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TEMPORARY ASSISTANCE FOR NEEDY FAMILIES REAUTHORIZATION

REQUESTED ACTIONS: Provide an extension and additional funding through September 30, 2011 for the TANF Emergency Contingency Fund (TANF-ECF). In addition, Congress should craft a TANF reauthorization bill that repeals or revises previous administrative interpretations that have pushed states and counties to adhere to new, federally-imposed processes at the expense of moving families into self-sufficiency based on their unique needs. CSAC also encourages Congress to support maintaining the focus on work activities under TANF, while recognizing that “work first” does not mean “work only.”

BACKGROUND: Before reauthorizing the TANF program, Congress must act to extend the TANF-ECF. Created by the American Recovery and Reinvestment Act (ARRA), the Fund has enabled counties to generate thousands of subsidized jobs and provide other necessary supports to eligible families.

All told, ARRA authorized \$5 billion in TANF-ECF funding, with California receiving \$1.8 billion. The state is expected to spend \$1 billion to \$1.2 billion by the end of fiscal year 2010, with an additional \$1 billion needed to adequately fund current initiatives through September of 2011. To date, California’s counties have created nearly 15,000 subsidized jobs, while providing short-term assistance to many other families.

Representatives Jim McDermott (D-WA), Pete Stark (D-CA), and Judy Chu (D-CA) have introduced legislation (HR 4564) that would extend TANF-ECF through next federal fiscal year. While consideration of the legislation is uncertain, assurances that TANF-ECF funding will continue is needed by spring, so that California’s counties and their partners in the private and non-profit sectors can plan to create and sustain jobs during a time of double-digit unemployment.

With regard to TANF reauthorization, the program is slated to expire on September 30, 2010. The Obama administration is proposing a one-year extension of the current program, with Congress expected to endorse the administration’s call for a short-term extension.

As previously noted, changes to TANF under the Deficit Reduction Act (DRA) of 2005 hampered counties’ ability to serve TANF recipients. The new law and subsequent regulations issued by the Bush administration placed excessive, process-oriented requirements upon California and its counties, with stiff fiscal sanctions for non-compliance. The regulations went beyond the DRA law in ways that are making it more difficult for states to meet federal work participation rate requirements.

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