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The Effect of State TANF Choices on Grandparent-Headed

Households

by

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EXECUTIVE SUMMARY

Introduction

The number of grandparents raising grandchildren is growing, and many find themselves unprepared to face the financial burden created by such a responsibility. For decades, the single largest source of cash assistance to needy families with children, including grandparent-headed families, was Aid to Families with Dependent Children (AFDC). The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRA) replaced AFDC with Temporary Assistance to Needy Families (TANF), a block grant to the states. Much of the responsibility for the design and administration of the TANF program rests with states. With its emphasis on children being raised in poverty by single mothers, the PRA has resulted in policies that were never intended to address the needs of children who are being raised by grandparents.

This study focuses exclusively on grandparent-headed households where neither parent is present. Although this definition excludes almost two-thirds of the grandparent-headed households as defined by the Census Bureau, it is an important definition of grandparents in relationship to TANF. The presence of a parent in the household (whether the parent is a teenager or an adult) triggers different eligibility standards under TANF, and thus raises different policy considerations.

Purpose and Methodology

This study examines how the states, in implementing TANF, may have crafted policies that are not tailored to the unique needs of grandparent-headed households. The study looks at four of those policies: benefit levels, time limits, work requirements, and support enforcement. The study offers policymakers and advocates the opportunity to see how other states have addressed these issues and to identify policies that may better serve the needs of grandparent-headed households. The Public Policy Institute, working in conjunction with AARP's Grandparent Information Center, drafted an 18-question survey instrument that focused on state-specific TANF rules that apply differently to grandparent-headed households than to households where a parent is present. Telephone interviews were conducted from November 1998 to February 1999 with state TANF officials or their representatives.

Principal Findings

Responses to the survey were received from all 50 states and the District of Columbia. Many states had not considered the application of certain rules to grandparent-headed households. Only a few states reported using different rules for grandparent-headed households. Most states apply the same rules to parent- and grandparent-headed households.

Benefit Amount

The maximum TANF benefit varies dramatically from state to state. Since states are no longer required to provide long-term cash assistance to eligible families, a number of

states have increased the dollar amount of their short-term cash assistance benefits. Even though cash assistance has increased in some states, there is still a significant gap between monthly benefit levels and the amount it would take to bring a family up to the federal poverty level.

In every state, TANF eligibility is based on the income and assets of family members who receive benefits, members of the so-called "assistance unit." In all but three states, grandparents raising grandchildren whose income and assets are low enough to qualify for TANF benefits can receive additional cash assistance by electing to be part of the "assistance unit."

In all but one of the states the amount of cash assistance is based on the number of people in the assistance unit; more people in the assistance unit result in more cash assistance. Grandparents whose incomes and assets exceed the eligibility standards can obtain cash assistance on behalf of their grandchildren in the form of a "child-only" grant. This option is not available in households where a parent is present. In several states, if a grandparent or other adult (rather than a second child) is part of the assistance unit, the monthly cash benefit will be higher than if the second person is another grandchild.

Time Limits

States are not permitted to use federal TANF dollars to provide assistance to a family that includes an adult who has received TANF assistance for 60 months. States may exempt up to 20 percent of their TANF recipients from this time limit on the basis of hardship. When this survey was conducted, only 18 states had identified criteria for hardship exemptions. Some states exempt caretakers who are over age 60. Other criteria for hardship exemptions include domestic violence, disability or illness of a caretaker, caring for a disabled person, caring for a young child, and general hardship or other barriers to employment.

In every state, grandparents who are part of the assistance unit can avoid the lifetime loss of benefits for their grandchildren by removing themselves from the TANF grant anytime up to receiving 59 months of benefits. Parents do not have this option. At the time this survey was conducted, nine states explicitly did not allow grandparents to convert to a child-only grant once they exhausted their 60-month lifetime limits. Another 33 states permitted grandparents to withdraw from the assistance unit and continue to receive benefits on behalf of their grandchildren even after time limits run out; some of those states intended to provide benefits for the grandchildren using state dollars or funds available under a pre-TANF AFDC waiver.

Work Requirements

Grandparents who are part of the assistance unit and not otherwise exempt are required to engage in work activities once the state determines the grandparent is ready to work and, in any event, no later than 24 months after beginning to receive assis-

tance. Work requirements do not apply to grandparent-headed households where grandparents choose to exclude themselves from participation in the TANF assistance unit. Some states require applicants for cash assistance, including grandparents, to conduct a job search while their application is pending. No state requires grandparents who seek a child-only grant to participate in work or in a job search.

States must sanction beneficiaries who refuse to engage in work and do not have good-cause exemptions. Many states retained the exemptions that were available under the now repealed JOBS program. Many states provide exemptions from work requirements for grandparents over a certain age. That age varies from 55 to 65. Most states provide an exemption for grandparents who are ill or disabled or who are needed in the home to care for an ill or disabled family member. A few states have added additional grounds for exemption.

Child Support Enforcement

The PRA requires parents who apply for or receive TANF benefits to cooperate in child support enforcement activities. States have enormous discretion in defining "cooperation," but generally the term includes providing information about the absent parent that will help a state agency obtain child support payments. A parent or grandparent who fails to cooperate, as defined by the state, can be sanctioned with the loss of up to 100 percent of the household's TANF benefits.

For some grandparents, providing information about an absent parent and initiating support enforcement activities can anger a parent and destabilize informal custody arrangements or jeopardize the safety of the grandparent or grandchild. As of January 1999, all states imposed a cooperation requirement on grandparents who are part of the assistance unit. With regard to grandparents receiving a child-only grant, 3 states did not impose a cooperation requirement, and 13 others imposed one but did not sanction grandparents for failing to comply with it.

Conclusions and Recommendations

To date, states have largely neglected the question of how welfare reform policies affect grandparent-headed households. Policies and procedures relating to benefit levels, time limits, work requirements, and support enforcement may have unintended consequences for grandparents. Now that states have had time to make basic decisions about how to implement the PRA, they should take the following steps to ensure that their policies also serve grandparents and the grandchildren in their care:

- Use some of the welfare surplus to increase benefits
- Move grandparents into state-funded programs before they exhaust their lifetime benefits
- Exempt from time limits and work requirements grandparents who are ill, incapacitated, or disabled

- Exempt from time limits and work requirements grandparents who are over age 55
- In states that do not offer formal exemptions from work requirements, be fair in granting exemptions and offer some appeal rights to applicants
- Provide job-readiness screening for grandparents before imposing job-search requirements
- Train all TANF workers on child custody and visitation issues grandparents may face
- Exempt from child-support cooperation requirements grandparents who receive child-only grants
- Develop reasonable standards for paternity, and support enforcement for grandparents
- Do not sanction grandchildren whose grandparents decline to participate in child-support enforcement activities
- Train all TANF workers to identify domestic violence issues that may affect grandparents
- Establish a separate application process for grandparents where they will be advised about the availability of child-only grants and about rules of special interest or concern to grandparents, and
- Establish clear, fair, and consistent policies for implementing the TANF program.

INTRODUCTION

The number of grandparents raising grandchildren is growing. In 1970, approximately 2.2 million children lived in grandparent-headed households. By 1998 that number had grown to almost 4 million.¹ In more than one third of these households, neither parent was present.²

Many grandparents find themselves unprepared to face the financial burden of supporting grandchildren. Grandmothers who raise grandchildren alone are particularly likely to face economic hardship. In 1997 the average annual income of grandmothers who headed households with neither grandfathers nor parents present was \$19,750, substantially less than the average household income of \$61,632 for households with both grandparents and one or both parents of the grandchildren present.³ For grandparents who live near the poverty level (\$11,060 per year for a family of two in 1999),⁴ the addition of a grandchild may push the household into poverty. Even grandparents with higher incomes may find themselves financially unable to meet all of their grandchildren's needs.

For decades, the single largest source of cash assistance to needy families, including grandparent-headed families, was the AFDC program, Aid to Families with Dependent Children. AFDC was established by the Social Security Act of 1935 to provide support for needy children and for others living with them.⁵ In August 1996 Congress enacted the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (the PRA).⁶ The PRA replaced three programs – AFDC, Emergency Assistance for Needy Families (EA), and the Job Opportunities and Basic Skills Training (JOBS) program – with Temporary Assistance to Needy Families (TANF), a block grant to states.⁷ The purpose of TANF was to increase the flexibility of the states in administering their public benefit programs.⁸ With its emphasis on children being raised in poverty by single mothers, the PRA has resulted in policies that were never intended to address the needs of the growing number of children who are being raised by grandparents.

¹ Lugaila, Terry A. 1998. Marital Status and Living Arrangements: March 1998 (Update). U.S. Bureau of the Census, Current Population Reports, P20-514. U.S. Bureau of the Census. Series P20-514, December 1998 (Update) and earlier reports.

² Ibid.

³ Casper, L. M. and K. R. Bryson, "Co-resident Grandparents and Their Grandchildren: Grandparent Maintained Families." Census Bureau, Population Division, Fertility and Family Statistics Branch. Population Division Working Paper No. 26. May 1998.

⁴ Federal Register, 64:52. March 18, 1999, pp.13428-13430. [cited April 24, 1999]. Available from <http://aspe.os.dhhs.gov/poverty/99poverty.html>.

⁵ Pub. L. 90-248, Title II, § 241(b)(1), 81 Stat. 916 (1935).

⁶ Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRA), Pub. L. No. 104-193. 110 Stat. 2105. August 22, 1996 (codified in part at 42 § 601 et seq.).

⁷ 42 U.S.C. § 603(a).

⁸ 42 U.S.C. § 601(a). "The purpose of this part is to increase the flexibility of States in operating a program designed to: (1) provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives; (2) end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage; (3) prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and (4) encourage the formation and maintenance of two-parent families."

This study focuses exclusively on grandparent-headed households where neither parent is present. For the purposes of this study, therefore, "grandparent-headed households" are defined to include only those households where neither the mother nor father of the grandchild is present. Although this definition excludes almost two-thirds of the grandparent-headed households as defined by the Census Bureau, it is an important definition of grandparents in relationship to TANF. The presence of a parent in the household (whether the parent is a teenager or an adult) triggers different eligibility standards under TANF, and thus raises different policy considerations.

In households with parents present, it is the parents' circumstances that determine eligibility, not the circumstances of the grandparents. The reason for this distinction is that states have chosen to base TANF eligibility on the income and assets of members of the assistance unit. A parent cannot elect to be excluded from an assistance unit, while a grandparent heading a household with no parent present can.⁹ A grandparent can, and may wish to for reasons discussed below, decline to be part of the assistance unit, or may even be ineligible to be part of it, and still obtain benefits on behalf of a grandchild. That option – to obtain a grant on behalf of the child only – is not available to parents.¹⁰

This study examines how states, in their efforts to implement new welfare policies and comply with federal law, may have crafted policies that are not tailored to the unique needs of grandparent-headed households. It looks at those policies in four subject areas: benefit levels, time limits, work requirements, and support enforcement. Each section provides a discussion of why its subject is important to grandparent-headed households, along with survey results on how states are implementing their policies. This study offers policymakers and advocates the opportunity to see how other states have addressed these issues and to identify policies that may better serve the needs of grandparent-headed households.

OVERVIEW OF WELFARE REFORM

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (the PRA) made the most sweeping change in federal welfare policy in over 30 years. The PRA repealed three programs – Aid to Families With Dependent Children (AFDC), Emergency Assistance for Needy Families (EA), and the Job Opportunities and Basic Skills Training (JOBS) program – and replaced them with Temporary Assistance to Needy Families (TANF), a block grant to the states.¹¹

Previously, states were entitled to matching federal funds for a percentage of their expenditures for AFDC, EA, and JOBS programs. The more of its own dollars a state

⁹Under TANF, there are no assistance unit rules. States have discretion to require grandparents to be on the grant, but to date no state has done so.

¹⁰ There are limited circumstances where a parent receives a child-only grant on behalf of a child. These include families where the parent is disabled and receives SSI benefits, families where the parent is an ineligible immigrant, and families where a parent has been removed from the grant as a sanction. What distinguishes parents who receive the child-only grant from grandparents is that parents cannot choose to be removed from the grant.

¹¹42 U.S.C. § 601 et seq.

spent on these programs, the more federal dollars it received. Under the PRA, the federal obligation to reimburse states for a percentage of their spending has become a fixed block grant, and the federal contribution is based not on current state spending but on calculations of recent federal spending in that state.¹² Under the PRA, the amount of federal funding states will receive to assist needy families is fixed through the year 2002.¹³

The federal government has turned over much of the responsibility for the design and administration of the TANF program to the states. But states do not have complete discretion in how they operate their programs. For example, states may not use federal funds to provide benefits to certain legal aliens, to parents who fail to cooperate in child support enforcement efforts, or to unwed mothers under age 18 who do not live with an adult.¹⁴

The PRA also ended all entitlement to assistance, specifying that it "shall not be interpreted to entitle any individual or family to assistance" under any state program funded by it.¹⁵ This means that even if a grandchild meets every eligibility requirement of the TANF program, the state still has no obligation under federal law to provide assistance.

Ending entitlements does not mean that states can totally eliminate their assistance to needy families. States are required to maintain 80 percent of their fiscal year 1994 AFDC spending levels.¹⁶ This "maintenance of effort" requirement drops to 75 percent if the state meets federal targets for work participation. States can satisfy the maintenance of effort requirement in a variety of ways, including cash aid, child care assistance, education, job training, and employment services.¹⁷ States can also meet maintenance of effort requirements by assisting families who are ineligible for TANF because they have exhausted their 60-month lifetime benefit limits or because they are not citizens, although federal dollars cannot be used for these purposes.¹⁸ If a state fails to meet the maintenance of effort requirement, the federal government will reduce the state's block grant in the next fiscal year.¹⁹

Nor does ending entitlements mean that states can distribute assistance without a formal plan. States were required to submit their plans by July 1, 1997; most did so earlier.²⁰ Federal law requires state plans to include objective criteria for delivery of benefits, determination of eligibility, and equitable treatment of beneficiaries, including an administrative or appeals process for recipients.²¹

¹² 42 U.S.C. § 603(a)(1)(B).

¹³ 42 U.S.C. § 603(a)(1)(A).

¹⁴ 42 U.S.C. § 608.

¹⁵ 42 U.S.C. § 601(b).

¹⁶ 42 U.S.C. § 609(a)(7).

¹⁷ *Federal Register*. 64:69. April 12, 1999, p. 17727.

¹⁸ 42 U.S.C. § 609(a)(7)(B)(iii).

¹⁹ 42 U.S.C. § 609(a)(7).

²⁰ *Status of TANF Plans as of 9/29/97 10:00 A.M.* Administration for Children and Families. U.S. Department of Health and Human Services. [cited March 19, 2000] Available from <http://www.act.dhhs.gov/news/welfare/stplans.html>.

²¹ 42 U.S.C. § 602(1)(B)(iii).

While TANF gives states great discretion in how they administer their cash assistance programs, that discretion is not absolute. The federal government imposes strict requirements with regard to time limits, work requirements, and child support enforcement. These issues are discussed in detail below. If a state fails to meet these requirements, the federal government can impose harsh financial penalties, cutting a percentage of the state's block grant.

To date, states have focused their efforts on developing and implementing state plans that comply with federal law. To implement the PRA and avoid federal sanctions, states have scrambled to develop new programs and policies, and in some cases to create new agencies or offices to address issues like work programs or child support enforcement. States have been preoccupied with laying a foundation for the PRA and, for the most part, have not turned their attention to the unique needs of children who are in a grandparent's care.

METHODOLOGY

The AARP Public Policy Institute conducted this survey of how states are implementing TANF policies that have particular consequences for grandparent-headed households. The Public Policy Institute sought to compile information about the choices each state made in implementing its TANF program. The purpose of the survey is to provide federal and state policymakers with information on four issues that are important to grandparent-headed households: (1) benefit levels, (2) time limits, (3) work requirements, and (4) child support enforcement.

The Public Policy Institute, working in conjunction with AARP's Grandparent Information Center, drafted an 18-question survey instrument (Appendix A). The survey questions were based on earlier policy analyses of how AFDC applied to grandparent-headed households²² and the effects of welfare reform on those households.²³ The survey questions focused on rules that might be applied differently to grandparent-headed households than to households with a parent present. Of particular interest were those policies that might have harsh or unexpected consequences for grandparent-headed households.

Telephone interviews were conducted from November 1998 through February 1999 with either the state TANF director or a designated representative.²⁴ Information was collected from each of the 50 states and the District of Columbia. Information collected

²² Mullen, Faith. "A Tangled Web: Public Benefits, Grandparents, and Grandchildren." 1995, Washington, DC: AARP.

²³ Mullen, Faith. "Welcome to Procrustes' House: Welfare Reform and Grandparents Raising Grandchildren." *Clearing-house Review*, September 1996.

²⁴ Some states operate innovative programs (both public and private) that address the concerns of grandparent-headed households that are beyond the scope of this paper because they are not administered through the TANF program. This paper reflects the TANF choices that states had made in the winter of 1998 and 1999 as reported by state TANF officials. Necessarily, it does not include state TANF policies implemented after that date, nor does it include information from other knowledgeable state sources like administrators of child support enforcement or foster care programs, two important issues for grandparent-headed households.

during the telephone interview was recorded on each state's survey form and then a fax of the answers was sent to each state TANF official who had been interviewed for verification of the recorded answers. A copy of the letter that accompanied the information to be verified is included in Appendix B.

In addition, a literature search was conducted, reviewing policy articles and web sites related to TANF implementation. Those sources are cited in footnotes throughout this paper. One clear finding from the literature review is that state TANF policy continues to evolve. Many states amended their initial TANF plans and have refined them further since this survey was conducted.

This paper does not, and indeed could not, report all of the current TANF policy choices made by all of the states. It is important for advocates and policymakers to familiarize themselves with the specific current choices their particular state has made.²⁵ Ideally, this paper will supply some context for understanding those choices.

BENEFIT AMOUNT

For grandparents who turn to public benefit programs for financial help in meeting their grandchildren's needs, the most compelling question is how much help can they obtain? In a large measure, the answer depends on where the grandparents live. Under AFDC, the maximum cash assistance benefit varied dramatically from state to state. This continues to be true under TANF.²⁶ In January 1999, benefits for one grandchild living in the continental United States ranged from a high of \$448 in one county in Vermont to a low of \$60 in Mississippi. In addition to state variation, benefits in some states vary from county to county. Table 1 shows the maximum cash assistance benefits available in each state for one- and two-person households in January 1999.

Under AFDC, states had great discretion in establishing their benefit amounts; this discretion continues under TANF. With the exception of Alaska, benefit amounts fall short of the poverty level. For example, Connecticut provides one of the most generous grants in the continental United States, but in January 1999 a grandparent and one grandchild living in that state would have been eligible for a maximum of \$443 per month, less than half of the federal poverty level of \$905 for a family of two. Welfare reform has provided states an opportunity to increase their cash assistance

²⁵ Two helpful websites for state-specific TANF information are the "State Policy Documentation Project" available from <http://www.spdp.org> and the website of the Department of Health and Human Services, Office of Family Assistance, available from <http://www.acf.dhhs.gov>.

²⁶ The fact that benefit amounts vary greatly among states prompted Congress to allow states to apply different rules and offer lower benefits to families who were new to a state for up to one year. This provision was enacted because Congress believed that some families would move across state lines to maximize welfare benefits, and Congress did not want to deter states from paying higher benefits out of fear that they would attract large numbers of recipients from bordering states. See Welfare and Medicaid Reform Act of 1996, Report of the Committee on the Budget House of Representatives to Accompany HR 3735." 104th Congress, 2nd Session, Report 104-651 (1996). In May 1999 the Supreme Court ruled that a durational residency requirement imposed in California violated the equal protection clause of the Constitution because it infringed on the right to travel. See *Saenz v. Roe* 526 U.S. 489 (1999).

benefits without undermining beneficiaries' motivation to leave welfare. According to one study, thirteen states have increased their maximum benefit level since January 1998.²⁷ Four of those states had been among those paying the lowest benefit levels in the country (Mississippi, Tennessee, Texas, and West Virginia). Benefit levels have also increased in California, Idaho, Maine, Maryland, Minnesota, Montana, New Hampshire, Ohio, and Utah.

In addition to the basic choices states make with regard to benefit levels, the other factor that determines the maximum benefit amount a grandparent can receive is the number of people in the TANF assistance unit. (See Table 1). With the exception of Idaho,²⁸ states base the amount of cash assistance on the number of people in the assistance unit; the presence of more people in the assistance unit results in more cash assistance. Pennsylvania is typical in this regard. In January 1999 one grandchild who was eligible for the maximum TANF benefits would have received \$205 per month; a family with a second person on the TANF grant, either another grandchild or a grandparent, would have received \$316. In 12 states, if a grandparent or other adult is the second person on the grant, the amount of the grant will be higher than if the second person is another grandchild. For example, in Indiana in January 1999 a family with two grandchildren eligible for the maximum TANF benefits and no adult in the assistance unit would have received \$198, while the maximum benefit for one grandchild and one grandparent would have been \$229.

Even in states where the amount of cash assistance increases substantially if the grandparent is part of the assistance unit, there are two reasons a grandparent might not participate. First, the grandparent might have income or assets that exceed the state eligibility standard, and might simply not be eligible for benefits. Only families with limited income and resources qualify. All income received on behalf of a grandchild or by household members who are part of the assistance unit (those in the household who receive TANF benefits) must be included in calculating TANF eligibility. States have great discretion in deciding how they will count income and resources: the PRA does not specify resource or income limits so the amount varies from state to state, but a grandparent with as little as \$900 of monthly earned income or \$3,000 of savings would not qualify for TANF benefits in most states.²⁹ However, if the grandparent is not part of the assistance unit and the grandchild meets the eligibility requirements, the grandchild can still qualify for benefits in most states. In three states – Wisconsin, Alabama, and South Dakota – grandparents are not eligible to be part of the assistance unit.

²⁷ For a state-by-state list of benefit amounts see "Monthly Cash Assistance and Food Stamp Benefits for a Single-Parent Family of Three with No Earnings, 2000," [cited May 19, 2000] Available at <http://www.spdp.org/financial/MAXBEN2000.pdf>.

²⁸ Idaho pays a flat grant of \$276 regardless of family size.

²⁹ Gallagher, L. Jerome, Megan Gallagher, Kevin Perese, Susan Schreiber, and Keith Watson. *One Year After Federal Welfare Reform: A Description of State Temporary Assistance for Needy Families (TANF) Decisions as of October 1997*. The Urban Institute, June 1998, Table: Income Eligibility Limits for Recipients, 5-7 [cited May 12, 1999.] Available from <http://newfederalism.urban.org/html/occast.html>.

Grandparent-headed households can have income and resources that exceed eligibility standards and still receive TANF on behalf of a grandchild, while parent-headed households with identical income and resources would not qualify for TANF. This option – to choose whether to be a member of the assistance unit – is a critical distinction between grandparent-headed households where no parent is present and households where a parent is present. A grandparent may choose not to be part of the assistance unit, but parents who live with their children never have that choice.

The second reason a grandparent may prefer not to be part of the assistance unit involves two important conditions of program participation, time limits and work requirements. The PRA prohibits the use of any federal TANF dollars in a household where an adult had received benefits for more than 60 months,³⁰ and allows states to impose even shorter time limits. Absent an exemption for good cause, the PRA also requires any grandparent who receives TANF assistance to participate in work programs once a state determines the grandparent is ready to work or has received assistance under the program for 24 months, whichever is earlier.³¹ However, these two requirements do not apply to grandparents who elect not to be part of the TANF assistance unit. As a practical matter, this means that grandparents who are not part of the assistance unit can obtain benefits on behalf of their grandchildren without meeting the time limits or work requirements that are imposed on parents or on grandparents who are part of the assistance unit. The time limits and work requirements are described in detail below.

TIME LIMITS

Generally under AFDC there were no limits on the number of months a family could receive benefits.³² That changed with the passage of the PRA. One of the stated goals of the PRA was to end long-term dependency on government benefits.³³ Congress sought to achieve that goal by imposing time limits after which an otherwise eligible family may not receive benefits.

The PRA established that states are generally not permitted to use federal TANF dollars to provide assistance to a family that includes an adult who has received TANF assistance for 60 months.³⁴ These are lifetime limits, so for the purpose of calculating the time limit it does not matter if the benefits were received continuously or a month at a time over the course of decades. States have a great deal of flexibility and can offer benefits for as many or as few months as they choose.³⁵ If states choose to provide benefits beyond the 60-month limit, generally they must use state dollars.

³⁰ 42 U.S.C. § 608(a)(7).

³¹ States have great discretion in defining work. For example, in Washington, providing around-the-clock care for another person's child is construed as work. "Washington State's Temporary Assistance for Needy Families (TANF) State Plan" [cited June 21, 2000], available at <http://www.wa.gov/workfirst/about/planbody.pdf>.

³² Some states, operating under AFDC waivers, imposed time limits on otherwise eligible families.

³³ 42 U.S.C. § 601(a).

³⁴ 42 U.S.C. § 608 (a)(7)(A).

³⁵ For a detailed description of what time limits states have adopted, see "State Time Limits on TANF Cash Assistance" [cited May 19, 2000] State Policy Documentation Project (SPDP). Available from <http://www.spdp.org/tanf/timelimits.html>. See also *Time Provisions of State TANF Plans*. Department of Health and Human Services, Office of Family Assistance, 1999 [cited February 29, 2000.] Available from <http://www.acf.dhhs.gov/program/ofa/TIME2.HTML>.

When a parent-headed family reaches the 60-month federal time limit, federal TANF assistance cannot be provided to the family (not even the children), unless the family is among the 20 percent of the state's caseload to whom the state grants a hardship exemption. In all states that permit eligible grandparents to be part of the TANF assistance unit, grandparents (unlike parents) can remove themselves from the assistance unit at any time before the federal time limit is reached and continue to receive benefits on behalf of their grandchildren. In some states (described below), grandparents can remove themselves from the assistance unit and obtain benefits even after 60 months. This is in contrast to parent-headed families where the children lose benefits once the parents receive benefits for 60 months.

Time Limits Do Not Apply When Grandparents Are Not Part of the Assistance Unit

The 60-month time limits do not necessarily apply to grandparent-headed households where no parent is present, for two reasons. First, grandparents of any age who are eligible for TANF can choose to exclude themselves from participation in the TANF assistance unit. All states exempt a grandparent who receives a child-only grant from the time limits.³⁶ The time limits do not apply to grandparents who obtain a child-only grant because those assistance units do not include an adult who has received TANF assistance for 60 months.

Second, grandparents who are over age 65 should rarely be part of the assistance unit. A grandparent whose income and resources are low enough to qualify as part of the TANF assistance unit would likely meet the income and resource tests for Supplemental Security Income (SSI) benefits, and at age 65 will be eligible for SSI based on age.³⁷ There are four reasons why it is more advantageous for a grandparent to participate in SSI than in TANF:

- Participation in the SSI program is not time-limited.
- Participation in the SSI program is not subject to work requirements.
- SSI benefits are more generous than a grandparent's share of a TANF grant. In 1999 the maximum SSI benefit was \$500 per month, \$131 per month more than the most generous state (Alaska) offers its grandparents who are part of the TANF assistance unit.
- SSI eligibility automatically entitles a grandparent to Medicaid benefits in most states.

³⁶ In Wisconsin, Alabama, and South Dakota grandparents are never part of the assistance unit. Idaho pays a flat benefit rate (\$276) regardless of the number of people in the assistance unit.

³⁷ 42 U.S.C. § 1381 *et seq.*

³⁸ 42 U.S.C. § 608(a)(7)(B). There are two additional exemptions under federal law involving adults who received benefits when they were children and families who live on certain Indian reservations, but these variations are not likely to apply to the majority of grandparents. 42 U.S.C. § 608(a)(7)(D).

Application of the Time Limits

For grandparents who elect to be part of the assistance unit, several state choices will affect the application of time limits on TANF assistance:

- States are not required to provide benefits for 60 months; they may limit the receipt of benefits to shorter periods, as they see fit.
- States are free to configure periods of eligibility within the overall time limits and impose periods of ineligibility. For example, Tennessee has adopted a 60-month time limit, but after 18 months of assistance, a family must wait at least 3 months before becoming re-eligible.³⁹
- States that experimented with some form of time-limited assistance under an AFDC waiver prior to enactment of the PRA may continue with those limits.⁴⁰
- States may use federal TANF dollars for beneficiaries to whom they have granted a hardship exemption.⁴¹ Federal law allows, but does not require, states to provide TANF assistance beyond 60 months for up to 20 percent of the state's caseload based on hardship.

This study focused on the last choice, exploring what criteria states intend to use in granting hardship exemptions to grandparent-headed households that have reached the 60-month federal time limit.⁴² (See Table 2.)

States have generally not identified hardship exemptions that apply only to grandparent-headed households. In fact, as of January 1999, 31 states had not identified any criteria for hardship exemptions.⁴³ Two of those states, Oregon and Texas, indicated that they had not identified hardship criteria because they were operating under a pre-PRA AFDC waiver.

³⁹ Greenberg, Mark, Steve Savner, and Rebecca Swartz. "Limits on Limits: State and Federal Policies on Welfare Time Limits." 63-64. (Center for Law and Social Policy, June 1996).

⁴⁰ 45 C.F.R. § 260.76.

⁴¹ 42 U.S.C. § 608(a)(7)(C).

⁴² This paper uses the term "hardship exemptions" as described above, in conformity with the federal statutory language. Some policy analysts, however, have made a useful distinction between exemptions from time limits and extensions to time limits. See *Gallagher et al.* "Exemptions" have been defined in effect as stopping the clock, typically for the months in which the family meets one or more of the exemption criteria, so that those months do not count toward the time limits. In contrast, "extensions" of the time limits refers to policies that allow a family to continue receiving assistance beyond the time limit. For a thoughtful discussion of the time-limit exemptions and time-limit extensions under TANF, see "State Choices on the Time Limit Policies in TANF-Funded Programs" Liz Schott, Center on Budget and Policy Priorities, September 1, 1998. Available at <http://www.cbpp.org/9-98wel.htm>.

⁴³ As of January, 1999, the following states were without criteria for hardship exemptions from time limits: Arizona, California, Colorado, Connecticut, District of Columbia, Georgia, Hawaii, Illinois, Iowa, Kansas, Louisiana, Maine, Maryland, Michigan, Minnesota, Montana, Nevada, New York, North Carolina, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Texas, Utah, Vermont, Virginia, Washington, and West Virginia. In Alabama, South Dakota, and Wisconsin, caretaker relatives are not eligible to be on the grant.

Among those states that had identified criteria for hardship exemptions, Nebraska has simply resolved to offer hardship exemptions to the first 20 percent of families that exceed the time limits. Six states will make a case-by case determination. Florida has decided not to offer any exemptions. A number of states, including Arkansas, Mississippi, New Mexico, North Dakota, and Tennessee, explicitly exempt caretakers who are over age 60. Although the PRA substituted entirely different criteria for exemptions, many states have retained the exemptions that existed under AFDC (or close variations). In states that had identified specific criteria for hardship exemptions, the exemptions fell into six general categories:

- domestic violence⁴⁴
- age of caretaker
- disability or illness of caretaker
- caring for disabled person
- caring for a young child
- general hardship or other barriers to employment

Policy Implications of Time Limits for Grandparent-Headed Households

How states will apply lifetime time limits to grandparent-headed households is unclear at this time. For the most part, states have not yet had to confront some of the difficult issues surrounding grandparent caretakers and lifetime limits because the 60-month lifetime limits have not been reached. The receipt of TANF benefits by grandparents presents at least four policy challenges that do not arise with families where a parent is present.

First, federal TANF time limits do not apply to grandparent-headed families when the grandparent is not part of the assistance unit. If the grandparent has never been part of any assistance unit (as a parent or as a grandparent), the family will not be disqualified for exceeding time limits. Unlike parents, grandparents who are part of the assistance unit may be able to avoid the lifetime loss of benefits for their grandchildren by removing themselves from the TANF grant any time up to receiving 59 months of benefits. Grandparents who have the sophistication or good luck to leave the TANF grant before the 60th month, can continue to receive benefits for their grandchildren until the grandchildren reach age 18 or 19, depending on state law.

⁴⁴ Domestic violence was mentioned by almost all the state TANF officials. Federal regulations provide states significant relief from time-limit penalties when a state's failure to meet standards is a result of a federally recognized good-cause domestic violence waiver. If the amount by which a state exceeds the 20-percent limit on families assisted beyond 60 months is attributable to domestic violence waivers, the state will not be penalized. Families subjected to domestic violence do not count toward the 20-percent hardship exemption. States have great discretion in developing their domestic violence exemption.

⁴⁵ C.F.R. §§ 260.50-260.58.

The more difficult question arises once a grandparent has exhausted the 60-month lifetime limits: can the grandparent be removed from the grant and obtain instead a child-only grant on behalf of a grandchild? The statute can be read as prohibiting the use of federal TANF dollars for any family where an adult had received benefits for 60 months.⁴⁵ Nine states have adopted this rule and do not allow grandparents to convert to a child-only grant once they have exhausted their 60-month lifetime limits. Another 33 states permit grandparents to withdraw from the assistance unit and continue to receive benefits on behalf of their grandchildren even after time limits run out. Four of these states intend to use state dollars or funds available under a pre-existing AFDC waiver to provide benefits for the grandchildren. Maine and Louisiana not only allow the grandchildren to receive benefits, they also permit the grandparent to continue on the grant after 60 months. The question is not reached in three states, Alabama, South Dakota, and Wisconsin, where grandparents are not eligible to be on the grants. (See Table 3.)

In states that do not intend to provide benefits if a grandparent exhausts the 60-month time limit, the result for a grandparent could be harsh, as illustrated by the following example. Using 1999 benefit amounts for a two-person family in West Virginia, one of the states that does not allow grandparents to remove themselves from the grant after the 59th month, a grandmother who accepts the \$52 in the 60th month would forgo \$149 per month for the time remaining until the child reaches age 18. If the grandchild had been eligible for another five years of benefits at the same rate, the grandmother could have obtained almost \$9,000 in cash assistance by forgoing the \$52 she received by staying on the grant one additional month.

Second, grandparents, especially those who received aid on behalf of their own children, may have difficulty proving that they have not exceeded the lifetime benefit limits. The recordkeeping burden may be heavier for grandparents who received benefits intermittently over the course of many years, or in two or more states, or on behalf of more than one grandchild. Since the 60-month limit is a lifetime limit, grandparents may have to retain records for decades in order to prove the children in their care qualify for aid.

Third, in every state, a grandchild who receives aid for 60 months and then goes to live with a grandparent will be able to obtain additional benefits. This policy creates the potential for fraud by parents who may claim their children are in the custody of grandparents when they are not. If this is perceived as a widespread problem, grandparents

⁴⁵ 42 U.S.C. § 608(a)(7)(A). DHHS offered the following guidance: "In the final rules (62 FR 17740), we indicated that it would be inconsistent with statutory intent for States to provide federally funded assistance to children in child-only cases when their parents reach the 60-month limit on Federal assistance. In lieu of specific restrictions on how States define their families, we indicated that we would gather information through the reporting system that will enable us to monitor trends and assess whether States' policies might be affecting their achievement of TANF goals. We will report findings in our annual report to Congress. Also, if it appears that States are undermining the statutory provisions and avoiding TANF requirements by converting cases to child-only status, we will consider proposing regulatory or legislative remedies." [cited May 16, 2000]. Available from <http://www.acf.dhhs.gov/programs/ofa/gapol.htm#childonly>.

might be held to a higher standard of proof to establish that they actually have physical custody. States could go so far as to require grandparents to obtain legal custody before they are eligible for TANF. Such a requirement may place a heavy burden on grandparents.

There is a cost, both financial and emotional, to grandparents who initiate custody proceedings against their own children. Litigation of contested custody matters can cost each party more than \$15,000.⁴⁶ A family that depends on TANF assistance for its economic survival can ill afford to pay for litigation. Even assuming that grandparents could obtain free or reduced-fee legal services to file suit for custody of a grandchild, there are emotional reasons why grandparents might choose not to do so. Foremost among them is the hope that their adult children will be able to resume custody of the grandchildren.⁴⁷ Even those grandparents who are able to bring a suit for legal custody take the risk that a court, in the face of constitutional presumptions favoring parents,⁴⁸ may award custody to a parent who, in the grandparent's opinion, is not equipped to assume it.

Fourth, those grandparents who can least afford to forgo the adult's portion of the TANF grant are the ones who suffer the harshest consequences when they exhaust their lifetime limits. For example, a 55-year-old grandmother in Missouri may live so marginally that she cannot afford to forgo the additional \$98 she would receive by being part of the assistance unit. After 60 months of TANF benefits, her household becomes ineligible for further benefits. She is vulnerable unless the state is willing to grant her family a hardship exemption or make state funds available. In contrast, a grandmother who could afford to do without the \$98 per month benefit would, over time, receive more cash assistance. Over time, states that do not address this issue can end up giving more money with fewer restrictions to families that are less needy.

WORK REQUIREMENTS

One of the main goals of the PRA is to move beneficiaries from welfare to work.⁴⁹ The PRA requires adults who are part of an assistance unit to participate in work activities within two years. While states must meet federal participation rates, they have great discretion in defining work. Grandparents who are part of the assistance unit⁵⁰ and not otherwise exempt are required to engage in work activities 24 months after beginning to receive assistance, or once the state determines the grandparent is ready to work, whichever is earlier.⁵¹ As of January 1999 twenty states required applicants for cash assistance in at least some counties to conduct a job search while their application is

⁴⁶ Gerber, Rudolph J. "Recommendation on Domestic Relations Reform," 32 *Arizona Law Review*, 2. 1990.

⁴⁷ "Grandparents and Other Relatives Raising Children: An Intergenerational Action Agenda." 14-15. (Washington, DC: Generations United. 1998).

⁴⁸ *Prince v. Massachusetts*. 321 U.S. 158 (1944).

⁴⁹ 42 U.S.C. § 601(a)(2).

⁵⁰ In Wisconsin, South Dakota, and Alabama, caretaker relatives are not eligible to be on the grant, and are therefore not subject to the work requirements.

⁵¹ 42 U.S.C. § 602(a)(1)(A)(ii).

pending. However, these states do not impose job search requirements on applicants for child-only grants. (See Table 4.)

To count as a work participant in 1999, a grandparent must have engaged in a "work activity" for an average of 25 hours per week. That number increased to 30 hours per week in 2000.⁵² Federal regulations define work activities to include unsubsidized employment, subsidized private or public sector work, on-the-job training, job-search and job-readiness assistance for a maximum of six weeks, community service programs, education directly related to employment of recipients who do not have high school diplomas, and provision of child care services to a TANF recipient who is participating in a community service program.⁵³ States have broad discretion in defining work.

The PRA links a state's receipt of federal dollars to the state's success in meeting work participation requirements, and the penalties for failing to meet the requirements are stiff. In 1999, states had to guarantee that 35 percent of families with an adult receiving aid participated in work activities. By 2002, that rate increases to 50 percent.⁵⁴ If a state falls short of the required participation rate for a fiscal year, its TANF block grant for the next year may be reduced by 5 percent. For every subsequent year a state fails to reach participation rates, there is an additional 2 percent penalty. If a state fails to meet participation rates repeatedly, it can incur the maximum penalty, the loss of 21 percent of its TANF block grant.⁵⁵

These penalties put states under pressure to meet the federal participation rate. In turn, states must pressure beneficiaries to participate in approved work activities. Formerly, if a grandparent who was part of the assistance unit refused to participate in work activities under the JOBS program, the family's grant was reduced by the grandparent's portion. Under TANF rules, the entire household could lose eligibility.⁵⁶ In most states, the severity of the sanction increases with each successive instance of noncompliance. For example, in Arizona, the first month of noncompliance is sanctioned with a 25-percent reduction in benefits, and the second month is sanctioned with a 50-percent reduction.⁵⁷ In at least 13 states, however, the first sanction for not complying with work requirements without good cause is termination of the benefit.⁵⁸

One factor that has mitigated the application of the work requirement rules has been a dramatic reduction in TANF caseloads. By August 1998 there had been an average 32-percent drop in caseloads.⁵⁹ Some states like Wyoming, Mississippi, West Virginia, and Wisconsin reduced their caseload by more than 50 percent.⁶⁰ Some states expressed

⁵² 42 U.S.C. § 607(c)(1)(A).

⁵³ 42 U.S.C. § 607(d).

⁵⁴ 42 U.S.C. § 609(c)(1)(A).

⁵⁵ 42 U.S.C. § 609(a)(3).

⁵⁶ 42 U.S.C. § 607(e)(1)(B).

⁵⁷ Gallagher, *et al.* [cited May 12, 1999].

⁵⁸ *Work Related Provisions of State TANF Plans*. Department of Health and Human Services, Office of Family Assistance, 1999 [cited February 29, 2000]. Available from <http://www.acf.dhhs.gov/programs/ofa/WRKREL.HTML>. See also State Policy Documentation Project available from <http://www.spdp.org.html>.

⁵⁹ *Change in Welfare Caseloads Since Enactment of the New Welfare Law as of September 1998*. Department of Health and Human Services, Administration for Children and Families, 1998 [cited January 25, 1999]. Available from <http://www.acf.dhhs.gov/news/stats/caseload.html>.

⁶⁰ *Ibid.*

concern that it would be difficult to achieve the higher participation rates as more employable beneficiaries moved off welfare.⁶¹ Guidance from DHHS clarified that states may reduce the required participation rates by the percentage by which the state's caseload in the preceding fiscal year is smaller than it was in fiscal year 1995, unless the decrease was required by Federal law or a result of changes in state eligibility criteria.⁶² Because caseloads have declined in every state, the participation rates actually required will be smaller than the statutory ones.

Work Requirements Do Not Apply When Grandparents Are Not Part of the Assistance Unit

Work requirements, like the time limits, do not apply to grandparent-headed households where grandparents choose to exclude themselves from participating in the TANF assistance unit.⁶³ More specifically, states are permitted to exempt grandparents who receive child-only grants from the work requirements and to disregard those cases in calculating their work participation rates. All states that offer a child-only grant avail themselves of this permission.

Initially, it was not clear that states would be permitted to disregard all child-only cases in calculating work participation rates and exemptions from time limits. In proposed regulations DHHS suggested that if states were allowed to exempt child-only cases, states would misuse the child-only grants by impermissibly converting cases to child-only status to avoid the work requirements and time limits.⁶⁴ DHHS initially planned to track the number of cases excluded from penalty calculations and add families back into the calculation if they were improperly excluded.⁶⁵

In comments on the proposed regulations, advocates for families expressed concern that this proposed recalculation of the penalty liability would give states an incentive to limit child-only cases unnecessarily. Of particular concern was the effect of the proposals on state efforts to keep children in the homes of relatives, instead of placing them in foster care. One commenter noted that the potential for recalculation could prompt states to avoid serving children as child-only cases, even if the result was not to serve the children at all.⁶⁶

In the final regulations, DHHS gives states leeway to define child-only families. However, DHHS has identified the possible conversion of cases to child-only status to avoid TANF requirements as a major policy concern. The Department intends to monitor the number and type of child-only cases and the number of conversions. If DHHS

⁶¹ "Welfare Reform: Three States' Approaches Show Promise of Increasing Work Participation." 1997. Washington, DC: United States General Accounting Office. GAO/HEHS-97-80, 44.

⁶² *Guidance on Submitting Caseload Reduction Credit Information*. 1999. [Policy Announcement] Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, [cited February 29, 2000]. Available from <http://www.acf.dhhs.gov/programs/ofa/pa00-2.html>.

⁶³ Alabama prohibits including a grandparent in the assistance unit. South Dakota permits only child-only grants for nonparent caretaker relatives. In Wisconsin only families in which the caretaker is a parent are eligible for W-2 TANF cash assistance. In Maryland, Rhode Island, Vermont, and Virginia, grandparents are not subject to the work requirements even if they are part of the assistance unit.

⁶⁴ *Federal Register* 64:69, April 12, 1999, p. 17739.

⁶⁵ *Ibid.*

⁶⁶ *Federal Register* Vol. 64, No. 69, April 12, 1999 p. 17740.

determines that states are using child-only cases to avoid TANF rules, it will propose legislative or regulatory remedies. For now, however, states can offer child-only benefits to grandparent-headed households without fear that DHHS will recalculate the penalty liability.⁶⁷

Exemptions

Under the JOBS program, one of three federal programs repealed by the PRA, grandparents were not required to participate in work programs if they met one of eight exemptions.⁶⁸ Specifically, an exemption was available if the grandparent was:

- ill, when determined by the state on the basis of medical evidence or another sound basis that the illness or injury was serious enough to temporarily prevent entry into employment or training
- incapacitated, when verified by the state that a physical or mental impairment, determined by a physician or a licensed or certified psychologist, prevented the individual from engaging in employment or training
- 60 years of age or older
- needed in the home because another member of the household required the individual's presence due to illness or incapacity and no other appropriate member of the household could provide the needed care
- pregnant
- the parent or other relative of a child under age 3 (or less than three but not less than 1, if the state plan so provided) and personally providing care for the child
- the parent or other relative personally providing care for a child under age 6, without a guarantee of child care
- a full-time volunteer serving under the VISTA program.

Of these eight exemptions, the PRA retained one and a variation on another – those based on the age of the youngest grandchild. As it is applied to grandparent-headed households, the first exemption provides that states may, but are not required to, exempt grandparents with grandchildren under age 1. If these grandparents are exempted, they will not be counted in calculating a state's work participation rate. More than half the states exempt all families with children under age 1.⁶⁹ Several states exempt families with children under 4 months. Texas exempts adults with a child under age 4, and Massachusetts exempts families with children under age 6.

The second protection against sanctions is that a state may not impose them on a single parent for refusal to work if the parent is caring for a child under age 6 and demonstrates the inability to obtain child care for any one or more of the following reasons:⁷⁰

⁶⁷ *Ibid.*

⁶⁸ 45 C.F.R. §§ 250.30 *et seq.*

⁶⁹ *Work Related Provisions of State TANF Plans*. 1999. Department of Health and Human Services, Office of Family Assistance. [cited February 29, 2000]. Available from <http://www.acf.dhhs.gov/programs/ofa/WRKREL.HTML>.

⁷⁰ 42 U.S.C. § 607(e)(2). The statute refers to "parents," but the underlying policy rationale should also apply to grandparents who are unable to obtain child care for a child under age 6.

- appropriate child care within a reasonable distance from the home or work site is unavailable
- informal child care by a relative or under other arrangements is unavailable, and
- appropriate and affordable formal child care arrangements are unavailable.

The regulations require the state TANF agency to inform parents about this exemption and the state's procedure for determining a family's inability to obtain child care, including appeal procedures.⁷¹ The regulations impose a penalty on states that sanction single parents of children under age 6 where the parent is not able to obtain child care.⁷²

Even though federal law only provides exemptions based on the age of the youngest grandchild, states are free to establish their own standards for exemptions from the work requirements. At least 20 states retained one or more of the standards that were available under the now repealed JOBS program. (See Table 5.) At least 20 states exempt caretakers over age 60, Washington exempts them over age 55, and Wyoming exempts them over age 65.⁷³ Texas, Oregon, and Maine still exempt full-time VISTA volunteers. The majority of states provide an exemption for grandparents who are ill or disabled or who are needed in the home to care for an ill or disabled family member. A few states have additional grounds for exemptions including bad weather, lack of transportation, unfair wages (Alaska), participation in a drug rehabilitation program (Tennessee), or termination due to safety hazards in the workplace (Louisiana). Montana and Utah do not offer any categorical exemptions. (See Table 5.)

Finally, if a state has chosen to certify that it will "screen for and identify domestic violence" and DHHS approves its plan, a state may waive work requirements, time limits, and other TANF rules for victims of domestic violence, although such states remain obligated to meet overall work participation and time limit requirements.⁷⁴ A majority of states have chosen the Family Violence Option.⁷⁵

Policy Implications of Work Requirements for Grandparent-Headed Households

Even though DHHS guidance on reduced caseloads has eased the pressure on states, most states indicated in response to this survey that they expect grandparents who are part of the TANF assistance unit to engage in work. While states have extremely broad discretion in defining what constitutes work, those grandparents who are eligible to be part of a TANF assistance unit must weigh the benefit of the additional cash assistance

⁷¹ 45 C.F.R. § 261.15(a).

⁷² 45 C.F.R. § 261.15(b).

⁷³ At age 65 grandparents who would otherwise qualify for TANF benefits will probably receive SSI based on age and thereby be ineligible for TANF.

⁷⁴ 42 U.S.C. § 608(a)(7)(C).

⁷⁵ Raphael, Jody and Shelia Haennicke. "The Family Violence Option: An Early Assessment. A Taylor Institute Report Submitted to the Federal Department of Health and Human Services. Revised Draft II." Taylor Institute, September 1, 1998.

they would receive against the burden of complying with the work requirements. Formerly, under the JOBS program, a grandparent who did not meet the work requirement could be sanctioned by being removed from the grant. Under TANF, the sanctions are more serious; 36 states have chosen a full benefit sanction as their most severe sanction.⁷⁶ Even in those states that have elected to impose partial sanctions, it is important for grandparents to assess whether the partial sanction is larger than the additional cash assistance they receive as being part of the assistance unit. For example, a grandparent in Arizona subject to a second sanction for noncompliance would lose 50 percent of the family's TANF grant. The family's benefit would drop from \$275 to \$137.50, \$66.50 less than the \$204 the household would have received under a child-only grant. Grandparents must consider whether their failure to comply with work requirements might actually result in lower cash assistance than if they were not part of the assistance unit.

A grandparent's failure to participate in work may have consequences beyond the loss of a percentage of TANF assistance. TANF officials in Maine, New Jersey, and Massachusetts report that one of the criteria for granting a good-cause exemption from the time limits is that a family has been "cooperative" as defined by the state. A grandparent who refuses to participate in work activities may jeopardize the family's eligibility for continued benefits once the time limits have been reached in a state that would otherwise permit such an exemption.⁷⁷

Work requirements have the potential to deflect some grandparents from obtaining a child-only grant, even though work requirements do not attach to child-only grants. Twenty states require applicants for TANF benefits to conduct a job search while their application for cash assistance is pending. (See Table 4.) While no state requires an applicant for a child-only grant to conduct a job search, there is a risk that grandparents who do not understand the child-only option will be told to look for work but not be advised that work requirements do not apply to the child-only grant. This may be a particular problem for grandparents whose health, age, or child care responsibilities make it difficult for them to look for work.

CHILD SUPPORT ENFORCEMENT

Parents have a legal obligation to support their children.⁷⁸ When a grandparent assumes custody of a grandchild, the grandparent has the right to receive child support from the non-custodial parents. If the grandparent receives TANF on behalf of a grandchild, the grandparent must cooperate with the child support agency and assign the right to child support to the state.⁷⁹ This means that grandparents must transfer to the state their right to bring legal action against the non-custodial parent, or parents, for child support. Parents are required to do this in every state and, in most states, grand-

⁷⁶ *Work Related Provisions of State TANF Plans*. 1999. Department of Health and Human Services, Office of Family Assistance, [cited February 29, 2000]. Available from <http://www.acf.dhhs.gov/programs/ofa/WRKREL.HTML>.

⁷⁷ Additional carryover sanctions may affect eligibility for Food Stamps, Medicaid, and public housing.

⁷⁸ See *Greenspan v. Slate*, 12 NJ 426, 97 A.2d 390 (1953).

⁷⁹ 42 U.S.C. § 608(a)(3)(A).

parents are required to do so, whether or not the grandparents are part of the assistance unit.

Formerly, under AFDC, states had an obligation to try to recover the costs associated with their cash assistance programs by collecting child support from non-custodial parents. Passage of the PRA infused support enforcement efforts with a new urgency.⁸⁰ States that fail to demonstrate that parents are cooperating with the child support enforcement agency can lose up to five percent of their federal TANF dollars.⁸¹ Conversely, states that show an increase in paternity adjudications, support orders, and child support collections can gain additional federal incentive payments for child support activities.⁸²

Under AFDC, cooperation meant providing information about the identity and location of the absent parent or parents, making the child available for blood tests, and appearing at interviews and court hearings. The PRA tightened these standards.⁸³ Under the PRA, states are free to develop additional standards for cooperation. Oklahoma is typical in the kind of information it requires caretakers to provide about non-custodial parents: name, Social Security number, current and past places of employment, and a list of all hobbies or professional organizations that may require a license.⁸⁴

The PRA requires cooperation by parents of children applying for or receiving assistance for their own children, but it does not require cooperation from grandparents or other non-parental caretakers.⁸⁵ States have complete discretion as to what, if any, standards to apply to grandparents. As of January 1999, all states imposed a cooperation requirement on grandparents who are part of the assistance unit.⁸⁶ With regard to grandparents receiving a child-only grant, 3 states did not impose a cooperation requirement, and 13 others did impose one but did not sanction the child for the grandparents' failure to cooperate. (See Table 6.)

Under AFDC rules, the most serious sanction for refusing to cooperate was the loss of the adult's portion of the AFDC grant. Under the PRA, the refusal to cooperate can have even more severe consequences. States are not required to impose any sanction on grandparent-headed households, but those that do typically impose the same penalties prescribed for parent-headed households: a reduction of at least 25 percent and as much as 100 percent of assistance.⁸⁷ One preliminary study found that one third of

⁸⁰ 42 U.S.C. § 609(a)(5)

⁸¹ *Ibid.*

⁸² 42 U.S.C. § 652(g)(1).

⁸³ 42 U.S.C. § 654(20)(A), (B), (C), and (D).

⁸⁴ "Frequently Asked Questions," Oklahoma Child Support Enforcement Division, available from <http://www.okdhs.org/childsupport/FAQ.html> [cited June 5, 2000].

⁸⁵ *Federal Register* 64:69, April 12, 1999 p. 17850.

⁸⁶ Grandparents in Alabama, South Dakota, and Wisconsin are not allowed to be part of the assistance unit.

⁸⁷ 42 U.S.C. §608(a)(2)(A).

the states have adopted a 25 percent penalty against the family's TANF benefits, one third have adopted progressive sanctions, and one third have adopted full-family sanctions that result in total ineligibility for TANF.⁸⁸

Good-Cause Exemptions

A good-cause exemption was available to grandparents under AFDC if:

- cooperation would be expected to result in physical or emotional harm to the child or grandparent, of such nature that it would reduce the capacity of the grandparent to care for the child adequately
- the child was conceived as a result of incest or rape
- adoption was being considered.

Many states have retained the same or similar standards under the PRA; some have included additional criteria. (See Table 6.) TANF officials in seven states acknowledged that there may be circumstances where a grandparent does not have the same information a parent would be expected to have. In its final TANF rules, DHHS urged states to apply a different standard in determining cooperation by non-parents, noting that non-parents would ordinarily not have the same level of information about the absent parent as a parent would.⁸⁹

As noted above, some states have formally adopted the Family Violence Option contained in the PRA.⁹⁰ These states make a commitment in their state plans to screen for domestic violence and provide families with counseling and supportive services. If a state selects this option and DHHS approves the plan, a state can grant domestic violence victims good-cause exemptions from the child support cooperation requirements (and, in some cases, from other requirements).⁹¹ As of September 1998, approximately three-fifths of the states had formally chosen the Family Violence Option.⁹²

States were given the choice to keep the responsibility for determining good cause in the TANF agency or to move it to the child support agency.⁹³ According to one study, most states have kept the good-cause determination in the TANF agency.⁹⁴ A few states – Delaware, DC, Florida, Mississippi, Nevada, New Hampshire, Ohio, Rhode Island, South Carolina, and Wisconsin – have moved this responsibility to the agency

⁸⁸ Turetsky, Vicki. "State Child Support Cooperation and Good Cause: A Preliminary Look at State Policies." 1998 (Washington, DC: Center for Law and Social Policy, [cited May 12, 1999]). Available from <http://www.clasp.org/pubs/childsupport/coopsum.html>.

⁸⁹ *Federal Register* 64:69, April 12, 1999, p. 17850.

⁹⁰ 42 § 602(a)(7).

⁹¹ *Federal Register* 64:69, April 12, 1999, p. 17742.

⁹² Raphael, Jody and Shelia Haennicke. "The Family Violence Option: An Early Assessment. A Taylor Institute Report Submitted to the Federal Department of Health and Human Services. Revised Draft II." Taylor Institute, September 1, 1998.

⁹³ 42 U.S.C. § 654(29)(A).

⁹⁴ Turetsky, Vicki. "State Child Support Cooperation and Good Cause: A Preliminary Look at State Policies." 1998.

Washington, DC: Center for Law and Social Policy, 1998 [cited May 12, 1999]. p. 2. Available from <http://www.clasp.org/pubs/childsupport/coopsum.html>.

that collects support.⁹⁵ Other states have assigned joint responsibility for good-cause decisions.⁹⁶ It remains to be seen whether this shift from the agency charged with meeting the needs of children to the agency charged with collecting child support will result in fewer good-cause exemptions. The fact is that under AFDC good cause was rarely alleged. In 1995 there were almost eight million AFDC cases. Among those, states reported 7,830 claims for good cause, of which only 4,819 were granted.⁹⁷ By 1997 those numbers had dropped to 4,196 reported claims, of which only 2,296 were granted.⁹⁸

Policy Implications of Support Enforcement for Grandparent-Headed Households

The policy rationale for requiring cooperation has been that public dollars should not be used to support children when their parents are able but simply decline to do so. Enactment of the PRA marked a shift away from merely offsetting public costs toward helping families develop and sustain economic resources. The child support provisions of TANF can help grandparent-headed households by providing access to the child support enforcement system and, ultimately, by increasing household income. Applying the cooperation rules, however, can pose unique problems for grandparents for several reasons. First, grandparents may not know who their grandchild's father is, and thus may be unable to provide his name, let alone any other identifying information that would help the state establish paternity.

Second, if a parent is ordered to pay child support and fails to do so, states have a number of ways to enforce support orders including intercepting tax refunds, suspending professional and recreational licenses, and jailing the noncompliant parent.⁹⁹ A grandparent may be reluctant to take steps that could result in one or both parents losing a professional license or going to jail.

Third, a grandparent may be afraid to take action against a parent with a history of violence. Initiating a child support case can trigger a violent response from the non-custodial parent. Since violent behavior may not have been directed toward the grandparent in the past, it may be difficult to obtain law enforcement records or other evidence sufficient to establish good cause. A grandparent may be understandably reluctant to anger a physically or emotionally abusive parent.

⁹⁵ *Ibid.*

⁹⁶ *Ibid.*

⁹⁷ Office of Child Support Enforcement. "21st Annual Report to Congress." 1997. p. 100 Table 53. Washington, DC: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, 1997.

⁹⁸ Office of Child Support Enforcement. "Twenty-Second Annual Report to Congress for the Period Ending September 30, 1997." p. 106 Table 46. Washington, DC: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, 1998.

⁹⁹ "Policy Questions and Responses to Miscellaneous Issues Regarding Provisions of P.L. 104-193, the Personal Responsibility and Work Opportunity Act of 1996 (PRWORA)." Action Transmittal 9710, Department of Health and Human Services Office of Child Support Enforcement, [cited February 15, 2000], available from <http://www.acf.dhhs.gov/programs/cse/pol/at-9710.html>.

And finally, any effort to establish paternity or obtain child support has the potential to destabilize informal custody arrangements and trigger a custody battle. Parents who allow a grandparent to have informal custody may balk at that arrangement if they are ordered to pay child support. A grandparent who is considering applying for public assistance on behalf of a grandchild must evaluate the risk that an angry parent may come and take the child away. State child custody laws offer grandparents very little protection. Absent a showing of the parent's unfitness, a grandparent may lose a custody contest even if the grandchild has been in the grandparent's care for years.

CONCLUSIONS

The PRA swept away three decades of welfare policies and practices. It overturned years of court interpretations, administrative procedures, and state policies. Though far from perfect, the former welfare system had evolved over the last 30 years and, to some degree, accommodated grandparents. While some states have retained vestiges of their pre-welfare-reform programs, others have completely restructured their systems. Variations from state to state are now the norm, and rules that accommodate grandparents in one state may not exist in another.

This climate of change presents issues that are of particular importance to grandparents. First, the fundamental nature of public benefits has changed, in that design of the program has devolved to the states. Although states have great discretion in how their programs are structured, they are under enormous pressure to comply with federal requirements – to curb long-term receipt of benefits, to meet work participation rates, to establish paternity for children born out of wedlock, and to obtain and enforce child support orders. The pressure on states to meet federal standards translates into pressure on beneficiaries.

Second, it is difficult to predict the effect on grandparents of policies targeted at young single mothers. Requirements like that of a job search may prompt a 22-year-old parent to enter the workforce but may present an impossible challenge to a 57-year old grandmother who has suddenly assumed responsibility for three grandchildren. More generally, a policy that has significant intended consequences for one group of beneficiaries may also have unexpected and possibly harmful effects on other groups. For example, the 5-year time limit on TANF benefits may prompt some parents to turn over custody of their children to grandparents. It remains to be seen whether there will be a surge in the number of grandparent-headed households once parents exhaust their eligibility for benefits.

To date, most states have turned their attention to addressing basic welfare reform issues like what to count as work activity or how to enhance child support enforcement. States have largely neglected the question of how these policies affect grandparent-headed households. The PRA gives states enormous flexibility in designing their programs, particularly when the adult in the assistance unit is a grandparent. Some

states have maintained the status quo. There is no requirement that they retain the policies established under AFDC, but many have done so. As the numbers of these households increase and as other welfare issues are resolved, states will have a greater opportunity to focus on the particular concerns of these households. Now that states have had time to make basic decisions about how to implement the PRA, they should take the following steps to ensure that their policies also serve grandparents and the grandchildren in their care:

Benefit Levels

- Use some of the welfare surplus to increase benefits to levels that reflect the minimum cost of providing care to a grandchild.

Time Limits

- Move grandparents into state-funded programs before they exhaust their lifetime benefits.
- Exempt from time limits grandparents who are ill, incapacitated, or disabled.
- Exempt from time limits grandparents who are over age 55.

Work Requirements

- In states that do not offer formal exemptions from work requirements, be rigorous about being fair in granting exemptions and offering appeal rights to applicants.
- Exempt from work requirements grandparents who are ill, incapacitated, or disabled.
- Exempt from work requirements grandparents who are over age 55.
- Define work activities to include providing around-the-clock care for another person's child.

Paternity and Child Support Enforcement

- Provide screening for grandparents who wish to be part of the assistance unit to ensure that any job-search requirements are tailored to their specific circumstances.
- Train all TANF workers on child custody and visitation issues so they can better appreciate the precarious situations grandparents may face when a parent threatens to take a grandchild.
- Exempt from child-support cooperation requirements grandparents who receive child-only grants.
- Develop reasonable standards for paternity and support enforcement for grandparents, including requirements that do not unnecessarily burden grandparents or inadvertently jeopardize custody arrangements.
- Provide grandparents with a clear statement of what they must do to cooperate with regard to child support, including information about good-cause exemptions.

- Inform grandparents about the benefits and risks of support enforcement, including the implications for custody and visitation.
- Do not sanction grandchildren whose grandparents decline to participate in child-support enforcement activities.
- Train all TANF workers to identify domestic violence issues that may affect grandparents.

Program Structure

- Establish a separate application process for grandparents where they will be advised about the availability of child-only grants and about rules of special interest or concern to grandparents.
- Establish clear, fair, and consistent policies for implementing the TANF program, so that grandparents will know what the rules are and how they will be applied.

The details of welfare reform are still being resolved. The broad issues, like benefit amounts and where in state governments different portions of welfare administration will be situated, have been addressed. Within this larger framework states have the opportunity to consider how the policy choices they have already made may affect grandparent-headed households. Policies and procedures relating to benefit levels, time limits, work requirements, and support enforcement may have unintended consequences for grandparents. States have scrambled to implement the broad mandates of the PRA in ways that will avoid running afoul of federal sanctions and, ideally, position themselves to receive federal bonuses. Now states have the opportunity to focus on the unique needs of grandparent-headed households. States should give serious consideration to the policies and procedures that affect these households and implement policies that would best meet their needs.

Table 1
Comparison of Maximum Benefits for One- and Two- Person Households

January 1999			
State	One-person family	Two children	2 nd person adult
Alabama	111	137	not eligible
Alaska	452	554	821
Arizona	204 ¹	275	275
Arkansas	81	162	162
California	336	551	551
Colorado	99	207	280
Connecticut	333	443	443
Delaware	201	270	270
District of Columbia	239	298	298
Florida	180	241	241
Georgia	155	235	235
Hawaii	418	565	565
Idaho	276 ²	276	276
Illinois	102	201	278
Indiana	139	198	229
Iowa	183	361	361
Kansas	175	271	326
Kentucky	186	225	225
Louisiana	72	138	138
Maine	124	237	312 ³
Maryland	177	313	313
Massachusetts	392	486	486
Michigan	96 ⁴	184 ⁵	401 ⁶
Minnesota	250 ⁷	437 ⁸	437
Mississippi	60	96	96
Missouri	136	234	234
Montana	98	196	366
Nebraska	222	293	293

1. AZ: Arizona's benefit rate is \$204 if the recipient has a housing expense and \$128 if the recipient has no housing expense.

2. ID: Idaho pays a flat rate regardless of family size.

3. ME: \$328 if the family does not receive the earned income disregard, \$312 if the family does receive the earned income disregard.

4. MI: Benefits range from \$86 to \$96 per month. Different rates apply in different parts of the state.

5. MI: The maximum benefit varies from \$169 to \$184 because different rates apply in different parts of the state.

6. MI: The maximum benefit varies from \$341 to \$401 because different rates apply in different parts of the state.

7. MN: Minnesota food stamps are paid in cash, an additional \$106.

8. MN: \$437 is TANF cash assistance, and \$189 is the food stamp benefit which is also a cash payment.

Table 1 cont'd**Comparison of Maximum Benefits for One- and Two-Person Households**

January 1999			
State	One-person family	Two children	2 nd person adult
Nevada	230	289	289
New Hampshire	414	481	481
New Jersey	162	322	322
New Mexico	231	310	310
New York	352 ⁹	468	468
North Carolina	181 ¹⁰	236	236
North Dakota	110	208	333
Ohio	216	296	296
Oklahoma	87	171	225
Oregon	225	347	427
Pennsylvania	205	316	316
Rhode Island	327	449	449
South Carolina	119	160	160
South Dakota	250 ¹¹	300 ¹²	not eligible
Tennessee	95	142	142
Texas	64	92	163
Utah	261	362	362
Vermont	214 ¹³	320 ¹⁴	320
Virginia	157 ¹⁵	231	231
Washington	349	440	440
West Virginia	149	201	201
Wisconsin	215	430	not eligible
Wyoming	195 ¹⁶	320	320

9. NY: New York rates differ by county. There are 57 counties and New York City. In NYC, the benefit for one child is \$352. In Suffolk County the benefit for one child is \$446.

10. NC: North Carolina has 21 counties that have elected to set their own benefit levels.

11. SD: In South Dakota a child not living with a parent, who has been placed in the relative's home by a child placement agency, would receive \$300.

12. SD: If the children have been placed in the relative's home by a child placement agency, the relative would receive \$350.

13. VT: \$214 if no shelter charges are incurred by the child; can be as high as \$407 (or \$448 in one county) if shelter charges are incurred by the child.

14. VT: \$320 if no shelter charges are incurred by the child; can be as high as \$513 (or \$554 in one county) if shelter charges are incurred by the child.

15. VA: There are three different payment levels depending on geography. \$157 is the most widely applied payment level for one child on a child-only grant.

16. WY: In Wyoming there are two payment levels: if the recipient is responsible for the cost of his or her own shelter, \$195 per month; if the recipient is living in subsidized housing or has an SSI relative living in the home, \$115 per month.

Table 2

State Criteria for Hardship Exemption From Time Limits

Criteria for Exemptions	AK	AR	DE	FL	ID	IN	KY	MA	MS	MO	NE	NH	NJ	NM	ND	OH	TN	WY
Case-by-case		X				X		X					X			X		X
Caretaker 60 or older		X							X					X	X		X	
Victim of domestic violence	X	X						X	X	X		X	X	X				X
Illness, incapacity, or disability of caretaker	X	X			X				X				X	X	X		X	X
Caretaker of an ill, incapacitated, or disabled person living in the home	X				X				X					X			X	X
Recipient fully cooperative and not sanctioned								X					X					
Residing on an Indian reservation or in an Alaska native village, with at least 50 percent of adults unemployed	X													X				
Caring for a child under a certain age or unable to obtain child care		X																
Whether the child would be subject to neglect; child would be placed in foster care		X					X											
Hardship outside the recipient's control; extraordinary circumstances	X	X																
No transportation	X																	
Pursuing post-secondary education																		X
First 20% who hit the 5-year limit for up to one year											X							
Whether the state has done its part						X												
Unemployable			X															
No exceptions				X														

Table 3
Effect of 60-Month Time Limits on Eligibility

State	Conversion to child-only grant after time limits reached		Other details
	Not permitted	Permitted	
Alabama			non-parent not eligible to be on grant
Alaska		X	
Arizona		X	
Arkansas		X	
California		X	
Colorado	X		
Connecticut		X	
Delaware		X	
District of Columbia		X	
Florida		X	
Georgia		X	
Hawaii		X	
Idaho		X	flat rate regardless of family size
Illinois		X	
Indiana		X	
Iowa		X	
Kansas	X		
Kentucky		X	
Louisiana			only parents subject to time limits
Maine			a non-parent with three or fewer sanctions can remain on the grant after 60 months; otherwise, can apply for a child-only grant.
Maryland		X	
Massachusetts		X	
Michigan		X	
Minnesota		X	
Mississippi			waiting for federal guidance

Table 3 cont'd
Effect of 60-Month Time Limits on Eligibility

State	Conversion to child-only grant after time limits reached		Other details
	Not permitted	Permitted	
Missouri	X		
Montana		X	
Nebraska		X	
Nevada			
New Hampshire		X	
New Jersey	X		
New Mexico		X	
New York		X	
North Carolina		X	plans to make non-parents not eligible to be on grant
North Dakota	X		
Ohio	X		
Oklahoma		X	
Oregon		X	
Pennsylvania	X		
Rhode Island		X	
South Carolina	X		
South Dakota			non-parents not eligible to be on grant
Tennessee		X	
Texas		X	
Utah		X	
Vermont		X	no state time limits so no need to remove caretaker relative from grant
Virginia	X		
Washington		X	
West Virginia	X		
Wisconsin			non-parents not eligible to be on grant
Wyoming		X	

Table 4
Pre-application Processing Job Search

State	Job search	
	Required	Not required
Alabama	X	
Alaska	X (in urban areas)	
Arizona		X
Arkansas	X	
California		X
Colorado	X (in some counties)	
Connecticut		X
Delaware		X
District of Columbia	X	
Florida	X	
Georgia	X	
Hawaii		X
Idaho	X	
Illinois		X
Indiana	X (in some counties)	
Iowa		X
Kansas	X	
Kentucky		X
Louisiana		X
Maine		X
Maryland	X	
Massachusetts		X
Michigan	X	
Minnesota		X
Mississippi		X
Missouri	X	
Montana		X
Nebraska		X
Nevada	X	
New Hampshire	X	
New Jersey	X	
New Mexico		X
New York	X (in some counties)	
North Carolina		X
North Dakota		X
Ohio		X
Oklahoma		X
Oregon	X	
Pennsylvania		X
Rhode Island		X
South Carolina	X	
South Dakota		X
Tennessee		X
Texas		X
Utah		X
Vermont		X
Virginia		X
Washington		X
West Virginia		X
Wisconsin	X	
Wyoming		X

Table 5

State Criteria for Work Exemption for Adult TANF Recipients

State	Age of caretaker	Victim of domestic violence	Illness or disability of caretaker; physical or mental limitations	Caring for child under certain age	Hardship outside the family's control	Caretaker of ill or disabled person living in the home	Other
Alabama							non-parents ineligible to be on the grant (thus no work requirement)
Alaska			X	X	X	X	additional temporary good cause exemptions including family crisis, court appearance, jail, lack of transportation, unavailable child care, domestic violence, bad weather, unfair wages, layoff, reduction in wages, hazardous work, new baby
Arizona		X	X	X		X	third trimester of pregnancy
Arkansas	X	X	X	X			caring for child at risk of placement in foster care, pregnancy that impairs ability to be regularly employed, lack of supportive service, participation detrimental or unfairly penalizes individual or family
California	X		X	X		X	some counties a single parent and a child
Colorado		X					
Connecticut	X		X	X			
Delaware			X	X			
District of Columbia	X		X			X	SSI or Social Security disability benefits
Florida			X	X	X	X	
Georgia				X			
Hawaii	X		X	X		X	case by case, caring for disabled child
Idaho							
Illinois		X		X			
Indiana		X	X	X			
Iowa			X				
Kansas	X		X	X		X	
Kentucky		X	X	X		X	

Table 5 cont'd

State Criteria for Work Exemption for Adult TANF Recipients

State	Age of caretaker	Victim of domestic violence	Illness or disability of caretaker; physical or mental limitations	Caring for child under certain age	Hardship outside the family's control	Caretaker of ill or disabled person living in the home	Other
Louisiana	X	X	X	X		X	inability to speak English where English is needed for the job; family emergency or crisis (such as eviction or court appearance); unavailability of transportation and no work activity within walking distance; employment terminated due to health or safety hazards in the workplace; discrimination by employer; breakdown in supportive service plans; death of immediate family member; home fire; flooding; other natural disaster
Maine		X	X	X	X		Visa volunteer, incapacitation of child; sexual harassment; a court-related appearance or incarceration; lack of transportation, inclement weather; assignment of an activity that is not part of the family contract; relocation that results in at least a 2-hour commute to work; any crisis or special circumstance that would make it impossible to work; or other circumstances beyond participant's control
Maryland							non-parent caretaker relatives are exempt from work requirement
Massachusetts	X		X	X		X	third trimester of pregnancy
Michigan			X	X		X	
Minnesota		X		X			
Mississippi	X	X	X	X		X	third trimester of pregnancy
Missouri	X		X				no exemptions
Montana							
Nebraska	X		X			X	
Nevada			X	X			
New Hampshire	X		X	X		X	4 or more months pregnant
New Jersey	X		X	X		X	
New Mexico	X	X	X		X ¹	X	third trimester of pregnancy

Table 5 cont'd

State Criteria for Work Exemption for Adult TANF Recipients

State	Age of caretaker	Victim of domestic violence	Illness or disability of caretaker; physical or mental limitations	Caring for child under certain age	Hardship outside the family's control	Caretaker of ill or disabled or person living in the home	Other
New York	X	X	X	X		X	last 30 days of pregnancy
North Carolina			X	X			
North Dakota	X		X			X	temporary exemption if recipient can show that he or she has no transportation or cannot obtain child care
Ohio				X			
Oklahoma				X			
Oregon	X		X	X			ninth month of pregnancy; Vista volunteer, or if would have to travel unreasonable distance to work or work components
Pennsylvania			X	X			a set of at least 19 factors that may constitute good cause to defer the work requirements
Rhode Island							caretaker relatives are exempt from work requirement
South Carolina			X	X		X	no available child care or transportation; 6-months pregnant
South Dakota							non-parents ineligible to be on the grant (thus no work requirement)
Tennessee	X		X	X		X	in drug/alcohol program; state unable to provide transportation or child care services
Texas	X		X	X		X	too remote from available training or employment resources; full-time VISTA volunteer
Utah							no exemptions
Vermont							caretaker relatives are exempt from work requirement
Virginia							caretaker relatives are exempt from work requirement
Washington	age 55	X		X			family in crisis; living in a car
West Virginia			X	X		X	
Wisconsin							non-parents ineligible to be on the grant (thus no work requirement)
Wyoming	age 65						

¹: specific unique circumstances, determined on case-by-case basis

Table 6
State Paternity and Support Enforcement Requirements

State	Cooperation imposed on caretaker relatives			Good cause for non-cooperation ¹
	In assistance unit	Not in assistance unit	Nature of sanctions	
Alabama	not eligible to be on grant	yes		AFDC or similar standards
Alaska	yes	yes, but will not sanction child		AFDC or similar standards
Arizona	yes	no	progressive	AFDC or similar standards
Arkansas	yes	yes		AFDC or similar standards
California	yes	yes, but will not sanction child	25% reduction	AFDC or similar standards
Colorado	yes	yes		AFDC or similar standards
Connecticut	yes	yes	termination	domestic violence, deceitful noncustodial parent, the required information is unavailable to the client, mental impairment, other good faith reason, exceptional circumstances
Delaware	yes	yes	termination	AFDC or similar standards
District of Columbia	yes	yes, but will not sanction child		AFDC or similar standards
Florida	yes	yes, but will not sanction child		threat of physical or emotional harm to the child or the caretaker
Georgia	yes	yes		AFDC or similar standards
Hawaii	yes	yes		AFDC or similar standards
Idaho	yes	no	termination	AFDC or similar standards
Illinois	yes	yes, but will not sanction child		AFDC or similar standards
Indiana	yes	yes		AFDC or similar standards
Iowa	yes	yes	25% reduction	danger to the caretaker or the child
Kansas	yes	yes	termination	fear of physical violence, provided some proof of the claim was provided, e.g., police or medical reports
Kentucky	yes	yes	25% reduction	AFDC or similar standards
Louisiana	yes	yes	termination	AFDC or similar standards
Maine	yes	yes		AFDC or similar standards
Maryland	yes	yes, but will not sanction child		AFDC or similar standards

Table 6 cont'd
State Paternity and Support Enforcement Requirements

State	Cooperation imposed on caretaker relatives			Good cause for non-cooperation ¹
	In assistance unit	Not in assistance unit	Nature of sanctions	
Massachusetts	yes	yes, but will not sanction child		AFDC or similar standards
Michigan	yes	yes		AFDC or similar standards
Minnesota	yes	yes, but will not sanction child	remove the caretaker relative from the grant	AFDC or similar standards
Mississippi	yes	yes		threat of domestic violence aimed at the child or the caretaker, evaluated on a case by case basis
Missouri	yes	yes	25% reduction	best interests of the child
Montana	yes	yes		AFDC or similar standards
Nebraska	yes	yes		threat of domestic violence against the child or the caretaker; also recognizes that there may be good cause factors that apply to a grandparent that would not apply if claimed by a parent
Nevada	yes	yes, but will not sanction child		AFDC or similar standards
New Hampshire	yes	yes	25% reduction	AFDC or similar standards
New Jersey	yes	yes, but will not sanction child		AFDC or similar standards
New Mexico	yes	yes	progressive	child support enforcement determines what constitutes good cause
New York	yes	yes	25% reduction	AFDC or similar standards; grandparent could sign attestation form if no information is known
North Carolina	yes	yes, but will not sanction child		AFDC or similar standards
North Dakota	yes	yes		threat of domestic violence
Ohio	yes	yes, but will not sanction child		AFDC or similar standards

Table 6 cont'd
State Paternity and Support Enforcement Requirements

State	Cooperation imposed on caretaker relatives			Good cause for non-cooperation ¹
	In assistance unit	Not in assistance unit	Nature of sanctions	
Oklahoma	yes	yes	25% reduction	safety issues, i.e., where there is a threat of harm to the child or the caretaker; also where the grandparent could not provide any information about paternity because he/she doesn't know who the child's father is
Oregon	yes	yes		AFDC or similar standards
Pennsylvania	yes	yes	25% reduction	AFDC or similar standards
Rhode Island	yes	yes		AFDC or similar standards; if the grandparent cannot provide any information because he/she doesn't know who is the father of the child, the agency would not consider this non-cooperation
South Carolina	yes	yes		AFDC or similar standards
South Dakota	not eligible to be on grant	yes		AFDC or similar standards
Tennessee	yes	yes		AFDC or similar standards
Texas	yes	yes		AFDC or similar standards
Utah	yes	yes	termination	threat of domestic violence, determined case by case; where a grandparent does not have any information about the missing parent and this missing parent is not their child, such a situation may qualify as a good cause exception
Virginia	yes	yes		AFDC or similar standards

Table 6 cont'd
State Paternity and Support Enforcement Requirements

State	Cooperation imposed on caretaker relatives			Good cause for non-cooperation ¹
	In assistance unit	Not in assistance unit	Nature of sanctions	
Washington	yes	yes, but will not sanction child		AFDC or similar standards
West Virginia	yes	no		AFDC or similar standards
Wisconsin	not eligible to be on grant	yes	termination	threat of physical or emotional harm to the child or caretaker, where grandparent does not know and is unable to provide certain information may constitute good cause
Wyoming	yes	yes		AFDC or similar standards; higher standard of proof

¹ Most states retained good-cause standards that are the same or similar to good-cause standards under AFDC: threat of physical or emotional harm to the child or caretaker; child was conceived as a result of rape or incest; child pending adoption.

APPENDIX A

QUESTIONS for STATE X	ANSWER/CORRECTIONS
Where a caretaker relative receives a child-only grant, will he or she be exempt from the time limits?	
Where a caretaker relative receives a child-only grant, will he or she be exempt from the work requirements?	
What is the cash assistance benefit paid for one child on a child-only grant as of January 1999?	
What is the cash assistance benefit paid to a family unit of two children with no adult (a child-only grant involving two children) as of Jan. 99?	
With reference to the above question, will the grant per child be smaller if the two children are half-siblings instead of full siblings?	
What is the cash assistance benefit paid for a family unit of two that consists of one child and one adult as of January 1999?	
Where a caretaker relative is part of the assistance unit, when is a caretaker relative exempt from the work requirements?	
Does your state have a diversion payments program? If so, could you explain how the program works?	
Does your state have an applicant job search requirement? If so, could you explain how it works?	
What criteria does your state use to determine who qualifies for the 20% hardship exemption from time limits?	
Do you use one application form for both TANF and Medicaid?	
Are TANF and Medicaid applications processed by the same office?	
Interstate migration: if a TANF beneficiary moves to your state, do you pay the applicant your state's rate of benefits?	
Does your state have a family cap?	
If yes, would this family cap bar a caretaker relative who is raising one child on a child-only grant from obtaining a second child-only grant?	
Does your state impose paternity establishment/child support enforcement cooperation obligations on caretaker relatives?	
If so, do these obligations apply to caretaker relatives who are receiving child-only grants?	
What are the good-cause exceptions to the cooperation requirement that would apply to caretaker relatives?	
Do you have a special application process for grandparents who apply for TANF funds?	
Do you have a special state program for grandparents or caretaker relatives?	
Once a caretaker relative becomes ineligible for benefits due to time limits, can that caretaker relative remove himself/herself from the grant and obtain a child-only grant on behalf of the child?	

APPENDIX B

Dear _____:

The AARP is conducting research on how each state is implementing its TANF provisions. We are particularly interested in how the TANF provisions may affect grandparents who are caretaker relatives.

We hope to publish our study early next year and at this time would like to verify the information we have on your state's program. I have attached a copy of the questionnaire and the answers that you provided to me by telephone. If you wish to make any corrections, please feel free to do so directly on the attached questionnaire. You may relay your comments to me via fax or telephone, whichever is more convenient for you. My fax number is (202) 434-6480 and my telephone number is (202) 434-2122.

I look forward to hearing from you. Thank you for your assistance with our TANF project.

Sincerely,

Monique F. Einhorn
Research Assistant, Public Policy Institute