Center for Employment and Economic Well-Being: TANF at 20 – Time for Rational Changes
Including Integration with other Employment Programs and Expanded Work Supports

NOVEMBER 2016
TANF at 20 – Time for Rational Changes: Including Integration with other Employment Programs and Expanded Work Supports
Core Principles and Specific Suggestions

BACKGROUND OF APHSA’S PHILOSOPHY

After 20 years since the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), it is time for Temporary Assistance for Needy Families (TANF) to be modernized to better support 21st century children and families in achieving self-sufficiency. APHSA, through its members’ Pathways Initiative and our Center for Employment and Economic Well-Being (CEEWB) as well as its affiliate, the National Association of State TANF Administrators (NASTA), has consistently argued that greater emphasis on employment outcomes in TANF, rather than procedural compliance with a rigid and outdated work participation rate, is the next step in true welfare reform. Reauthorization of TANF must reflect the broad changes in the labor market and better prepare parents to obtain the necessary skills for meaningful employment that increases family economic security and well-being.

At the same time, TANF must remain nimble and responsive enough to support the well-being of both children and their families based on where they are collectively through a two-generation lens and with a keen eye towards family stabilization. To accomplish this requires the recognition that not all family circumstances fit precisely into artificial timeframes or one size fits all approaches. Cash assistance should be recognized as an important bridge to eventual self-sufficiency through employment or for individual heads of households who legitimately cannot work and are awaiting SSI/SSDI determinations.

Reimagining TANF is timely for several reasons: a growing recognition that there must be a path from an initial job to higher quality employment in order to achieve economic well-being; broad acknowledgment that skill deficits and other barriers to employment exist and must be addressed to improve client employment prospects over time; and the timely opportunity presented for significant program improvement and better services for clients with the enactment of the Workforce Innovation and Opportunity Act (WIOA) in 2014.

The passage of WIOA in 2014 made TANF a mandatory partner with the American Job Centers (formerly one-stops). With this change, outcome measures for the programs must be better aligned. TANF is one of the only programs that relies on a process measure through a work participation rate (WPR) of 50 percent for all “work eligible” adults on the caseload (WPR) rather than employment-based outcome measures. WIOA, on the other hand, measures success through actual skills gains, certification achievement, job placement, and retention. Final WIOA regulations issued on June 30, 2016 reinforce the need for performance measure alignment and ongoing discussions between the Department of Health & Human Services and the Department of Labor, as well as the four other partner agencies to better serve clients in every setting and assist those who can work into the labor market and on a career pathway.

TANF has also become too complicated in regard to countable activities and stringent work verification procedures that divert state and local staff time away from helping “work-eligible adults” become employed. This undermines the original goals of allowing states to innovate within an overall goal of state flexibility and a set of four sub program goals enacted in 1996. There has not been a full reauthorization of the program since 2005 under the Deficit Reduction Act (DRA), and no additional
funds have been added to TANF over its now 20-year history, reducing the real dollar value of the block grant by 32.5 percent according to the Congressional Research Service.

It is time to reconsider the program’s purposes, what activities actually produce positive outcomes, and how the overall workforce system envisioned under WIOA can be further improved through thoughtful TANF Reauthorization in 2017.

Based on these realities, several core principles guide this specific set of recommendations.

- **TANF Is Complex with Interconnected Elements: State Flexibility Combined with Accountability is Vital to Serve Families and Children.** TANF has evolved into a more rigid and complex set of interconnected funding streams, rules, and mandates since the Deficit Reduction Act of 2005. The program should be modernized to allow additional approaches while holding states accountable for meaningful outcomes.

- **Innovative State Strategies Are the Best Avenue to Help Struggling Families.** Faced with inflexible participation mandates during the great recession, states developed innovative strategies to serve needy families while maintaining compliance with federal rules. Federal and state partners need to further employ a growing knowledge of what works effectively and better apply science, research and data for future success.

- **TANF Performance Measures Should Be Based on Positive Outcomes, Not Process.** The current Work Participation Rate (WPR) is outdated, does not properly measure client progress toward self-sufficiency, and fails to count partial effort or acknowledge the range of activities and skill-building necessary for families and their children to achieve economic well-being in a rapidly changing economy. Continuing to measure client engagement and including family stabilization efforts, even if not related directly to employment, in such measures is important, but future program success for “work eligible TANF adults should be determined based on employment not process related outcomes. Family stabilization measures under TANF must include addressing housing stability, access to nutrition through SNAP, securing child support, home visiting and case management related to teaching or improving executive functioning and parenting skills.

- **TANF and WIOA Should Be Better Aligned.** Although TANF and WIOA have similar goals and serve overlapping populations, certain TANF rules make their integration needlessly difficult. TANF clients should have access to WIOA services, but will also continue to need access to other targeted support services such as child-care and transportation as well as effective case management.

- **Penalties Should Take the Form of Required State Investment, Rather than a Reduction in Federal Funds.** The loss of federal funds related to penalties jeopardizes the states’ abilities to help TANF clients obtain employment and become self-sufficient. Shifting the penalty structure toward increased state Maintenance of Effort (MOE) expenditures will put more state resources into struggling programs.

- **Sufficient Time Should Be Allowed for States to Transition.** While the development of new reasonable, outcome-oriented performance measures in TANF focused on skill development, employment and retention for those who can work is meritorious, states will need at least five years to alter their laws and data systems for compliance with such new measures.
TANF HAS BECOME TOO COMPLEX AND HAS BEGUN TO STIFLE STATE INNOVATION – IT MUST BE MODERNIZED AND SIMPLIFIED TO PROMOTE MEANINGFUL OUTCOMES

States strongly believe in the importance of work as the best avenue for establishing a career pathway towards self-sufficiency. But under TANF as currently constructed, a nominal 50 percent of “work-eligible” recipients must meet the weekly hourly requirements of the WPR.

The inflexibility of the WPR, the work verification procedures added in 2005, and the dwindling value of the block grant in inflation adjusted dollars make it difficult for states to make larger investments in the skill building, training, and work supports necessary for success because they often are not allowable activities or are limited as to how long they can be counted.

States already spend more funds on work-related activities than critics often cite as being only eight percent of overall federal and state MOE expenditures. This statistic fails to take into account other work-related expenditures. States transfer significant TANF funds to child care for the express purposes of adding subsidized child care slots and supporting work. Similarly, some states have used TANF funds for the creation or expansion of state Earned Income Tax Credits (EITC) to supplement the wages of those leaving TANF for employment. Most states used enhanced earnings disregards as well to not immediately reduce cash benefits when clients find employment. These efforts do not get sufficient credit as being work-related activities and certainly do not fall into the realm of utilizing TANF funds for non-TANF related purposes.

Because of the rigidity of the WPR with its nine core and three non-core allowable activities, meeting the rate has required funding shifts and an ongoing emphasis on caseload reduction. Many states have been forced to transfer certain portions of their caseload to Solely State Funded Programs (such as programs serving two-parent households who under TANF rules must currently meet a virtually unattainable 90 percent WPR, post 60-month time limited cases and SSI pending cases). States have come under unfair criticism for these actions in spite of the fact that these SSF programs serve legitimate goals and do not mean that able-bodied adult recipients are not held to similar work requirements. Even with the growing complexity and shrinking value of TANF funding, states have still initiated some very successful practices and programs that could be scaled up if the TANF program was simplified and performance measures of success were changed (see Appendix I).
Under the Claims Resolution Act of 2010, after a GAO report claiming either zero or very low rates of actual assigned work activities for able-bodied adults,¹ states were required to submit more extensive reports on engagement and participation in work related activities.² The two additional state reporting requirements measured: (1) work participation for families that currently do not meet the TANF program’s requirements to count toward state work participation rates; and (2) TANF spending in two broad categories known simply as “other non-assistance” and “authorized solely under prior law.”

The reports found that states get actual TANF credit for only a fraction of those who are actually engaged in work activities.

The ones for which they do not receive credit are either not meeting the required number of hours under TANF, are in an activity beyond the allowable time limit (job search, vocational education), or are participating full- or part-time in a non-core activity. While these reports have not been updated since 2011, the data is still available publicly and remains predominantly accurate. It would be useful to update these reports to again demonstrate to policymakers that TANF clients are broadly engaged in various activities.

Given the clear results in the Claims Resolution Reports, it makes good policy sense—as a way to continue to measure broad engagement in work related activities—that states should receive proportional, partial credit for anyone engaged at least one-third time in such activities. This coupled with simplifying and expanding the allowable activities under TANF, eliminating the core/non-core distinction and lessening the excessively strict work verification rules will encourage and incentivize broader engagement and positive employment outcomes. Examples of highly successful family and child intervention programs that cannot be funded through TANF or can only count on a limited basis include the Nurse Partnership Program, home visiting programs, extended vocational education, certain skill- and credential-based attainment programs, job search as a partial ongoing activity, and others.

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BASE TANF PERFORMANCE MEASURES ON EMPLOYMENT-RELATED AND OTHER POSITIVE OUTCOMES – NOT PROCESS

Changes in the performance measures under TANF need to occur. The performance measurements put in place two decades ago will no longer work unless significantly changed.

The biggest problem is the focus of the Work Participation Rate (WPR) on measuring process instead of outcomes.

Some form of the WPR could remain as a measure of engagement, but changes are necessary as TANF transitions to outcome measures more akin to WIOA and the original goals of the TANF High Performance Bonus measures from the early 2000s.

Most importantly far more flexibility should be allowed under TANF regarding countable activities such as vocational education by increasing the current limit from one to two years, allowing job search and job readiness to count beyond current limitations, and eliminating the core/non-core distinction. Partial credit towards an altered WPR for hours less than the current 30-hour rule (20 hours if there is child under age 6) should also be allowed.

The nominal rate under the WPR is subject to reduction through various means that were intentionally created in statute by Congress and in regulation by HHS-ACF. Avenues to a lower effective WPR include caseload reduction from a base year (now 2005) and state spending over and above the required Maintenance of Effort (MOE) level of 75 percent if states meet the WPR and 80 percent if they do not (excess MOE provision in 1999 regulations put in place specifically to discourage state disinvestment). Some states have also used third party MOE, which are in-kind or cash contributions by non-governmental organizations to meet MOE requirements. This has become a controversial practice that has been proposed for elimination in the President’s recent budgets requests. Recent House Committee action proposed freezing the use of third-party MOE at its current levels, but the final House legislation did not include the provision.

States have utilized their legitimate flexibility out of necessity at varying levels to reduce their effective work rate, because of the rigidity of countable work activities under the WPR, the outdated distinction between hours of core and non-core activities and the time and caseload percentage limitations on the use of vocational education, job search and other activities that are essential to impart necessary skills for employment. The erosion of TANF funding, the ongoing remnants of the recession and a sluggish labor market have also contributed to necessary state choices.

With a reasonable employment-based outcome measure and a rethinking of what countable activities will actually work based on increased funding for research and evaluation, states would have more knowledge and ability to focus on real program goals rather than complying with a rigid process measure.

Additionally, the problems with the WPR were intensified with the passage of the 2005 Deficit Reduction Act (the last full reauthorization of TANF), which added layers of administrative reporting requirements through new work verification procedures (WVP) that require documentation of every hour of client participation. This has forced states to divert caseworker activities to compliance measures rather than actual time focused on getting people education, training and job placements. A study in Minnesota found that as much as 53 percent of caseworker time was taken up by verifying hours in activities rather than actually assisting in training, skill development and job placement. These verification procedures are also onerous for employers and community college programs where sector-based work is conducted.

employment training occurs, as they must spend time assisting in verifying hours under the WVP.

Both the WPR and WVP need to be made far less stringent so that a program focus on employment can be restored.

The WPR has also had the insidious effect over time of making it easier to reduce caseloads than to actually engage hard to serve clients in work activities that might move them into employment. Clients can also play a role in this reality in several ways: failing to comply with program rules, particularly in some large states with partial sanctions; legitimately misunderstanding the complicated work participation rules and assignments or by simply dropping out of the program, particularly in low benefit states; and living on a combination of other program benefits from SNAP, Medicaid, child support, episodic employment and informal help from relatives or friends. Some states have made efforts to re-engage sanctioned clients and to promote available job services with modest success, but there is inadequate caseworker time for such tasks due to the necessity of dealing with program compliance. Unfortunately, the result is that these clients remain disengaged from the program and excluded from availing themselves of employment and training services that could improve their economic well-being, opportunity for social interaction and the overall health and well-being of their family.

Client dynamics are not simple or homogenous. States are learning how to better understand and engage with clients in a meaningful way, getting at enablers and barriers through things like motivational interviewing that may uncover the root challenges that families face and create a more empowered client, teaching executive functioning skills to both parents and children and home visiting programs that provide family context that is critical to a whole family or two-generation (Two-Gen) approaches. Such approaches are of great value and diverting time away from them for process compliance is not a pathway to success for administrators or clients.
TANF, WIOA AND SNAP EMPLOYMENT & TRAINING MUST BE BETTER ALIGNED OVER TIME – CHANGES ARE NECESSARY FOR SUCCESS

Over time TANF, Department of Labor, and SNAP employment programs must have similar outcome-related measures including skill attainment, entries to employment and job retention. This transition to coordination must be gradual so as to allow time for readjusting policy, practice and systems to performance benchmarks. Initial steps in this direction have been taken in HR 2952 that recently passed the House Ways and Means Committee. The result of the continued misalignment is that in spite of the WIOA requirement to serve those most in need (which incidentally was a similar requirement under WIA), the rigidity of the WPR and the 30-hour rule still remain as disincentives for DOL to serve TANF participants. Despite statutory and regulatory language, barriers at the local level to successful implementation of WIOA remain and must be remedied. Movement over time away from procedural compliance requirements to similar outcome measurements between the programs is essential. Further study, through a recently released RFP is soon to be conducted by HHS-ACF and the contractor, the Urban Institute, as to what should be the most reasonable and feasible employment-related outcomes under TANF.4

As this transition occurs, the 50 percent measure—as is nominally applied in the TANF WPR to measure engagement in activities—will have to be adjusted downward as TANF measures become more outcome-focused (job placement and retention) than process-focused, perhaps to an initial effective rate of 15-20 percent. States should also have the option for several transition years to be measured by either the WPR employment outcomes or some combination of the two before a full switch over to outcome-based measures. Outcome emphasis should be placed not only on job placement and retention outcomes, but also on employment preparatory activities and skill and credential attainment that are most likely to result in placement in available jobs with career ladders to self-sufficiency for hard-to-serve TANF recipients.

THE TANF PROGRAM PENALTY STRUCTURE MUST CHANGE

Currently when states fail to meet the WPR, they can be faced with both a loss of a percentage of their block grant funds as well as an increase in their own MOE contribution to make up the reduction. States do have the opportunity within a certain timeframe to correct the issue by meeting the WPR. The loss of TANF block grant funds, absent correction by the penalized state, starts at 5 percent and can go as high as 21 percent. This is unduly punitive. We suggest that there be no loss of federal TANF funds, but that the penalty, if applied, should be limited solely to an increase of state MOE funds. A number of states face penalties not necessarily because they are not doing a good job in serving clients, but because the WPR is such a rigidly process-oriented measure that excludes or limits legitimate activities. The penalties do not incentive or lead to better employment outcomes, but rather reinforce process-focused efforts that too often have nothing to do with engaging participants into gainful, sustainable employment.

4 In the summer of 2016 the U.S. Department of Health & Human Services released a Request for Proposals. The purpose of this project is to explore the development of an employment-related performance outcomes approach for the TANF program. The Office of Planning, Research and Evaluation (OPRE) at the Administration for Children and Families (ACF) desires to summarize the experiences of programs using performance measures that aim to estimate reliable employment outcomes, including selected TANF programs. As a secondary purpose, the project will make recommendations on ways to improve the coordination between TANF and WIOA performance measurement systems. The project will explore the issues and options related to the development of an employment related outcome performance measurement system for the TANF program, including potential target groups, performance measures, performance standards, data needs, and accountability approaches.
THE EROSION OF TANF FUNDING IN REAL DOLLAR TERMS HAS GREATLY HINDERED INDIVIDUALIZED SERVICE PROVISION TO CLIENTS

The TANF block grant funding has not been adjusted at all since 1996 and according to the Congressional Research Service has consequently lost 32.5 percent of its real dollar value over the last 20 years. This reduction in the real dollar value of TANF funds has hamstrung states, as their capacity to both engage and serve more individuals has diminished.

TANF also has not allowed for investments or time spent in delivering services such as strong parenting skills, home visiting, motivational interviewing and case management or longer-term job readiness or treatment, even though those are the types of services that empower families to become self-sufficient.

Congress should increase funding to at least partially make up for inflation erosion, and in order to ensure a strong focus on employment related activities and basic assistance could restrict additional funds solely for broadly defined work-related activities, clear employment and job retention outcomes, cash assistance, one-time diversion payments and reinvigorated random assignment and other impact evaluation and research efforts that measure what truly works and what does not. The lack of clear evaluation of TANF since its inception is problematic (most major research is pre-TANF and focused on state waiver programs), because in its absence it is difficult to determine which approaches yield the most success and should be replicated and brought to scale. The need for rigorous program evaluation, including use of modern research methodologies and tools that lead to more rapid results, (such as rapid-cycle evaluation) is a shared bipartisan goal in many other programs and should be a major emphasis in TANF reauthorization.

Also the recent passage of legislation by the House of Representatives of HR 5170 to allow the use of Social Impact Funding in TANF and increased resources for research evaluation as to what approaches work or do not work are welcome changes. But, these proposed changes do not address the vastly diminished value of the TANF block grant. Instead they transfer funds from the TANF Contingency Fund, which was designed as a buffer for economic downturns, to these efforts. Still, they represent important and innovative approaches to improving program performance and measuring success. Recommendations by DOL for sensible waivers for workforce innovations and evaluation would also be important additions to program reforms for both WIOA and TANF.

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6 The Workforce Innovation Fund (WIF) is one of several new Federal grant programs in which grantor agencies fund projects that seek to use evidence to design program strategies including innovative approaches. The Department of Labor’s Employment & Training Administration (ETA) is seeking ways to remove administrative, statutory, and regulatory barriers to support greater coordination in the delivery of services, particularly among agencies and programs with overlapping missions and clients. Through the WIF, ETA seeks to support changes in structures and policies that enable a closer alignment and integration of workforce development, education, human services, social insurance, and economic development programs. So far, the ETA has announced three separate grant solicitations under the WIF. Information about the WIF can be found at www.doleta.gov/workforce_innovation/.
FEDERAL TRUST IN STATE INNOVATION GUIDED THE ORIGINAL TANF LEGISLATION

The 1996 Personal Responsibility and Work Opportunity Reconciliation Act quite intentionally increased flexibility to states to accomplish four broadly stated purposes.

The specific language of the statute reads:

"Sec. 401. Purpose

"(a) In General – The purpose of this part is to increase the flexibility of States in operating a program designed to—

"(1) provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;

"(2) end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;

"(3) prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and

"(4) encourage the formation and maintenance of two-parent families."

The law has not changed but the attitude toward state flexibility has. A major issue for future success in TANF is renewed trust between federal and state partners.

Increasingly, since the original TANF legislation in 1996 and particularly in the last reauthorization under the Deficit Reduction Act in 2005, there has been a growing criticism of state actions that has led to unnecessary restrictions and an unproductive focus on process rather than improved outcomes for families. That is unfortunate, since states and localities are entrusted to follow and implement the law as effectively as possible, even with the declining value of TANF funds and stringent state budget requirements.

State and local eligibility workers and employment case managers are the troops on the ground, who serve low-income clients daily under what has become an overly complicated and rigid program. States believe in the need to be held accountable to taxpayers for outcomes, but when they are forced to act in accordance with performance measures that are more process oriented, too much time is diverted from more constructive employment and retention goals. Again, a transition away from process to mutually agreed upon client success measures by federal and state partners over time and dedicated new funding under TANF aimed at reaching those outcome goals should be a major focus of reauthorization in 2017.

That trust and partnership between federal and state partners, particularly with the advent of WIOA and the focus on the shared goals of employment for those who can work and positive economic and social outcomes for families and children overall, has to be restored in order for success to be achieved.

Recommendations

The following are suggested legislative, regulatory and administrative recommendations for modernizing, improving the current TANF program to be more client- and family-centric and further integrating success measures with other workforce programs by phasing out the WPR over time and establishing a new outcome based measure including skill and certification attainment, job placement and job retention.

A. Make Changes in 2017 to Immediately Improve the Current TANF Program

1) Expand the number of countable activities under the TANF WPR to include broader approaches such as home visiting, motivational interviewing, and teaching executive functioning skills. Additionally, permit a longer, countable period for currently allowable activities such as vocational education beyond the current one-year limit and job-search/job-readiness
beyond the current six and twelve week limits. The following items can be achieved rapidly in 2017:

- Remove the current distinction between core and non-core hours of participation, which is both complicated and unnecessary;
- Allow proportional partial credit towards the WPR for those engaged in activities that are either not countable, do not fully meet the 30-hour weekly work requirement or where participants have surpassed current time limits in a countable activity such as vocational education, job search or job readiness. Such partial credit would be allowed for any work-eligible adult engaged in activities for at least ten hours weekly and calculated as a percentage of the 30-hour participation rule;
- Eliminate the virtually unattainable two-parent 90 percent WPR, which has forced most states to move this TANF population to solely state funded programs;
- Allow a 45-day grace period before a new TANF recipient is placed in the denominator for the WPR. It takes at least this amount of time to perform a thorough assessment and enroll a work eligible recipient in an appropriate activity (the law actually allows 90 days). After the 45 days the client should be in both the denominator and the numerator for TANF WPR purposes;
- Lessen the severity of the work verification requirement over the transition period for instance to a sample basis so caseworker time is not diverted away from the core skill attainment, job placement and job retention goals of TANF;
- Change the current penalty structure in TANF for failing to meet the WPR to one that solely requires states to increase their own MOE investments, but does not reduce the state share of federal funds under the block grant;
- Encourage broader use of sector-based, career pathway strategies that lead to job retention and advancement. To further augment these efforts, the role of employers and community colleges should be expanded in designing curriculum that teaches on the job skills. The use of shared caseworkers to assist multiple employers to help new employees should be expanded to navigate post job-placement issues, improve retention rates and assist with rapid re-employment after a job loss;
- Increase the coordination of TANF, WIOA and the SNAP E&T program service delivery to clients to avoid duplication, promote efficiency and provide better individualized client assistance.

B. Change the TANF Performance Measures over Time to Mutually Agreed-Upon Outcome Measures

1) Over a period of five years, transition the Work Participation Rate under TANF to a new national outcome based success measure focused on skill and credential attainment and job placement and retention akin to WIOA with a goal of building stronger families both economically and socially. During this transition period the WPR and the employment related outcome measure will operate side by side with suggested key modifications to the WPR. The WPR will decline each transition year and the employment related rate will increase at the same time annually. Federal and state partners should jointly negotiate the percent of each applicable rate annually. At the end of five years, a realistic percentage-based employment related outcome measure would replace the WPR as the measure of TANF program success. However, engagement in activities would continue to be measured and reported publicly for those not yet employed, utilizing the standards adopted in the 2011 Claims Resolution Act. Not only does this change move away from measuring process to measuring outcomes, it also moves towards integration of TANF with WIOA.

C. Expand funding under TANF Program

1) In order to compensate for at least part of the over 30 percent erosion in the block grant since 1996, additional funding should be added to the Block Grant. Congress could dedicate any new funding
solely for employment related activities including short-term subsidized employment that proved successful under the Emergency Contingency Fund in 2009-10; basic cash assistance, one-time payments that might avoid the need for ongoing assistance; enactment or expansion of state EITC’s; and increased child care supply.

2) Maintain a strong contingency fund under TANF for use by states at times of economic downturns and high unemployment and make such funding more accessible to states by reducing the level of state matching funds needed to access them.

3) Expand funding for research and evaluation efforts, including application of behavioral economic and rapid cycle evaluations, to determine what activities actually work and integrate data sharing efforts between TANF and WIOA as a way to move towards a common client data base among partnering agencies that removes duplication of effort, increases program efficiency, and improves the delivery of client services.

4) Add separate new funding for state and locally designed, intensive employment training and job placement programs for non-custodial parents with child support orders in the Title IV-D program who are currently unable to meet their support obligations.

5) To increase the ability of states and local districts to propose innovative alternative approaches under TANF, issue a competitive Request for Proposals (RFP) to states allowing for and separately funding ten new pilot programs designed and focused on employment to be reviewed and launched in lieu of existing program components and measures. Include a rigorous, separate competitive evaluation proposal RFP that will measure pilot program success over time for possible replication on a broader scale. This concept was employed as part of the last Farm Bill through creating 10 state pilots for SNAP E&T and can hopefully yield important new policy and practice innovations in TANF.

D. Strengthen Related Work Incentive and Support Programs, Particularly Through a Two-Generation Lens

While not directly part of TANF reauthorization, both expanded child care availability and the work incentive and wage supplement effects of the EITC are critically important to helping and encouraging more work eligible adults to leave TANF for employment and to simultaneously support the overall well-being of parents and their children. Therefore, we make the following recommendations.

1) Increase available funding for the Child Care Development fund to expand the availability of subsidized child-care slots, assure the health and safety of care and promote the use of quality care. Consideration should also be given to assisting families who need non-traditional hours of care when traditional settings are not available and subsidies do not help. One avenue to accomplishing this would be to convert the current child and dependent care tax credit to a refundable credit for low and moderate income working households.

2) Expand the current federal Earned Income Tax Credit (EITC) in two specific fashions. First, increase the size of the maximum EITC for single individuals and childless couples both as a work incentive and a critical wage supplement. Specific and virtually identical legislation was proposed to accomplish this both by the Obama administration and House Speaker Paul Ryan in 2016. Second, encourage eligible households to save a portion of the annual EITC (up to 20 percent) as a "rainy day fund" (similar to an Individual Development Account or 401K account) by establishing a new matching program that would fully or partially match the household contribution. Such legislation was proposed in the Senate in 2016, introduced by Senator Booker (D-NJ) and Senator Moran (R-KS) as S. 2797, the Refund to Rainy Day Savings Act.

3) With discussion already beginning about the reauthorization of SNAP in 2018, it is important to maintain the integrity of SNAP as a work support, a nutrition program, and a ripe area to expand and
link E&T efforts to WIOA and TANF. Details on APHSA positions regarding SNAP reauthorization can be found in several policy documents on the APHSA website, www.aphsa.org.7

CONCLUSION

APHSA, as the association representing appointed state and local Commissioners of Human Services, offers these specific recommendations regarding TANF as a step toward rebuilding a healthy partnership between the federal government and its state and local partners. We strongly believe that these changes, suggested by the actual practitioners who deliver TANF benefits and related services, will result in a reinvigorated and successful TANF program for the future. TANF must be a program that not only moves families towards greater economic and social well-being through skill-building, work where possible, and critical work supports, but also through the provision of temporary cash assistance for those who cannot work, those awaiting a disability determination, and those who need a bridge support during economic hard times.

APHSA, through its Center for Employment and Economic Well-Being (CEEWB) and its National Association of State TANF Administrators (NASTA) affiliate, stands ready to work with the next Administration and Congress to build a better and more efficient TANF program for both clients and program administrators.

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