


Government of the District of Columbia
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: November 30, 2010

SUBJECT: Fiscal Impact Statement – “TANF Educational Opportunities and Accountability Act of 2010”

REFERENCE: Bill Number 18-1007, Draft Committee Print Shared with the OCFO on November 29, 2010

Conclusion

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the provisions of the proposed legislation.

Background

The proposed legislation would amend Chapter 2 (Public Assistance) of Title 4 (Public Assistance Programs) regarding the Temporary Assistance for Needy Families (TANF) program. Specifically, it would:

- Require the Mayor to use a *standard process and mechanism* when making an assessment of the skills, prior work experience, employability, and barriers to employment, *including domestic violence, mental health, and substance abuse*, of each TANF applicant. This assessment is required under current law as a condition of eligibility for TANF, but there is no statutory language on how it should be carried out or who is responsible for it. Moreover, under current law it is described as a “preliminary” assessment, while under the proposed bill it would only be described as an assessment.
- Require that all staff responsible for administering the assessment receive specific training regarding its administration and the follow up services and programs available to eligible TANF recipients.
- No longer authorize the Mayor to make an assessment of the skills, prior work experience, employability, and barriers to employment of each TANF recipient *after* the recipient is determined eligible to receive TANF benefits.

- Provide that TANF recipients who received an assessment as a condition of eligibility develop an individual responsibility plan with the Mayor. Currently, TANF recipients who received an assessment *after* being determined eligible were to develop this plan.
- Specify that a TANF recipient in a single-parent assistance unit *with a child under six years of age* who is not engaged in paid employment for at least *20 hours per week* (or an average of 80 hours per month) be required to sign and comply with an agreement to participate in work activities as a condition of continuing eligibility for TANF benefits. Currently, all single-parent assistance units not engaged in paid employment for at least *30 hours per week*, regardless of the age of their child, are required to sign the agreement.

The proposed legislation also would update the TANF work requirements in accordance with the federal 2005 Deficit Reduction Act. This would include:

- Adding definitions for work activities¹ that TANF recipients with an individual responsibility plan are required to participate in; and
- Providing that participation in job skills training directly related to employment, education directly related to employment, satisfactory attendance in secondary school or a general equivalence program, or provision of child care services to an individual who is participating in a community service program would count towards the federal TANF work requirements, as long as the activity were combined with one of the other eight work activities detailed in current law.²

Lastly, the proposed legislation would require the Mayor to annually report and make public a number of performance measures.

Financial Plan Impact

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the provisions of the proposed legislation. First, the changes made to the assessment process are in line with the redesign of the TANF Employment program, which will go into effect after the implementation of the new contracts on July 1, 2011 and for which resources have already been dedicated. Second, the Department of Human Services' Income Maintenance Administration (IMA) is already complying with the changes made to the federal TANF work requirements and so this bill would only codify those changes. Lastly, IMA could comply with the reporting requirements using existing resources.

¹ The work activities are: 1) unsubsidized employment; 2) subsidized private sector employment; 3) subsidized public sector employment; 4) work experience; 5) on-the-job training; 6) job search and job readiness; 7) community service; 8) vocational educational training; 9) job skills training directly related to employment; 10) education directly related to employment; 10.5) satisfactory attendance in secondary school or a general equivalence program; and 11) providing child care services to an individual who is participating in a community service program.

² See 1-8 above.