



Side-by-Side Comparison of Work Provisions in Recent TANF Reauthorization Proposals

by Nisha Patel, Mark Greenberg, and Steve Savner (*Updated April 8, 2003*)

This document is part of a larger project of CLASP and the Center on Budget and Policy Priorities, which includes side-by-sides on many aspects of proposed Temporary Assistance for Needy Families (TANF) reauthorization legislation. This document summarizes and compares the work-related provisions in current law and the following TANF reauthorization proposals:

- A bill introduced by Rep. Pryce (R-OH) that passed in House of Representatives (H.R. 4) on February 13, 2003; a bill introduced in the Senate by Sen. Talent (R-MO) (S. 5) on February 14, 2003; and *Working Toward Independence*, a 36-page plan released by the White House on February 26, 2002. ***(Provisions in the Talent bill and the Bush Administration's plan that differ from the House bill are indicated in bold italics.)***
- The Democratic substitute to H.R. 4 that received the most votes, offered in the House of Representatives by Reps. Cardin (D-MD), Woolsey (D-CA), and Kind (D-WI).
- The Work Opportunity and Responsibility for Kids Act of 2002 approved by the Senate Finance Committee (H.R. 4737.RS) during the 107th Congress on June 26, 2002.
- The Personal Responsibility and Work Opportunity Reconciliation Act Amendments of 2003 (S. 367) introduced by Sen. Rockefeller (D-WV) on February 12, 2003, and referred to the Senate Finance Committee.

In addition, the work-related provisions of the following bills are summarized at the end of this document:

- The Chance to Succeed Act of 2003 (H.R. 624 and S. 316) introduced by Rep. Stark (D-CA) in the House and introduced by Sen. Corzine (D-NJ) and Sen. Kennedy (D-MA) in the Senate.
- The Racial Equity and Fair Treatment Act of 2003 (H.R. 692) introduced by Rep. Johnson (D-TX) on February 11, 2003.
- The Building Secure and Healthy Families Act of 2003 (H.R. 706) introduced by Rep. Stark (D-CA) on February 11, 2003.
- The Education Works Act of 2003 (S. 262) introduced by Sen. Bingaman (D-NM) on January 30, 2003.
- A bill (S. 327) introduced by Sen. Levin (D-MI) and Sen. Jeffords (I-VT) on February 6, 2003.
- The Self Sufficiency and Accountability Act of 2003 (S. 263) introduced by Sen. Bingaman (D-NM) on January 30, 2003.
- The Pathways to Self-Sufficiency Act of 2003 (S. 603) introduced by Sen. Snowe (R-ME) on March 12, 2003.
- The Business Links Act of 2003 (S. 786) introduced by Sens. Bingaman (D-NM), Rockefeller (D-WV), and Breaux (D-LA) on April 3, 2003.

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Universal Engagement	States must ensure that adults are “engaged in work,” as determined by state, within 24 months of being on assistance. Broad state discretion in determining what this means; no attached penalty for states. Provides for optional Individual Responsibility Plans (IRPs) and details contents of plans.	States must require all parents and caretakers receiving assistance to engage in work or alternative self-sufficiency activities (as defined by the state). Replaces current provision on IRPs with provision on Family Self-Sufficiency Plans. Every family with a work-eligible individual must have a plan within 60 days of opening an ongoing TANF case (with the requirements applicable to families currently receiving assistance no later than 12 months after enactment of the law). States must require individuals to participate in activities pursuant to their plan; monitor the participation of individuals and review the progress of the family toward self-sufficiency; and revise the plan and activities as the state deems appropriate. Penalty structure that currently applies for states failing to meet work	Current law.	Beginning in FY2004, new parents/caretakers receiving assistance must have IRP within 60 days of receiving assistance. IRPs for current recipients must be completed by the end of FY2004. IRPs must be developed in consultation with the family and detail required work activities and needed support services; address the issue of child well-being and, when appropriate, adolescent well-being; and must make available information concerning work supports for which the family may be eligible. Recipient parents or caretakers must participate in activities in accordance with IRP, and state must have procedures for periodic review of IRPs. Provides \$120M over 4 years (FY2003-FY2006) to help states implement new universal engagement rules. These funds can be spent on	Current law.

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		participation rates applies when a state fails to meet either the universal engagement or full participation rate requirements.		training for and quality improvement of TANF agency staff; improving information communication to recipients and applicants, including those whose primary language is not English; coordination of and outreach to promote enrollment in support programs; and establishing an advisory panel on improving policies and procedures for assisting individuals with barriers.	
Assessments [Also see Stark (H.R. 624), Johnson (H.R. 692), Stark (H.R. 706), and Corzine-Kennedy (S. 316) at the end of this document.]	States required to conduct initial assessment of skills, prior work experience, and employability of recipient, and may, on the basis of the assessment, develop an IRP.	Requires assessment, “in the manner deemed appropriate by the State” of “skills, prior work experience and employability” of each work-eligible individual.	Amends assessment language to include physical or mental impairments, proficiency in English, child care needs, and domestic violence.	In addition to current law, requires states to screen and assess barriers to employment of parents/caretakers receiving assistance. Requires HHS to develop/identify and disseminate model screening and assessment tools to identify barriers to employment or program compliance.	In addition to current law, requires child well-being assessment and child well-being plan for each child in the family as part of IRP.
Participation Rates	50% all-families participation rate in FY2002 (increased from 25% in FY1997 to 50% in	Increases participation rates to 55% in 2005, 60% in 2006, 65% in 2007, and 70% in 2008.	Increases participation rates to 55% in 2005, 60% in 2006, 65% in 2007, and 70% in 2008.	Increases participation rates to 55% in 2004, 60% in 2005, 65% in 2006, and 70% in 2007.	Current law as to all-families participation rate. Eliminates separate two-

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	<p>FY2002); 90% two-parent families participation rate in FY2002 (increased from 75% in FY1997 & FY1998 to 90% in FY1999 and thereafter). States can receive a financial penalty of up to 5% of their block grants for failure to meet participation rates.</p> <p>All-families participation rate calculation based on number of families including an adult or minor child head of household receiving assistance, not including families under sanction for failing to meet work requirements (for up to 3 months in a 12-month period).</p> <p>State option to include individuals receiving assistance under Tribal Family Assistance Plan or Tribal Work Program.</p>	<p>Eliminates separate two-parent participation rate.</p> <p>A “work-eligible individual” is defined as an individual who is a married or single head of household, and whose needs are included in determining the amount of cash assistance to be provided to the family (or for up to 3 months in a 12-month period, whose needs would be included but for a TANF or child support sanction).</p> <p><i>(In Talent bill, work participation requirements are extended to families receiving assistance in Separate State Programs.</i></p> <p><i>The Talent bill also bars granting of waivers under the Superwaiver provision that would reduce or eliminate TANF work participation requirements.)</i></p>	Eliminates separate two-parent participation rate.	Eliminates separate two-parent participation rate.	parent participation rate.
Participation Rate Credits	Caseload reduction credit allows states to reduce required participation rate	“Recalibrates” caseload reduction credit so that it allows states to reduce	Replaces caseload reduction credit with an employment credit	Replaces caseload reduction credit with an employment credit	Replaces caseload reduction credit with an employment credit

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	<p>by number of percentage points that caseload fell since FY1995 for reasons other than changes in eligibility rules.</p>	<p>required participation rate by the number of percentage points by which the caseload fell:</p> <ul style="list-style-type: none"> --between FY1996 and FY 2003 in FY2004, --between FY1998 and FY 2004 in FY2005, --between FY2001 and FY 2005 in FY2006, --between FY2003 and FY 2006 in FY2007, and --between FY2004 and FY 2007 in FY2008. <p>Designates states whose caseload in FY2001 has declined by at least 60% from the caseload for FY1995 as "Superachiever" states. Superachiever states are eligible for a Superachiever credit equal to the number of percentage points by which the caseload decline from FY1995 to FY2001 exceeds 60%. The participation rate that the state achieves is increased by the lesser of the amount of the Superachiever credit applicable to the state or the amount by which the</p>	<p>reflecting the number of families who are employed after leaving assistance; a larger credit would be allowed for those with higher earnings (at least 42% of state average wage). These families would count as 1.5 families. States could also count individuals employed after having received nonrecurrent short-term benefits.</p> <p>Gives states option to phase in replacement of caseload reduction credit and delay applicability of the above provisions until FY2006. Under this option, in FY2005 states would receive a 50% caseload reduction credit and 50% of the new employment credit described above.</p>	<p>reflecting the number of families who are employed after leaving assistance; a larger credit would be allowed for those with higher earnings (at least 33% of state average wage). These families would count as 1.5 families. State option to receive credit for individuals employed after having received nonrecurrent short-term benefits (diverted individuals who are subsequently employed) and earning at least \$1,000 during the applicable period.</p> <p>Gives states option to include recipients of substantial child care or transportation assistance in work participation rate.</p> <p>Gives states option to phase in replacement of caseload reduction credit and delay applicability of the above provisions until FY2005. Under this option, in FY2004 states would receive a 50% caseload reduction credit and 50% of the new</p>	<p>reflecting the number of families who are employed after leaving assistance; a larger credit would be allowed for those with higher earnings (at least 33% of state average wage). These families would count as 1.5 families. States could also count individuals employed after having received nonrecurrent short-term benefits.</p> <p>Gives states option to include recipients of substantial child care or transportation assistance in work participation rate.</p> <p>Gives states option to phase in replacement of caseload reduction credit and delay applicability of the above provisions until FY2006. Under this option, in FY2005 states would receive a 50% caseload reduction credit and 50% of the new employment credit described above.</p> <p>Gives states partial credit toward work participation rate for recipients</p>

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		<p>required participation rate exceeds 50%.</p> <p><i>(The Bush Administration plan phases out the caseload reduction credit by cutting it in half in FY2004 and eliminating it altogether in FY2005 and thereafter; and does not establish a Superachiever credit.)</i></p> <p><i>(The Bush Administration plan allows states to count toward participation rates for up to three months individuals that left assistance due to work. If the individual returns during the three-month period, the state can no longer count the individual under this provision.)</i></p>		<p>employment credit described above.</p> <p>Except with respect to a state meeting at least two of the criteria for being a “needy” state (Contingency Fund provision), notwithstanding the extent of the caseload reduction credit and employment credit that might otherwise be available to a state, a state’s participation rate cannot be reduced below:</p> <p>--20% in FY2004 --30% in FY2005 --40% in FY2006 --50% in FY2007.</p>	<p>engaged part-time (an average of at least 50% of the minimum required hours for the month).</p>
Exclusions from Participation Rates	State option to exclude single parents with children under 12 months from all-families rate calculation.	State option to exclude families from participation rate during first month of assistance and to exclude, on a case-by-case basis, a family (single or two-parent) in which the youngest child has not attained 12	Removes TANF families that include an adult or minor child head of household who qualifies for SSI during the fiscal year from the work participation rate calculation for the entire year.	Removes TANF families that include an adult or minor child head of household who qualifies for SSI during the fiscal year from the work participation rate calculation for the entire year.	Removes TANF families that include an adult or minor child head of household who qualifies for SSI during the fiscal year from the work participation rate calculation for the entire year.

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		<p>months of age.</p> <p><i>(The Talent bill does not allow for the exclusion of families during the first month of assistance.)</i></p>		<p>Allows state to exempt an adult recipient from the requirement to engage in work, and may exclude the family from the calculation of the state's participation rate, if the adult is the primary caregiver for a disabled child or family member, provided there is no other able-bodied adult in the household. The number of families excluded from the state's participation rate under this provision may not exceed 10% of current year caseload or 10% of prior year average caseload, as the state elects.</p> <p>State option to exclude participants in a direct services tribal job training program from participation rate calculations.</p>	
Total Hours of Participation Required to Count Toward Rates	For all-families rate, 20 hours per week for single parents with a child under age 6; 30 hours per week for other families. For two-parent rate, 35 hours per week for two-parent families; 55 hours per	To be fully countable toward participation rates, work-eligible family member must be engaged in activities for 40 hours per week. Determination of whether family meets 40-hours-per-week	<p>Gives states the option to increase required hours to 40 hours per week only for those adults who are not single parents with a child under age 6.</p> <p>Gives states partial credit</p>	<p>Current law, except that special rules regarding required hours of participation for two-parent families are eliminated.</p> <p>Partial credit for recipients</p>	Gives states partial credit toward work participation rate for recipients engaged part-time (an average of at least 50% of the minimum required hours for the month).

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	week if two-parent family receiving federally funded child care.	<p>requirement based on a 160-hour month.</p> <p><i>(Bush Administration plan does not specify how hours will be calculated.)</i></p> <p>States would receive partial credit toward meeting the work participation rate requirement for adults who participate in at least 24 hours of specified “direct work” activities. Regardless of total hours of participation, no credit if family does not meet 24-hour direct work requirement.</p>	toward work participation rate for recipients engaged part-time (an average of at least 50% of the minimum required hours for the month).	who participate in core activities (see next section) at least 15 hours per week.	
Countable Activities [Also see Stark (H.R. 624), Johnson (H.R. 692), Stark (H.R. 706), Bingaman (S. 262), Corzine-Kennedy (S. 316) Snowe (S. 603), and Levin-Jeffords (S. 327) at the	First 20 hours must be in one of a set of core activities: unsubsidized employment, subsidized employment, work experience, community service, on-the-job training, vocational educational training (for up to 12 months and subject to 30% cap on numbers of participants who may count by being in vocational educational training or being teen	<p>At least 24 hours must be in “direct work activities,” which for adults, after the first three to four months, are limited to unsubsidized employment, subsidized employment, on-the-job-training, supervised work experience, and supervised community service.</p> <p>Substance abuse counseling or treatment,</p>	<p>Increases required hours in core activities from 20 hours to 24.</p> <p>Modifies current structure of countable core activities as follows:</p> <p>1) Eliminates the 30% cap on vocational educational training; specifies that the vocational educational training category includes postsecondary education leading to a credential</p>	<p>Increases required hours in core activities from 20 to 24.</p> <p>Modifies current structure of countable core activities as follows:</p> <p>1) Changes “vocational educational training” to “vocational education and postsecondary education” removes teen parents engaged in school</p>	<p>Modifies current structure of countable activities as follows:</p> <p>1) Removes teen parents engaged in secondary school completion or education directly related to employment from 30% cap on number of participants who can be engaged in vocational educational training; and changes the 12-month limit on vocational</p>

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end of this document.]	<p>parents engaged in school completion), job search and job readiness (for up to 6 weeks/year), and providing child care for individuals participating in community service.</p> <p>Hours above 20 may be in any of the above activities or in job skills training and education directly related to employment. For non-high school graduates, hours above 20 may be in high school attendance or in GED courses.</p> <p>Parents under age 20 who are married or single heads of households can meet the full participation requirement through high school completion or participation in education directly related to employment for 20 hours per week.</p>	<p>rehabilitation treatment and services, work-related education or training, job search or job readiness assistance, and any other activity that addresses a TANF purpose could count toward the first 24 hours for no more than 3 consecutive months within a 24-month period.</p> <p>On a case-by-case basis, if needed to permit the individual to complete a certificate program or other work-related education or training directed at enabling the individual to fill a known job need in a local area, work-related education or training can count toward the first 24 hours for up to 4 consecutive months within a 24-month period.</p> <p><i>(The Bush Administration plan allows work-related education or training to count toward the first 24 hours for not more than 3 consecutive months within a 24-month period.)</i></p>	<p>related to employment or a job skill, work study or internships related to vocational or postsecondary education, and GED or ESL (if state considers GED or ESL important for an individual to find and maintain employment); and increases the time for which vocational educational training can count toward participation rates from 12 months to 24 months.</p> <p>2) Adds up to 6 months of participation in services designed to improve future employment opportunities, including substance abuse treatment, services to address sexual or domestic violence, and physical rehabilitation and mental health services, to the list of countable activities and to the list of core activities that can count toward the first 20 hours.</p>	<p>completion from 30% cap on number of participants who can be counted in this activity; and changes the 12-month limit to 24 months, or longer for an individual participating in a postsecondary education program under Section 404(l). (See next section.)</p> <p>2) Creates a new Section 404(l) providing a state option to create a postsecondary education program in which recipients are allowed to participate in 2- or 4-year postsecondary degree programs and to receive support services. Use of TANF dollars to pay for tuition is prohibited. Individuals who comply with the requirements of a state's postsecondary education programs may be considered to be engaged in work for purposes of determining the state's participation rate, provided that the number of families treated as being engaged in work under a postsecondary education program may not exceed 10% of current</p>	<p>educational training to 24 months.</p> <p>2) Gives states option to establish Parents as Scholars program and allow up to 5% of caseload to participate and makes postsecondary education a countable activity for participation in a Parents as Scholars program.</p> <p>3) Specifies that ESL may count as a work activity for the first 20 hours and any additional hours required.</p> <p>4) Establishes funding for Innovative Business Link Partnerships and Transitional Jobs Programs and allows satisfactory participation in such programs to count toward the first 20 hours and any additional hours required.</p>

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		<p>Up to an average of not more than 16 hours per week, may be in activities determined by state that address a TANF purpose, subject to such regulations as the Secretary may prescribe.</p> <p><i>(Under the Talent bill, up to an average of not more than 16 hours per week may be in “structured and supervised” activities, which may include (but are not limited to) job search, job preparation, education, training, drug treatment, parenting education, marriage and relationship skills training, or counseling on domestic violence.)</i></p> <p>Parents under age 20 who are married, or are single heads of households, will be considered to be engaged in direct work for an average of 40 hours per week if they maintain satisfactory attendance at secondary school or the equivalent or participate in education directly related to employment for an</p>		<p>year caseload or 10% of prior year average caseload, as the state elects. Families counted as engaged in work under Section 404(l) are not counted against the 30% cap on participants in vocational education and training.</p> <p>3) Increases general 6-week limit on counting job search to 8 weeks.</p> <p>4) States can count “rehabilitative” activities, such as substance abuse treatment, mental health treatment, vocational rehabilitation services, adult basic education, and ESL as core activities for up to 3 months out of 24 months, and for an additional 3 months if combined with work or job readiness activities. After 6 months, these activities may count toward hours in excess of the first 24 hours of activity.</p> <p>5) Gives states authority to define work activities for recipients in state TANF programs who live</p>	

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		<p>average of at least 20 hours per week.</p> <p><i>(According to the Bush Administration plan “Teen parents who are not satisfactorily attending school will have to meet the work and full participation standards in order to be counted toward a state’s participation rate.”)</i></p>		<p>in Indian country or Alaska Native villages with “high joblessness” under section 408(a)(7)(D).</p> <p>6) Allows satisfactory participation in a Business Link Partnership or Transitional Jobs program funded under the bill to satisfy the full work participation requirements. See Targeted Funding for Innovative Work Programs section.</p>	
<p>Sanction Review and Compliance Procedures</p> <p>[Also see Stark (H.R. 624), Johnson (H.R. 692), Stark (H.R. 706), and Corzine-Kennedy (S. 316) at the end of this document.]</p>	No provision.	<p>No requirement to adopt particular procedures. However, states must describe in their plans any strategies they may be undertaking to address “services for struggling and noncompliant families, and for clients with special problems.”</p> <p>Requires states to impose sanctions if a family member fails to participate in required activities and activities in accordance with its self-sufficiency plan. Specifically, the state shall reduce the</p>	<p>A state may not impose a sanction unless it has:</p> <p>--attempted at least twice to notify the person of the impending sanction, the reason for the proposed sanction, the amount of the sanction, the length of time during which the sanction would be in effect, and the steps required to come into compliance or to show good cause for noncompliance;</p> <p>--afforded the individual an opportunity to meet</p>	<p>Requires review of IRP prior to imposition of a sanction and requires state to make a good faith effort to consult with the family as part of such review.</p> <p>Requires HHS to fund a random assignment study comparing the effects of full-family sanctions, partial sanctions, and other policies for increasing engagement in work activities.</p>	<p>HHS required to promulgate best practice standards regarding the most appropriate procedures for imposing sanctions by December 31, 2004.</p>

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		<p>grant at least pro rata for a partial failure or for failure that lasts less than 1 month. If the failure is total and lasts for at least 2 months, a full-family sanction is required for at least 1 month and thereafter until the individual comes into compliance, subject to such good cause exceptions as the state may establish. States are barred from using state maintenance of effort funds to provide cash assistance during this period. The full-family sanction requirement does not apply during the first year after enactment if local government has an obligation to provide assistance under a constitutional or statutory provision that was in place prior to 1966.</p> <p><i>(The Bush Administration's plan does not require full family sanctions.)</i></p>	<p>with a caseworker or another individual to explain the noncompliance; and</p> <p>--specifically considered (using screening tools developed in consultation with experts) whether various barriers to employment contributed to the noncompliance.</p> <p>A state that fails to comply with the above procedures is subject to 5% financial penalty of its block grant in the following fiscal year.</p>		
Transitional Jobs	Federal and state funds may be used to pay for subsidized employment	Current law.	Current law.	Provides a minimum of \$80M (and a maximum of \$120M) annually	Provides a minimum of \$80M (and a maximum of \$120M) annually

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	for TANF recipients. Federal funds may be used to pay the wages of recipients who have reached the 60-month federal time limit (as can state funds). However, funds are not specifically designated for such programs.			(FY2003-FY2007) in competitive grants to local public or nonprofit entities to operate transitional jobs programs. See Targeted Funding for Innovative Work Programs section.	(FY2004-FY2008) in competitive grants to local public or nonprofit entities to operate transitional jobs programs. See Targeted Funding for Innovative Work Programs section.
Targeted Funding for Innovative Work Programs	No provision.	No provision.	Establishes \$150M annually (FY2004-FY2008) for Employment Advancement Fund to provide grants to states and localities for research, evaluation, technical assistance, and demonstration projects that focus on improving wages for low-income workers and improving employment prospects for welfare recipients with barriers to employment.	Establishes \$200M annually (FY2003-FY2007) for Innovative Business Link Partnerships and Transitional Jobs: Competitive grants to states, tribes, and local public or nonprofit entities (1) for innovative business link partnerships with employers to improve earnings through improving skills and providing supports for low-income and disabled individuals or (2) to operate transitional jobs programs or (3) for capitalization approaches to nonprofit social service delivery. At least 40% of the funding each year is to be used each for (1) and (2).	Establishes \$200M annually (FY2004-FY2008) for Innovative Business Link Partnerships and Transitional Jobs: Competitive grants to states, tribes, and local public or nonprofit entities (1) for innovative business link partnerships with employers to improve earnings through improving skills and providing supports for low-income and disabled individuals or (2) to operate transitional jobs programs or (3) for capitalization approaches to nonprofit social service delivery. At least 40% of the funding each year is to be used each for (1) and (2).

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WIA Coordination	No provision.	<p>Makes TANF a mandatory partner in WIA, unless the governor of a state notifies both HHS and DOL in writing of decision not to make TANF a mandatory partner.</p> <p>State plans must describe any strategies and programs the state may be undertaking to address program integration, including extent to which TANF employment and training services are provided through WIA one-stop delivery system, and extent to which former TANF recipients have access to additional WIA core, intensive, or training services.</p> <p>Within 6 months of enactment, HHS and DOL Secretaries must submit report to Congress describing common or conflicting data elements, definitions, performance measures, and reporting requirements in WIA and TANF.</p> <p>Includes WIA within Superwaiver provision.</p>	Does not address.	Requires TANF programs to be mandatory partners in the WIA one-stop system unless the state opts out.	Does not address.

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Miscellaneous		<p>Requires GAO to conduct a study of combined effect of phase-out rates of work supports on welfare leavers, at all earning levels up to \$35,000 per year, for at least 5 states including Wisconsin and California. Also requires examination of any potential disincentives the combined phase-out rates create for families to achieve independence or marry.</p> <p><i>(The Talent bill requires states to do monthly matches of adult TANF assistance recipients with National Directory of New Hires, and to reduce cash assistance and apply penalties, as appropriate, based on unreported earnings.</i></p> <p><i>The Talent bill gives states authority to require SSI recipients to participate in plan for vocational work, education, or rehabilitative services, and to deem individuals non-eligible if they refuse to participate.)</i></p>			

Work-Related Provisions in Other TANF-Related Legislation

Stark (H.R. 624) and Corzine-Kennedy (S. 316): Chance to Succeed Act of 2003

- Permits satisfactory participation (as defined by the state) in activities to address barriers to count towards the participation rate for 6 months. If necessary, the 6-month period may be extended by the state for an additional period determined by the state, so long as the state periodically reassesses the appropriateness of the activities. Requires states to exempt families in which an individual is satisfactorily participating in such activities from the federal time limit.
- Requires two-stage assessment process:
 - The first stage includes:
 - Screening for employability, education capacity, and related circumstances;
 - Screening, by a trained caseworker, for potential barriers to work and program compliance;
 - At the option of the individual, a child care assessment and guarantee of safe, affordable, appropriate child care; and
 - At the option of the individual, an assessment of the job preparation needed to find a job that pays at least 200% of Federal Poverty Level.
 - The second stage includes:
 - At the option of the individual, comprehensive assessment by a qualified professional (participation in this assessment cannot be a program requirement);
 - Development of recommendations (based on the comprehensive assessment), which are included in the IRP and which spell out the services the state will offer the individual and the individual's family; and
 - At the option of the individual, assessment of family members.
- Requires states to consult with experts who work with individuals facing different barriers, requires HHS to provide technical assistance, and provides funding for advisory panel to improve states policies and procedures for assisting TANF recipients with barriers to work.
- Establishes pre-sanction review and conciliation process, which requires states to:
 - Provide notice, at least twice, of the reason for, amount of, and duration of the impending sanction and the steps necessary to come into compliance; and
 - Afford the individual or family the opportunity to meet with personnel from outside the agency, under contract with the agency, to determine whether the sanction is appropriate and whether the individual or family needs additional assessment or services.
- Establishes sanction parameters that prohibit sanctions if the needed screening, assessment, or services to address barriers were not available, but permits sanctioning if an individual or family opts not to take full advantage of the assessment process and is otherwise not complying with the state's work requirements.
- Establishes post-sanction process, which requires states to:
 - Provide periodic notice, for at least 6 months, of the reason for the sanction and the steps the individual or family needs to take to come into compliance;
 - Reinstate benefits when a person comes into compliance for a reasonable time; and
 - Provide notice at least 10 days before the end of a time-limited sanction explaining how the benefits will be reinstated.
- Requires states, on a one-time basis, to make reasonable efforts to notify individuals or families who were sanctioned in the past 5 years, and who did not resume receiving assistance at a later date, of the assistance, services, and supports they may be eligible to receive.

Johnson (H.R. 692): Racial Equity and Fair Treatment Act of 2003

- Amends assessment provision to require, for each head of household, an initial assessment of “skills, prior work experience, and circumstances related to employability of the recipient, including physical and mental impairments, proficiency in English, child care needs, and whether the recipient is a victim of domestic violence.”
- Replaces work experience with transitional work experience leading to income of at least 250% of poverty, makes community service participation voluntary; eliminates limit on vocational educational training, adds participation in work study, elementary and secondary education, ESL, adult literacy, GED, and postsecondary education; adds caring for a child who is under 6 or has a disability or serious health condition; adds participation in treatment or educational activity to address mental health problem, disability, substance abuse, or domestic or sexual violence.
- Requires that states notify recipients of all relevant legal rights, benefits, and services upon program entry, and thereafter on a semi-annual basis, both orally and in writing in the native language of the recipient and at a 6th grade level; and requires training of personnel in how to carry out program consistent with rights. State penalty of 5 percentage point increase in state maintenance of effort (MOE) applies for noncompliance.
- Creates a pre-sanction review and conciliation process, which requires states to:
 - Provide notice, at least twice, of the reason for, amount of, and duration of the impending sanction and the steps necessary to come into compliance or show good cause for non-compliance;
 - Afford the individual opportunity to discuss the reason(s) for noncompliance with the caseworker or other individual who can determine whether to impose a sanction;
 - Consider, using screening tools developed in consultation with experts, whether the individual faces certain conditions, such as physical and mental impairment, domestic violence, or limited English proficiency, that contribute to the noncompliance; and
 - Provide an opportunity to appeal adverse decisions.
- A state’s TANF grant may be reduced by 5 percent to failure to comply with pre-sanction review and conciliation process provisions.
- Prohibits full-family sanctions.
- Prohibits sanctions when:
 - An individual certifies that safe, appropriate, affordable, and quality child care is unavailable for a child under 6 or a child with a disability or serious health condition; or when an individual certifies that such after-school or summer care is unavailable for a child over 6;
 - An individual who “has a mental health problem, disability, substance abuse problem, or is a victim of domestic or sexual violence”—if individual is in process of assessment—has not been offered appropriate services, or cannot comply because of need to seek medical, legal, or other service;
 - An individual refuses to accept employment that does not pay federal or state minimum wage; or
 - An individual certifies that he/she refused or left work based on discrimination.
- Requires states to notify of noncompliance —orally and in writing at not more than a 6th grade level in the native language of the individual—individuals who have been or are at risk of being sanctioned; good cause exceptions and how to claim them; that requirements may be waived for mental health problem, disability, substance abuse problem, or victim of domestic violence or sexual assault issue; that assessment for services to deal with the issue may be requested; and that the state is required to keep any such information confidential. State penalty of 5 percentage point increase in MOE applies for noncompliance with notice provision.
- Bans diversion of potential applicants for assistance (i.e., state may not refuse to accept application for assistance or give individual reason to believe that the state will not unconditionally accept application); a state’s TANF grant may be reduced by 5 percent for failure to comply.

Stark (H.R. 706): Building Secure and Healthy Families Act of 2003

- A teen head of household would be considered to be engaged in work if participating in postsecondary education for at least 20 hours per week, and at least one hour of study time, and not more than two hours of study time, would be included for each hour of class.
- A head of household will be deemed to be engaged in work if the recipient is participating in a program of education or training that she began before reaching age 20 and which was countable at that time.
- The Secretary is required to conduct a multi-state study regarding sanctions imposed on teen parents to examine the nature, extent, and impact of such sanctions.
- Broadens required assessment of employability to consider potential barriers to employment, including domestic and sexual violence, mental or physical health, learning disability, substance abuse, ESL, child care needs, insufficient housing, and transportation.
- Creates a state option to count individuals receiving family violence services or waivers as being engaged in work.
- Includes as countable activities caring for one's own child up to age 1 (or at state option age 3); caring for one's child or other relatives with a serious health condition or disability; and attending appointments, service plan meetings, or training regarding the care of one's child or other relative with a serious health condition or disability.
- A single parent of a child aged 6 to 12 who does not have access to before- or after-school care for the child is deemed to be engaged in work if engaged for an average of 20 hours per week.
- Eliminates full-family sanctions and limits sanctions to pro rata grant reduction.
- Requires states to exempt kinship caregivers who are part of a family grant from federal work requirements and to exclude that family from the calculation of work participation rates. If the kinship caregiver is voluntarily working and the state assesses the needs of the family and provides or refers the family for appropriate services to meet those needs, the state may include the individual and family in its calculations of work participation rates.

Bingaman (S. 262): Education Works Act of 2003

- Eliminates the 30% cap on number of families participating in work activities who can be engaged in vocational educational training.
- Adds postsecondary education, ESL, and adult basic education as work activities and removes the 12-month time limit on vocational educational training counting as participation.
- Child care or transportation benefits provided to an individual who is participating in a full-time educational program or who is employed would not be considered assistance (i.e., would not count against the federal 5-year time limit).

Bingaman (S. 263): Self-Sufficiency and Accountability Act of 2003

- State plans must include:
 - Description of applicable work-related requirements, including criteria for determining activities adults required to participate are assigned to, and a description of the procedure used to screen and assess barriers to employment, including physical or mental impairments, substance abuse, learning disabilities, domestic violence, inadequate or unstable housing, and very low skills.
 - Description of applicable sanction policies, including procedures in place to identify families who are unable to comply with program requirements due to barriers and procedures for providing services to those families rather than imposing a sanction on them.
 - Description of methods state has adopted to identify barriers to work imposed by living arrangement, housing cost, and housing location and services and benefits to help families overcome such barriers.
- States required to conduct assessment of regional economies to identify higher entry-level wage opportunities in industries experiencing labor shortages.

Levin-Jeffords (S. 327)

- Changes the 12-month limit on vocational educational training to 24 months.

Snowe (S. 603): Pathways to Self-Sufficiency Act of 2003

- Gives states authority to establish undergraduate postsecondary or vocational educational program under TANF; participation in the program can count toward TANF participation rates, and states can elect to not have months of participation count against TANF time limits if specified requirements are met.
- Federal TANF funds could not be used to pay for tuition for a Pathways to Self-Sufficiency (PAS) participant.
- Eligible participants include TANF recipients who are enrolled in a postsecondary 2- or 4-year program or in a vocational educational training program and who meet the following requirements:
 - During first 24 months of participation, individual must engage in combination of educational activities in connection with a course of study, training, study time, employment, or work experience for not less than 24 hours per week;
 - After first 24 months of participation, individual must work 15 hours per week in addition to school and study time; or engage in combination of educational activities in connection with course of study, training, study time, employment, or work experience for an average of not less than 30 hours per week.
 - During participation, individual must maintain satisfactory academic progress, as defined by the academic institution.
 - States may not count study time of less than 1 hour or more than 2 hours for every hour of class time.
 - Participants must complete program within normal time frame for full-time students, provided that for good cause (defined as including the case of one or more significant barriers to participation), states may allow individuals 1½ times normal time frame, unless further modifications are required by the Americans with Disabilities Act or Rehabilitation Act.
- Support services that may be provided may include child care, transportation assistance, payment for books and supplies, and other services under policies determined by state to ensure coordination and lack of duplication with other programs available to provide support services.
- Families participating in the program meet full participation requirements, as long as they are in compliance with program requirements.
- A maximum of 10% of a state's TANF recipients can count toward work participation rate through participation in such a program.
- Removes program participants from the 30% cap on number of families participating in work activities that can be engaged in vocational educational training.
- Gives states the option to disregard months of participation in program from 5-year time limit.

Bingaman-Rockefeller-Breaux (S. 786): Business Links Act of 2003

- Establishes \$200M annually (FY2004-FY2008) for Innovative Business Link Partnerships and Transitional Jobs: Competitive grants to states, tribes, and local public or nonprofit entities (1) for innovative business link partnerships with employers to improve earnings through improving skills and providing supports for low-income and disabled individuals or (2) to operate transitional jobs programs or (3) for capitalization approaches to non-profit social service delivery. At least 40% of the funding each year is to be used each for (1) and (2).
- Allows satisfactory participation in business link or transitional jobs programs to count toward the first 20 hours and any additional hours required.