



## COMPARISON OF KEY PROVISIONS IN TANF REAUTHORIZATION PROPOSALS

*Revised April 23, 2002*

	<b>Administration's Proposal</b>	<b>HR 4090 (Herger)<sup>1</sup></b>	<b>HR 3625 (Cardin)</b>	<b>HR 3113 (Mink)</b>	<b>S 2052 (Rockefeller)</b>
<b>TANF Funding</b>	Extends TANF block grant at the current level of \$16.5 billion for the next five years.	Extends TANF block grant at the current level of \$16.5 billion for the next five years.	Extends TANF block grant for next five years and increases the block grant to adjust for inflation.  This would mean an increase of approximately \$100 million each year for California.	Extends the TANF block grant at the current funding level for next six years.  States would be entitled to receive additional funds equivalent to 50 percent of state spending in excess of the required maintenance of effort (MOE) level.	Extends the TANF block grant for the next five years and increases the grant by approximately \$500 million in 2003 and an additional \$225 million each year until 2007.  States with low block grants per poor person would receive a portion of the additional funds. The remaining funds would be distributed across all states based on the number of children in poverty. California's block grant would increase by approximately \$7.5 million in 2003, \$75 million in 2005, and \$150 million in 2007.
<b>State Spending Requirement</b>	No change.	No change.	Adjusts state MOE requirements for inflation.	No change.	No change.

<sup>1</sup> As introduced on April 9, 2002, with the exception of the full-family sanction provision, which was added during the hearing of the Human Resources Subcommittee on April 18. Representative Buck McKeon (R-CA) introduced HR 4092, which mirrors the provisions of the Herger bill, but contains additional child care provisions.

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<b>Contingency Fund</b>	Provides \$2 billion to reinstate the contingency fund. Allows broader range of expenditures to count toward states' matching requirement.	Provides \$2 billion to reinstate the contingency fund. Allows broader range of expenditures to count toward states' matching requirement.	Reinstates the contingency fund, updates rules to access the fund, removes the \$2 billion cap, and lowers states' matching requirement.	Reinstates the contingency fund, updates rules to access the fund, removes the \$2 billion cap, and lowers states' matching requirement.	Provides \$2 billion to reinstate the contingency fund and updates rules to access the fund.
<b>Work Participation Rates</b>	<p>Increases minimum participation rates states must meet from 50 percent to 70 percent in 2007.</p> <p>Phases out the "caseload reduction credit," which reduces the percentage of welfare recipients that are required to participate in federally-defined work activities in each state. Allows states to count a limited number of former recipients who are employed toward the work participation requirement.</p> <p>Eliminates the separate participation rate for two-parent families.</p>	<p>Increases minimum participation rates states must meet from 50 percent to 70 percent in 2007.</p> <p>Redesigns the "caseload reduction credit" such that annual required participation rates are reduced when caseloads fall during the previous three-year period. This would increase participation requirements for states whose caseloads do not continue to decline, as compared to the Administration's proposal.</p> <p>Eliminates the separate participation rate for two-parent families.</p>	<p>Maintains minimum participation rates states must meet at 50 percent.</p> <p>Replaces the "caseload reduction credit" with a credit that reduces required participation rates based on the number of former welfare recipients who are working.</p> <p>Eliminates the separate participation rate for two-parent families.</p>	<p>Maintains minimum participation rates states must meet at 50 percent.</p> <p>Retains the "caseload reduction credit."</p>	<p>Maintains minimum participation rates states must meet at 50 percent.</p> <p>Replaces the "caseload reduction credit" with a credit that reduces required participation rates based on the number of former welfare recipients who are working.</p> <p>Eliminates the separate participation rate for two-parent families.</p>

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<b>Work Participation Requirements</b>	Increases the number of hours per week families must participate in work-related activities to 40.	Increases the number of hours per week families must participate in work-related activities to 40.	Maintains the work requirements at 20 hours a week for single-parent families with young children and 30 hours a week for other single-parent families.	Maintains the work requirements at 20 hours a week for single-parent families with young children and 30 hours a week for other single-parent families.	Maintains the work requirements at 20 hours a week for single-parent families with young children and 30 hours a week for other single-parent families.
<b>Work Participation Activities</b>	<p>Limits activities that count toward the first 24 hours of the work requirement to employment, on-the-job training, supervised work experience, supervised community service, and other services as described below.</p> <p>Allows participation in substance abuse treatment, rehabilitative services, and work-related training to count toward 24-hour requirement for up to three consecutive months.</p>	<p>Limits activities that count toward the first 24 hours of the work requirement to employment, on-the-job training, supervised work experience, supervised community service, and other services as described below.</p> <p>Allows participation in substance abuse and rehabilitation treatment, work-related training or education, and job search to count toward the 24-hour requirement for up to three consecutive months.</p>	<p>Expands the federal definition of "work." Recipients would be able to count up to two years of education, including post-secondary education, as work. English as a Second Language (ESL) classes could also count as a work activity.</p> <p>Allows states to count substance abuse and mental health services, domestic violence counseling, and physical rehabilitation as work activities for up to six months.</p>	<p>Expands the federal definition of "work" to include a broad range of education activities, including up to six hours of study time; participation in a work-study program; caring for one's own children who are under six years of age, disabled, or seriously ill; and counseling or educational activities designed to address domestic or sexual violence, mental illness, substance abuse, or a disability.</p>	<p>Allows vocational education to count toward the work participation requirement for up to two years. ESL classes may also count toward the requirement.</p> <p>Allows up to 5 percent of a state's recipients to combine work with post-secondary education through an optional "parents as scholars" program.</p>

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<b>Time Limits</b>	Maintains the five-year federal time limit.	Maintains the five-year federal time limit.	Stops the five-year time limit "clock" while families are working.	Stops the five-year time limit "clock" while families are complying with program requirements.  Stops the clock during months in which a state's unemployment rate is 5.5 percent or higher or has increased sharply.	Stops the five-year time limit "clock" while families are working, engaged in work experience or community service, or participating in a "parents as scholars" program.
<b>Sanction Policy</b>	Maintains current requirement for states to penalize families that do not comply with participation requirements by reducing or discontinuing cash grant payments.	Requires states to discontinue all cash grant payments to families with an adult who does not comply with participation requirements for two consecutive months.	Maintains current requirement for states to penalize families that do not comply with participation requirements by reducing or discontinuing cash grant payments.	Limits the amount by which states can reduce cash grant payments for families that do not comply with participation requirements.	Maintains current requirement for states to penalize families that do not comply with participation requirements by reducing or discontinuing cash grant payments.
<b>TANF Goals And Purposes</b>	Restates that the purpose of TANF is to "increase the flexibility of states in operating a program designed to improve the well-being of children."	Changes TANF's fourth purpose from "encourag[ing] the formation and maintenance of two-parent families" to "encourag[ing] the formation and maintenance of healthy two-parent married families, and encourag[ing] responsible fatherhood."	Adds a new TANF goal to "reduce the extent and severity of poverty and promote self-sufficiency among families with children."	Changes the purpose of TANF "to end child and family poverty."	No change.

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<b>Family Formation</b>	<p>Eliminates the Illegitimacy Reduction Bonus and redirects the annual \$100 million to support a fund to conduct research and provide technical assistance on "family formation and healthy marriage activities."</p> <p>Creates a matching grant program of \$100 million for states "to develop innovative approaches to promoting healthy marriage and reducing out-of-wedlock births." States may use TANF block grant funds to meet the match requirement.</p>	<p>Replaces the Illegitimacy Reduction Bonus with Healthy Marriage Promotion grants, which would provide \$100 million annually in matching grants to fund marriage promotion and marriage education activities. States would be able to use TANF block grant funds to meet the match requirement.</p> <p>Redirects \$100 million annually from the High Performance Bonus to fund research, demonstrations, and technical assistance, primarily for marriage promotion activities.</p> <p>Allows spending on activities to reduce non-marital births and promote marriage to count toward states' spending requirements, including spending for families not eligible for TANF services.</p>	<p>Replaces the Illegitimacy Reduction Bonus with a family formation fund, which would provide \$100 million annually to conduct research, provide technical assistance, and promote best practices to encourage two-parent families, reduce teenage pregnancy, and increase the involvement of non-custodial parents with their children.</p>	<p>Replaces the Illegitimacy Reduction Bonus with a child poverty reduction bonus.</p>	<p>Replaces the Illegitimacy Reduction Bonus with a family formation fund, which would provide \$100 million annually to conduct research, provide technical assistance, and promote best practices to encourage two-parent families, reduce teenage pregnancy, and increase the involvement of non-custodial parents with their children.</p>

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<b>Eligibility for Immigrants</b>	Maintains five-year ban on TANF benefits and services for legal immigrants entering the country after 1996.	Maintains five-year ban on TANF benefits and services for legal immigrants entering the country after 1996.	Restores TANF eligibility to legal immigrants, regardless of date of entry. Requires sponsor's income to be considered when determining TANF eligibility for a three-year "deeming" period.	Restores eligibility to legal immigrants, regardless of date of entry, and eliminates deeming requirements.	Restores TANF eligibility to legal immigrants, regardless of date of entry, and maintains three-year deeming period.  Gives states the option to use federal funds to provide Medicaid (Medi-Cal in California) and Children's Health Insurance Program (Healthy Families in California) eligibility to children and pregnant women who are legal immigrants, regardless of date of entry.
<b>Child Care</b>	Extends Child Care and Development Fund entitlement funding at FY 2002 level of \$2.7 billion.	Extends Child Care and Development Fund entitlement funding at FY 2002 level of \$2.7 billion through 2007.	Increases entitlement funding to \$4.0 billion in 2003 and by an additional \$500 million each year through 2007.	Provides a guarantee to child care for families participating in work activities and families who recently left TANF.	Increases annual entitlement funding to \$3.7 billion for next five years.

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<b>Child Support</b>	<p>Encourages states to direct up to \$100 per month to current welfare recipients from child support collected on their behalf. Allows states to give former welfare recipients all delinquent child support payments collected on their behalf.</p> <p>Requires parents who receive child support through a child support agency and who have never received TANF benefits to pay a \$25 annual fee.</p>	<p>Encourages states to direct up to \$100 per month to current welfare recipients from child support collected on their behalf. Allows states to give former welfare recipients all delinquent child support payments collected on their behalf.</p> <p>Requires parents who receive child support through a child support agency and who have never received TANF benefits to pay a \$25 annual fee.</p>	<p>Allows states to direct child support payments to current and former welfare families and improves distribution of past-due support.</p>	<p>Requires states to direct child support payments to families receiving welfare benefits.</p>	<p>No change.</p>

Several other bills have been introduced that modify certain provisions of the federal welfare reform law, but do not reauthorize TANF entirely. These include:

- HR 4210 (Roukema, R-NJ), which increases the TANF block grant to adjust for inflation; adjusts the state MOE requirements for inflation; allows recipients to count two years of education, including post-secondary education, as a work activity; stops the five-year time limit “clock” while families are working; and includes poverty reduction as a goal of TANF;
- HR 4057 (Levin, D-MI), which defines a broader employment credit than those included in the Cardin bill;<sup>2</sup> and
- HR 3730 (Woolsey, D-CA), which allows recipients to count up to four years of education, including post-secondary education, as a work activity.

<sup>2</sup> Senator Blanche Lincoln (D-AR) introduced a companion bill in the Senate (S 2058).