



TANF Has No Place In A Budget-Cutting Bill

Unable To Pass TANF Changes Through Normal Legislative Process, Right Wing Sticks Harsh Restrictions In Budget-Cutting Bill

The U.S. House of Representatives passed a budget-cutting "reconciliation" bill on November 18, cutting vital services for people in need before leaving for their Thanksgiving break. Unlike the version passed earlier in the Senate, the House bill included a package of changes to Temporary Assistance for Needy Families (TANF) that President Bush has been promoting for four years but has been unable to enact through the normal legislative process in Congress. The House bill:

- Requires many more families to participate for longer hours in paid or unpaid work.
- Cuts funds now used for work and work supports. This version provides an inadequate \$500 million in new child care funds – *half* of what previous House bills proposed and so inadequate to meet the need that by 2010 330,000 fewer children will receive child care help.
- Makes it harder for poor parents to get education, training, rehabilitation or other services to enable them to work at decent pay.

More About What's Wrong With the House TANF Provisions:

- **Child Care Would Not Even Keep Up With Inflation – Much Less the Harsher Work Requirements**

The Congressional Budget Office projects that \$12.5 billion dollars more would be needed over 5 years to pay for the new child care and work requirements while maintaining the current number of child care placements for low-income working families that do not receive cash assistance. The House bill provides only \$500 million in new funds over 5 years. According to the Center on Budget and Policy Priorities, the funding shortfall will mean that in 2010, 330,000 fewer children in low-income working families that do not get TANF cash aid will receive child care assistance than had such child care help in 2004.

- **Work Requirements Would Be Harsher Despite Fewer Work Supports**

Under current law, states must have 50 percent of their caseload in at least 30 hours of work activities per week. States do not have to come close to these rates of participation if their TANF caseloads have declined since 1996, when TANF was enacted. TANF caseloads have dropped by more than half since that time. The House proposal would require states to engage a higher percentage of adults in work (more narrowly defined) for more hours each week.

Both the higher rates and hours will cause hardships for families. Many parents are unable to work at all for a period of time because of illness (their own or a family member's) or because they are waiting for a work program to begin. Others have long-term barriers to work such as a mental or physical impairment that can be overcome only with intensive assistance. States will be far less able to offer help for these problems or to exempt these families from activities. The result will be more families pushed off the rolls without being able to work. Parents with children younger than six will be hit hard – their required activities will rise from 20 to 40 hours per week, without enough TANF funds for meaningful activities and supports.

- **Training and Education Needed to Transition to Work Would Be Cut Back**

Under current law, adults can meet the participation requirement through vocational training and education, which is often necessary to secure a living-wage job. The House proposal will only allow vocational ed to count after 24 hours are spent each week on paid or unpaid work (except for 3

months). It would be very difficult for many TANF parents to manage these work hours with education or training along with transportation and child care needs.

House Budget-Cutting Bill Deals Other Blows to Struggling Families.

The other provisions in the House reconciliation bill only make it harder for welfare families -- and other low-income families -- to get by. Child support payments to children would drop by 40 percent by 2010 because enforcement of child support orders would be scaled back, health care under Medicaid would be more expensive for poor families, and Food Stamps would be eliminated for at least 250,000 people by 2008.

Ramming through TANF changes in a budget-cutting bill is wrong.

The point of putting major TANF changes in this legislation is to (1) bury them amidst many other important programs also facing cuts, and (2) ensure that it does not get proper consideration by Senators because the time for floor debate is limited in this kind of budget bill.

A budget "reconciliation" bill is one of the few pieces of legislation in the Senate with limits on debate. Because the Senate so highly prizes full debate, these limits are allowed for measures intended to reduce the deficit -- but not to make policy changes. The point of the House TANF proposal is largely to change the work requirements and shift funding away from work, income, and work supports to marriage promotion. These are policy changes that require full debate. They do not belong in this bill. As editorial writers in *The Tennessean* point out, "*This measure needs far more public debate and scrutiny. Perhaps advocates of the tougher standards can make a convincing case, but pushing the changes through on the sly is no way to shape public policy that would have such a detrimental impact on so many lives.*" (December 3, 2005)

For more information from the Center for Community Change about why the House TANF proposal violates Congressional budget rules: <http://www.chn.org/pdf/TANFandByrd.pdf>

For more detail on House TANF Provisions see this paper by Center on Budget and Policy Priorities: <http://www.cbpp.org/11-29-05tanf.htm>.