effective education and training activities;**
- **are unrealistic about the difficulty in juggling training and child-rearing; and**
- **penalize states that provide assistance to children after their parents reach the time limit.**

(more)

“States should strive to operate programs that not only seek to meet federal requirements but also comport with the broader welfare reform goal of helping all families move toward employment to the fullest degree possible.”

- **The regulations make it difficult for states to engage recipients in important and effective education and training activities.** The regulations preclude states from getting credit when recipients participate in English as a Second Language programs as a stand-alone activity (with a limited exception that could allow several weeks of ESL participation), even if a state determines that intensive ESL is an essential precursor to work or training activities. Until now, states have been able to recognize the importance of English language acquisition as a vocational skill, and a number of states have defined ESL as part of vocational educational training.

Parrott noted that, “The regulations do not allow states to make their own judgments about when ESL instruction is needed to improve prospects for employment or participation in other work activities.”

- **The regulations are unrealistic about the difficulty in of juggling training and child-rearing.** Under the regulations, time that students spend doing homework for their vocational educational training programs cannot count toward the participation requirements unless it is done in a supervised study session. This is an apparent reversal of prior HHS guidance allowing credit for study time. Parrott noted, “Requiring single parents who are trying to juggle school attendance and family responsibilities to complete homework in a supervised study hall (rather than at home while minding their children) fails to recognize both the importance of building in study time and the realities of the lives of single parents.”
- **The new rules penalize states that provide assistance to *children* after their parents reach the time limit.** Under the regulations, if a state continues to provide aid to children after their parents reach the time limit and are ineligible for assistance, the state must count those families in its work participation rate calculation — effectively requiring parents who are not getting aid to participate in work activities — thereby making it more difficult for states to meet the new requirements. This creates a significant inequity between states that terminate all assistance to families when the parent exhausts the time limit and states that have made the policy choice of continuing some aid to the children in these families to prevent destitution among these children.

Not all of the provisions in the regulations are problematic. For example, the regulations include a very reasonable provision that allows states to project the number of hours that an employed recipient will work over a six month period based on a recent paystubs without requiring the recipient or the employer to document the number of hours worked every month. And, the regulations allow for some excused absences, though parents who miss more than two days of participation because they are ill or their children are ill are still likely to fail to meet the federal work participation standards.

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