



Social Services TANF Reauthorization

SUMMARY OF THE ISSUE

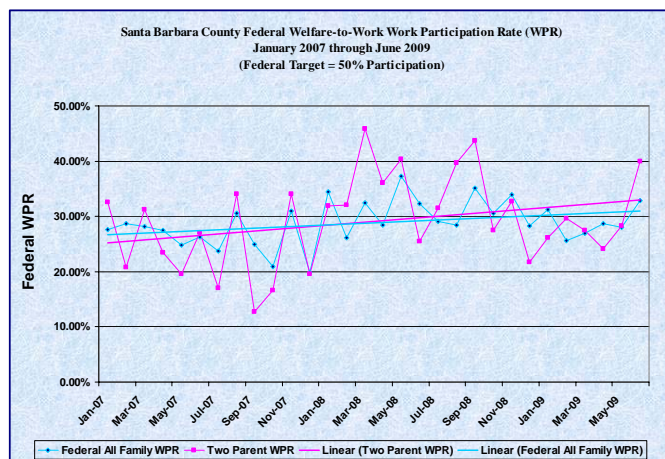
It is a difficult challenge for the County of Santa Barbara to meet performance targets within the regulations issued by the Federal Government for the Temporary Assistance for Needy Families (TANF) Program (known as CalWORKs in California). The last reauthorization of TANF, which was part of the Deficit Reduction Act of 2005, was heavily weighted toward Federal oversight and penalties instead of state flexibility and focused on work-participation while limiting what is considered “work”.

The success of TANF depends on counties’ flexibility to target local needs and support participants’ work activities. Without that flexibility and the funding to implement it, the working families who are struggling toward self sufficiency will lose supportive services and many will be unable to successfully end their reliance on cash assistance. Welfare reform is an ongoing process of supporting working families in gaining self-sufficiency, not a one-time removal of families from the welfare rolls.

TANF funding must be flexible to react quickly to economic downturns and other emerging issues. Many TANF participants struggle to find work, lack work experience, and are susceptible to homelessness and other crisis situations or episodes of need. For these reasons, continued funding via the Emergency Contingency Fund (ECF) to support subsidized employment programs and non-recurrent short-term benefits (one time benefit designed to deal with a specific crisis situation) established by the American Recovery and Reinvestment Act (ARRA) are crucial to the success of TANF. Once employment is found, TANF participants continue to need assistance with job retention, transportation, counseling, and other supportive services such as childcare and health care. With congressional reauthorization looming in 2010, the County supports flexibility that allows states and counties to meet the individual needs of their caseloads. The County supports establishing Federal rules that measure the effectiveness of welfare programs by utilizing more outcome-based measures.

PUBLIC BENEFIT/IMPACT

As depicted in the adjacent chart, executed strategies have been successful in improving the Work Participation Rate (WPR) but Santa Barbara County, like many counties, continues to struggle with the challenge of complying with Federal regulations. At the same time, significant funding cuts have been made by the Governor on CalWORKs and Employment Services funding that impacts staffing levels and supportive services, which



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hampers the progress made to date. If the current TANF Work Participation Rate methodology remains unchanged, counties will be faced with policy decisions that will impact client services and the WPR and possibly lead to county sanctions. These cuts almost certainly will translate into delays in processing applications and issuing checks; fewer clients finding jobs; and cutting programs such as housing, education help and domestic violence counseling. The latest California budget cuts are at the heart of the welfare-to-work approach, which many fear will be difficult to restore even after the current economic crisis is resolved.

COST TO THE GOVERNMENT

The current required Federal participation rate of 50% will not be met statewide and State Legislation requires that counties participate in the required fiscal sanction. It is unclear on how sanctions will be passed down and if counties will get credit for the WPR that is achieved or if the sanctions will be distributed evenly among counties regardless of their WPR. TANF Reauthorization offers an opportunity to change the current one-size fits all Federal rules that penalize states and counties instead of offering flexibility and incentives gauged toward effective measures of welfare program success.

REQUESTED ACTION AND STRATEGY

The County requests that its delegation advocate at the Federal level to undue the effects of the 2005 TANF Reauthorization changes to the WPR formula and definition of "work" as TANF is reauthorized. The County is interested in a balanced approach between federal oversight and state flexibility with better and more outcome-based measures of success. The County urges its delegation to seek continued support for the Emergency Contingency Fund authorized under the American Recovery and Reinvestment Act as a necessary component of TANF Reauthorization.

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