

# ACF Region IX State and Territorial TANF Strategic Session



**Meeting the Needs of Hard to Serve TANF  
Populations During the Economic Recession**

***An Annotated Bibliography of Resources***

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# ACF Region IX State and Territorial TANF Strategic Session

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## I. Introduction

Over the years, there has been a great deal of research conducted on meeting the needs of Temporary Assistance for Needy Families (TANF)-eligible, low-income Americans, especially the hard-to-serve. On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009 (Recovery Act). In addition to other changes to the TANF program, the Recovery Act established the Emergency Contingency Fund for State TANF Programs (Emergency Fund). It provides up to \$5 billion to help States, Territories, and Tribes in FY 2009 and FY 2010 that have an increase in assistance caseloads and basic assistance expenditures, or in expenditures related to short-term benefits or subsidized employment.

As part of the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance training and technical assistance support to Regional, State, Territorial, and Tribal entities, this annotated bibliography has been developed to provide examples of the types of sources available and a review of the literature on meeting the needs of the hard-to-serve, and subsidized employment and non-recurring short term benefits programs, especially those that were further developed under the TANF provisions of the Recovery Act. The Annotated Bibliography provides descriptive summaries of resources and provides readers with information to further explore these topical areas.

The inclusion of resources, research, and other studies included in these annotated bibliography does not constitute an endorsement by the Office of Family Assistance. These are provided as additional resources to States, Territories, and counties interested in learning more about these topics.

## I. RECENT TANF TRENDS

Aber, Lawrence and Ajay Chaudry (2010). *Reducing Poverty and Economic Distress after ARRA: Low Income Children, Their Families and the Great Recession – Summary*. Urban Institute. Retrieved on September 8, 2010 from <http://www.urban.org/UploadedPDF/412149-low-income-children.pdf>

Even though children in the United States have higher poverty rates than adults and the elderly, federal spending on kids is disproportionately small and has been shrinking for years. The recession threatened to eat away further at those investments, prompting the president and Congress to temporarily boost funding for some two dozen federal programs that benefit children. This paper reviews policy opportunities after ARRA, transition periods for children to supplement Head Start access and to ease transition after high school, and experimenting with new ideas to improve parenting.

To support the development of children in low income families, the authors recommend making some of those provisions permanent. They also propose new investments in the preschool and postsecondary years when public spending is at its lowest, while also experimenting with new initiatives to support low-income children.

Dynan, Karen (2010). *The Income Rollercoaster: Rising Income Volatility and Its Implications*. Brookings Institution. Retrieved September 8, 2010 from [http://stanford.edu/group/scspi-dev/media/pdf/pathways/spring\\_2010/Dynan.pdf](http://stanford.edu/group/scspi-dev/media/pdf/pathways/spring_2010/Dynan.pdf)

Millions of U.S. households have suffered devastating income disruptions as a result of the recent economic downturn. As of late 2009, eight million jobs had been lost to the recession, and one in ten workers was out of work, putting the unemployment rate at its highest level since the early 1980s. Although a variety of indicators suggest that the recession is now over, most analysts foresee a slow and gradual economic recovery and consequently a long, uphill climb back to full employment.

This article outlines how these short-term swings in income have occurred against a backdrop of equally notable long-term trends. A growing literature has explored longer-term trends in household income fluctuations, and although not every study agrees, many suggest that U.S. households have seen a significant rise in income volatility over the past several decades. For the most part, this increase occurred even as the volatility of aggregate economic activity appeared to be moderating. That is, while households have had to deal with increasing year-to-year flux in the amount of income available to them, the total value of U.S. economic activity has, since the early 1980s, been showing less year-to-year variation than in earlier times (even including the recent recession). The authors document the increase in income volatility among U.S. households. It then discusses how these results square with macroeconomic trends and explore the implications of rising volatility for family well-being, particularly in the context of other important long-run changes in family finances.

Household income volatility appears to have trended significantly upward over the past several decades, with much of the rise tied to an increase in the frequency of very large changes in income. The articles discusses how the high current degree of weakness in labor markets— together with the expectation that the economic recovery will proceed only slowly—implies that household income volatility may be unusually elevated for several years to come.

Pavetti, LaDonna (2010). *Going, Going, Almost Gone: Job-Creating TANF Emergency Fund Set to Expire*. Retrieved August 27, 2010 from <http://www.cbpp.org/cms/index.cfm?fa=view&id=3240>

This article discusses the Emergency Fund created by the 2009 Recovery Act and how states are using these funds to address the needs of their clients. States have used funds to support small businesses during the recession and helping families find jobs. The author also discusses the impact of the pending reauthorization. If Congress does not extend the TANF Emergency fund on September 30, states plan to either close down programs or scale back on their programs.

Pavetti, LaDonna & Rosenbaum, Dorothy (2010). *Creating a safety net that works when the economy doesn't: the role of the Food Stamp and TANF programs- Summary*. Retrieved September 10, 2010 from <http://www.urban.org/publications/412068.html>

This article explores how the Food Stamp Program and the Temporary Assistance for Needy Families (TANF) program have responded very differently to the unprecedented challenges that the current recession has posed to the nation's safety net. The Food Stamp Program, a federal entitlement program, has responded quickly to rising need: nationally, caseloads have increased by 4.6 million households since the beginning of the downturn. TANF, a fixed block grant provided directly to the states, has lagged behind: caseloads have increased by just 10 percent. For both programs, the recession has highlighted areas needing improvement to strengthen the safety net for this and future recessions.

United States Government Accountability Office (2010). *Temporary Assistance for Needy Families: Fewer Eligible Families Have Received Cash Assistance Since the 1990s, and the Recession's Impact on Caseloads Varies by State*. Retrieved September 9, 2010 from <http://www.gao.gov/cgi-bin/getrpt?GAO-10-164>

The Government Accountability Office (GAO) authored this report on the TANF program to assess the state of the TANF program in the midst of the economic recession. Of 21 states surveyed, the TANF caseload grew from June 2008 to June 2009 in 12 states. Researchers provide an overview of factors that contributed to the decline in the TANF caseload since 1996 and give demographic data on participating versus nonparticipating families. The GAO concludes with the impact of the high participation more recently in the TANF caseload on child poverty.

Zedlewski, Sheila; Murphy, Mary & Stanczyk, Alexandra (2009). *What do TANF administrators think are the important issues?* Retrieved September 9, 2010 from [http://www.urban.org/uploadedpdf/TANF\\_survey.pdf](http://www.urban.org/uploadedpdf/TANF_survey.pdf)

This report highlights the important issues associated with TANF based on a Web survey (2009) taken by TANF administrators representing 24 states. Survey questions included: After the DRA passed in 2006; states were required to implement higher work participation rates and meet new standards for verification of work activities. Did you face any challenges in meeting the new requirements? and; Have you changed any policies or practices in response to higher unemployment? The majority of state administrators expressed their frustration over the Deficit Reduction Act (DRA) verification requirements among other survey responses.

Zedlewski, Sheila & Golden, Olivia (2010). *Next Steps for Temporary Assistance for Needy Families*. Retrieved September 8, 2010 from [http://www.urban.org/UploadedPDF/412047\\_next\\_steps\\_brief11.pdf](http://www.urban.org/UploadedPDF/412047_next_steps_brief11.pdf)

This report summarizes a roundtable discussion by experts from the government, research, and advocacy community. They discussed current and new trends in the TANF program including caseloads, state program rules, and characteristics of families served by the program, lessons learned from the recession and strategies for states. As the recession deepens, states are noticing changes in client needs as well as in the characteristics of families receiving assistance. Common topics discussed included finding the right balance between TANF's dual roles as a work program and a basic assistance program that provides a safety net for struggling families. Other topics were program funding and TANF's role in the safety net.

## II. STRATEGIES FOR USING TANF FUNDS TO ADDRESS THE NEEDS OF POPULATIONS DURING THE ECONOMIC DOWNTURN

Cancian, Maria, Daniel R. Meyer and Deborah Reed (2010). *Reducing Poverty and Economic Distress after ARRA: Promising Antipoverty Strategies for Families - Summary*. Urban Institute. Retrieved on September 9, 2010 from <http://www.urban.org/UploadedPDF/412146-promising-antipoverty.pdf>

Part of the joint Urban Institute and Georgetown Center on Poverty initiative “Reducing Poverty and Economic Distress after ARRA,” this brief reviews changes in family structure and the impact those changes have on poverty reduction strategies. As more children are born to unmarried parents, divorce trends continue to generate single parent households and more mothers work outside the home, antipoverty policies must shift to accommodate these demographic trends. The authors argue that a continued Federal focus on employment as an antipoverty strategy will be more effective if it includes supports (e.g. child care) that bolster work opportunity and stabilize placements.

Derr, Michelle K (2008). *Providing Unpaid Work Experience Opportunities for TANF Recipients: Examples from Erie County, New York; Montana; and Hamilton County, Ohio*. Retrieved September 8, 2010 from [http://www.mathematica-mpr.com/publications/PDFs/family\\_support/workexpertanfbr3.pdf](http://www.mathematica-mpr.com/publications/PDFs/family_support/workexpertanfbr3.pdf)

This brief profiles three work experience programs that engage nearly all work-ready TANF participants in unpaid work activities, either alone or in conjunction with education and training. Unpaid work experience is designed to mirror regular employment in the paid labor market. TANF participants are assigned to entry-level jobs at government offices, nonprofit agencies, educational institutions, or for-profit businesses, creating an immediate attachment to the labor market. Rather than earning an hourly wage, participants receive their TANF grant and food stamp benefits in exchange for the hours they work. In addition to helping meet TANF work requirements, these programs help recipients gain job skills and acclimate to a regular work schedule.

Derr, Michelle K (2008). *Providing Specialized Personal and Work Support*. Retrieved September 2, 2010 from [http://www.mathematica-mpr.com/publications/redirect\\_PubsDB.asp?strSite=PDFs/providingspecialized.pdf](http://www.mathematica-mpr.com/publications/redirect_PubsDB.asp?strSite=PDFs/providingspecialized.pdf)

For many TANF participants living with disabilities, the path to self-sufficiency is encumbered by personal and family challenges that interfere with steady employment. Recognizing that these TANF participants may require more intensive support than is available through traditional employment programs, some agencies have increased the intensity and/or types of supports available to those living with disabilities. Such supports may include intensive case management, rehabilitative services, job coaching, and support groups, among others. This brief profiles four programs that provide specialized personal and work supports.

Edelman, Peter B., Olivia A. Golden and Harry J. Holzer (2010). *Reducing Poverty and Economic Distress after ARRA: Next Steps for Short Term Recovery and Long Term Economic Security*. Urban Institute. Retrieved on September 9, 2010 from <http://www.urban.org/UploadedPDF/412150-next-steps-ARRA.pdf>

This brief provides a framework for mitigating the effects of the recession as the provisions of the ARRA legislation expire. The authors suggest that the effects of the economic downturn will continue to exist for 3-5 more years and that high unemployment will continue to have significant negative effects for families well past that timeline. In terms of the direction of Federal policies going forward, the authors make three recommendations. Specifically, Federal antipoverty policy should:

- 1) Provide jobs, income support, and other services for the poor and unemployed to relieve short-term distress during the next three to five years.
- 2) Prepare for programmatic and policy responses that might be needed during the next economic downturn.
- 3) Make sensible long-term investments in poverty reduction, both by extending certain provisions of ARRA and going beyond them.

Following a discussion of each of these recommendations, the brief concludes with a discussion of the fiscal constraints that surround Federal policy.

Hotz, V. Joseph, Charles H. Mullin and John Karl Scholz (2005). *Examining the Effect of the Earned Income Tax Credit on the Labor Market Participation of Families on Welfare*. Institute for Research on Poverty. Retrieved on September 9, 2010 from <http://www.irp.wisc.edu/publications/dps/pdfs/dp131305.pdf>

The Earned Income Tax Credit (EITC) is designed to augment the effective wages of low-income workers through tax credits that reduce what they owe in income taxes or may even create a larger refund. Some argue that this type of incentive program makes “work more attractive than welfare” by creating a greater monetary value for work when compared to wages alone. This paper examines the question of the role of the EITC in labor market participation. Using fixed-effects empirical employment models and a unique data set created from various sub-data in California, the authors conclude that the EITC does in fact have a significant, positive effect on employment participation for TANF participants.

Johnson, Clifford, Amy Rynell and Melissa Young (2010). *Publicly Funded Jobs: An Essential Strategy for Reducing Poverty and Economic Distress Throughout the Business Cycle*. Urban Institute. Retrieved on September 9, 2010 from [http://www.urban.org/UploadedPDF/412070\\_publicly\\_funded\\_jobs.pdf](http://www.urban.org/UploadedPDF/412070_publicly_funded_jobs.pdf)

This paper discusses the important role that public service employment (PSE) and transitional jobs can play in economic recovery. These types of employment opportunities are those in which publicly funded employment is used as a launching pad for future employment success. Drawing on extant research from as far back as the Great Depression, the authors make the case that data supports the investment of public dollars in these types of jobs.

This paper makes the case for a multiphase approach to public job creation, beginning with “fast-track” efforts to support specific PSE projects launched by local governments and developing



into a more sophisticated strategy for combining publicly funded jobs with education or training for individuals facing major barriers to labor market entry.

Kauff, Jacqueline (2008). *Assisting TANF Recipients Living with Disabilities to Obtain and Maintain Employment*. Retrieved September 2, 2010 from <http://www.mathematica-mpr.com/publications/PDFs/assistingtanf.pdf>

This report describes opportunities to rigorously test the effectiveness of employment initiatives for this population. The report addresses two key questions: (1) Which strategies would be most interesting to test and how could programs be designed to support rigorous evaluations of them? (2) Are there existing initiatives that are currently ripe for evaluation and under what conditions would rigorous evaluation be feasible? To address these questions, the authors were tasked to conduct a process and implementation study of nine sites utilizing qualitative case study methods. The study identified several promising practices for addressing the employment needs of TANF participants living with disabilities. The study identified four types of potentially promising practices: 1) Forging partnerships between TANF and vocational rehabilitation (VR) agencies, 2) Conducting innovative and intensive assessment and triage, 3) Creating work opportunities, and 4) Providing intensive and customized work supports.

Louisiana Department of Social Services (2008). *Best Practices from Louisiana* Retrieved September 9, 2010 from [http://tanfbestpractices.org/documents/LouisianaOFS\\_TANF\\_Best\\_Practices.pdf](http://tanfbestpractices.org/documents/LouisianaOFS_TANF_Best_Practices.pdf)

This report discusses Louisiana's best practices in five key areas: Family Relationships, Child Support, Child Care Assistance, Employment Services and Children's Education. The State of Louisiana provides services to low-income families through two programs. The Family Independence Temporary Assistance Program (FITAP) provides cash assistance grants to families with dependent children while the Strategies To Empower People (STEP) program provides education, employment, training and related services for families receiving or applying for FITAP assistance who are work-eligible.

Martinson, Karen, Alexandra Stanczyk and Lauren Eyster (2010). *Low Skill Workers' Access to Quality Green Jobs*. Urban Institute. Retrieved on September 9, 2010 from <http://www.urban.org/UploadedPDF/412096-low-skilled-worker.pdf>

This brief explores the role of green jobs as an economic development solution for low skill workers. Green jobs – typically those that improve energy efficiency, promote the use of alternative energy sources and reduce the effect of production on the environment – are a small but growing sector of the US employment base. ARRA made a \$90 million investment in the promotion and development of green industries and a further \$48 billion in job training and education (some of which targets green jobs). The authors discuss the extent to which, and under what circumstances, the investment in green jobs can be joined with workforce development for employment opportunities for low skill workers.

Pavetti, Ladonna; Kauff, Jacqueline; Derr, Michelle; Max, Jeffery; Person, Ann; Kirby, Gretchen (2008). *Strategies for increasing TANF work participation rates*. Retrieved September 1, 2010 from [http://www.mathematica-mpr.com/publications/PDFs/family\\_support/summarytanfbr5.pdf](http://www.mathematica-mpr.com/publications/PDFs/family_support/summarytanfbr5.pdf)

This brief describes a range of strategies states have implemented to achieve higher Temporary Assistance for Needy Families (TANF) work participation rates. This brief describes four broad categories of strategies: (1) creating new work opportunities for TANF participants; (2) administrative strategies; (3) TANF policy changes; and (4) creation of new programs.



Rosenberg, Linda; Derr, Michelle; Pavetti, LaDonna; Asheer, Subuhi; Angus, Megan Hague; Sattar, Samina; Max, Jeffery (2008). *A Study of States' TANF Diversion Programs*. Retrieved September 1, 2010 from [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/identify\\_promise\\_tanf/reports/tanf\\_diversion/tanf\\_diversion.pdf](http://www.acf.hhs.gov/programs/opre/welfare_employ/identify_promise_tanf/reports/tanf_diversion/tanf_diversion.pdf)

In response to higher effective work participation rates that followed the reauthorization of the TANF program in 2005, states added new policies and programs that divert eligible families from the TANF system. This report describes states' policies on and experiences with diversion. Strategies included lump-sum payment programs, applicant work requirements, and temporary support programs. All but three states had implemented at least one diversion strategy. Thirty-five states had a lump-sum payment program, a net increase of six states from 2005. In 20 states, applicants completed a job search activity as a condition of their TANF eligibility; 19 other states required applicants to complete a TANF program orientation or an employment plan as a condition of eligibility. By spring 2008, nine states had implemented a temporary support program.

Schott, Liz (2010). *Using TANF Emergency Funds to Help Prevent and Address Family Homelessness*. Retrieved September 9, 2010 from <http://www.cbpp.org/cms/index.cfm?fa=view&id=3234>

This report gives an overview of the TANF Emergency Funds and how the homelessness prevention qualifies for TANF Emergency funds. It also highlights states such as Georgia, Colorado, Delaware, California and New Jersey who have successfully used short-term, non-recurrent benefits to prevent homelessness. The author also discusses key administrative strategies to achieving program success.

Schott, Liz (2008). *Using TANF or MOE Funds to Provide Supplemental Assistance to Low-Income Working Families*. Center on Budget and Policy Priorities. Retrieved September 8, 2010 from <http://www.cbpp.org/files/5-24-07tanf.pdf>

As states revisit their welfare reform approaches in the wake of the TANF changes in the Deficit Reduction Act of 2005 (DRA), a number of states have implemented or are considering policies that expand support to low-income working families, particularly those transitioning into employment and off of basic TANF assistance programs. In most states, families lose eligibility for TANF cash assistance at income levels that are well below the poverty line (and almost no state has eligibility thresholds above the poverty line). Most employed TANF leavers have low wages and research over the last decade has documented that families that have left welfare for work continue to face hardships in making ends meet.

This paper provides guidance for states and policymakers considering a “worker supplement” program and reviews the choices made and lessons learned by states that have already implemented such a program for TANF leavers or a broader group of low-income working families. It also analyzes and considers the design decisions that a state faces in establishing and implementing such a program. Specifically, the paper discusses:

- How families receiving assistance in a worker supplement program are considered in the TANF work participation rate calculations;

- The groups of working families a state may choose to serve in such a program — for example, families leaving TANF for work or broader groups of working families — as well as the eligibility requirements states might use in such programs;
- The benefits and services states can provide through such a program, including design issues such as how much will the benefit be, will it be a flat amount or vary based on other income or family characteristics, for how long will the benefit be provided, and the form in which the supplement payment will be provided;
- The implications of financing such a program with either TANF versus MOE funds on TANF time limit and child support-related rules. (A number of states have used TANF funds in their worker supplement programs and thus trigger federal TANF time limit provisions and child support rules, including the state owing a share of child support collections to the federal government; other states have avoided these problems by using MOE funds in a separate state program.);
- Issues relating to how the program is administered, including the enrollment process, ongoing eligibility maintenance, and verification of employment hours; and
- The interaction of this benefit with a family's eligibility for other benefits such as Medicaid, food stamps, and child care subsidies.

A worker supplement program provides an opportunity to further state welfare reform goals and boost the work participation rates that states can achieve. In recent years, a substantial number of states have adopted such programs, boosting their work rates and helping low-income working families make ends meet.

The United States Conference of Mayors (2010). *Use of TANF Funds for Subsidized Employment* Retrieved September 2, 2010 from <http://www.usmayors.org/workforce/WDCnews/2010-1-27ATT312749.pdf>

This reports highlights how New York, Texas and Colorado are using TANF for summer youth employment programming. In New York, participants from 14 to 20 years at or below 200% of poverty are eligible for summer youth employment program. The summer youth programs are funded by TANF in two ways: 1) from the Office of Temporary and Disability Assistance (OTDA) to local TANF agencies and, 2) from OTDA to local workforce investment boards (WIBs). Subsidized employment opportunities were provided to 26,000 additional young people in the summer of 2009.

Texas offers hands on training for in-school and out-of-school youth ages 14-18 years. Local WIBs implement the activities. The State of Colorado cannot use TANF funds specifically for youth subsidized employment. However, some counties have agreements with their local TANF agency and WIBs to provide subsidized summer employment for youth. The counties that use TANF funds for subsidized youth employment are Denver, Boulder, Larimer and Weld.

United States Government Accountability Office (GAO) (2010). *Actions that Could Increase Work Participation for Adults with Disabilities* Retrieved September 2, 2010 from <http://www.gao.gov/new.items/d10812sp.pdf>

The Government Accountability Office convened a forum earlier this year to investigate policy options to assist adults with disabilities with a current or past work history to improve their participation in the labor market. This report includes an overview of the forum and policy options that arose out of the forum and other comments collected by the GAO. In summary, the

GAO agrees with forum participants that strong federal leadership is essential for achieving the level of coordination required to effectively leverage resources to improve work participation for Americans with disabilities.

Welfare Peer Technical Assistance Network. (July 2009). *Transitional, Subsidized, and Other Employment Programs for TANF Participants: Promoting Self-Sufficiency through Strategic Employment Programming, Summary Report*, from the National Association for Welfare Research and Statistics (NAWRS) 2009 Annual Conference. Retrieved September 10, 2010 from <http://peerta.acf.hhs.gov/uploadedFiles/NAWRS.pdf>

The United States Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance and the Welfare Peer TA Network hosted a workshop at the National Association for Welfare Research and Statistics (NAWRS) Annual Conference. The workshop titled, “Transitional, Subsidized, and Other Employment Programs for TANF Participants: Promoting Self-Sufficiency through Strategic Employment Programming,” included a panel discussion on subsidized employment and non-recurring benefits/diversion, and the American Recovery and Reinvestment Act of 2009

Welfare Peer Technical Assistance Network. (March 10, 2010). *Green Jobs: Reaching TANF and Low-Income Populations Webinar*. Retrieved September 10, 2010 from <http://peerta.acf.hhs.gov/index.cfm?event=viewVirtualTA&nav=L&catID=8>

The Welfare Peer TA Network hosted a Webinar entitled, “Green Jobs: Reaching TANF and Low-Income Populations” on March 10, 2010 from 2:00 PM EST to 3:30 PM EST. The Webinar included information on green jobs, job placement, workforce development, economic recovery, training, and job creation, specifically for low-income populations. Brent Orrell from ICF moderated this Webinar, and speakers included Jennifer Cleary from the John J. Heldrich Center for Workforce Development at Rutgers University, Elena Foshay from the Apollo Alliance, and Michele McGeoy, Founder and Executive Director, SolarRichmond.

Welfare Peer Technical Assistance Network. (June 2010). *Georgians for Prosperity (GA4P) EITC/Asset Building Statewide Coalition Meeting Summary Report*. Retrieved September 10, 2010 from <http://peerta.acf.hhs.gov/uploadedFiles/Georgia%20EITC%20final.pdf>

The Welfare Peer TA Network provided technical assistance to Georgians for Prosperity (GA4P), a committee dedicated to advancing awareness and participation in the EITC. GA4P was created in October 2009. Subsequently, the Welfare Peer TA Network helped GA4P bring together representatives from community-based organizations, foundations, local businesses, faith-based organizations, financial institutions, schools, and Community Action Agencies, as well as representatives from the Internal Revenue Service, the U.S. Department of Health and Human Services, and the Georgia Department of Human Services, for an EITC/Asset-Building Statewide Coalition Meeting that took place in Savannah on June 28-30, 2010. The meeting served as a way for participants to share information about the EITC and other asset-building programs; foster peer-to-peer learning; highlight promising practices on EITC outreach and free tax preparation from around the country; provide helpful tools for launching an EITC/asset-building campaign; develop a Statewide marketing campaign to promote such services; and facilitate the development of local and regional action plans for immediate implementation. Through this meeting, GA4P hopes to bolster efforts at establishing community partnerships, enhancing outreach, and, ultimately, improving access to the EITC and free tax filing assistance for low-income residents.

Welfare Peer Technical Assistance Network. (January 6, 2010). *Laying the Groundwork for an EITC Coalition Webinar*. Retrieved September 10, 2010 from <http://peerta.acf.hhs.gov/index.cfm?event=viewVirtualTA&nav=L&catID=8>

Widely praised for its success in supporting work and reducing poverty, the Earned Income Tax Credit (EITC) has grown to be one of the most successful and universally acclaimed provisions of U.S. domestic policy. In fact, several expansions in the late 1980s and early 1990s turned the EITC into the largest Federal aid program targeted to the working poor. Due to the potential impact of the EITC to support families in poverty, the Welfare Peer TA Network conducted a Webinar Series beginning January 6, 2010 on the EITC to give state agencies strategies for setting up a local or statewide coalition and to provide participants with strategies for improving outreach and marketing to and participation of TANF participants in the EITC program.

Welfare Peer Technical Assistance Network. (January 27, 2010). *Innovative EITC Marketing and Outreach Strategies Webinar*. Retrieved September 10, 2010 from <http://peerta.acf.hhs.gov/index.cfm?event=viewVirtualTA&nav=L&catID=8>

The second Webinar in the Welfare Peer Technical Assistance Network EITC Series, this Webinar provided information on innovative EITC marketing and outreach strategies. Speakers from the Internal Revenue Service (IRS) provided a comprehensive overview of marketing materials available through the IRS's Stakeholder, Partnerships, Education and Communication Office. Additionally, speakers from Oregon offered information on how to successfully market an EITC campaign through strategic messaging for employees and consumers and how to conduct direct outreach through community events.

Welfare Peer Technical Assistance Network. (2004-2008). *Summary Reports from Statewide Roundtables on the Earned Income Tax Credit and Child Tax Credit for Idaho, Kentucky, Louisiana, Missouri, Oklahoma, West Virginia*. Retrieved September 10, 2010 from <http://peerta.acf.hhs.gov/index.cfm?event=viewTopic&sectionTopicId=11&topicId=11&tabtopic=11&sectionId=1&nav=11>

These event summary reports all provide insights into 2-day statewide Roundtables on the Earned Income Tax Credit (EITC)/Child Tax Credit (CTC) and strategies to help eligible current and former TANF participants and low-income families apply for the credits. Goals of the Roundtables were to build and enhance partnerships statewide between social services providers, the respective State TANF agency, business leaders, and community and faith-based organizations with an aim toward helping low-wage earning families achieve financial self-sufficiency through the Earned Income Tax Credit.

### III. MOVING TO STATE FUNDED PROGRAM

Parrott, Sharon; Schott, Li z (2009). *Designing Solely State-Funded Programs* Retrieved September 2, 2010 from <http://www.cbpp.org/cms/index.cfm?fa=view&id=989>

This report provides practical guidance and legal information to state policymakers, human service agency staff, policy analysts, and others on the details of shaping and implementing this approach. The topics covered in greater detail include:

- Why should a state consider a solely state-funded program?
- How can states finance the solely state-funded program?
- Which families are good candidates for the state program and what work or rehabilitative activities could a state provide for families?
- What eligibility policies should a state consider in its program?
- What are implications of solely state-funded programs on distribution of child support collected by a state?
- How does receipt of assistance through a solely state-funded program impact eligibility for other programs such as Medicaid, food stamps, child care and any transitional benefits?
- What administrative mechanisms should a state use to enroll families into a solely state-funded program?

## IV. HARD TO SERVE POPULATIONS

### General

Bone, Josh (2002). *New Illinois Law Improves State's TANF Program*. Retrieved September 2, 2010 from [http://www.clasp.org/issues/in\\_focus?type=temporary\\_assistance&id=0018](http://www.clasp.org/issues/in_focus?type=temporary_assistance&id=0018)

This article discusses the new Illinois law which became effective July 1, 2010. The new law expands TANF eligibility, therefore, increasing the number of people eligible. It also improves TANF program rules and services. For instance, new TANF participants are allowed a 30 day grace period before they must sign up for TANF work activities, and shortens the amount of time they will likely have to wait before receiving their first benefits. The article discusses how the law takes an important step to better serve victims of sexual abuse. Since TANF requirements may conflict with the goals of protecting and aiding victims, Illinois offers a Domestic Violence Exclusion, which allows the program to provide a victim with two month renewable waivers of any programmatic requirements that, if enforce, would increase the risks to the victim or would unfairly punish the victim.

Dion, M. Robin, Michelle K. Derr, Jacquelyn Anderson, and LaDona Pavetti (1999). *Reaching All Job-Seekers: Employment Programs for Hard-To-Employ Populations*. Mathematica Policy Research, Inc. Retrieved on September 8, 2010 from <http://www.mathematica-mpr.com/PDFs/hdemploy.pdf>

Record numbers of unemployed Americans have found jobs in the past few years. Yet despite a strong national economy, certain groups of individuals still find it difficult to enter the labor market. This article focuses on a number of these "hard-to-serve" or "hard-to-employ" populations. In particular, adults with learning disabilities, mental health problems, or addictions to alcohol or drugs are typically in need of a combination of specialized and coordinated services, treatment, or workplace accommodations in order to make a successful transition to employment. Similarly, individuals with a past felony conviction who are seeking a fresh start in society face special challenges in finding work, often requiring help in overcoming attitudes and social stigma. Finally, people who speak little or no English, many of whom are immigrants, tend to require services that increase their employability by improving their language skills and helping them to understand and cope with unexpected cultural differences.

Given the current strong economic conditions and low unemployment, many employers are finding it difficult to attract and retain good employees. The hard-to-employ represent a potential source of filling this gap in the labor supply. Yet in order to meet the challenge of placing hard-to-serve job-seekers, employment programs must recognize that adjustments may need to be made not only by the potential employee, but also by the employer. For example, immigrants may need help in learning about American culture, but it is also in the best interests of employers to learn about cultural differences among their employees.

The sharp decline in welfare rolls across the nation since the passage of PRWORA has been attributed in part to the movement to work of less disadvantaged and more job-ready individuals. The authors highlight that as more and more job ready welfare recipients become employed and leave welfare, the proportion of remaining recipients with significant barriers to employment will grow. Yet states are required to meet strict employment participation rates in



their welfare programs under the new federal legislation. As they seek to increase the labor force participation of remaining individuals on welfare, state and local policymakers must search for innovative approaches to meeting the needs of the harder-to-serve population. The hard-to-serve population comprises groups of individuals with very diverse needs, which affects the type, intensity, and duration of specific services they require. Employment services for ex-offenders, for example, should emphasize strategies for obtaining employment because of the stigma of hiring a person with a felony conviction, while employment services for those with a mental health condition should involve treatment and job retention services. Nevertheless, the profiles in this guide indicate that programs for the hard-to-serve share a set of strategies.

Loprest, Pamela & Zedlewski, Sheila (2002). *Making TANF Work for the Hard to Serve* Retrieved September 8, 2010 from [http://www.urban.org/UploadedPDF/ShortTakes\\_2.pdf](http://www.urban.org/UploadedPDF/ShortTakes_2.pdf)

The authors of this report discuss the current trends of long term welfare recipients and former recipients and the challenges they face. The research indicates that the barriers that prevent individuals from working also hamper their ability to navigate TANF's eligibility rules and requirements. Given that states do not solely rely on welfare to serve individuals with significant barriers to work, there has been an increase in using Social Security Income (SSI) instead of welfare. However, SSI limits have made it a challenge for some states to serve disabled welfare recipients. The author concludes the report by recommending several TANF reauthorization measures such as state performance bonuses, broader definition of work, etc.; that would encourage states to build on recent initiatives.

Pavetti, LaDonna; Strong, Debra; Bajaj, Ruchika; Jacobson, Jon; Lloyd, Chrishana; Nagatoshi, Charles; Rosso, Randy; & Stieglitz, Ali (2001). *Work-based strategies for hard-to-employ TANF recipients: A preliminary assessment of program models and dimensions*. Retrieved September 8, 2010 from <http://www.mathematica-mpr.com/PDFs/workbasedTANF.pdf>

This report is of a study funded by the Department of Health and Human Services, Administration for Children and Families, Office of Policy, Research and Evaluation to 1) identify and provide detailed information about the design and structure of work-based programs that serve or that have the potential to serve hard-to-employ TANF participants and 2) to assess the feasibility of conducting a rigorous, large scale evaluation of such programs. The study identified four different program models that are currently being used to help hard-to-employ individuals find and maintain employment. The models include: 1) Paid work experience programs, 2) Supported transitional publicly funded jobs programs, 3) Supported transitional structured employment programs, and 4) Supported competitive employment programs.

Zedlewski, Sheila R.; Holcomb, Pamela A; Loprest, Pamela J (2007). *Hard to Employ Parents A Review of Their Characteristics and the Programs Designed to Service Their Needs*. Retrieved September 2, 2010 from <http://www.urban.org/publications/411504.html>

Many low-income parents with personal challenges that make work difficult (sometimes called the "hard to employ") seek help from the TANF program, but many do not. The authors start the paper by describing the general caseload size and characteristics of hard-to-employ parents with welfare experience and those that remain outside this cash assistance program. The distinction between hard-to-employ parents with and without a recent welfare connection is important because families outside TANF often do not receive services that address barriers to employment. They also describe how states' TANF programs approach the needs of hard-to-employ parents.



While it is impossible to fully understand or describe the nuances of 50 different state programs, national program data and surveys of states' approaches help generally describe some key variations in program characteristics. Lastly, the paper discusses other safety-net service programs that support adults with employment challenges and how these programs typically coordinate with TANF in varied ways. It concludes with implications for thinking about how the safety net for hard-to-employ parents could be improved.

Zedlewski, Sheila; Loprest, Pamela (2007). *How well does TANF fit the needs of the most disadvantages families?* Retrieved September 2, 2010 from [http://www.familyimpactseminars.org/s\\_mifis04c07.pdf](http://www.familyimpactseminars.org/s_mifis04c07.pdf)

This article describes state flexibility with regard to welfare time-limits. The authors provide data statistics on the differences between TANF leavers, stayers and cyclers and define the most "at-risk" of individuals leaving TANF. The three key policy questions asked are:

- What percentage of adults receiving TANF have barriers to employment, and has the percentage been increasing over time?
- To what extent do adults with barriers work?
- What are the barriers to employment among those who recently left TANF but are not working?

Current challenges faced by states are 1) identifying those with special needs, 2) developing strategies to reduce or eliminate barriers to work and 3) evaluating strategies to learn what works and for whom. Finally, the article makes recommendations for TANF policy based on the results of National Survey of America's Families (NSAF).

## Substance Abuse

Hercik, Jeanette M. & Waldman, Nicole (2002). *Effectively serving TANF clients with substance abuse problems: making a difference on the frontline.* Retrieved September 9, 2010 from <http://peerta.acf.hhs.gov/pdf/seminar2.pdf>

This report summarizes the Welfare Peer Technical Assistance Network conference which focused on providing participants with an opportunity to understand how TANF agencies and treatment providers can work together to better serve clients and to showcase New Jersey's Substance Abuse Research Demonstration (SARD) program's referral process for families struggling with substance abuse in order to meet work requirements and remain self-sufficient. The conference workshops included:

- Welfare reform: Lessons learned – Insights after five years of PRWORA
- Review of States' current program strengths and challenges for addressing substance abuse treatment needs of TANF customers
- Focusing on outcomes: Serving TANF clients with substance abuse problems
- Reflections on New Jersey SARD
- Where do we go from here? Development of an action plan for working with TANF clients who have substance abuse problems

Lewis, Mat (2009). *Random Drug Testing of TANF Recipients is Costly, Ineffective and Hurts Families*. Retrieved September 3, 2010 from <http://www.clasp.org/admin/site/publications/files/0520.pdf>

This report discusses the background of serving substance abusers in TANF. The author highlights the flaws with drug testing. An evaluation of a program in Florida indicated that the drug test results were not reliable. Drug testing also has a high rate of “false positives” and does not distinguish between drug use and abuse. The author recommends screening as an alternative to drug testing for TANF clients. A screening tool, the Substance Abuse Subtle Screening Inventory (SASSI), is reported to have an accuracy rate of between 89-97 percent. Another recommendation is to provide a comprehensive treatment program for TANF participants with substance abuse challenges. A national study of treatment programs serving women found significant employment gains, modest rise in income, and a modest decline in the number of receiving public benefits.

### The Disabled

Loprest, Pamela J. & Maag, Elaine (2009). *Disabilities among TANF Recipients: Evidence from the NHIS* Retrieved September 2, 2010 from [http://www.urban.org/UploadedPDF/411883\\_disabilitiesamongtanf.pdf](http://www.urban.org/UploadedPDF/411883_disabilitiesamongtanf.pdf)

This project uses data from the 2005/2006 National Health Interview Survey to provide a profile of the prevalence of different types of disability and employment among TANF participants. They find that prevalence of disability varies widely depending on the specific measure used. Using narrow and broad composite disability measures, anywhere from 10 to 40 percent of TANF participants have a disability and almost one-fifth have a family member with a disability. Disability prevalence among Food Stamp recipients is similar to TANF but low-income mothers have lower prevalence on almost all measures. Employment among TANF participants with disabilities is considerably lower than among participants without disabilities.

Welfare Peer Technical Assistance Network (March 2010). *Overview of the Wellness, Comprehensive Assessment, Rehabilitation, Employment Program, New York City Human Resources Administration*. Retrieved September 10, 2010 from <http://peerta.acf.hhs.gov/uploadedFiles/WeCare.pdf>

This overview of the WeCARE Program in New York City was prepared by the Welfare Peer Technical Assistance Network after multiple site visits and a Webinar on the program.

Welfare Peer Technical Assistance Network (January 13, 2010). *Wellness, Comprehensive Assessment, Rehabilitation, Employment Program, New York City Human Resources Administration-Webinar*. Retrieved September 10, 2010 from <http://peerta.acf.hhs.gov/index.cfm?event=viewVirtualTA&nav=L&catID=8>

With the advent of universal engagement, state agencies face numerous challenges engaging TANF participants with barriers to work. New York City's Human Resource Administration designed and implemented the WeCARE program to assist the high number of TANF participants on their caseload with clinical barriers to work. Since WeCARE's inception, the program has been able to move 900,000 people off of cash assistance. This Webinar provided TANF stakeholders with information on the creation and implementation of a program designed to assist participants with multiple barriers to work, engage in work activities and ultimately,

move off public assistance. Seth Diamond, Executive Deputy Commissioner of Family Independence Administration (FIA) through the New York City Human Resources Administration (HRA) and Mike Bosket, Assistant Deputy Commissioner of Office of Rehabilitation Services and Director of WeCARE Operations shared their experiences with the program.

## Children

Geen, Rob (2002). *Shoring Up the Child Welfare – TANF Link*. Retrieved September 8, 2010 from <http://www.urban.org/publications/310507.html>

The author of this report discusses the impact of the current disconnect between TANF programs and child welfare services. Two challenges are highlighted: “dual-system” families and the increasing reliance on TANF by states. Despite the limited research, there is some evidence that suggests that families that are served by both welfare and child welfare systems are often overwhelmed by the competing paperwork and requirements. Additionally, the author indicates that working welfare recipients are more likely to have their children put into foster care. With the decrease in funds from other federal sources, states have had to increase the use of TANF funds for child welfare services. States are receiving less federal IV-E money because there are fewer foster children. To strengthen the link the two programs, the authors recommends: encouraging collaboration between welfare and child welfare agencies; maintain the level and flexibility of TANF dollars, including the states’ ability to transfer funds SSBG and link IV-E to TANF eligibility.

Gibbs, Deborah; Kasten, Jennifer; Bir, Anupa; Hoover, Sonja; Duncan, Dean & Mitchell, Janet (2004). *Children in Temporary Assistance for Needy Families (TANF) Child-Only Cases with Relative Caregivers*. Retrieved September 8, 2010 from <http://aspe.hhs.gov/hsp/child-only04/>

Despite the national decline in TANF cases, child only cases have increased proportionally. Approximately half of the child-only TANF population is child-only cases with relative caregivers. The Office of the Assistant Secretary for Planning and Evaluation (ASPE), Department of Health and Human Services (DHHS) commissioned a study to gather more information about this population and their service needs. The key findings included:

- Many children enter informal kinship care as a result of circumstances that could justify child welfare involvement;
- Relative care is considered preferable to other forms out-of-home care, but often entails substantial sacrifice on the part of the caregiver;
- Many children in TANF child-only cases with relative caregivers have extensive unmet needs; and
- Children in TANF child-only cases with relative caregivers fall between the mandates of the welfare and TANF systems

Kaplan, April & Copeland Ivory (2001). *Addressing the Well-Being of Children in Child-Only Cases*. Retrieved September 8, 2010 from <http://www.financeproject.org/Publications/childonlycasesissuenote.htm>

The authors of this issue note focus on policy options which may be used by states to address their child-only cases. The issue note also examines the flexibility of TANF policies to prevent TANF family cases from becoming child-only cases. There has been an increase in child only

caseloads because time limits and work requirements do not impact child-only cases. The report indicates that in order to provide the right support services it is critical to understand the composition of child-only caseload.

The authors highlight innovative practices in states such as Alabama, New Jersey, New York, North Carolina and Ohio. Governor George E. Pataki of New York awarded \$31 million to create new community based prevention programs for vulnerable children and families. The Dare County in North Carolina has a comprehensive strategy to provide a continuum of preventive, support services to assist vulnerable families in crisis and to prevent families from needing to apply for welfare.

Ratcliffe, Caroline and Signme-Mary McKernan (2010). *Child Poverty Persistence: Facts and Consequences*. Urban Institute. Retrieved on September 9, 2010 from <http://www.urban.org/UploadedPDF/412126-child-poverty-persistence.pdf>

Over the past four decades, childhood poverty has ranged from 15 to 23 percent. However, limited analysis has been conducted on the length of time children spend living in poverty. This brief examines those trends, discovering that while 63 percent of American children reach adulthood never experiencing poverty, 10 percent of children live in persistent poverty. That is, spending at least half of their childhood in impoverished circumstances. Further, black children are 2.5 times more likely than white children to experience poverty and seven times more likely to experience persistent poverty. The authors also find that while children tend to cycle in and out of poverty, being poor at birth is a strong predictor of future childhood poverty and that persistent childhood poverty leads to significant negative outcomes in adulthood.

Hercik, Jeanette M, Leanne Charlesworth, and Courtney J. Kakuska (2003). Welfare Peer Technical Assistance Network, *TANF Child-Only Cases Trends and Issues*. Retrieved September 10, 2010 from <http://peerta.acf.hhs.gov/index.cfm?event=viewVirtualTA&nav=L&catID=8>

This issue brief provides an overview of the TANF child-only caseload including national and state trends, resources, characteristics, policy and program issues, and examples of innovative policies and programs.

## Parents

Holzer, Harry J. and Karin Martinson (2005). *Can We Improve Job Retention and Advancement among Low-Income Working Parents?* Institute for Research on Poverty. Retrieved September 8, 2010 from <http://www.irp.wisc.edu/publications/dps/pdfs/dp130705.pdf>

This paper reviews the evidence on four approaches to improving job retention and advancement among low-income working adults: (1) financial incentives and supports; (2) case management and service provision, often by labor market intermediaries; (3) skill development strategies; and (4) employer-focused efforts, such as targeted strategies and career ladder development at private firms. Within each category, at least some evidence was found of positive effects on retention or advancement. Among the most promising approaches are the use of labor market intermediaries for job placements, the use of community colleges for training, and a variety of efforts that involve local employers. Mixed strategies that combine strong financial incentives and supports with labor market services and training also show promise.

The evidence summarized in this report document the difficulties that frequently impede the retention and advancement prospects of low-wage workers. These difficulties include poor skills and work histories; low wages and benefits, which provide little incentive to remain on the job and little hope of advancement; difficulties with child care, transportation, and other family issues; and limited access to better employers.

The review of the policy evaluation literature indicated no “magic bullets” and relatively few programs or efforts that solve these problems and improve retention and advancement with certainty. Many promising efforts have not yet been rigorously evaluated; others have, but their success rate is mixed, and our ability to replicate successes and implement them on a large scale remains uncertain.

Nevertheless, the evidence is strong enough to warrant some conclusions, which could form the basis of some innovative policy activity in this area. These conclusions are as follows:

- Financial incentives and supports seem to generate more steady employment for low earners, especially if they are tied to full-time work; but these supports must be permanent, and their effects on advancement are likely very limited.
- Temporary agencies (and perhaps other intermediaries) can improve the access of low earners to higher-wage employers, where their retention and advancement are both strengthened. Some kinds of post-employment services provided at the workplace seem to strengthen retention as well.
- Education and job training for low earners are most successful when they provide workers with credentials (such as Associate degrees, and perhaps other training certificates) that employers value, and when the training provides skills that match private sector demands in local labor markets.
- The returns to privately provided training by employers are high.
- Some programs based on mixed strategies—especially those that provide some training, a range of services and supports, financial incentives and/or access to better employers—have worked well, especially when implemented in an environment where pressures to gain employment are strong.