

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 Aid to Families with Dependent Children (AFDC), 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 and tribes federal funds each year. These funds cover benefits, administrative expenses, and services targeted to needy families.

The reauthorization of the TANF program is currently pending and TANF has been operating under a series of continuing resolutions and extensions. The program has been extended through March 31, 2005.

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
- encouraging the formation and maintenance of two-parent families.

Highlights of TANF

Work Requirements:

- Recipients (with few exceptions) must work as soon as they are job ready or no later than two years after coming on assistance.
- Single parents are required to participate in work activities for at least 30 hours per week. Two-parent families must participate in work activities 35 or 55 hours a week, depending upon circumstances.
- Failure to participate in work requirements can result in a reduction or termination of benefits to the family.
- States cannot penalize single parents with a child under six for failing to meet work requirements if they cannot find adequate child care.

- States, in FY 2004, have to ensure that 50 percent of all families and 90 percent of two-parent families are participating in work activities. If a state reduces its caseload, without restricting eligibility, it can receive a caseload reduction credit. This credit reduces the minimum participation rates the state must achieve.

Work Activities – Activities that count toward a state’s participation rates (some restrictions may apply):

- unsubsidized or subsidized employment
- on-the-job training
- work experience
- community service
- job search – not to exceed 6 total weeks and no more than 4 consecutive weeks
- vocational training – not to exceed 12 months
- job skills training related to work
- 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 not more than 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 Grants.

State Maintenance of Effort Requirement (MOE):

- The TANF block grant has an annual cost-sharing requirement for States, referred to as maintenance of effort or 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.

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

- 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
- repay a federal loan on time
- use funds appropriately
- 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 assistance.
- States are responsible for assisting in locating adult-supervised settings for teens who can not live at home.

State Plans:

- HHS reviews state plans for completeness only.
- States must allow for a 45-day comment period on the state plan by local governments and private organizations and consult with them.
- The state plan must have objective criteria for eligibility and benefits that are fair and equitable.
- The plan must explain appeal rights.
- In order to remain eligible, i.e., continue to qualify to receive funding under TANF, States will need to submit TANF renewal plans during the applicable 27-month period described in section 402 of the Social Security Act. Only eligible States may receive a TANF block grant.

Job Subsidies:

- The law allows States to create jobs by taking money that is now used for welfare checks and using it to create community service jobs, provide income subsidies, or provide hiring incentives for potential employers.

Waivers:

- States that received approval for welfare reform waivers before January 1, 1997, have the option to operate their cash assistance program under some or all of these waivers until the waivers expire.

Bonuses:

- The law includes provisions for two bonuses that may be awarded to States and territories in addition to their basic TANF block grant.
- TANF's High Performance Bonus program provides cash awards to States for high relative achievement on certain measures related to the goals and purposes of the TANF program.
- The Department of Health and Human Services is required to award a Bonus to Reward Decrease in Illegitimacy Ratio to as many as five States (and three territories, if eligible) that achieve the largest decrease in out-of-wedlock births without experiencing an increase in their abortion rates above 1995 levels.

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.

Funding

— In FY 2004, \$17 billion is available for TANF.

CONTACT INFORMATION

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