



U.S. Department of Health &amp; Human Services

Administration for Children &amp; Families

**FACT SHEET****Office of Family Assistance (OFA)****MISSION STATEMENT**

The Office of Family Assistance administers the Temporary Assistance for Needy Families (TANF) program. TANF provides assistance and work opportunities to needy families by granting States the Federal funds and wide flexibility to develop and implement their own welfare programs.

**What is the Temporary Assistance for Needy Families Program (TANF)?**

TANF is a block grant program to help move recipients into work and turn welfare into a program of temporary assistance. Under the welfare reform legislation of 1996, TANF replaced the old welfare programs known as the Aid to Families with Dependent Children (AFDC) program, the Job Opportunities and Basic Skills Training (JOBS) program, and the Emergency Assistance (EA) program. The law ended Federal entitlement to assistance and instead created TANF as a block grant that provides States, Territories, and Tribes Federal funds each year. These funds cover benefits and services targeted to needy families.

The Deficit Reduction Act of 2005 reauthorized the TANF program through fiscal year (FY) 2010 with a renewed focus on work, program integrity, and strengthening families through healthy marriage promotion and responsible fatherhood.

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009 (Recovery Act). In addition to other changes to the TANF program, the Recovery Act established the Emergency Contingency Fund for State TANF Programs (Emergency Fund). It provides up to \$5 billion to help States, Territories, and Tribes in FY 2009 and FY 2010 that have an increase in assistance caseloads and basic assistance expenditures, or in expenditures related to short-term benefits or subsidized employment.

**MAJOR GOAL****The four purposes of TANF are:**

- assisting needy families so that children can be cared for in their own homes;
- reducing the dependency of needy parents by promoting job preparation, work and marriage;
- preventing out-of-wedlock pregnancies; and
- encouraging the formation and maintenance of two-parent families.

**Highlights of TANF****Work Requirements:**

- With few exceptions, recipients must work as soon as they are job-ready or no later than two years after coming on assistance.
- To count toward a State's work participation rate, single parents must participate in work activities for an average of 30 hours per week, or an average of 20 hours per week if they have a child under age six. Two-parent families must participate in

work activities for an average of 35 hours a week or, if they receive Federal child care assistance, 55 hours a week.

- Failure to participate in work requirements can result in a reduction or termination of a family's benefits.
- States cannot penalize single parents with a child under six for failing to meet work requirements if they cannot find adequate child care.
- States must engage a certain percentage of all families and of two-parent families in work activities or face financial penalty. These required State work participation rates are 50 percent overall and 90 percent for two-parent families; however, States can reduce the targets they must meet with a caseload reduction credit. For every percentage point a State reduces its caseload below its FY 2005 level (without restricting eligibility), the credit reduces the States target participation rate by one percentage point.

Work Activities – Activities that count toward a State's participation rates are (some restrictions may apply):

- unsubsidized or subsidized employment
- work experience
- on-the-job training
- job search and job readiness assistance – not to exceed 6 weeks in a 12-month period and no more than 4 consecutive weeks (but up to 12 weeks if a State meets certain conditions)
- community service
- vocational educational training – not to exceed 12 months
- job skills training related to work
- education directly related to employment
- satisfactory secondary school attendance
- providing child care services to individuals who are participating in community service.

Five-Year Time Limit:

- Families with an adult who has received federally-funded assistance for a total of five years (or less at state option) are not eligible for cash aid under the TANF program.
- States may extend assistance beyond 60 months to up to 20 percent of their caseload. They may also elect to provide assistance to families beyond 60 months using State-only funds or Social Services Block Grant funds.

State Maintenance-of-Effort Requirement (MOE):

- Every fiscal year, each State must spend a certain minimum amount of its own money to help eligible families in ways consistent with the TANF program. This is referred to as maintenance-of-effort or MOE.

Penalties:

The Department of Health and Human Services (HHS) may reduce a State's block grant if it fails to do any of the following:

- satisfy work requirements
- comply with the five-year limit on assistance
- meet the State's Contingency Fund MOE requirement (if it receives contingency funds);
- reduce recipient grants for refusing to participate in work activities without good

- cause;
- maintain assistance when a single custodial parent with a child under six can not obtain child care;
- submit required data reports;
- comply with paternity establishment and child support enforcement requirements;
- participate in the Income and Eligibility Verification System;
- establish and maintain work verification procedures;
- use funds appropriately; or
- Replace Federal penalty reductions with additional State funds.

#### Personal Employability Plans:

- States must make an initial assessment of a recipient's skills.
- States may develop personal responsibility plans for each recipient to identify the education, training, and job placement services needed to move into the workforce.

#### Teen Parent Live-at-Home and Stay-in-School Requirement:

- Unmarried minor parents must participate in educational and training activities and live with a responsible adult or in an adult-supervised setting in order to receive Federal assistance.
- States are responsible for assisting in locating adult-supervised settings for teens who can not live at home.

#### **Tribal Programs:**

##### TANF:

- Federally recognized Indian Tribes may apply directly to HHS to operate a TANF block grant program.
- Like States, Tribes may use their TANF funding in any manner reasonably calculated to accomplish the purposes of TANF.
- The Federal government approves tribal plans.

#### Native Employment Works Program:

- The former tribal JOBS program has been replaced with the Native Employment Works (NEW) Program.
- NEW provides funding to tribes and inter-tribal consortia to design and administer tribal work activities, while allowing tribes and States to provide other TANF services.

#### Federal Funding:

In FY 2009, the following Federal funding is available for TANF:

- TANF Block Grant - \$16.5 billion is available to States, Territories, and Tribes through the TANF block grant.
- Supplemental Grants - \$319 million is available to 17 States that experienced increases in their populations and/or had low levels of welfare spending per capita. A state qualified for a grant in years after FY 1998 only if it qualified in FY 1998.
- TANF Contingency Fund - \$1.3 billion is available to States that have increased unemployment or Supplemental Nutrition Assistance Program (SNAP) caseloads as defined in the Social Security Act.
- TANF Emergency Fund - \$5 billion is available States, Territories, and Tribes in fiscal year (FY) 2009 and FY 2010 that have an increase in assistance caseloads and basic

assistance expenditures, or in expenditures related to short-term benefits or subsidized employment.

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