



**CWDA**

Advancing Human Services  
for the Welfare of All Californians

# Federal Update

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**TO:** County Welfare Directors Association

**FROM:** Tom Joseph, Director, CWDA Washington, D.C. Office

**DATE:** June 7, 2016

**RE:** Federal Update

Congress returned yesterday after the Memorial Day break and will be in session for the remainder of the month. In May, the House Ways and Means Committee adopted six bills amending sections of the Temporary Assistance for Needy Families (TANF/CalWORKs) program and later this week it may consider a child welfare reform measure. Also this week, the Senate Labor-HHS Appropriations Subcommittee will consider it's a fiscal year 2017 spending bill. And, House Speaker Paul D. Ryan released the House Republican Poverty Task Force policy agenda today.

**Temporary Assistance for Needy Families Markups:** The House Ways and Means Committee adopted six TANF bills during two mark ups before Memorial Day. While the Committee has not undertaken a full review and reauthorization of TANF, the six bills they did pass would affect state and county administration of the program. Most notably, the Committee adopted a bipartisan bill (H.R. 2990) creating a \$100 million subsidized employment grant program for TANF recipients. Available for up to one year, the grants could support employment for a number of individuals, including youth up to age 24, non-custodial parents, and those individuals whose income is less than 200% of poverty.

The Committee adopted a bill (H.R. 2959) to limit and grandfather the ability of states to claim third party expenditures of community-based organizations and others as the state financial match to draw down federal TANF funds. Other bipartisan bills included a measure (H.R. 5169) to direct the Department of Health and Human Services (HHS) to evaluate the effectiveness of activities funded by state TANF programs and provide federal matching grants to states who wish to evaluate certain aspects of their program. A federal clearinghouse of effective programs would be created by HHS and the Department of Labor. And, the Committee adopted a bipartisan bill (H.R. 5170) to establish a federal initiative to support social impact demonstration projects.

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The Committee voted along party lines (23-12) a bill (H.R. 2952) to establish new performance standards on states that would measure the percentage of TANF recipients who left the program and are working, including measures requiring states to track individuals at the half and full year mark after leaving TANF, including how their earnings changed over time. These measures are intended to be similar to metrics used under the Workforce Innovation and Opportunity Act (WIOA). Notably, the bill was amended to strike the federal fiscal penalties that would have prospectively withheld between four and ten percent of a State's overall annual TANF grant for failure to meet the standards. Instead, the amended bill directs the Departments of Labor and HHS to draft regulations to measure State Performance.

The bills face an uncertain future. Democrats are calling for Republicans to consider other measures they had in a 2015 discussion draft which, among other provisions, would increase the allowable time that TANF recipients may spend in vocational education and the ability of states to count part time work towards meeting the federal work participation requirements. The Senate Finance Committee has not marked up any TANF related bills.

**Child Welfare Reform:** While neither the Senate nor the House have introduced actual legislation, there has been increased, behind-the-scenes activity within the last week by Republican and Democratic staff in both the House and Senate to refine the legislative language and identify other provisions to fund the costs of the *Family First Act*. The two main sections include provisions providing a time-limited federal IV-E match for a set of prevention and post-permanency supports to candidates for foster care and their families and/or supports after placement with a family. The second main provision includes federal efforts to reduce the use of congregate care similar to California's Continuum of Care Reforms enacted under AB 403.

Congressional staff have been working to find ways to pay for the bill. To date, unofficial discussions have revolved around making changes to the child support program that have been sought by the Obama Administration and supported by child support professionals. The provisions would serve to increase the amount of money obtained from persons owing child support through additional measures to more accurately capture income from earnings.

**Senate Labor-HHS FY 2017 Appropriations:** The Senate Labor-HHS Appropriations Subcommittee adopted its version of the FY 2017 spending bill today. The actual legislative language will not be available until the full committee adopts the measure, which will occur on Thursday. The final FY 2017 Senate levels are expected to be similar to FY 2016 for most programs. The House has yet to move on its own version, and a final bill is not expected until fall.

**House Republican Poverty Agenda:** Earlier today, House Speaker Paul D. Ryan (R-WI) released the House Republican agenda to address poverty. The proposals and concepts outlined in the 35-page document are intended to be used during this year's campaigns and

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would be drafted into legislation and considered in 2017.

Called *A Better Way, Our Vision for a Confident America*, the document contends that \$744 billion was spent on welfare programs in FY 2016. That number, however, lumps in over 80 federal programs, including veteran’s assistance, Pell Grants, CDBG, child support, Head Start, the EITC, breast cancer screening, teacher’s quality improvement grants and many other programs not commonly considered ‘welfare’.

While short on specifics, the Agenda calls for increased work requirements for TANF and SNAP recipients, as well as aligning receipt of federal housing benefits with TANF benefits and work requirements.

The proposals also address the ‘cliff’ public assistance recipients face when moving into jobs and losing federal assistance. It calls for changing incentives so that when someone moves from welfare to work, she/he is no disadvantaged financially.

It also argues that states have incentive to move individual into the Supplemental Security Income program so that they do not have to invest in individuals who have higher barriers to employment.

This federal budget update was created by CWDA Staff. Direct questions to the contact at right.

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