

CRS Report for Congress

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TANF Reauthorization: Side-by-Side Comparison of Current Law, S. 667, and H.R. 240 (TANF Provisions)

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Domestic Social Policy Division

TANF Reauthorization: Side-by-Side Comparison of Current Law, S. 667, and H.R. 240 (TANF Provisions)

Summary

The 109th Congress is considering legislation to reauthorize the block grant of Temporary Assistance for Needy Families (TANF) for five years. Congress has inconclusively debated long-term TANF authorizations since 2002, instead adopting short-term extensions. The latest extension (P.L. 109-19) funds the program through December 31, 2005. Thus far in the 109th Congress, the Senate Finance Committee has reported S. 667 (S.Rept. 109-51). A bill introduced by House Republican leaders, H.R. 240, has received approval from the House Ways and Means Committee's Subcommittee on Human Resources.

S. 667 and H.R. 240 are very similar in terms of how they would continue funding under the TANF program. Both bills extend basic TANF funding at current levels (\$16.6 billion for the 50 states, the District of Columbia, and the territories) through FY2010 and extend supplemental grants provided to 17 states through FY2009. Both bills provide new, categorical grants for marriage promotion activities totaling \$200 million per year financed through a reduction in current TANF bonuses to states. The major difference in the TANF funding provisions of the two bills is how they provide extra contingency (recession-related) funding to the states. H.R. 240 essentially extends the current law fund that provides matching grants to states experiencing high and increased unemployment rates and food stamp caseloads. S. 667 eliminates the requirement that states expend additional money to access contingency funds, and instead bases extra funding on the cost of increased caseloads for states that meet revised unemployment or food stamp caseload criteria.

The two bills would substantially revise the TANF work participation standards that states must meet. Under current law, 50% of TANF families with an adult or minor household head must participate, though the 50% rate is reduced by caseload reductions that have occurred since welfare reform. Both S. 667 and H.R. 240 would raise this standard to 70%, though under both bills the standard could be reduced through credits (though the credits differ between the two bills). Both also eliminate a separate 90% participation rate requirement for two-parent families. Both bills would raise the minimum hours required of family members in order to be considered full participants, though H.R. 240 would raise them by more than would S. 667. The bills also differ in the activities countable toward the participation standards: H.R. 240 narrows the list of activities countable, requiring recipients to spend at least 24 hours in work, community service, or work experience programs except for a short (usually three-month) period when states may themselves define what counts as "activities." S. 667 keeps all activities under current law as countable, and allows states to count a wider range of activities for three months (more under some circumstances).

Both bills contain non-TANF provisions relating to child support enforcement, responsible "fatherhood" programs, and transitional medical assistance (not addressed herein). This report will be updated as S. 667 and H.R. 240 move through the legislative process.

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TANF Reauthorization: Side-by-Side Comparison of Current Law, S. 667, and H.R. 240 (TANF Provisions)

Introduction

The 109th Congress is considering legislation to reauthorize the block grant of Temporary Assistance for Needy Families (TANF) for five years. The 108th Congress and its predecessor, the 107th Congress, both inconclusively debated a long-term authorization for TANF and related programs. The program has received 11 short-term extensions since the original funding authority for TANF expired on September 30, 2002. The latest extension (P.L. 109-68) funds the program through December 31, 2005.

The Senate Finance Committee has reported an original bill, S. 667 (S.Rept. 109-51). H.R. 240, introduced by House Republican leaders and making its way through House committees of jurisdiction, is similar to bills that passed the House in 2002 and 2003. That bill was approved by the House Ways and Means Committee's Subcommittee on Human Resources on March 15, and awaits full committee action, as well as consideration by other committees that have jurisdictions over parts of the bill.¹

Summary of the Similarities and Differences Between the Two Bills

S. 667 and H.R. 240 have many similarities, with both extending basic TANF funding at current levels through FY2010 and incorporating President Bush's proposal to provide categorical "marriage promotion" grants. Both bills also raise TANF work participation standards, though the two differ in terms of how much more work would be required and what activities count toward the participation standards. This report provides a comparison of the TANF provisions of S. 667 and H.R. 240. It does *not* address non-TANF provisions of both bills, such as revisions to the Child Care and Development Fund, Child Support Enforcement, Abstinence Education, and transitional Medicaid. One of the key differences between S. 667 and H.R. 240 is the level of funding for child care. S. 667 would add \$6 billion over five

¹ In addition to the House Ways and Means Committee, H.R. 240 was referred to the House Committees on Energy and Commerce, Education and the Workforce, Agriculture, and Financial Services.

years to current levels of mandatory child care funding. H.R. 240 would add \$1 billion over five years above current levels of mandatory child care funding.

TANF Funding Provisions

S. 667 and H.R. 240 have very similar funding provisions, although they do differ in some details. The major difference in the funding provision between the two bills is that S. 667 would completely revamp the TANF contingency (recession) funds, while H.R. 240 would make relatively minor revisions to the fund.

Basic Funding. The 1996 welfare reform law (P.L. 104-193) entitled states to a basic TANF block grant equal to peak expenditures in the pre-1996 welfare programs during the FY1992 to FY1995 period. It also established a *maintenance of effort* (MOE) requirement that states continue to spend at least 75% (80% if a state failed TANF work participation requirements) of what they spent in these programs in FY1994. Cash welfare caseloads were at their peak in the mid-1990s; both the basic TANF grant and the MOE are legislatively fixed: they did not change when cash welfare caseloads declined in the mid- and late-1990s, nor did they increase when caseloads in some states increased during the recent economic slump. Neither the basic TANF block grant nor the MOE have been adjusted for inflation.

Both S. 667 and H.R. 240 would continue both the basic block grant and the MOE at their current funding levels (without inflation or caseload adjustment) through FY2010.

Supplemental Grants. During the consideration of legislation that led to the 1996 welfare law, fixed funding based on historical expenditures was thought to disadvantage two groups of states: (1) those that experience relatively high population growth; and (2) those that had historically low grant levels relative to poverty in the state. Therefore, additional funding in the form of supplemental grants was provided to states that met criteria of high population growth and/or low historic grants per poor person. Supplemental grants have been provided to 17 states: Alabama, Alaska, Arizona, Arkansas, Colorado, Florida, Georgia, Idaho, Louisiana, Mississippi, Montana, New Mexico, Nevada, North Carolina, Tennessee, Texas, and Utah.

Currently, supplemental grants total \$319 million per year. Both S. 667 and H.R. 240 would continue supplemental grants for the same 17 states at the current funding level through FY2009 (unlike other grants, which expire in FY2010).

Contingency Funds. The fixed basic grant under TANF also led to concerns of inadequate funding during economic downturns. TANF includes a contingency fund, which is designed to provide extra matching grants to states that meet criteria of economic need (based on unemployment rates and food stamp caseloads) and have state expenditures in excess of their FY1994 level.

The two bills differ substantially in their revisions to the TANF contingency fund. H.R. 240 would continue the fund on existing rules, with some relatively minor modifications: allowing some additional state spending to count toward

meeting the FY1994 funding level threshold and modifications to increase grants for states that qualify for funds for only part of the year.

S. 667 fully revamps the contingency fund. It would eliminate the requirement that states increase expenditures from their own funds above the regular TANF MOE level and eliminate the matching requirements. Instead, it requires that unspent TANF balances be below a certain threshold to qualify for contingency funds. S. 667 would base contingency grants on a portion of the estimated cost of increased cash assistance caseloads. It also would revise the criteria of economic need for a state.

Uses of Grants and Program Requirements. Federal TANF grants and MOE funds can be used for a wide range of benefits, services, and activities to assist low-income families with children and to further TANF goals of reducing out-of-wedlock births and promoting two-parent families. TANF grants can also be transferred to other block grant programs: up to 30% of the grant can be transferred to the Child Care and Development Fund (CCDF) and to the Social Services Block Grant. The limit on transfers to SSBG alone is set at 4.25% (though annual appropriations have restored the SSBG transfer limit to its original limit of 10% set in the 1996 welfare law). Within the overall 30% limit, federal TANF funds may also be used as the state match for federal reverse commuter grants if the program benefits welfare families.

Both bills would set the SSBG transfer limit permanently at 10%. H.R. 240 would raise the overall transfer limit to 50%; S. 667 would retain the current 30% transfer limit.

Both bills include provisions to ease some rules regarding use of TANF funds. Both S. 667 and H.R. 240 would:

- Allow states to use carryover TANF funds for any TANF benefit and service. Current law restricts the use of carryover funds for the provision of “assistance.”
- Narrow the definition of “assistance” to exclude all child care and transportation aid. TANF funds spent on assistance trigger certain program requirements, such as work requirements, time limits, assignment of child support payments, and data reporting requirements. Under current regulations, child care and transportation aid for nonworking families is counted as assistance and triggers these requirements. The bills would eliminate such aid from the definition of “assistance,” freeing from these requirements nonworking families that receive only child care or transportation aid.

Work Requirements

Both S. 667 and H.R. 240 incorporate the Bush Administration’s “universal engagement” proposal, which requires states to develop a self-sufficiency plan for all TANF adult recipients to monitor progress toward that plan. H.R. 240 also requires

states to end benefits (“full family sanction”) for families that fail to comply with work participation rules.

Both S. 667 and H.R. 240 would substantially revise TANF work participation standards. Both bills would raise work participation standards that states must meet from the current law’s standard of 50% to 70%, raise the required hours of working to receive full credit and provide partial credit for participating families that do not meet the full credit standard, and revise the list of activities that recipients may participate in for states to receive credit toward TANF standards. However, the bills differ in how they do these three things.

Participation Standards. Current law requires states to have a specified percentage of their families with an adult recipient (or minor head of household) participating in creditable work activities. The current participation standard is 50%. States are subject to an additional participation rate standard for two-parent families, currently 90%. The participation rate standards may be reduced for caseload reductions (not attributable to policy changes) that occurred before enactment of welfare reform (FY1995). This “caseload reduction credit” has had a large effect on participation standards, reducing the standard considerably from its statutory rate. In FY2003, the standard was reduced to 0% for 20 states.

Both S. 667 and H.R. 240 raise the work participation standard for all families to 70% by FY2010, and eliminate the separate standard for two-parent families. Both bills also change the credits that reduce these standards from their statutory rate (i.e., reduce the 70% standard to a lower rate), but they do so in different ways. H.R. 240 retains, but revises, the current law caseload reduction credit so that caseload change is measured from a more recent year (rather than the pre-welfare reform caseload level of 1995). Ultimately, caseload reduction would be measured based on the most recent four years. The House bill also includes a provision to give an additional credit to states that achieved a caseload reduction of 60% or more from FY1995 to FY2001.

S. 667 retains the current caseload reduction credit for FY2006 and FY2007, but beginning in FY2008 would replace the caseload reduction credit with a credit for employed welfare leavers. The bill would also cap all credits against the participation standard, so that the minimum *effective* standard would be 10% in FY2006, 20% in FY2007, 30% in FY2008, 40% in FY2009, and 50% in FY2010. There is no such minimum effective standard in H.R. 240.

Hours Standards. Current law requires that a family be considered participating only if it participates for a minimum number of hours per week in a month. Under current law, 20 hours is required for single parents with a pre-school child (under the age of 6), and 30 hours is required for other families. Higher hours are set for the purposes of the two-parent work participation rate.

Both S. 667 and H.R. 240 raise the hours standards. H.R. 240 incorporates a 40-hour workweek standard for full credit, but would also provide “partial” credit for families with at least 24 hours of participation. No special lower-hour standard would be provided for single parents with preschoolers.

S. 667 also raises the hours standard for full credit, but to a lesser extent than proposed in the House-passed bill. Single parents with a pre-school child would be given full credit for participation at 24 hours per week, and other single-parent families would be given full credit at 34 hours per week. Partial credit for single parent families would be provided at 20 hours per week. Higher hours requirements would apply to two-parent families.

Creditable Activities. Current law lists 12 activities that may be counted toward TANF work participation standards. The bulk of countable participation is in a subset of “core” activities focused on work, time-limited job search (countable for six weeks in a fiscal year, 12 weeks if criteria of economic need are met), time-limited vocational educational training (12 months in a lifetime), and community service and work experience. In meeting the general 30-hour-per-week standard, hours in educational activities are countable only for families who are also participating in at least 20 hours per week of “core” activities. Post-secondary education, other than that considered “vocational educational training,” does not count toward current law federal TANF work participation standards.

H.R. 240 and S. 667 differ significantly on the types of activities countable as core activities toward the participation standards. H.R. 240 narrows the list of core activities by eliminating job search and vocational education. Instead, the bill would give states almost total discretion to define activities that would be countable for three months in a 24-month period (four months to complete training), but once those months are exhausted, the only activities that would count toward the work participation standards are work, on-the-job training, community service, or work experience. Moreover, since job search and vocational education would be countable as sole or primary activities only during the three (or four) months that the state would have discretion, any weeks of participation in job search reduce the number of weeks that vocational education counts toward the participation standards.

On the other hand, S. 667 retains the current law list of core activities. It too provides states additional discretion by permitting states to count an expanded list of activities for three months in a 24-month period (longer for rehabilitative activities). However, this additional discretion is provided in addition to, rather than instead of, six weeks of job search and 12 months of vocational educational training, which are retained as “core” activities.

Both H.R. 240 and S. 667 would give states additional discretion in defining activities countable once a family has met the “core” work requirement (generally, 24 hours per week in core activities). H.R. 240 would allow states to define activities for families with at least 24 hours in core activities; S. 667 would allow states to count an expanded set of activities for single-parent families with at least 24 hours per week in core activities.

S. 667 includes some additional options for counting participation in activities toward TANF work standards. It would allow states to have up to 10% of their caseload enrolled in a special program of two- or four-year undergraduate education or vocational educational training. This program is modeled after the “Parents as Scholars” program that has operated in Maine using TANF MOE funds. It also allows for participation in rehabilitative activities for disabled persons (including

treatment of drug and alcohol abuse) if they combine rehabilitation with at least 10 hours of “core” activities and if the state develops a collaborative relationship between agencies and entities providing rehabilitative services and the state TANF agency. Additionally, S. 667 allows caring for a disabled family member to count as a work activity under certain circumstances.

Marriage Promotion Grants and Family Formation Issues

Current law allows states to use TANF funds for any activity “reasonably calculated” to achieve a TANF purpose. One of the statutory purposes of TANF is to end dependency of needy parents on government benefits, and one of the stated means to end such dependency is “marriage.” Another of the statutory purposes of TANF is to promote the formation and maintenance of two-parent families. “Promoting marriage” is a currently allowable use of TANF funds.

Both S. 667 and H.R. 240 would carve out special “marriage promotion grants” from existing TANF funding. Both bills include \$100 million in competitively awarded matching funds for states, territories, and tribes for marriage promotion activities. The bills would allow states to use other federal TANF funds or state funds as the match for these new marriage promotion grants.

Both bills also would provide an additional \$100 million for research and demonstrations. H.R. 240 would require that these funds be used “primarily” for marriage promotion; S. 667 would require that 80% of these funds be used for marriage promotion.

Marriage promotion activities listed in both bills are: public advertising campaigns on the value of marriage and skills needed to increase marital stability and health; education in high schools on the value of marriage; marriage education and marriage and relationship skills programs for nonmarried parents or expectant parents; pre-marital education on marriage for engaged couples; marriage enhancement and marriage skills training for married couples; divorce education programs; and marriage mentoring programs. Programs to reduce the disincentives to marriage in need-based programs could be funded from these grants only if offered in conjunction with other marriage activities.

Although the two bills provide similar funding for “marriage promotion” activities, they differ significantly in the details of their provisions authorizing these grants. S. 667 has additional language requiring that organizations familiar with domestic violence issues be consulted in developing marriage promotion projects and language to clarify that marriage promotion activities are to be voluntary. S. 667 also prohibits states from sanctioning recipients who do not participate in marriage promotion activities.

Other TANF Provisions

Both S. 667 and H.R. 240 would make additional amendments to TANF provisions regarding state plans, data reporting, tribal TANF programs, and other provisions of TANF law. These provisions are included in the detailed bill

comparison table shown below. Among the other TANF provisions addressed in the reauthorization bills:

- H.R. 240 (as amended by the House Ways and Means Subcommittee on Human Resources) would require states to conduct drug tests on applicants and recipients of TANF assistance if the state believes the individual has recently used drugs. Positive drug tests would lead to a required sanction of the family's benefit, potentially ending benefits to the family for up to three years.
- S. 667 includes authorizations for additional special-purpose (categorical) grants other than marriage promotion grants that would be added to the TANF block grant. These grants include those to allow states to operate programs to purchase cars; transitional jobs/business link grants for model employment and training programs for TANF recipients with barriers; grants for organizations that create "self-sustaining" social services (e.g., Goodwill Industries); and domestic violence grants.
- S. 667 allows states to provide assistance for teen parents not living with an adult for up to 60 days, to provide a period for the teen to come into compliance with the current law requirement to live at home or in an adult-supervised setting.
- S. 667 includes several provisions relating to tribal welfare programs, including a \$5 million per year increase in funding for tribal work programs, an \$80 million (over five years) grant for tribes for activities that aim to increase their capacity to operate TANF programs, and tribal eligibility for TANF contingency and bonus funds. H.R. 240 funds tribal TANF programs and work program at current levels through FY2010 and makes tribal organizations eligible for TANF bonuses.

Detailed Comparison of TANF Provisions of S. 667 and H.R. 240

Table 1 provides a detailed comparison of the TANF provisions of S. 667 and H.R. 240. The table provides references to current law provisions in the Social Security Act (SSA). It also denotes the section number in each of the bills in which the provision is found.

Table 1. Comparison of Current Law with S. 667 and H.R. 240 (TANF Provisions)

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
Short Title, Findings, and Statement of TANF Goals and Purposes			
Short Title	The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193).	The Personal Responsibility and Individual Development for Everyone Act (PRIDE).	The Personal Responsibility, Work, and Family Promotion Act of 2005.
Findings	P.L. 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, made a series of findings related to marriage, responsible parenthood, trends in welfare receipt and the relationship between welfare receipt and nonmarital parenthood, and trends in and negative consequences of nonmarital and teen births. [Section 101 of PRWORA]	No provision.	Makes a series of findings related to: (1) the success of the 1996 law in moving families from welfare to work and reducing child poverty; (2) progress made by the nation in reducing teen pregnancy and births, slowing increases in nonmarital births, and improving child support collections and paternity establishment; (3) the flexibility provided by the 1996 law for states to develop innovative programs; (4) further progress to be made in promoting work, strengthening families, and enhancing state flexibility to build on the success of welfare reform; and (5) establishing the sense of Congress that increasing success in moving families from welfare to work and promoting healthy marriage and other means of improving child well-being are important government interests and the policies in federal TANF law (as amended by this bill) are intended to serve those ends. [Section 4]
TANF Goals and Purposes	The purpose of TANF is to increase state flexibility in operating a program designed to: (1) assist needy families so that children may live in their homes or those of relatives; (2) end dependence of needy parents on government	Revises goal no. 4 to “encourage the formation and maintenance of <i>healthy two-parent married</i> families, and <i>encourage responsible fatherhood.</i> ” [New language in italics] [Section 103(d)]	The overall purpose of TANF is to <i>improve child well-being by increasing</i> state flexibility in operating a program designed to: (1) provide assistance <i>and services</i> to needy families so that children may live in their homes or those of

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
	benefits; (3) reduce out-of-wedlock pregnancies; and (4) encourage the formation and maintenance of two-parent families. [Section 401 of the Social Security Act (SSA)]		relatives, (2) end dependence of needy <i>families</i> on government benefits <i>and reduce poverty</i> ; (3) reduce out-of-wedlock pregnancies; and (4) encourage the formation and maintenance of <i>healthy, two-parent married families, and encourage responsible fatherhood</i> . [New language in italics] [Section 101]
TANF Financing Provisions			
State Family Assistance Grants	Provides capped grants (entitlements to states and territories). Nationally, annual family assistance grants total \$16.567 billion for the states, the District of Columbia (D.C.), and the territories. Each jurisdiction's annual grant equals the same share of the national total as in FY2002. [(Section 403(a)(1) of the SSA)] Also provides matching grants for the territories (Section 1108(b) of the SSA).	Retains basic block grants, and extends them through 2010 at current funding levels. Appropriates \$16.567 billion annually for family assistance grants to the states, D.C., and the territories. Provides that the annual grant of each jurisdiction shall equal its FY2002 proportion of the national grant total. [Section 102(a)] Extends funding for matching grants to the territories through FY2010. [Section 102(b)]	Same as S. 667. [Section 102(b)] Same as S. 667. [Section 102(c)]
Supplemental Grant for Population Increases in Certain States	Supplemental grants for (17) states with low historic federal grants per poor person and/or high population growth. Grants grew each year, from \$79 million in FY1998 to \$319 million in FY2001. Grants frozen at \$319 million since FY2001. [Section 403(a)(3) of SSA]	Extends supplemental grants for FY2006 through FY2009, at current funding levels (\$319 million). [Section 104]	Same as S. 667. [Section 104]

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
<p>Bonus to Reward Employment Achievement</p>	<p>High-performance bonus of \$200 million per year on average. [Section 403(a)(4) of the SSA]</p> <p>Maximum bonus for a state equals 5% of its family assistance grant.</p> <p>Bonus based on achievement of TANF goals, with formula developed by the Department of Health and Human Services (HHS) in consultation with the National Governors Association and the American Public Human Services Association. For FY1999-FY2001 performance, formula consisted of three work-related measures (job entry, job retention, and earnings gain). For FY2002 and later years, formula adds family formation outcomes, child care affordability, and coverage by food stamps and Medicaid/SCHIP. [Section 403(a)(4) of the SSA]</p>	<p>Replaces the high-performance bonus with a bonus to reward employment achievement. Employment achievement bonuses would total \$50 million for each of FY2006 through FY2008, and \$100 for each of FY2009 through FY2011. [Section 105]</p> <p>Maximum bonus for a state equals 5% of its family assistance grant. [Section 105]</p> <p>Bonus to be based on absolute and relative progress toward the goal of workforce attachment and advancement. [Section 105]</p> <p>Makes tribes eligible for the bonus, setting aside 2% of total employment achievement bonus dollars for them, and directs the Secretary to consult with them regarding criteria for their awards. [Section 105]</p> <p>Reduces FY2005 high-performance bonus amount to \$0. [Section 702]</p> <p>No provision.</p>	<p>Replaces the high-performance bonus with a bonus to reward employment achievement. Average total bonuses would be \$100 million for each of FY2006 through FY2011. [Section 105]</p> <p>Same as S. 667. [Section 105]</p> <p>Bonus to be based on absolute and relative progress toward goals of job entry, job retention, and increased earnings. Formula to be developed by HHS, in consultation with the states. [Section 105]</p> <p>Makes tribal organizations eligible for the bonus and directs the Secretary to consult with tribal organizations regarding criteria for their awards. [Section 105]</p> <p>Reduces the FY2005 high-performance bonus amount to \$100 million. [Section 122]</p> <p>Provides that appropriated amounts unspent (as of the date of enactment) for high-performance bonuses will be available through FY2005 for payment of high-performance bonuses for bonus year 2005 — on terms in effect before repeal of that bonus. [Section 105]</p>

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	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		For FY2006 and FY2007, employment achievement bonus may be based on three components of the repealed high-performance bonus — job entry rate, job retention rate, and earnings gain rate. [Section 105]	For FY2006, employment achievement bonus may be based on three components of the repealed high-performance bonus — job entry rate, job retention rate, and earnings gain rate. [Section 105]
Bonus to Reward Reductions in Out-of-wedlock Births	Appropriated \$100 million yearly for bonuses to the five states with the largest percentage decline (over recent two years) in the out-of-wedlock birth ratio. To qualify, states had to reduce their abortion rate to below that of FY1995. [Section 403(a)(2) of the SSA]	Repeals the bonus beginning in FY2006, and uses the \$100 million per year to fund grants for marriage promotion activities (see <i>Matching Grants for Marriage Promotion</i> , below). [Section 103(b)]	Repeals the bonus beginning in FY2005, and uses the \$100 million per year to fund grants for marriage promotion activities. [Section 103(b)]
Contingency Fund	Capped matching grants (maximum \$2 billion) provided in case of recession. To qualify for contingency dollars, states must be “needy” and must spend under the TANF program a sum of their own dollars equal to their pre-TANF spending. [Section 403(b) of the SSA]	Appropriates such sums as are needed for contingency fund grants, up to \$2 billion over five years, FY2006-FY2010. To qualify for contingency grants, a state must be “needy,” have sufficiently low TANF balances, and have an increase in its assistance caseload of over 5%.	Appropriates such sums as needed for contingency fund grants, up to \$2 billion over five years, FY2006-FY2010. To qualify for contingency grants, states must be “needy” and must spend under the TANF program a sum of their own dollars equal to their pre-TANF spending.
Needy State Eligibility Criteria	The law provides two needy state triggers: (1) an unemployment rate for a three-month period that is at least 6.5% and is 10% or more above the rate for the corresponding period in either of the two preceding calendar years; or (2) a food stamp caseload increase of 10% over the FY1994-FY1995 level (adjusted for the impact of immigrant and food stamp constraints in the 1996 welfare law). [Section 403(b)(5) of the SSA]	To trigger on as needy, a state must (1) have an increase (due in large measure to economic conditions) of 5% in the monthly average unduplicated number of families receiving assistance under its TANF program in the most recently concluded three-month period with data, compared with the corresponding period in either of the two most recent preceding fiscal years, and (2) meet one of three other conditions. They are: (a) for the most recent three-month period with data, the average rate of seasonally adjusted total unemployment must be at least 1.5 percentage points or 50% higher than in the corresponding period in either of the two most recent preceding fiscal years; (b) for the most recent 13 weeks with	Retains current law needy state triggers, but revises the food stamp trigger, requiring that the FY1994-FY1995 caseload base be readjusted for policy changes made after passage of 1996 welfare law. [Section 106(c)]

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		<p>data, the average rate of insured unemployment must be at least one percentage point higher than in the corresponding period in either of the two most recent fiscal years; or, (c) for the most recently concluded three-months with national data, the monthly average number of food stamp recipient households, as of the last day of each month, must exceed by at least 15% the corresponding caseload number in the comparable period in either of the two most recent preceding fiscal years, provided the HHS Secretary and the Secretary of Agriculture agree that the increased caseload was due, in large measure, to economic conditions rather than to policy change. A state that initially qualifies as needy because of its TANF caseload plus its food stamp caseload would continue to be considered needy as long as the state met the original qualifying conditions. A state that initially qualified as needy because of its TANF caseload plus its total or insured unemployment rate would not trigger off until its unemployment rate fell below the original qualifying level (disregarding seasonal variations in the case of the insured unemployment rate). [Section 106(b)]</p>	
<p>Financial Eligibility Requirements</p>	<p>Before drawing contingency grants, a state must expend within the TANF program 100% of what it spent on TANF predecessor programs in FY1994. Both TANF spending and FY1994 base spending exclude child care expenditures. States then must provide matching funds to draw down contingency grants (see <i>Contingency Grant Amounts</i>, below). [Section 403(b)(5) and Section 409(a)(10) of the SSA]</p>	<p>Eliminates the requirements that a state spend 100% of what it spent in FY1994 and provide matching funds. Instead, requires that unspent balances be 30% or less of cumulative TANF grants to be eligible for contingency funds. [Section 106(b)]</p>	<p>Retains current law requirements that states expend 100% of what they spent on TANF predecessor programs in FY1994 and provide matching funds. Allows states to count spending in separate state maintenance of effort programs toward these spending requirements. State child care spending also would count toward this requirement, but would also be added to base FY1994 spending. [Section 106(d) and 106(e)]</p>

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<i>Contingency Fund Grant Amounts</i>	<p>Payments are capped at 20% of a state’s basic TANF grant. A maximum advance grant of one-twelfth of its total maximum grant is allowed in a given month. [Section 403(b)(3)]</p> <p>A state’s annual contingency fund grant amount is the Medicaid matching rate times expenditures it made in excess of 100% of FY1994 expenditures. This annual amount is prorated for the number of months the state is eligible for contingency grants. If a state received advance grants that are greater than the annual amount for which it is entitled, the state must remit any excess back to the federal Treasury. [Section 403(b)(6)]</p>	<p>A state’s total contingency grant could not exceed 10% of its family assistance grant. The contingency fund grant equals the state’s federal Medicaid matching rate times the benefit cost of an increase in the TANF family caseload above 5% in the most recently concluded three-month period with data, compared with the corresponding period in either of the two most recent preceding fiscal years. (The remaining cost of the increased caseload would have to be paid with state funds or other federal TANF funds.) [Section 106(a)]</p>	<p>Retains current law's 20% maximum grant, advance grant, and annual grant based on the Medicaid matching rate times expenditures made in excess of 100% of the FY1994 level. Eliminates the proration of the annual grant for part-year eligibility for contingency funds. [Section 106(d)]</p>
<i>Tribal Eligibility for Contingency Funds</i>	<p>No provision. Tribes are not eligible for contingency fund.</p>	<p>Sets aside \$25 million of the contingency fund appropriation for grants to Indian tribes with approved tribal TANF plans. The Secretary of HHS, in consultation with tribes, shall determine the criteria for access to the fund. [Section 106(a)]</p>	<p>No provision (retains current law).</p>
Additional Grants			
<i>Social Service Capitalization</i>	<p>No provision.</p>	<p>Authorizes appropriation of \$40 million for each of FY2006-FY2010 for grants to entities for the purpose of capitalizing and developing the role of sustainable social services needed for success in moving TANF recipients to work. Requires applicants to describe their strategy for developing a program that generates its own source of on-going revenue while assisting TANF recipients. Administrative costs could not exceed 15% (except for computerization and information technology needed for tracking or monitoring required by TANF), but none of the other</p>	<p>No provision.</p>

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		statutory rules regarding use of TANF funds would apply. Requires evaluation and report to Congress. [Section 119(a)]	
<i>Car Ownership Grants</i>	No provision.	Authorizes appropriation of \$25 million for each of FY2006-FY2010 for grants for low-income car ownership. Purposes: to improve employment opportunities of low-income families and provide incentives to states, Indian tribes, localities, and nonprofit groups to develop and administer programs that promote car ownership by low-income families. No more than 5% of the funds could be used for administrative costs of the Secretary in carrying out this program. Requires evaluation. [Section 119(b)]	No provision.
<i>Transitional Jobs/business Links Grants</i>	No provision.	Authorizes appropriations of \$200 million for each of FY2006-FY2010 for business links and transitional jobs programs. Grants are to be awarded jointly by the Secretaries of HHS and Labor to fund programs to promote “business linkages” and the “transitional jobs.” Business linkages are programs designed to improve the wages of eligible individuals by improving jobs skills in partnership with employers and providing supports and services at or near the worksite. Eligible grantees are private organizations, local workforce investment boards, states, localities, Indian tribes, and employers. Individuals eligible to be served by these programs are TANF recipients, former recipients, individuals with a disability, or noncustodial parents having difficulty in paying child support obligations who also have limited proficiency in the English language or other barriers to employment.	No provision.

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		<p>“Transitional jobs” programs combine subsidized, time-limited, wage-paying supported work in the public or nonprofit sectors with skill development and activities to remove barriers to employment. Eligible grantees are private organizations, local workforce investment boards, states, localities, and Indian tribes. Individuals eligible to be served by these programs are TANF recipients, former recipients, individuals with a disability, or noncustodial parents having difficulty in paying child support obligations who also have limited proficiency in the English language or other barriers to employment.</p> <p>Requires a minimum of 40% of funds appropriated be used for business linkages and also a minimum of 40% be used for transitional jobs. Benefits and services provided under these programs are not considered assistance. The bill also requires an evaluation, and sets aside \$3 million for the Secretaries to produce assessments of these programs. [Section 119(c)]</p>	
<i>Domestic Violence Prevention Grants</i>	No provision.	Authorizes \$20 million per year for FY2006 through FY2010 for competitive matching grants (at a 75% federal matching rate) to states, Indian tribes, and tribal organizations for the development and dissemination of best practices for addressing domestic violence; implementing voluntary skills programs, including caseworker training, technical assistance, and voluntary services for victims of domestic violence; programs of relationship and financial management skills; and broad-based income support as a means to reduce	No provision.

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		domestic violence. Grantees must consult with organizations with demonstrated expertise in providing aid to victims of domestic violence. Requires the Secretary of HHS to evaluate activities under this grant. [Section 114(e)]	
Repeal of Federal Loan Fund	Provides a \$1.7 billion revolving and interest-bearing federal loan fund for state welfare programs. [Section 406 of the SSA]	Repeals the loan fund. [Section 108]	Same as S. 667. [Section 108]
Maintenance of Effort	Establishes a maintenance-of-effort (MOE) requirement that states spend at least 75% of what was spent from state funding in FY1994 on programs replaced by TANF. Nationally, this sum is \$10.4 billion. (MOE rises to 80% if state fails a work participation standard; see above.) [Section 409(a)(7) of the SSA]	<p>Continues MOE requirement through FY2010, but raises the MOE percentage to 80% if the state failed TANF work participation standards of the <i>preceding</i> fiscal year. [Section 111(a)]</p> <p>Defines state expenditures to reduce out-of-wedlock births and promote marriage and responsible fatherhood (including spending on behalf of non-needy families) as countable toward required MOE state spending. Subjects this spending to two requirements applicable to MOE funds: (1) for activities not a part of the pre-1996 welfare program, expenditures must be above FY1995 levels to be countable toward the MOE; and (2) expenditures used to compensate for federal penalties are not countable toward the MOE. [Section 103(d)]</p> <p>TANF funds used as the state match for marriage promotion grants shall not be considered state spending countable toward the MOE requirement. [Section 103(b)].</p>	<p>Same as S. 667. [Section 111]</p> <p>Defines all state expenditures to reduce out-of-wedlock births and promote marriage and responsible fatherhood (including spending on behalf of non-needy families) as countable toward required MOE state spending. [Section 103(c)]</p> <p>Provides that spending (as the state match) from federal marriage promotion grants shall not be treated as state spending toward MOE requirements. [Section 111(b)]</p>

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Funding for Child Care	PRWORA created a mandatory child care block grant and appropriated \$13.9 billion for it over six years. [Section 418 of the SSA]	For mandatory child care, increases funding by \$6 billion over five years (FY2006-FY2010). [Section 116(a)]	For mandatory child care, increases funding by \$1 billion over five years (FY2006-FY2010). [Section 208]
<i>Puerto Rico</i>	Puerto Rico and the territories do not qualify for mandatory child care funds. (Funding for child care is available from TANF and Section 1108(b) funds).	Sets aside 1.5% of supplemental mandatory funding for the Commonwealth of Puerto Rico and 0.5% for the other territories. [Section 116(b)]	No provision.
Use of Funds			
<i>General Rules</i>	<p>States may use funds in any manner reasonably calculated to accomplish the TANF purpose. [Section 404 of the SSA]</p> <p>States may use funds in any manner that they were authorized to use pre-TANF funds. [Section 404 of the SSA]</p> <p>A state may treat a family that has resided in the state for fewer than 12 months under the welfare rules of the state where they formerly lived. [Section 404 of the SSA]</p>	<p>No provision (maintains current law).</p> <p>No provision (maintains current law).</p> <p>Strikes provision permitting different treatment of families migrating into the state — found unconstitutional. [Section 107(a)]</p>	<p>Same as S. 667. (No provision, retains current law.)</p> <p>States may use funds for any purposes or activities for which they were authorized to use pre-TANF funds. [Section 107(a)]</p> <p>Same as S. 667. [Section 107(b)]</p>
<i>Transfer of funds</i>	States may transfer up to 30% of TANF funds to the Child Care and Development Block Grant (CCDBG) and the Title XX Social Services Block Grant (SSBG). Specifies that a maximum of 4.25% of total transfers may go to SSBG, effective in FY2001 (but year-by-year Congress has restored the original 10% limit). Also allows states to use TANF funds, within the overall 30% transfer limit, as matching funds for the job access transportation program for TANF recipients, ex-recipients, and persons at risk of becoming income-eligible for TANF. [Section 404 of the SSA]	Retains overall transfer limit at 30%. Sets limit on SSBG transfers at 10% (original limit in 1996 law). [Section 107(b)]	Increases the overall ceiling on transfers to 50%. [Section 107(c)] Sets limit on SSBG transfers at 10% for FY2006 and each year thereafter. [Section 107(d)]

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<i>Carryover of Funds</i>	Amounts may be spent without fiscal year limit for “assistance” (chiefly ongoing cash aid). For other benefits and services (“nonassistance”) amounts must be obligated in the year of award and spent in the following year. [Section 404 of the SSA]	Allows use of carryover funds from TANF grants for any benefit or service without fiscal year limitation. Permits a state or tribe to designate some TANF funds as a contingency reserve. [Section 107(c)]	Same as S. 667. [Section 107(e)]
<i>Use of Funds for Education</i>	States may use funds for educational activities (to promote a TANF goal or because these activities were allowed under pre-1996 law). However, only three educational activities may be counted toward state work participation rates: high school attendance, education directly related to work (both for high school dropouts only) and vocational educational training. Unless it is defined by the state as vocational educational training, postsecondary education is not a countable work activity. [Section 407(d) of the SSA]	Allows states to use TANF funds to establish an undergraduate two- or four-year degree postsecondary program sometimes known as Parents as Scholars (PAS) or a vocational educational program. Following services could be provided in these undergraduate programs: child care, transportation, payment for books and supplies, other services provided under policies determined by the state to ensure coordination and lack of duplication. Participants who are also TANF cash assistance recipients in these educational programs could be counted toward state work participation standards. See <i>Countable Activities</i> . [Section 107(d)]	No provision.
Direct Funding and Administration by Indian Tribes	Allows Indian tribes to administer their own family assistance (TANF) programs. Earmarks some TANF funds — amount equal to federal pre-TANF payments received by state attributable to Indians — for administration by tribes at their option. Sums used for tribal family assistance programs are deducted from state TANF grants. [Section 412(a) of the SSA]	Continues the authority for tribes to operate TANF programs through FY2010. [Section 113(a)]	Same as S. 667. [Section 114(a)]
<i>Tribal Work Programs</i>	Appropriates \$7.6 million annually for work and training activities (now known as Native Employment Works (NEW)) to tribes that operated a pre-TANF work and training program. [Section 412(b) of the SSA]	Provides \$12.6 million annually for NEW programs through FY2010. [Section 113(a)]	Extends the authority and funding for NEW programs at current levels (\$7.6 million annually) through FY2010. [Section 114(b)]

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		Tribes operating NEW programs may incorporate these services into a plan under the Indian Employment, Training and Related Services Demonstration Act of 1992. This permits the tribe to use a single plan, budget, and reporting format for services incorporated into the plan. [Section 113(c)]	
<i>Tribal Capacity Grants</i>	No provision.	Appropriates \$80 million for the period FY2006-FY2010 for a tribal TANF improvement fund. The fund could be used to provide technical assistance to tribes, award competitive grants to tribes, and conduct research to improve knowledge about tribal family assistance plans. [Section 113(b)]	No provision.
Work Participation Requirements and Standards			
Universal Engagement and Family Self-sufficiency Plan Requirements	<p>State plan must require that a parent or caretaker engage in work (as defined by the state) after, at most, 24 months of assistance. [Section 402(a)(1)(ii) of the SSA]. <i>Note:</i> This requirement is not enforced by a specific penalty. (States may, but need not, establish an individual responsibility plan for each family in consultation with the recipient.) [Section 408(b)(2) of the SSA]</p> <p>States must make an initial assessment of the skills, prior work experience, and employability of each recipient 18 or older or those who has not completed high school within 30 days. [Section 408(b)(1) of the SSA]</p>	<p>Repeals the 24-month work trigger. Requires state plans to outline how they intend to require parents and caretakers to engage in work or alternative sufficiency activities, as defined by the state — while observing the ban on penalizing work refusal by a single parent of a preschool child who is unable to obtain needed child care for specified reasons — and to require families to engage in activities in accordance with family self-sufficiency plans. [Section 110(a)]</p> <p>Requires states to make an initial screening and assessment, in a manner they deem appropriate, of the skills, work experience, education, work readiness, work barriers and employability of each adult or minor child head of household recipient who has attained age 18 or who has not completed high school and to assess, in a</p>	<p>Same as S. 667. [Section 109(a)]</p> <p>Requires states, in a manner they deem appropriate, to assess the skills, work experience, and employability of each work-eligible person (see definition below) and requires states to develop a family self-sufficiency plan for each family with such a person. Plans must be established within 60</p>

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		<p>manner they deem appropriate, the work support and other assistance and family support services for which families are eligible and the well-being of the family’s children and, where appropriate, activities or resources to improve their well-being. Requires states, in a manner they deem appropriate, to establish a self-sufficiency plan for each family.</p> <p><i>Required plan contents:</i> activities designed to assist the family achieve their maximum degree of self-sufficiency; requirement that the recipient participate in activities in accordance with the plan; supportive services that the state intends to provide; steps to promote child well-being and, when appropriate, adolescent well-being; information about work support assistance for which the family may be eligible (such as food stamps, medicaid, SCHIP, federal or state funded child care — including that provided under the Child Care and Development Block Grant and the Social Services Block Grant, EITC, low-income home energy assistance, WIC, WIA program, and housing assistance). The state must monitor the participation of adults and minor child household heads in the self-sufficiency plans and regularly review the family’s progress, using methods it deems appropriate, and revise the plan when appropriate. Before imposing a sanction against a recipient for failure to comply with a TANF rule or a requirement of the self-sufficiency plan, the state must, to the extent that it deems appropriate, review the plan and make a good-faith effort (defined by the state) to consult with the family. States must comply with self-sufficiency plan requirements</p>	<p>days of opening a case (within 12 months for families enrolled at the time of enactment). [Section 109(b)]</p>

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		<p>within one year after enactment (for families then receiving TANF). For families not enrolled on the date of enactment, the deadline for self-sufficiency plans is the later of 60 days after the family first receives assistance on the basis of its most recent application, or one year after enactment. Provides that nothing in the self-sufficiency plan provisions shall be construed to establish a private right or cause of action against a state for failure to comply with the provisions or to limit claims that might be available under other federal or state laws. Requires the Government Accountability Office to submit a report to the Ways and Means and Finance Committees evaluating the implementation of the universal engagement provisions of the bill. [Section 110(a)]</p> <p>Imposes a penalty on states for failure to establish self-sufficiency plans by revising the penalty provision for failure to meet TANF work participation standards. Provides failure to comply with self-sufficiency requirements and/or achieve work participation standards would result in a penalty of up to a 5% reduction in the TANF grant for the first violation (more for subsequent violations), based on the degree of <i>substantial</i> noncompliance. The Secretary is directed to take various factors into account in setting the penalty. These factors include the number or percentage of families for whom a self-sufficiency plan is not established in a timely fashion, duration of delays, whether the failures are isolated and nonrecurring, and the existence of systems to ensure establishment and monitoring of plans. Penalty may be reduced if</p>	<p>Imposes a penalty on state for failure to establish self-sufficiency plan by revising the penalty provision for failure to achieve work participation standard. Provides failure to comply with self-sufficiency requirements and/or achieve work participation standards would result in a penalty of up to a 5% reduction in the TANF grant for the first violation (more for subsequent violations). (The bill does not contain the “substantial noncompliance” language of S. 667.) [Section 109(b)] See <i>Penalty for Failing Participation Rate</i>, below.</p>

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		<p>the failure is due to circumstances that caused the state to meet the criteria for contingency funds or is due to extraordinary circumstances such as a natural disaster or regional recession. Requires Secretary, in a written report to Congress, to justify any waiver or penalty reduction due to extraordinary circumstances. [Section 110(a)]</p>	
<p>Sanctions Against Individuals for Work Refusal</p>	<p>If person in a family receiving TANF assistance refuses to engage in required work, the state shall reduce aid to the family pro rata (or more, at state option) with respect to the period of work refusal, or shall discontinue aid, subject to good cause and other exceptions that the state may establish. [Section 407(e) of the SSA]</p>	<p>No provision (maintains current law).</p>	<p>If a person in a family receiving TANF assistance fails to engage in required activities and the family does not otherwise engage in activities in accordance with its self-sufficiency plan, the state must impose a penalty as follows: (a) If the failure is partial and does not last longer than one month, the state must reduce assistance to the family pro rata (or more, at state option) with respect to any period of failure during the month, or shall end all assistance to the family, subject to good cause exceptions that the state may establish; (b) If the failure is total and persists for at least two consecutive months, the state must end all cash payments to the family, including state-funded MOE payments, for at least one month and thereafter until the person participates, subject to good cause exceptions that the state may establish. <i>Exception:</i> If a state constitution or a state statute enacted before 1966 obligated local government to provide assistance to needy parents and children, the state has one year to comply with this requirement. [Section 110(f)]</p>

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	<p><i>Exception:</i> a state may not penalize a single parent caring for a child under age 6 for refusal to work if the parent has a demonstrated inability to obtain needed child care that is appropriate, suitable, and affordable. [Section 407(e) of the SSA]</p>	<p>No provision (retains current law).</p>	<p>Same as S. 667.</p>
<p>Work Participation Standards</p>	<p>A state must engage a specified percentage of families containing adult or teen parent recipients in creditable work activities. Since FY2002, the participation standard has been 50% for all families (and since FY1999 it has been 90% for the two-parent component of the caseload). [Section 407(a) of the SSA]</p> <p>Required participation rates may be reduced by a caseload reduction credit (see below).</p>	<p>A state must engage a specified percentage of families containing adult or minor heads of households in the assistance unit in creditable activities. Participation standards are:</p> <p>50% in FY2006 55% in FY2007 60% in FY2008 65% in FY2009 70% in FY2010.</p> <p>[Section 109(b)]</p> <p>Required participation rates may be reduced by caseload reduction or employment credits, but a cap is placed on these credits. Employment credits (or caseload reduction credits or a combination of the two) may not reduce participation standards below:</p> <p>10% in FY2006 20% in FY2007 30% in FY2008 40% in FY2009 50% in FY2010.</p> <p>[Section 109(c)]</p>	<p>A state must engage a specified percentage of families with a work-eligible person in direct work or alternative self-sufficiency activities chosen by the state. Participation standards are same as S. 667. A work-eligible person is defined as a household head who is in the assistance unit, or would be in the unit if not sanctioned. [Section 110(b)]</p> <p>Required participation rates may be reduced by caseload reduction and “superachiever” credits (see below).</p>

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		Effective October 1, 2002, eliminates the separate standard for two-parent families. Also forgives states penalized for failing the two-parent standard in FY2002-FY2004. [Section 109(a)]	Effective October 1, 2005, eliminates the separate standard for two-parent families. [Section 110(a)]
<i>Caseload Reduction Credit</i>	Work participation standards are reduced by a caseload reduction credit: for each percent decline in the caseload from the FY1995 level (not attributable to policy changes), the work participation standard is reduced by one percentage point. [Section 407(3) of the SSA]	Retains current law caseload reduction credit for FY2006 and FY2007 (subject to the limits shown above). Effective October 1, 2007, replaces the caseload reduction credit with an employment credit (subject to limits shown above). [Section 109(d)] No provision.	Measures caseload reduction from a moving base year (rather than from FY1995) and shortens the measuring interval. Also changes the eligibility criteria base year from FY1995 to the new moving base. For FY2006, the credit is based on the percent decline in the caseload from FY1996 (not due to changes in eligibility criteria from FY1996); for FY2007, the base year is FY1998; for FY2008, FY2001. For FY2009 and every year thereafter, the measuring interval is three years. [Section 110(c)] Establishes a “superachiever” caseload reduction credit for a state with a reduction in FY2001 of at least 60% (for any reason) from FY1995 level. Places a cap on this credit (20 percentage points for FY2008, lesser amounts for earlier years). [Section 110(d)]
<i>Employment Credit</i>	No provision.	Establishes a percentage point “employment” credit against the work participation standard (subject to limits described above). Essentially, the credit equals a multiple of the percentage of TANF families in a month who leave ongoing cash assistance with a job. It is calculated by dividing (a) twice the quarterly average unduplicated number of families with an adult or minor head of household recipient who leaves welfare and was employed in the following quarter; by (b) the average monthly	No provision.

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		<p>number of families with an adult or minor head of household recipient who received assistance during a recent four-quarter period. At state option, calculations could include in the numerator: (1) twice the quarterly average number of families that received non-recurring short-term benefits rather than ongoing cash and who earned at least \$1,000 in the quarter after receiving the benefit, and (2) twice the quarterly average number of families that included an adult who received substantial child care or transportation assistance and earned at least \$1,000 in the quarter. If both these options were taken, the denominator would be increased by twice the number of families that received non-recurring short-term benefits during the year and by twice the quarterly average number of families with an adult who received substantial child care or transportation assistance. In consultation with directors of state TANF programs, the Secretary is to define substantial child care or transportation assistance, specifying a threshold for each type of aid — a dollar value or a time duration. The definition must take account of large one-time transition payments. [Section 109(d)]</p> <p>Gives extra credit — as 1.5 families — to a family whose earnings during the preceding fiscal year equaled at least 33% of the state's average wage. [Section 109(d)]</p> <p>Authorizes and requires the HHS Secretary to use information in the National Directory of New Hires to calculate state employment credits. If the TANF leaver's employer is not required to report new hires, the Secretary must</p>	

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		<p>use quarterly wage information submitted by the state. To calculate employment credits for families who received non-recurring short term benefits and for those who received substantial child care and transportation assistance, the Secretary is to use other required data. By August 31 of each year, the HHS Secretary must notify each state of the amount of the employment credit that will be used in calculating participation rates for the immediately succeeding fiscal year. [Section 109(d)]</p> <p>Sets October 1, 2007 as the effective date for replacement of the caseload reduction credit by the employment credit, but permits states to have a one-year delay. If a state makes this choice, its adjusted work participation standard for FY2008 shall be determined by using both the caseload reduction credit and the employment credit (one-half credit for each). [Section 109(d)]</p>	
<i>Study of the Employment Credit</i>	No provision.	Requires the Secretary of HHS to conduct a study of the design of the employment credit and report to the Senate Finance Committee and House Ways and Means Committee by September 30, 2009. [Section 109(d)]	No provision.

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
<i>Calculation of Participation Rates</i>	The monthly participation rate, expressed as a percentage, equals (a) the number of all recipient families in which an individual is engaged in work activities for the month, divided by (b) the number of recipient families with an adult recipient or minor head of household. The annual participation rate, which is compared against the participation standard, is the average of the monthly participation rates. [SSA, Section 407(b)(1)]	Similar to current law, except that states are given partial, full, or extra credit for families depending on the average number of hours per week in which they engage in activities. (See <i>Hours</i> , below).	Participation rates equal the share of hours spent in creditable activities out of a potential total of 160 hours monthly per counted family. Monthly participation rate, expressed as a percentage, is (a) the total number of countable hours, divided by (b) 160 times the number of counted families for the month. [Section 110(b)]
<i>Infant Exemption from the Work Participation Rate</i>	States may exempt the parent of a child under age 1 from work and exclude them from the calculation of work participation rates. Exclusion is limited to 12 months in a lifetime. [SSA, Section 407(b)(5)]	Permits states to exclude all families with infants (not just single parent families) from work participation calculations on a case-by-case basis. Limits this exclusion to 12 months in a lifetime. [Section 109(e)]	Similar to S. 667, but does not include the 12-month in a lifetime limit on this exclusion. [Section 110(b)]
<i>Excluding Families in Their First Month of Assistance from the Work Participation Rate</i>	No provision.	Permits states to exclude a new group from work participation calculations — families in first month of assistance. Determination is made on a case-by-case basis. [Section 109(e)]	Similar to S. 667, but does not specify that the exclusion is to be made on a case-by-case basis. [Section 110(b)]
<i>Treatment of Sanctioned Families in the Work Participation Rate</i>	States may exclude from the work participation rate calculation families subject to sanctions for refusal to comply with work requirements. Exclusion is limited to three months in a 12-month period. [Section 407(b)(1) of the SSA]	No provision, retains current law.	Same as S. 667. [Section 110(b)]
<i>Penalty for Failing Participation Rate</i>	Participation rates are enforced by a penalty on states: loss of 5% of the state's basic grant for first year of violation (higher penalty for repeat violations). Penalty must be based on the degree of noncompliance and may be reduced if the noncompliance is due to circumstances that made the state needy under the contingency fund definition or due to extraordinary circumstances such as a natural disaster or	Provides that penalty (beginning for FY2007) must be based on the degree of <i>substantial</i> noncompliance. Directs the Secretary to take into account factors such as the degree to which the state missed the participation rate, the change in the number of persons engaged in work since the prior year, and the number of consecutive years in which the state failed to achieve the work rate. Penalty may be reduced	No provision, retains current law.

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
	<p>regional recession. State must replace the amount of federal penalty funds with its own funds. [Section 409(a)(3) of SSA] In addition, the state’s MOE spending requirement rises from 75% to 80% of its historic level.</p> <p>States that fail to meet work participation standards may file a corrective compliance plan with the Secretary of HHS. The corrective compliance plan outlines what the states will do to correct or discontinue its failure to meet the standards. The Secretary may not impose the penalty if the state corrects the violation of the work standards. [Section 409(c) of the SSA]</p>	<p>if the failure is due to circumstances that caused the state to meet the criteria for contingency funds or is due to extraordinary circumstances such as a natural disaster or regional recession. Requires Secretary, in a written report to Congress, to justify any waiver or penalty reduction due to extraordinary circumstances. [Section 110(a)]</p> <p>If the Secretary accepts a state’s corrective compliance plan for failure to meet work participation standards and the state has at least a 5 percentage point improvement in its work participation rate over the previous year, the Secretary shall not impose a financial penalty on the state. [Section 111(b)]</p>	<p>No provision.</p>
Countable Activities			
<p>“Core” Activities. Activities Countable as Sole or Primary Work Activities of Recipients.</p>	<p>Federal law lists nine priority activities that must account for most weekly hours:</p> <ul style="list-style-type: none"> - unsubsidized jobs; - subsidized private jobs; - subsidized public jobs; - work experience - on-the-job training; - job search (usual limit, six weeks per fiscal year) - community service; - vocational educational training (limited to 12 months in a lifetime); - providing child care for participants in community service programs. <p>[Section 407(d) of the SSA]</p>	<p>Retains current law list of nine priority activities as “direct work” activities.</p>	<p>Lists six “direct” work activities:</p> <ul style="list-style-type: none"> - unsubsidized jobs; - subsidized private jobs; - subsidized public jobs; - on-the-job training; - supervised work experience, and - supervised community service. <p>[Section 110(e)]</p>

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
<p><i>Qualified Activities. Activities that May Substitute for, or be in Conjunction with, Core Activities for a Limited Period of Time.</i></p>	<p>No provision.</p>	<p>For three months in a 24-month period, seven additional activities may be substitute for, or be in conjunction with, direct work activities:</p> <ul style="list-style-type: none"> - postsecondary education; - adult literacy programs or activities; - substance abuse counseling or treatment (including drug or alcohol abuse counseling or treatment); - programs or activities designed to remove work barriers, as defined by the state; - work activities authorized under any waiver for any state that was continued under Section 415 before the date of enactment of this bill; - money management classes; and - parenting skills classes. <p>[Section 109(c)]</p>	<p>For three months within a 24-month period, persons participation in short-term “qualified” activities chosen by the state to promote self-sufficiency may substitute for or be in conjunction with direct work activities (examples listed in the bill are substance abuse counseling or treatment; rehabilitation treatment and services; work-related education or training directly enabling the family member for work; and job search or job readiness assistance). [Section 110(e)]</p>
<p><i>Supplemental Activities. Activities Countable Generally Only in Conjunction with “Core” or “Qualified” Activities.</i></p>	<p>For most recipients, hours of participation in these activities are countable only in conjunction with participation in priority activities (and with a minimum number of hours in priority activities). Federal law lists three such activities:</p> <ul style="list-style-type: none"> -- job skills training directly related to employment; -- education directly related to employment; and -- progress toward completion of secondary school. <p>[Section 407(d) of the SSA] See <i>Required Hours of Work</i>, below.</p>	<p>Retain current law list of three supplemental activities, and adds: marriage education, marriage skills training, conflict resolution, and programs to promote marriage. [Section 109(g)] Also permits states to count all “qualified activities” (see above), as well as job search and vocational educational training (beyond the usual time limits) as supplemental activities once a family has the minimum number of hours of “direct work” participation. [Section 109(g)]</p>	<p>States may define any other activity as countable (generally for non-core hours) so long as it leads to self-sufficiency and is consistent with the purposes of TANF. [Section 110(e)]</p>

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
<i>Postsecondary Education</i>	No provision. Postsecondary education not classified as “vocational educational training” is not countable toward TANF work participation standards.	<p>Three months of postsecondary education is countable as a “qualified activity” (see above).</p> <p>Allows states to establish a program (under Section 107) of undergraduate postsecondary education (parents as scholars) or vocational educational training for TANF recipients, former recipients, and other low income parents. For TANF recipients, hours of participation in the program would be countable toward meeting state work requirements. Students could also receive credit for hours spent in one of the nine “direct” work activities of current law or in work study, practicums, internships, clinical placements, laboratory or field work, or other activities that would enhance their employability, as determined by the state, or in study time (at the rate of not less than one hour for every hour of class time and not more than two hours for every hour of class time). Students’ total time in education, core work, work study, laboratory or field work, study time, etc., would be countable against hours requirements. Also, students could be credited as one working family if, in addition to complying with the full-time educational participation requirements of their educational program, they engaged in one of the countable work activities above for at least the following number of hours: six hours weekly in the first year, eight hours in the second year, 10 hours in the third year, and 12 hours in the fourth and any later year. For good cause, states could modify these hour requirements. To be eligible for these programs, recipients would be required to maintain satisfactory academic progress (as</p>	No provision. However, postsecondary education may be a state-defined “qualified” or “supplemental” activity.

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		defined by the institution operating the program). With good cause exceptions, participants would be required to complete requirements of a degree or vocational educational training program within the normal time frame for full-time students. [Section 107(d)]	
<i>Special Rules for Rehabilitative Activities</i>	No provision.	<p>Recipients engaged in qualified activities considered rehabilitative (adult basic education, or substance abuse treatment) for three months, may have an additional three months (known as the 3+3 program) of participation in those activities counted if combined with direct work activities. [Section 109(f)]</p> <p>Additionally, if a recipient has treatment of disabilities or substance abuse in her family self-sufficiency plan and the state has developed collaborative relationships with rehabilitation agencies, the recipient may continue to have participation in such activities countable without time limit if combined with a minimum of 10 hours of participation in a direct work activity. [Section 110(b)]</p>	No provision.
<i>Caring for a Disabled Family Member</i>	No provision.	Permits a state to deem a single parent caring for a dependent with a physical or mental impairment to be meeting all or part of the family's work requirement. [Section 109(f)]	No provision.
<i>Work Activities in Indian Areas of High Joblessness</i>	No provisions.	Permits a state to define countable work activities for persons complying with a family self sufficiency plan and living in areas of Indian country or an Alaskan native village with high "joblessness." To qualify for this	No provision.

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		option, the state must include in its TANF plan a description of its policies for these areas. Also, as noted above, allows states to define work-barrier removal activities and to adopt activities authorized under any waiver for any state that was continuing before the date of enactment. [Section 109(f)]	
Numerical Limits on Vocational Education and Teen Parents	No more than 30% of persons credited with work may consist of persons participating in vocational educational training or may be teen parents who are deemed to be working because of satisfactory attendance at secondary school or because of spending 20 hours weekly in education directly related to employment. [Section 407(c)(2)(D) of SSA]	Continues the 30% cap, but provides that it does not apply to persons in a 3+3 program receiving qualified rehabilitative services or to persons engaging in vocational educational training as a supplementary activity after meeting the 24-hour “direct work” requirement. [Section 109(f)]	No provision.
Required Hours of Work Activity	Generally, to count toward the all-family rate, average weekly participation of 30 hours (20 hours in priority work activities) is required. However, in the case of single parents with a preschool age child (who constitute half of all TANF cases), the hours requirement is 20 per week. For two-parent families the standard is 35 hours (30 in priority work activity), but increases to 55 hours (50 in priority activities) if the family receives federally-subsidized child care. [Section 407(c)(1) of the SSA] For a single parent caring for a child under age 6, 20 hours of participation satisfies the standard. [Section 407(c)(2)(B) of the SSA]	Establishes standard TANF work weeks as follows: 24 hours for a single parent with a child under age 6; 34 hours for a single parent with a child over 6 (with 24 hours in a priority activity) 39 hours for a two-parent family (but 55 hours if that family receives federally funded child care) — with most hours in a priority activity. Families meeting the standard are counted as one family in calculating the state’s work participating rate. Those exceeding the standard receive extra credit, and some who fall short of the standard receive partial credit (see below). Average weekly hours are computed by dividing monthly hours of participation by 4. [Section 109(f)]	Establishes a 160-hour-per-month work standard. [Section 110(b)] Generally, states must engage all families with a “work- eligible” member in a direct work activity or alternative self-sufficiency activity for an average of 40 hours weekly (the actual standard is 160 hours per month, equal to a weekly average of 37 hours) — of which 24 hours must be in one of the direct work activities listed in the law and up to 16 hours may be in a TANF-purposeful activity chosen by the state. [Section 110(e)]

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	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
<i>Special Rule for Teen Parents</i>	Teen parents are deemed to meet the weekly hour participation standard by maintaining satisfactory attendance in secondary school (or the equivalent in the month) or by participating in education directly related to employment for an average of 20 hours weekly. [Section 407(c)(2)(C) of the SSA]	Counted as one working family is a teen parent who maintains satisfactory school attendance or participates in education directly related to employment for an average of 20 hours weekly. [Section 109(f)]	Essentially the same as current law. Teen parents are deemed to satisfy the (40-hour weekly) work rule by virtue of satisfactory school attendance (or the equivalent in the month) or by participating in education directly related to employment for an average of 20 hours weekly [Section 110(e)].
<i>Partial Work Credit</i>	None.	Families who meet core work requirements but fail the full standard receive partial credit as follows: Credited as .675 of a family are single parent families (with or without a child under six) who have 20-23 hours of work and two-parent families with 26-29 hours of work (40-44 hours if they receive federally subsidized child care). Counted as .75 of a family are single parent families without a preschool child who work 24-29 hours and two-parent families with 30-34 hours (45-50 if they receive child care). Counted as .875 of a family are single parent families without a preschool child who work 30-33 hours and two-parent families who work 35-38 hours (51-54 hours if they receive child care). [Section 109(f)]	Families who meet the 24-hour weekly direct work requirement but fail the 40-hour standard, receive pro-rata credit for all hours worked (but zero credit unless meet the 24-hour direct work rule). [Section 110(b)]
<i>Extra Work Credit</i>	None.	Families that exceed the standard hourly work requirement receive extra credit, as follows. Credited as 1.05 of a family are single-parent families who work 35-37 hours and two-parent families who work 40-42 hours (56-58 hours if they receive child care). Credited as 1.08 of a family are single-parent families who work 38	Counts all hours worked above the 40-hour full weekly standard, provided 24 hours are spent in direct work (or, for a limited time, in certain other qualified activities) and no more than 16 hours are in non-priority activities. [Section 110(c)]

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		or more hours and two-parent families who work 43 or more hours (59 or more hours if they receive child care). [Section 109(f)]	
Other Requirements with Respect to Families Receiving Assistance			
Drug Testing	States are given the authority to test welfare recipients for use of controlled substances and sanction recipients who test positive for controlled substances. [Section 902 of the Personal Responsibility and Work Opportunity Reconciliation Act.]	No provision (retains current law).	<p>States are required to test applicants and recipients of TANF for use of drugs if the state has a reason to believe he or she has recently used a controlled substance. If the applicant or recipient tests positive for drug use, or if the state otherwise determines that he or she has recently used drugs, the state must ensure that the family self-sufficiency plan addresses the use of the substance; suspend cash assistance to the family until a subsequent test shows no drug use; and require the applicant or recipient to undergo periodic drug tests (every 90 or 60 days) as a condition of receiving cash assistance.</p> <p>Requires states to end benefits to the family for three years if the recipient fails the drug test at least three consecutive times (states may set a laxer requirement, allowing failure of the drug test for up to six consecutive times).</p> <p>The Secretary of HHS is required to penalize a state that does not comply with this requirement. The penalty is a minimum of 5% of the state's block grant, and a maximum of 10% of the state's block grant, with the</p>

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			Secretary determining the exact penalty amount. [Section 123]
Eligibility for Teen Parents	Federal TANF funds cannot be used to assist an unmarried teen parent (under the age of 18) who does not reside in the home of her parents or in another adult supervised setting. The State must assist such a teen parent in locating a second chance home, maternity home, or other appropriate adult-supervised supportive living arrangement unless the state determines that the individual's living arrangement is appropriate.	Permits states to use federal TANF funds to assist an unmarried teen parent for up to 60 days. Adds transitional living youth projects to the accepted living situations for a teen parent receiving TANF assistance. [Section 110(b)]	No provision (retains current law).
Displacement of Regular Workers	A recipient may fill a vacant employment position. However, no adult in a work activity that is funded in whole or in part by federal funds may be employed or assigned when another person is on layoff from the same or any substantially equivalent job, or if the employer has ended the employment of any regular employee or otherwise caused an involuntary reduction in its workforce in order to fill a vacancy with a TANF recipient. These provisions do not preempt any provision of state or local law that provides greater protection against displacement. States are required to have a grievance procedure to resolve complaints of displacement of permanent employees.	Provides that an adult recipient cannot displace any employee or position (including partial displacement), fill any unfilled vacancy, or perform work when any individual is on layoff from the same job or substantially equivalent job. TANF work activities cannot impair existing contracts or services; be inconsistent with any law, regulation, collective bargaining agreement; or infringe on the recall rights or promotional opportunities of any worker. TANF work activities must be in addition to any activity that would otherwise be available and not supplant the hiring of a non-TANF worker. Requires states to have a grievance procedure for resolving complaints, including the opportunity for a hearing, and sets time	No provision (retains current law).

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		standards for the process. It provides remedies for a violation of the non-displacement provisions, including termination and suspension of payments, prohibition on placement of the participant, reinstatement of the employee, or other relief to make the aggrieved employee whole. These provisions do not preempt or supersede any state or local law that provides greater protection. [Section 119(c)]	
Disregard of Months Toward the TANF Time Limit for Months Living in Indian Country Areas with Joblessness	Federal TANF grants may not be used to aid a family with an adult who has received 60 months of assistance. Months in which an adult lives in Indian Country with a jobless rate of 50% or more are not counted toward the 60 month time limit.	Modifies this exclusion, providing that months in which an adult lives in Indian Country with a jobless rate among adult recipients of 40% or more are not countable toward the time limit. The 40% threshold is dropped down to 35% if the state meets any of the needy state criteria under the contingency fund or if the tribe meets criteria for contingency funds. Modifications do not apply to Alaska. [Section 110(c)]	No provision (retains current law).
Marriage Promotion			
TANF Goals and Purposes	Two purposes relate to marriage. One goal is to end dependency of needy parents on government benefits, with one of the stated means of accomplishing the goal specified as marriage. A second purpose is to encourage the formation and maintenance of two-parent families.	The stated purpose of promoting the formation and maintenance of two-parent families is modified to read: encourage the formation and maintenance of <i>healthy two-parent married families, and encourage responsible fatherhood</i> . [New language in italics] [Section 103(e)]	The stated purpose of promoting the formation and maintenance of two-parent families is modified to read: encourage the formation and maintenance of <i>healthy, two-parent married families, and encourage responsible fatherhood</i> . [Section 101]

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<p>Funding for Marriage Promotion Matching Grants</p>	<p>No provision for special grants. States may use TANF block grants to promote formation and maintenance of two-parent families (program goal no. 4) and to promote marriage as a means of ending dependence on government benefits (goal no. 2).</p>	<p>Appropriates \$100 million annually for FY2006 through FY2010 for 50% competitive matching grants to states, Indian tribes, and tribal organizations for programs to promote and support healthy married two-parent families. [Section 103(b)]</p> <p>Makes funds appropriated for each of FY2006 through FY2010 available to the Secretary until expended. Also, permits grantees to use funds without fiscal year deadline. [Section 103(b)]</p> <p>Provides that federal TANF funds used for marriage promotion may be treated as state matching funds for marriage promotion grants [Section 103(b)]</p> <p>Provides that general rules governing uses of TANF block grant funds (other than administrative limit) shall not apply to marriage promotion grants. [Section 103(b)]</p>	<p>Appropriates \$100 million annually for FY2005 through FY2010 for 50% competitive matching grants to states, territories, and tribal organizations for programs to promote and support healthy, married two-parent families Similar to S. 667, but does not include “Indian tribes” as a potential grant recipient. [Section 103(b)]</p> <p>Makes funds appropriated for FY2005 available to the Secretary through FY2006. [Section 103(b)]</p> <p>Provides that federal TANF funds used for marriage promotion must be treated as state matching funds for marriage promotion grants. [(Section 111(b)(1)] See <i>Maintenance of Effort</i> for treatment of TANF spending on behalf of marriage promotion. [Section 103(c)]</p> <p>No provision.</p>
<p>Allowable Activities for Marriage Promotion Grants</p>	<p>No provision. (TANF and MOE funds may be used for marriage promotion activities.)</p>	<p>Grants may be used for: advertising campaigns; education in high schools; voluntary marriage education, marriage skills and relationship skills programs that may include parenting skills, financial management, conflict resolution, and job and career advancement for non-married pregnant women</p>	<p>Grants may be used for: advertising campaigns; education in high schools; marriage education, marriage skills and relationship skills programs that may include parenting skills, financial management, conflict resolution, and job and career advancement for non-married pregnant women and expectant</p>

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		and expectant fathers; voluntary pre-marital education and marriage skills training for engaged couples and individuals and couples interested in marriage; voluntary marriage enhancement and marriage skills training programs for married couples; voluntary divorce reduction programs; voluntary marriage mentoring programs; programs to reduce marriage disincentives in means-tested programs, if offered in conjunction with any other listed activity. [Section 103(b)]	fathers; pre-marital education and marriage skills training for engaged couples and individuals and couples interested in marriage; marriage enhancement and marriage skills training programs for married couples; divorce reduction programs; marriage mentoring programs; programs to reduce marriage disincentives in means-tested programs, if offered in conjunction with any other listed activity. [Section 103(b)]
<i>Domestic Violence Provisions</i>	No provision.	Forbids award of a grant unless the applicant has consulted with organizations that have demonstrated expertise in working with survivors of domestic violence; the application describes how the program/activities will deal with issues of domestic violence; establishes written protocols that provide for the identification of instances and risks of domestic violence; specifies procedures for making service referrals and providing protections. [Section 103(b)]	No provision.
<i>Requirements for Voluntary Participation</i>	No provision.	Requires that participation in marriage promotion activities (other than media campaigns and high school education) is voluntary. Requires that the application for the grant describe what the grantee will do to ensure that participation in programs and activities is voluntary.	No provision.

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		<p>States, Indian tribes, or tribal organizations that carry out marriage promotion activities are required to assure the Secretary of HHS that recipients who elect to participate in marriage promotion activities are informed that participation is voluntary, that they may choose to disenroll from the program at any time, and they may be reassigned to other activities.</p> <p>Recipients of cash assistance may not be sanctioned for withdrawing from, or failing to participate in marriage promotion activities. [Section 103(b)]</p>	
<p><i>Performance Goals/reporting Requirements</i></p>	<p>No provision.</p>	<p>Requires grantees to establish performance goals that clarify the primary objective of funded programs is to increase the incidence and quality of healthy marriages and not solely to expand the number or percentage of married couples.</p> <p>Requires grantees to submit annual reports to the Secretary of HHS that describe the written protocols established to identify domestic violence, identify who was consulted in the development of the protocols, describe who provided training for grantees on domestic violence, and describe implementation issues with respect to domestic violence.</p> <p>The Secretary of HHS is required to submit a report to Congress every six months providing:</p>	<p>No provision.</p>

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		<p>the name of each program or activity funded with marriage promotion grants; description of types of services offered under the program; criteria for the selection of programs or activities funded with the grant; total number of individuals served by the programs; total number of individuals who completed the program; and total number of individuals who did not complete the program; and summaries of written domestic violence protocols, who the grantees consulted with regard to domestic violence, and training provided to grantees on domestic violence. [Section 103(b)]</p>	
<p>Research and Demonstrations on Marriage Promotion</p>	<p>No special provision to fund research or demonstrations. However, available TANF research funds (see <i>Research and Demonstrations</i>, below) and other research funds provided to the Department of Health and Human Service may be used to evaluate marriage promotion initiatives.</p>	<p>Appropriates \$100 million each for FY2005 through FY2010 for research and demonstration projects and for technical assistance to states, tribal organizations, and other entities chosen by the Secretary. Specifies that 80% of these funds must be spent on research and demonstration projects, or for providing technical assistance, in connection with activities allowed under marriage promotion grants (see above). Provides that all appropriated funds shall remain available until expended. [Section 114(a)]</p>	<p>Appropriates \$102 million each for FY2005 through FY2010 for research and demonstration projects and for technical assistance to states, tribal organizations, and other entities chosen by the Secretary. Specifies that these funds must be spent primarily on activities allowed under marriage promotion grants (see above). (Sets aside \$2 million yearly for demonstration projects for coordination of child welfare and TANF services to tribal families at risk of child abuse or neglect.) Provides that funds appropriated for FY2005 shall remain available through FY2006. [Section 115(a)]</p>
<p>Provisions to Address Domestic Violence and Voluntary Participation Issues for Research Funds</p>	<p>No provision.</p>	<p>Forbids Secretary to pay these research funds to an entity that has not consulted with organizations that have demonstrated expertise in working with survivors of domestic violence; describe in the application for a grant how the</p>	<p>No provision.</p>

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		<p>programs or activities will appropriately address domestic violence; establish written protocols to help identify instances or risks of domestic violence; specify procedures for making service referrals; establish performance goals for the program; and submit reports annually to the Secretary of HHS (see marriage promotion grants, above).</p> <p>Requires applications for the grant to describe what the grantee will do to assure that participation in marriage promotion activities is voluntary, and inform potential recipients that their participation is voluntary. [Section 114(a)]</p>	
State Plans, Data Reporting, Research (Other than Marriage Promotion) and Other Provisions			
State Plan Requirements	<p>Each state must outline (generally in a plan effective for three fiscal years), how it intends to: conduct a program providing cash assistance to needy families with children and providing parents with work and support services; require caretaker recipients to engage in work (at state definition) after 24 months of aid or sooner, if then judged work-ready; ensure that caretakers engage in work in accordance with the law; take steps deemed necessary by the state to restrict use and disclosure of information about recipients; and conduct a program providing education and training on the problem of statutory rape. In addition, the plan must indicate whether the state intends to treat families moving into the state differently from others; indicate whether</p>		<p>Adds requirement that each state must describe what it will do to end dependence of needy families on government benefits and reduce poverty by promoting job preparation and work and; encourage formation and maintenance of healthy, two-parent married families, encourage responsible fatherhood, and prevent and reduce the incidence of out-of-wedlock pregnancies. [Section 112].</p>

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
	<p>the state intends to aid noncitizens; set forth objective criteria for benefit delivery and for fair and equitable treatment. In the plan the state must certify that it will operate a child support enforcement program and a foster care and adoption assistance program and provide equitable access to Indians ineligible for aid under a tribal plan. It must certify that it has established standards against program fraud and abuse. It must specify which state agency or agencies will administer and supervise TANF. In addition, the state may opt to certify that it has established and is enforcing procedures to screen and identify recipients with a history of domestic violence, to refer them to services, and to waive program rules for some of them. [Section 402(a) of the SSA]</p>		
<p><i>Participation of Faith-based Organizations in Provision of Services</i></p>	<p>No state plan provision.</p>	<p>If the state is undertaking strategies or programs to engage faith-based organizations in the delivery of TANF services, or that otherwise relate to the charitable choice provisions of P.L. 104-193, the state plan must describe such strategies and programs. [Section 101(a)]</p>	<p>The state plan must describe strategies or programs to engage faith-based organizations in the delivery of TANF services, or that otherwise relate to the charitable choice provisions of P.L. 104-193. [Section 112(a)]</p>
<p><i>State Plan Requirement for Community Service after Two Months</i></p>	<p>Unless the governor opts out by notice to HHS, the state will require a parent who has received TANF for two months and is not work-exempt to participate in community service employment.</p>	<p>Eliminates this requirement. [Section 101(a)]</p>	<p>Same as S. 667. [Section 112(a)]</p>

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
<i>Measurable Performance Goals</i>	State plans must establish goals and take action to prevent/reduce the incidence of out-of-wedlock pregnancies.	States must establish measurable performance objectives for pursuing all TANF purposes (current law only specifies establishment of goals for reducing out-of-wedlock pregnancies). These goals are to give consideration to those developed by the Secretary of HHS in establishing performance targets for the employment bonus (see above) and additional criteria related to other TANF purposes developed by the Secretary (in consultation with state groups).	State plans to include measurable performance objectives for accomplishing ending dependence of needy families on government benefits and reducing poverty (including objectives consistent with the criteria for awarding Employment Achievement bonuses) and for encouraging the formation and maintenance of two-parent married families, encouraging responsible fatherhood, and reducing the incidence of out-of-wedlock pregnancies. [Section 112(a)]
<i>Program Strategies</i>		States plan is to describe strategies and programs the state is using or plans to use to address employment retention and advancement for recipient of assistance; efforts to reduce teen pregnancy; services for struggling and noncompliant families; and program integration, including the extent to which employment and training services are provided through One-Stop Career Centers created under the Workforce Investment Act. State plan is to describe strategies to improve program management and performance. [Section 101(a)]	Same as S. 667. [Section 112(a)]
<i>Description of State Assistance Programs</i>	No provision.	Requires the state plan to include, to the extent applicable, for each program that provides assistance information on its: financial and nonfinancial eligibility rules; amount of assistance; and applicable time limits and time limit rules. [Section 101(a)]	No provision.

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	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
<i>Indian and Tribal Issues</i>	States must certify that they will provide equitable access to TANF to Indians who are ineligible for tribal family assistance programs. [Section 402(a) of the SSA]	Requires that the state plan include a description of how the state will ensure equitable access to TANF to Indians who are ineligible for tribal family assistance programs. States must certify that they will consult with each Indian tribe regarding the state plan to ensure equitable access, and provide each member of an Indian tribe in the state who is ineligible for aid from a tribal family assistance program with equitable access to TANF. [Section 113(d)] Requires that the certifications include that tribal governments have been consulted in the development of the state plan. [Section 101(a)]	Requires tribal family assistance plans to provide assurance that the state in which the tribe is located has been consulted regarding the plan and its design. [Section 112(b)]
<i>Two-parent Families</i>	No provision.	Requires plan to describe how the state intends to encourage equitable treatment of healthy, married two-parent families under TANF. [Section 101(c)]	Same as S. 667. [Section 101(c)]
<i>Description of Additional State Options for the Work Requirements</i>	No provision.	If state provides TANF-funded transportation aid, requires certification by the governor that state and local transportation officials and planning bodies have been consulted in development of the plan. [Section 101(a)] If a state counts caring for a disabled family member as a work activity, the state must describe how it will do so. States opting to fund a post-secondary education program (<i>Parents as Scholars</i>) are required to file an addendum to the state plan	No provision.

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	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		<p>describing the program’s eligibility criteria.</p> <p>States opting to provide continuing rehabilitative activities are required to file an addendum to the state plan describing the process for developing collaborative relationships between governmental and private entities and an assurance of regular contact between the provider and the state.</p>	
<i>Standard Form</i>		<p>Requires the HHS Secretary to develop a proposed Standard State Plan Form for use by states not later than nine months after date of enactment of the bill. Requires states to use the standard state plan form beginning in FY2007. Allows states to delay submission of state plans until FY2007.</p> <p>Requires states to make drafts of proposed plans (and plan amendments) available to the public through a state-maintained Internet website and through other means found appropriate by the state. States also must make TANF state plans in effect for any fiscal year available to the public, by the above means. [Section 101(b)].</p>	No provision.
Performance Measures	No provision. (However for the purpose of awarding performance bonuses, the Secretary is to develop a formula in consultation with the National Governors Association and the American Public Welfare Association.)	Requires the Secretary, in consultation with the states, to develop uniform performance measures to judge the effectiveness and improvement of state programs in accomplishing TANF purposes. [Section 101(d)]	Same as S. 667. [Section 112(c)]

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
Rankings of States	<p>Directs HHS Secretary to rank states in order of success in moving recipients into long-term private jobs and reducing the proportion of out-of-wedlock births and in both cases to review programs of the three states with highest and lowest ratings. [Section 413(d) and(e) of the SSA]</p>	<p>Revises the employment measure to be “unsubsidized employment.” Adds employment retention and ability to increase wages to factors used for rankings. Also, adds three new ranking factors: the degree to which recipients have workplace attachment and advancement, reducing the overall welfare caseload, and, when a practicable method of calculation becomes practicable, diverting persons from making formal applications to TANF. [Section 101(e)]</p> <p>In ranking states, Secretary must take into account the average number of minor children living at home in families with income below the poverty line, the child poverty rate, and the amount of TANF funding provided to each state for these families. [Section 101(e)]</p>	<p>Deletes “long-term” qualifier from private job measure. Adds employment retention and ability to increase wages to factors used for rankings. Also, adds three new ranking factors: the degree to which recipients have workplace attachment and advancement, reducing the overall welfare caseload, and, when a method of calculation becomes practicable, diverting persons from making formal applications to TANF. [Section 112(d)]</p> <p>No provision.</p>

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
<p>Data Collection and Reporting</p>	<p>States are required to collect monthly, and report quarterly, disaggregated case record information (but may use sample case record information for this purpose) about recipient families in the TANF program. [Section 411(a) of the SSA]</p> <p>Required family information includes: county of residence; whether a member received disability benefits; ages of members; size of family and the relation of each member to the family head; employment status and earnings of the employed adult; marital status of adults; amount of unearned income received by family members; citizenship of family members; number of families and persons receiving aid under TANF (including the number of two-parent and one-parent families); total dollar value of assistance given; total number of families and persons aided by welfare-to-work grants (and the number whose participation ended during a month); number of noncustodial parents who participated in work activities; for each teenager, whether he/she is the parent of a child in the family; race and educational level of each adult; race and educational level of each child; whether the family received subsidized housing medicaid, food stamps, or subsidized child care (and if the latter two, the amount); number of months that the family received each type of aid under the program.</p>	<p>Requires quarterly reports to cover families in MOE-funded separate state programs, as well as those in TANF state programs. Permits the Secretary to limit use of sampling by designating core elements that must be reported for all families.</p> <p>In terms of data elements, adds race and educational level of each <i>minor parent</i>. Deletes educational level of each child. Eliminates reporting of the amount of child care and food stamp benefits. Eliminates the requirement to report on different types of TANF assistance (conforms reporting with new, narrower definition of assistance). Requires information on why a family is on the rolls in excess of 60 months. Requires reporting on the date the family first received aid on the basis of its most recent application and the marital status of the parents of any child in the family at the birth of the child, and if the parents were not then married, whether the paternity of the child has been established. [Section 112(a)]</p>	<p>Same as S. 667. [Section 113(a)]</p> <p>Same as S. 667.</p>

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		The HHS Secretary shall prescribe regulations needed to define data elements and to collect necessary data and shall consult with the National Governors Association, the American Public Human Services Association, the National Conference of State Legislatures, and others. [Section 112(e)]	
<i>Data Reporting on Work Participation</i>	Quarterly reports are to include information required to compute TANF work participation rates. This includes number of hours per week, if any, that adults participated in specified activities (education, subsidized private jobs, unsubsidized jobs, public sector jobs, work experience, or community service, job search, job skills training or on-the job training, vocational education). [Section 411(a) of the SSA]	Requires that states report hours of participation in all activities that count toward meeting TANF participation standards as well as other work and self-sufficiency activities. Also requires reporting on whether the family has a self-sufficiency plan established for it and progress toward universal engagement. [Section 112(a)]	Adds to reported activity list: <i>training and other activities directed at TANF purposes</i> . Adds <i>and (job) placement</i> to job search. Omits job skills training and vocational education. Specifies that work experience and community service are “ <i>supervised</i> .” Also requires reporting on whether the family has a self-sufficiency plan established for it and progress toward universal engagement. [Section 113(a)]
<i>Data Reporting on Indians</i>	No provision.	Requires the quarterly report to include information on the demographics and caseload characteristics of Indians in state TANF and MOE programs. [Section 113(e)]	No provision.
<i>Reporting on Families Leaving TANF</i>	From a sample of closed cases, the quarterly report is to give the number of case closures because of employment, marriage, time limit, sanction, or state policy. [Section 411(a) of the SSA]	Deletes reporting of families leaving TANF because of <i>marriage</i> . [Section 112(a)]	Same as S. 667. [Section 113(a)]

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	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		Requires quarterly reports to include the number of families and persons who became ineligible to receive TANF during the month (broken down by the number that lost eligibility because of earnings, changes in family composition that result in higher earnings, sanctions, time limits, or other specified reasons). [Section 112(c)]	Same as S. 667. [Section 113(c)]
<i>Reports for Families Receiving TANF-funded Child Care</i>	No provision. TANF data collection applies only to families receiving assistance.	Applies the reporting requirements of the Child Care and Development Block Grant (CCDBG) to TANF-funded child care. Allows for a waiver process if the state is unable to comply with this requirement. [Section 112(d)]	No provision.
<i>Monthly State Reports</i>	No provision.	Requires states to submit monthly reports on the number of families and persons receiving assistance from TANF and separate state MOE programs. [Section 112(f)]	Requires states to submit monthly reports on the number of families and persons receiving assistance from TANF. [Section 113(c)]
<i>Annual State Reports</i>	Regulations require states to annually submit a program report (by December 31 of each year) providing financial eligibility rules for all programs funded by TANF or state MOE funds. For each MOE program, reports are to include the name, purpose, and eligibility criteria.	Requires states to submit an annual report on characteristics of the state TANF program and other state programs funded with MOE funds. Required information: program name and purpose, description of program activities, sources of funding, number of beneficiaries, sanction policies, and any work requirements. [Section 112(f)]	Same as S. 667. [Section 113(e)]

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	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
Annual Report on Program Performance	No provision.	Beginning with FY2007, states must submit to HHS an annual report on achievement and improvement under numerical performance goals and measures. Requires an annual report on progress toward full engagement.	Same as S. 667. [Section 113(e)] No provision.
HHS Reports	Requires the HHS Secretary to make annual reports to Congress that include state progress in meeting TANF objectives (increasing employment and earnings of needy families and child support collections, and decreasing out-of-wedlock pregnancies and child poverty), demographic and financial characteristics of applicants, recipients, and ex-recipients; characteristics of each TANF program; and trends in employment and earnings of needy families with children. Requires the HHS Secretary to submit to four committees of Congress annual reports on specified matters about three groups: children whose families lost TANF eligibility because of a time limit, children born after enactment of TANF to teen parents, and persons who became teen parents after enactment. [Section 413(g) of the SSA]	Sets July 1 of each fiscal year as the deadline for the report. Deletes applicant families from the report. Adds requirement to report on characteristics of MOE-funded programs. [Section 112(g)]	Same as S. 667. [Section 113(f)]

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	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
<i>Information on Indians in the TANF Annual Report</i>	No provision.	Requires the TANF annual report to include state-specific information about the demographics and caseload characteristics of Indians in state TANF and MOE programs. [Section 113(e)]	No provision.
Single Audit Reports	TANF payments to states are subject to the Single Audit Act. [Section 409(a)(1)]	No provision.	The Secretary, within three months of receiving an audit from a state, shall analyze it to identify the extent and nature of problems related to the state's oversight of contracts between nongovernmental entities and the state TANF program. [Section 113(g)]
Research, Evaluations, and National Studies			
<i>Research on State Programs</i>	Requires HHS Secretary to conduct research on effects, costs, and benefits of state programs. Provides that Secretary may help states develop innovative approaches to employing TANF recipients and shall evaluate them. Appropriates \$15 million yearly and directs how it shall be divided. [Section 413(h) of the SSA.] (Note: In subsequent appropriation acts, Congress has rescinded these funds and appropriated research funds on a less prescriptive basis under Section 1110 of the Social Security Act, which deals with cooperative research and demonstration projects.)	Continues these provisions and appropriates \$15 million annually for them through FY2010. [Section 114(b)]	Same as S. 667. [Section 115(b)]

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	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
<i>Indicators of Child Well-being</i>	No provision.	Appropriates \$10 million per year for FY2006 through FY2010 for the Secretary of HHS to, through grants, contracts, and interagency agreements, develop indicators of child well-being for each state. Among other requirements, the indicators are required to be statistically representative at the state level, consistent across states, and oversampled with respect to low-income families with children. The Secretary is to establish an advisory panel to make recommendations regarding appropriate measures and statistical tools with respect to the indicators.	No provision.
<i>Research on Tribal Social Services Issues</i>	No provision.	Appropriates \$2 million for FY2006 (available until expended) to conduct research on tribal family assistance grants and efforts to reduce poverty among Indians. [Section 114(f)]	Sets aside \$2 million annually for FY2006 through FY2010 to be awarded on a competitive basis to fund demonstration projects designed to test the effectiveness of tribal governments and consortia in coordinating child welfare services to tribal families at risk of child abuse or neglect. [Section 115(a)]
Census Bureau Study	Directs the Census Bureau to expand the Survey of Income and Program Participation (SIPP) to obtain data with which to evaluate TANF's impact on random national sample of recipients. Appropriates \$10 million annually. [Section 414 of the SSA]	Appropriates \$10 million annually for FY2006 through FY2010 to the Census Bureau. Directs the Bureau to implement or enhance a longitudinal survey of program participation to permit assessment of outcomes of continued reform on the economic and child well-being of low-income families with children, including those who received TANF-funded aid or services. Survey content should include	Same as S. 667. [Section 116]

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	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		<p>information needed to examine the issues of out-of-wedlock childbearing, marriage, welfare dependency, beginning and ending of spells of assistance, work, earnings, and employment stability. To the extent possible, survey is to provide state representative samples. Funds are to remain available through FY2010 for this survey. [Section 115(a)]</p> <p>Requires the Secretary of Commerce to make reports to the Ways and Means and Finance Committees on the well-being of children and families, based on data collected in the above study. First report is due two years after enactment; the second one, five years after enactment. [Section 115(b)]</p>	<p>No provision.</p>
<p>Teen Pregnancy Resource Center</p>	<p>No provision.</p>	<p>Appropriates \$5 million for FY2006 (to be available through FY2010) for the Secretary of HHS to award a grant to a nationally recognized, nonpartisan, nonprofit organization (that meets stipulated requirements) to establish and operate a national teen pregnancy prevention resource center. The purpose of the resource center is to improve the well-being of children and families and encourage young people to delay pregnancy until marriage. The resource center will provide information and technical assistance to states, Indian tribes, local communities, and other private or public organizations seeking to reduce rates of teen pregnancy; support parents in their role in</p>	<p>No provision.</p>

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		preventing teen pregnancy; and assist the entertainment media industry by encouraging them to develop content and messages for teens and adults that can help prevent teen pregnancy. [Section 119(d)]	
Best Practices for Dealing with Domestic Violence	No provision.	Authorizes \$10 million per year for FY2006 through FY2010 to develop and implement program designed to address domestic violence. Programs shall include training for caseworkers administering TANF; technical assistance; provision of voluntary services for victims of domestic violence; and activities related to the prevention of domestic violence. [Section 103(c)]	No provision.
Waivers and Program Coordination	Permits the HHS Secretary to waive compliance with requirements for TANF state plans (and for child support plans), but not for any other part of TANF law (including work standards, time limits, funding rules, and penalties). [Section 1115 of the SSA]	Creates “superwaiver” authority for up to 10 states (including any portion of a state) to coordinate rules of three specified programs for low-income families (all under jurisdiction of the Finance Committee): TANF, SSBG, child care entitlement funds. Specified provisions could not be waived including: civil rights provisions, program purposes or goals, state spending requirements, health or safety rules, labor standards, and others. Cannot waive funding restrictions in an appropriation act and funds cannot not be transferred from one account to another, and projects could not increase federal costs. Waivers would be valid for up to five years. Applicants must give assurances that they will obtain an evaluation	Similar rules as S. 667, except covers 10 programs and activities: TANF, Welfare-to-Work grants, SSBG, Job Opportunities for Low-Income Individuals (JOLI), Title I of WIA (excluding Job Corps), Adult Education and Family Literacy Act, CCDBG, U.S. Housing Act (excepting Section 8 rental assistance and set-asides for the elderly and disabled), Homeless Assistance Act; and the Food Stamp program. Food stamp non-financial rules cannot be waived. Requires an evaluation, but not a random assignment evaluation. [Section 601]

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	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		<p>by an independent contractor and that random assignment of clients to services and control groups will be used to the maximum extent feasible.</p> <p>Purposes: supporting working persons and families, helping families escape welfare dependency, promoting child well-being, or helping build stronger families. Applications to waive specific provisions of two or more programs could be made by the head of a state entity or a sub-state entity administering the programs. Waiver approval would be required by each relevant Secretary. In general, an application would be deemed approved unless disapproved within 90 days. Requires annual reports to Congress. Applicants must give assurance that they will conduct ongoing and final evaluations [Section 114(c)]</p> <p>No provision.</p>	<p>Authorizes five states to replace food stamps with demonstrations of food assistance block grant projects. [Section 602]</p>

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	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
		No provision.	Not later than six months after enactment, requires the Secretaries of HHS and Labor to submit a joint report describing common or conflicting data elements, definitions, performance measures, and reporting requirements in the Workforce Investment Act and TANF law. [Section 115(d)]
Definition of Assistance	<p>Receipt of assistance by a parent or other caretaker relative triggers work and time limit rules. Law does not define the term. By regulation, assistance is defined as ongoing aid to meet basic needs, plus support services such as child care and transportation subsidies, for unemployed recipients. It excludes non-recurrent short term benefits.</p> <p>Federally-funded “assistance” to a family with an adult is limited to 60 months; states <i>may</i> impose shorter time limits. By regulation, assistance is defined as ongoing aid to meet basic needs, plus support services such as child care and transportation subsidies, for unemployed recipients. It excludes non-recurrent short term benefits.</p>	<p>Defines “assistance” to mean payment, by cash, voucher, or other means, to or for an individual or family to meet a subsistence need, <i>but not including costs of transportation or child care</i>. It excludes non-recurrent short-term benefits. [Section 117]</p>	<p>Same policy as S. 667 (different wording of the provision). [Section 117]</p>

	Current law	S. 667 (as reported by the Senate Finance Committee)	H.R. 240 (as approved by the House Ways and Means Subcommittee on Human Resources)
State Option to Make TANF Programs Mandatory Partners with One-stop WIA Centers	The Workforce Investment Act (WIA) makes TANF an optional partner with one-stop employment training centers.	No provision.	Makes state TANF programs mandatory partners with one-stop employment training centers established under the Workforce Investment Act unless the governor of a state decides otherwise and so notifies the Secretaries of Health and Human Services and Labor. [Section 120].
Sense of the Congress		No provision.	Provides that it is the sense of Congress that a state welfare-to-work program should include mentoring. [Section 121]
Enforcing Support of Immigrants by Sponsors	Requires sponsors of immigrants to sign a legally enforceable affidavit of support. Deems all income and resources of a sponsor (and the sponsor's spouse) as available to the sponsored alien until he or she becomes naturalized or meets a work test. [Sections 421 and 423 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996]	Not later than March 31, 2006, requires the HHS Secretary, in consultation with the Attorney General, to submit a report on the enforcement of affidavits of support and sponsor deeming required by P.L. 104-193. [Section 115(c)]	Same as S. 667. [Section 115(c)]
Extension Through FY2005		Except as otherwise provided in this Act and the amendments made by it, activities authorized by the TANF part of the Social Security Act (SSA) and by Section 1108(b) of the SSA (TANF and child welfare in the territories) shall continue through FY2005, in the manner authorized, and at the level provided, for FY2002. The FY2005 high-performance bonus is eliminated. [Section 702]	Same as S. 667, except that the FY2005 high-performance bonus is set at \$100 million. [Section 122]

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