
Temporary Assistance for Needy Families Program Instruction

U.S. Department of Health and Human Services
Administration for Children and Families
Office of Family Assistance
Washington, DC 20447

No. TANF-ACF-PI-2006-04

Date: September 25, 2006

TO: STATE AGENCIES ADMINISTERING OR SUPERVISING AN APPROVED TANF (IV-A) PROGRAM AND OTHER INTERESTED PARTIES.

SUBJECT: Qualifying to Count Participation in Job Search and Job Readiness Assistance Activities for Up to Twelve Weeks

REFERENCES: Sections 407(c)(2) and 403(b) of the Social Security Act (the Act), and 45 CFR 261.34.

PURPOSE: To explain how a State qualifies to count up to 12 weeks of job search and job readiness assistance per fiscal year under the statute and rules and to provide the United States Department of Agriculture (USDA)'s Food Stamp monthly thresholds to trigger qualification under the Food Stamp criterion.

BACKGROUND:

Since we issued the interim final rule on June 29, 2006, implementing the Temporary Assistance for Needy Families (TANF) provisions of the Deficit Reduction Act of 2005, States have asked us how to address the job search and job readiness assistance needs of clients, given the time limitations on counting this activity in the statute.

First, we would like to emphasize that States may permit and should encourage clients to participate in job search and job readiness assistance activities any time these activities will lead to employment or help overcome barriers to employment. However, a State may not count those activities towards the participation rate if they exceed the statutory limitations. The law and regulations limit counting participation in job search and job readiness assistance activities to six weeks (or 12 weeks if a State qualifies due to high unemployment or as a "needy State"), with no more than four consecutive weeks, in a fiscal year. We believe Congress envisioned those weeks as concentrated participation in job search or job readiness activities, not an hour here or there, because the idea was to focus people on preparing for or getting a job. We encourage States to consider counting only those weeks in which clients primarily engage in job search or job readiness assistance activities with sufficient hours to meet their participation requirements. For example, a State could count a client that is in full-time substance abuse treatment for the week. When participation is more part-time or episodic, such as attending a counseling session for two hours, a State could count these hours as an "excused absence" from the countable work activity in which the individual is participating or simply require an individual to participate in these activities after satisfying the minimum hourly requirements in another countable activity. This would avoid using up the limited weeks that this activity can count and conserve it for times when the individual can participate intensively in these activities.

12-Week Qualification

Under Section 407(c)(2) of the Social Security Act and 45 CFR 261.34, an individual's participation in job search and job readiness assistance can count for a maximum of six weeks in a fiscal year (no more than four consecutive weeks). This can be extended to 12 weeks in a fiscal year if a State has an unemployment rate at least 50 percent greater than the unemployment rate of the United States or if the State meets the definition of a "needy State" under the Contingency Fund provisions of the law. There are two ways for a State to qualify as a "needy State," one based on its unemployment rate, the other based on increases in its Food Stamp caseload. (See section 403(b)(5) of the Act.) Here is a general description of the two triggers:

- Unemployment Trigger – the average unemployment rate for the most recent 3-month period is at least 6.5% and at least 110% of the State rate for the corresponding 3-month period in either of the two preceding calendar years.
- Food Stamp Trigger (as determined by the Secretary of Agriculture) – the monthly average number of participants for the most recent 3-month period is at least 110% of the State's monthly average caseload for FY 1994 or FY 1995, whichever is less, had the immigrant and Food Stamp provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) been in effect in those years.

POLICY:

Some readers of the TANF interim final rule have speculated that, once a State meets the high unemployment rate criterion or meets a "needy State" trigger, it will be eligible to count up to 12 weeks of qualifying participation in job search and job readiness assistance for the rest of the fiscal year. We do not believe this is a proper interpretation of the law or our rule. Under the statute, a State may count up to 12 weeks of participation in job search and job readiness assistance for an individual participating in those activities only in a month in which the State qualifies as "needy" or the unemployment rate is at least 50 percent greater than the national unemployment rate in that month. (See sections 407(c)(2)(A)(i) and 407(c)(1)(A) of the Act.)

During FY 2006, many States qualified in one or more months to count up to an additional six weeks of participation for individuals engaged in job search and job readiness assistance activities, either due to high unemployment or by qualifying as a "needy State." As of June 2006, 32 States (including the District of Columbia and Guam) met the definition of a "needy State" for at least one month in FY 2006 and 27 States met it in the month of June. Twenty-five States also met the definition each consecutive month, October through June. With the exception of Mississippi, which only qualified on the basis of the unemployment trigger, States qualified primarily because of growth in Food Stamp caseloads, although some States qualified under two criteria. Many States may remain "needy States" for the foreseeable future and others may qualify by the end of the fiscal year because the monthly Food Stamp thresholds that trigger the definition decline in most States over the last half of the fiscal year.

The USDA determines when a State's Food Stamp caseload increases enough to qualify as a "needy State." Because the USDA's calculations are based on caseload data reported by States, the official determination that a State is a "needy State" in a particular month comes with a two- to three-month

lag. Similarly, the Department of Health and Human Services determines when a State meets either unemployment criterion, based on unemployment data reported by the Bureau of Labor Statistics. At the very earliest, this occurs late in the month following the month of qualification. As a result, a State will not know officially that it qualified to count a client's additional weeks of participation in job search and job readiness assistance activities until the month has passed.

However, using its own trends and projections of Food Stamp participants and unemployment rates, a State can predict with reasonably high accuracy whether it will qualify due to high unemployment or as a "needy State" for a month. Based on actual Food Stamp participation in fiscal years 1994 and 1995 (adjusted, as required by statute, as if the immigration and Food Stamp provisions of PWRORA had been in effect in those years), the USDA has established a table of the caseload thresholds for each State for each month in the year (See Attachment). A State whose monthly average number of participants for the most recent 3-month period exceeds the threshold for the comparable period qualifies as "needy" for purposes of the 12-week job search and job readiness assistance provision. Using USDA's threshold table and the State's actual count and/or estimate of the average number of Food Stamp participants in any three-month period, a State will be able to determine with high probability whether it will be a "needy State" for a month. Similarly, for unemployment rates, State economists can predict with a high degree of accuracy whether a State will qualify under either unemployment criterion in an upcoming month. A State making such a determination with respect to the Food Stamp trigger should be sure to use the average of the most recent month and the two preceding months in comparison to the threshold for the most recent month. For example, to determine whether it qualifies on this basis for July, a State would calculate the monthly average caseload for May, June, and July 2006 and compare it to the July threshold.

With this announcement, we are posting by month at: <http://www.acf.hhs.programs/ofa/pi-ofa/12weekqualifier.htm> the official list of States that have qualified for counting up to six additional weeks of job search and job readiness assistance by month through June of 2006 for FY 2006. As soon as the USDA or ACF determines which States qualify as "needy States" for July and each subsequent month, we will post that information. If, at that time, a State has incorrectly counted additional weeks of job search and job readiness assistance to which the State is not "officially" entitled or conversely failed to count weeks of participation to which it is entitled, the State must adjust the participation rate data for that month.

ATTACHMENTS: USDA's Monthly Food Stamp Caseload Thresholds Triggering "Needy State" Status

INQUIRIES: Inquiries should be made to the appropriate Administration for Children and Families (ACF) Regional Administrator.

/s/
Sidonie Squier
Director
Office of Family Assistance

Attachment

Monthly Food Stamp Caseload Thresholds Triggering “Needy State” Status

	October	November	December	January	February	March	April	May	June	July	August	September
Alabama	557,583	553,973	567,231	577,658	574,138	571,584	555,154	550,696	544,803	539,741	537,801	536,721
Alaska	48,233	47,493	37,574	37,812	39,398	44,882	53,487	54,341	53,709	51,086	48,816	47,068
Arizona	519,606	517,578	515,030	512,448	507,389	502,836	497,500	491,895	485,254	476,688	470,001	461,233
Arkansas	289,713	288,342	289,770	292,127	293,362	293,704	290,954	288,660	285,594	283,895	284,000	282,992
California	3,193,596	3,142,001	3,099,793	3,167,500	3,256,804	3,268,925	3,278,272	3,238,866	3,226,045	3,217,342	3,218,253	3,207,074
Colorado	273,232	271,048	270,903	270,943	270,587	270,588	269,959	267,118	263,195	258,951	257,831	255,407
Connecticut	230,710	230,802	226,758	227,638	228,176	229,882	231,198	231,850	231,116	230,377	230,387	230,430
Delaware	60,628	59,991	60,412	60,752	60,987	61,221	60,902	60,780	59,782	59,071	58,376	57,777
District Of Col	94,069	93,124	92,306	91,787	91,210	91,256	93,326	93,489	92,855	92,425	93,129	93,386
Florida	1,483,686	1,479,286	1,474,773	1,464,806	1,441,184	1,424,780	1,412,068	1,412,574	1,404,695	1,401,359	1,407,172	1,416,181
Georgia	869,093	864,125	853,199	854,198	849,295	853,423	853,356	848,326	840,911	836,041	835,699	836,137
Guam	14,991	15,124	15,310	15,520	15,734	15,846	16,143	16,444	16,731	16,885	17,085	17,257
Hawaii	116,755	115,481	114,324	114,884	115,081	116,368	117,561	119,215	119,086	119,916	121,035	122,454
Idaho	81,257	81,199	83,020	85,025	86,790	88,508	89,016	88,603	86,542	84,965	83,942	82,253
Illinois	1,209,396	1,201,523	1,202,691	1,199,372	1,194,121	1,192,076	1,188,327	1,186,049	1,177,694	1,169,521	1,165,229	1,159,462
Indiana	513,823	518,169	514,245	511,247	508,022	506,961	501,754	495,199	485,203	473,323	454,468	436,274
Iowa	200,382	198,481	198,516	197,552	197,058	197,496	197,424	196,497	193,807	191,511	189,653	188,397
Kansas	198,580	196,726	196,794	195,997	195,710	196,252	195,858	194,334	192,213	190,967	190,656	189,326
Kentucky	536,920	537,580	540,577	544,240	548,314	552,523	551,240	547,997	541,757	537,631	535,261	534,769
Louisiana	765,985	744,864	742,978	744,765	757,039	755,396	751,151	750,731	742,942	736,671	728,616	722,264
Maine	135,831	135,173	135,465	137,130	138,356	140,181	140,293	140,200	138,213	136,203	134,203	132,625
Maryland	410,242	406,020	402,590	403,862	403,842	408,284	412,809	414,283	412,311	411,308	412,528	408,464
Massachusetts	451,947	448,500	446,340	443,766	440,801	439,432	434,932	428,974	420,174	414,096	410,850	407,779
Michigan	1,029,851	1,019,180	1,013,108	1,006,459	1,000,425	994,133	992,237	988,318	986,925	979,040	972,719	965,784
Minnesota	312,108	307,403	324,456	323,107	322,957	324,566	325,347	325,466	325,685	325,496	324,694	315,147
Mississippi	524,112	518,159	518,784	517,177	515,726	514,953	512,681	509,987	505,731	501,664	499,392	496,634
Missouri	605,958	604,307	604,650	607,291	608,154	609,318	605,626	601,574	594,034	588,556	586,373	583,693
Montana	72,621	72,231	73,052	74,662	75,833	76,787	77,179	76,943	76,204	75,074	74,260	73,113
Nebraska	114,494	113,574	113,380	113,390	113,613	113,810	113,160	112,323	111,086	110,420	109,943	109,192
Nevada	97,377	97,640	98,182	98,862	99,148	99,505	99,415	99,222	98,019	97,205	97,077	97,113
New Hampshire	63,004	62,636	62,517	62,822	63,285	63,808	63,780	63,257	62,111	60,712	59,437	58,289
New Jersey	574,059	572,502	563,421	564,844	566,262	571,116	575,407	573,996	570,213	567,170	570,177	569,075
New Mexico	249,424	248,691	249,994	250,750	251,024	251,099	249,931	249,516	247,582	246,563	245,899	244,555
New York	2,188,914	2,167,382	2,108,329	2,122,318	2,136,146	2,154,794	2,169,862	2,180,929	2,183,641	2,177,286	2,161,798	2,152,182

	October	November	December	January	February	March	April	May	June	July	August	September
North Carolina	653,505	651,067	654,596	655,387	653,860	653,216	649,206	643,868	636,193	630,099	631,982	634,442
North Dakota	44,905	44,224	44,216	44,433	44,942	45,021	45,012	44,545	44,491	44,043	43,546	42,520
Ohio	1,249,384	1,238,643	1,232,476	1,228,989	1,223,227	1,221,111	1,209,739	1,201,048	1,182,715	1,170,338	1,158,398	1,147,691
Oklahoma	390,146	393,569	390,098	392,740	394,703	396,424	394,683	393,210	389,603	386,976	385,073	383,324
Oregon	288,727	289,885	288,531	292,174	297,856	302,088	304,671	302,694	299,516	295,461	292,175	289,206
Pennsylvania	1,219,641	1,211,279	1,214,259	1,213,495	1,211,471	1,214,242	1,211,077	1,206,112	1,194,003	1,183,079	1,175,309	1,168,155
Rhode Island	96,650	97,582	97,952	98,273	98,638	99,300	99,052	98,510	97,389	96,219	95,673	95,508
South Carolina	398,550	397,443	397,796	396,564	394,266	391,974	387,382	383,560	378,028	374,605	372,918	371,600
South Dakota	54,332	53,692	53,976	54,367	54,723	54,901	54,723	53,976	53,123	52,234	52,127	52,021
Tennessee	736,442	727,122	707,930	705,435	700,106	700,019	693,338	688,695	679,131	672,303	668,833	666,380
Texas	2,732,302	2,725,491	2,722,348	2,707,322	2,677,901	2,650,641	2,613,954	2,587,942	2,552,971	2,530,521	2,518,379	2,511,155
Utah	129,925	129,380	129,005	129,344	129,103	129,177	127,966	126,568	124,223	122,211	120,931	119,429
Vermont	61,222	61,051	64,005	62,455	61,108	61,211	61,364	61,287	60,881	60,152	59,537	59,040
Virginia	569,184	564,984	559,109	559,287	564,248	571,028	576,891	583,843	577,696	571,085	567,370	562,333
Virgin Islands	19,419	19,420	19,481	19,811	20,093	20,291	20,657	21,029	21,446	21,835	22,277	22,583
Washington	481,954	479,148	469,319	472,853	479,038	489,647	496,812	498,223	494,426	488,873	484,999	480,506
West Virginia	317,121	315,609	317,210	319,593	322,290	322,589	320,475	317,947	314,314	311,285	309,426	308,347
Wisconsin	347,779	346,062	344,163	342,299	340,645	341,472	340,949	338,999	335,142	330,723	328,197	325,517
Wyoming	34,995	34,195	34,104	34,769	35,142	35,847	36,348	36,438	36,273	35,915	35,319	34,324

Note: Monthly State figures are the smaller of estimates for fiscal years 1994 and 1995. Since some States have figures derived from 1994 and others from 1995, summing the State figures for a national figure does not provide a meaningful number.