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Senate Finance Committee “Marks Up” Welfare Bill: What It Means for Youth and Teen Parents

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On Wednesday, September 10, 2003, the Senate Finance Committee approved a welfare reauthorization bill. Called PRIDE (Personal Responsibility and Individual Development for Everyone), the bill reauthorizes the Temporary Assistance for Needy Families (TANF) program as well as a number of other programs (e.g., the abstinence-unless-married education program). PRIDE is Senator Charles Grassley’s (R-IA) bill, and, as he is Chair of the Senate Finance Committee, the bill is considered the Chairman’s “mark.” The Chairman’s “mark” gets circulated a couple of days in advance of a committee hearing so that Committee Members can see what is included. Members then submit or “file” amendments. A filed amendment may or may not be debated in the Committee when Members “mark up” the bill.

While the Senate has now taken a critical step in moving the reauthorization of TANF, the House passed a measure earlier in 2003. The next step in the Senate is consideration on the floor. Given the Senate’s schedule and press of business, it is not clear when or whether the reauthorization will reach the Senate floor but it is not expected to move rapidly. In the meantime, TANF is operating under a series of “continuing resolutions” that extend the current program, which was technically scheduled to expire on October 1, 2002.

In the mark up, the Senate Finance Committee considered a number of items that relate to teen parents and youth. Instead of detailed, legislative language the Committee deliberated “conceptual” descriptions of provisions. Therefore, before the bill goes to the Senate floor, the concepts will be changed into legislative language, which means there may be nuances that are not now apparent that will emerge as the measure matures into bill form.

The following is a brief explanation of the Finance Committee action on provisions related to teen parents and youth. For each provision, a description of current law is followed by a summary of Committee action, which is followed by a comment. Readers are encouraged to review material about the full bill since provisions not directed at teens may well have impact, even if indirectly, on TANF teens and other adolescents—for example, the elimination of the bonus to states for a reduction in out-of-wedlock births (these funds are redirected towards a marriage promotion initiative), the funding level for child care, and the treatment of immigrants. Below are some resources regarding the full PRIDE bill. For additional background on the TANF issues related to adolescent populations, visit CLASP’s website at www.clasp.org.

For a discussion of the array of issues considered in the Senate Finance Committee, visit: <http://www.chn.org/issues/article.asp?Art=1649> or <http://www.cbpp.org/9-9-03tanf.htm>. For side-by-side reviews of the various TANF bills in the House and Senate, visit: http://www.clasp.org/Pubs/Pubs_Welfare_Policy.

The Senate Finance Committee Provisions

State Plans and Teen Pregnancy Prevention:

- *Current Law:* Under current law, states are required to submit state plans in order to receive TANF block grant funds. The plan requirements include two that relate to teens. First, states must establish goals related to the reduction of out-of-wedlock pregnancies and must give “special emphasis” to teen pregnancy, including the establishment of numerical goals. Second, the plan must describe an education and training program on statutory rape for law enforcement and educational systems.
- *Chairman’s Mark:* The Chairman’s mark notes that state plans must describe “any strategies and programs” that the state intends to use concerning the reduction of teen pregnancy. More broadly, the mark also calls for a public comment period on state plans and public access to state plans, as well as the development of a standard form for state plans by the Secretary of Health and Human Services. In addition, states would be required to establish performance objectives in accordance with criteria specified by the Secretary, who would create these measures in consultation with states.
- *Comment:* Until there is legislative language, it is not possible to really assess how different PRIDE and current law are with respect to state plans to address teen pregnancy. It appears that PRIDE will drop the numerical requirement for goals and the specifications around statutory rape in favor of program descriptions.

Family Self-Sufficiency Plan and TANF Youth:

- *Current Law:* Under current law, states must make an initial assessment of each recipient who is 18 or older as well as those who are school dropouts; states may establish an individual responsibility plan for each family.
- *Chairman’s Mark:* The Chairman’s mark specifies two self-sufficiency plan items related to adolescents. First, it specifies that minor parent heads-of-household should be assessed and screened. Second, it requires that each family get a self-sufficiency plan that identifies activities of the recipient and services provided by the state, including “steps to promote child well-being and, when appropriate, adolescent well-being.” For these two requirements, as well as for other aspects of the state plan, states are to accomplish them “in a manner they deem appropriate.”
- *Comment:* The PRIDE measure seeks to ensure that minors who head households are adequately assessed. It also signals to states that, for all TANF families, promotion of child well-being should extend beyond elementary school-age children to include older youth.

Transitional Compliance and Minor Teen Parent Rules:

- *Current Law:* Under current law, unmarried, minor custodial parents are subject to two eligibility requirements. One requirement relates to participation in school/training and the other relates to living in an approved arrangement. States have considerable flexibility in defining how these conditions are met, but they are barred from using federal TANF funds to assist teens not in compliance, subject to limited exceptions.

- *Chairman's Mark:* The Chairman's mark includes a "transitional compliance" period, which would give states the option of providing assistance for 60 days to minor parents who are not meeting the requirements at the time of application.
- *Comment:* The PRIDE provision signals to states that even when a minor parent is not meeting the state's own definition of school/training participation (e.g., a school dropout) or approved living arrangement (e.g., a homeless teen), the state may provide assistance for up to 60 days in efforts to promote compliance. For example, if a state does not consider a minor parent eligible unless she is enrolled in school, then the state could provide 60 days of assistance prior to school enrollment. Or, if a state does not consider a minor parent eligible unless she is actively working with a case manager to locate an appropriate educational setting in which to enroll, that state has the option to provide 60 days of assistance prior to intensive case management.

Living Arrangements for Minor Parents:

- *Current Law:* Under current law, unmarried, minor parents are required to live in an approved setting in order to receive assistance.
- *Chairman's Mark:* The Chairman's mark specifies that transitional living youth projects funded under the Runaway and Homeless Youth Act (Section 321) are among the kinds of alternative living arrangements that states should help locate.
- *Comment:* The PRIDE reference to transitional living could encourage state TANF programs to better coordinate with these RHYA-funded programs.

Vocational Education and Removal of Teen Parents from Cap:

- *Current Law:* Under current law, not more than 30 percent of those counting toward TANF participation rates may do so either by being a participant in vocational educational training or by being a teen parent engaged in school completion or education directly related to employment. By including both groups within the same cap, the law forces a competition: each time the state is able to get a teen parent (who heads a household) engaged in school attendance, there is one less participation rate slot available for an adult to participate in vocational training.
- *Chairman's Mark:* The Chairman's mark would maintain current law.
- *Comment:* Senator Jim Jeffords (I-VT) filed an amendment that would have removed teen parents from the "cap." The filed amendment was not raised in Committee; it is possible this provision will be raised on the Senate floor.

Work Hours and Requirements on Families:

- *Current Law:* Under current law, when teen parents who are heads of household maintain satisfactory attendance in secondary school or participate in education directly related to employment for an average of 20 hours weekly, they are counted as having met the work hours requirement. However, when these teen parents are not in an education program, they are treated like other adults. For adults, the number of hours of prescribed work activities that count vary by the age of their children and according to whether the family has one or two parents. For a single parent with a child under the age of six, the

number of required hours is 20 per week on average; for others it is 30. For two-parent families, the minimum required amount of hours is 30 but rises to 55 if the family receives federally subsidized child care.

- *Chairman's Mark:* The Chairman's mark would establish a tiered system of state credits related to required hours. Under the approach, states would receive full credit for a work week of 24 hours for a single parent with a child under six; 34 hours if the child is age six and older. For a two-parent family, full credit would be given when 39 hours are in defined work activities (55 hours for a two-parent family that receives child care). There is partial credit for weekly hours starting at 20 hours for single parents and 26 hours for two-parent families. Generally, to count as partial credit, a parent must be engaged in one or more of the nine "direct" work activities (including paid or unpaid work, job search/job readiness, vocational education, and on-the-job training).
- *Comment:* PRIDE would continue the current law provision that allows 20 hours to count for the full work requirement for those teen heads of household in secondary school or education related to employment. However, for other teen heads of household, the adult rules prevail. Since teen parents, even older teen parents, are likely to have children under age six, the increase in minimum hours that has greatest bearing for the group is the increase from 20 to 24 hours.

Abstinence Education:

- *Current Law:* Under current law, the federal abstinence education program provides \$50 million to states to administer as part of the Maternal Child Health Grant (abstinence education is wholly separate from TANF). States must match every \$4 in federal funds with \$3 in state funds. The law (Section 510 of the Maternal and Child Health block grant) establishes an eight-point definition of abstinence education which does not include contraceptive education.
- *Chairman's Mark:* The Chairman's mark continued the program with no change.
- *Comment:* Senator Max Baucus (D-MT) filed an amendment, which was not discussed in Committee, to give states greater flexibility in defining abstinence education programs. It is expected that this amendment will be offered on the Senate floor. Senator Jim Bunning (R-KY) filed an amendment, which was included in the mark, to allow for unspent abstinence education dollars to be reallocated among states. This amendment parallels language approved in House that is intended to ensure that unspent funds, instead of returning to the Treasury, are redistributed (allotted) to states that will spend the funds on the federal abstinence education program.

Data Reporting and Teen Parents:

- *Current Law:* Current law requires that states collect monthly data about families who receive TANF assistance—and report it quarterly. A set of specific data elements are required to be a part of the reports.
- *Chairman's Mark:* The Chairman's mark would change the quarterly reporting to include information about families who participate in state programs funded with state maintenance of effort (MOE) funds. Further, the data elements that are required would

change. The mark notes by way of illustration that the data elements would now include “the race and educational level of each minor parent.”

- *Comment:* Data reporting regarding TANF teen parents, including minor teen parents, needs to be improved. A particular concern is the quality of data about minor parents who are not heads of household. The illustration in the Committee mark suggests that some attention will be paid to this data problem.