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Rethinking Work Activities

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While cash assistance under the Temporary Assistance for Needy Families (TANF) block grant is not commonly thought of as a "youth-serving" program, the reality is that one-third of adult recipients of TANF benefits are under age 25. (See Figure 1, and Appendix A for state-by-state data.) Many states offer targeted services for the 5.5 percent of TANF parents who are teens; however, the larger group of young adult parents is typically treated like all other recipients. This is a missed opportunity to address the educational and developmental needs of young parents and their children.

The implementation of the Workforce Innovation and Opportunity Act (WIOA), enacted in 2014, presents an opportunity to address these young parents' needs. Compared to previous law, WIOA has an expanded focus on disadvantaged young adults and supports closer partnerships between TANF and workforce programs.

Young adults have distinct educational and developmental needs

Young adults' educational and developmental needs are distinctly different than those of older adults. The ages between teen years and early adulthood (16 to 24) are developmentally critical as young people prepare for adult responsibilities. Emerging research of brain development has increased our understanding of adolescent capabilities and behaviors. For example, research suggests the human brain does not fully mature until sometime in the early 20s. During this age span, young people need exposure to rigorous education as well as opportunities that promote leadership and decision making skills. They also need support from multiple caring adults who can guide their careers and postsecondary education, offer emotional support, and serve as role models and mentors.²

A key predictor of consistent employment in adulthood is early work exposure. Youth who

TANF Adult Recipients by Age Group:
FY2013

Under 20 5%

12%
20-24 29%
27%

have been employed tend to have higher earnings in young adulthood.³ Youth and young adults need positive



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exposure to employment and the world of work through a variety of work experiences, such as internships, summer jobs, transitional jobs, and other forms of subsidized employment. This is especially critical for those living in poor and low-income communities, where work and employment opportunities are scarce across generations. Unfortunately, the proportion of teenagers and young adults who are able to find jobs has declined since the 1980s, with the steepest drops occurring in the past decade and among teens. Youth and young adults ages 16 to 24 experience unemployment at double the national rate.

WIOA expanded the definition of out-of-school youth to age 24, recognizing that many young adults are not attached to school or work and that others are taking longer to complete their education and obtain consistent employment. One in seven young adults (over 5.5 million youth ages 16 to 24) are not attached to school or work. Out-of-school youth are disproportionately youth of color, and many are parents (both custodial and noncustodial).

By 2018, 60 percent of all U.S. jobs will require some level of postsecondary education.⁶ It's essential to ensure young adults, especially those who face challenges, have access to education, training, and workforce development opportunities that lead to stable employment and economic security.

The federal TANF law has special provisions for teen parents (see Appendix B) but does not otherwise treat young adults differently than other recipients. However, states and counties have the discretion to do so. TANF programs can more effectively serve young adults receiving cash assistance and improve their long-term outcomes by partnering with state and local workforce systems to develop policies and integrate service delivery strategies that target this population. In addition, young parents typically have young children, who have their own developmental needs. Consequently, young parents receiving TANF are likely to benefit from two-generational strategies that address parents' and children's needs simultaneously.

New opportunities to partner with WIOA

In the past, partnerships between TANF and youth-serving workforce programs have primarily been limited to the use of TANF funds to support summer and year-round job programs for disadvantaged youth and young adults. (For an explanation of the rules concerning the use of TANF funds to serve young adults who are not parents, see appendix C.) The changes under WIOA create new reasons to consider expanded partnerships.

WIOA is heavily focused on out-of-school youth, requiring that at least 75 percent of available local funding under the youth component of WIOA (Title I Youth Workforce Investment Activities) be spent on out-of-school youth. This is an increase from 30 percent under the Workforce Investment Act. That redirected funding gives states and local communities dedicated resources to implement effective employment, education, and youth development strategies for the most vulnerable young people in highly distressed communities. Partnering with TANF agencies can be an effective way to identify and serve out-of-school youth.

WIOA requires that at least 20 percent of youth formula funds be spent on paid and unpaid work experiences that incorporate academic and occupational education for out-of-school and in-school youth. Such work experiences can include summer and year-round employment opportunities, pre-apprenticeship programs,



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internships and job shadowing, and on-the-job training opportunities. Previously, these activities were allowed but not required. Such work experiences can count toward TANF participation requirements without limitation. WIOA also requires that at least 15 percent of vocational rehabilitation funds be spent on youth with disabilities. This funding is designed to provide pre-employment transition services to help students with disabilities make the transition from high school to postsecondary education programs and competitive integrated employment. Youth with disabilities may be children or parents in TANF cases.

How to provide age appropriate services to young adults

If appropriate services for youth and young adults are already available in the community, the simplest approach may be to allow young adults who are receiving TANF to meet their participation requirements by engaging in these services. These services may include WIOA youth programs and other education and training activities. Depending on the specific activities, and the age of the participants, such activities may be countable toward the TANF work participation rate. In other cases, the state may choose to allow recipients to participate in these activities even if the state does not receive credit toward the federal rate. For example, Nebraska allows recipients to meet their work participation requirements through Adult Basic Education (ABE), English as a Second Language (ESL) and General Education Development (GED) programs, despite the fact that they are not generally federally countable. (Initially, only recipients ages 24 and under were given this option; it was later opened to all recipients.)⁷ However, as workforce and adult education funding is very limited, TANF funds may be needed to expand access as well as to provide supportive services.

Another approach is to create specialized services for young adults receiving benefits. For several years, Minnesota has supported a subsidized jobs programs specifically targeted to youth and young adults in TANF families (either as parents or children). New York City recently released a discussion paper on a proposed "Youth Pathways" service strategy that would fund contractors to conduct in-depth assessments of young adults, conduct motivational interviews, provide mentoring and peer support, and direct clients to services that are tailored to individualized strengths, interests, and needs. This approach is most appropriate in places where there are large populations of TANF recipients, so that there are enough young adults to justify specialized services.

A next step is to use a mixture of WIOA and TANF funds to create a comprehensive set of services for disadvantaged young adults, whether they are receiving cash assistance or not. Since the majority of TANF recipients receive assistance for less than a year at a time, ¹⁰ it makes sense to develop career pathways systems that allow young adults to progress toward economic security without having to start over when they start or stop receiving cash assistance. Ohio has recently issued proposed rules for a comprehensive case management program for both TANF and WIOA participants ages 16 to 24.¹¹



West Virginia

Wisconsin

Wyoming

Young Adults and TANF

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Appendix A – Age Distribution of TANF adult recipients by state

TANF ADULT RECIPIENTS BY AGE GROUP: FY2013 Age of Adult Recipients (percent) **Total Adult** Under 20 20 - 24 25 - 29 40 - 49 State 30 - 39 Over 49 Recipients U.S. Total 893,734 5.5 28.8 23.5 26.9 11.9 3.5 27.9 12,544 5.4 33.3 25.1 1.2 Alabama 7.1 Alaska 3,117 3.9 23.5 22.0 30.2 15.4 4.9 9,548 4.5 23.6 20.0 30.6 16.2 5.1 Arizona Arkansas 4,496 7.1 34.4 24.4 24.9 8.4 0.9 30.2 22.1 288,243 24.7 13.1 4.9 California 5.1 Colorado 11,488 4.0 22.4 23.8 33.0 13.1 3.6 35.3 8,871 7.4 26.4 20.9 8.6 1.4 Connecticut 1,891 31.6 24.1 25.7 9.2 Delaware 6.8 2.4 District of Columbia 6.0 30.9 23.5 4.106 30.3 7.5 1.8 16,597 22.8 25.1 28.5 15.7 4.0 Florida 4.1 4,385 33.6 26.5 7.8 23.0 7.2 1.8 Georgia 785 25.2 23.2 28.9 14.0 Guam 3.5 5.1 21.6 23.6 14.5 9,175 3.4 31.5 5.5 Hawaii Idaho 178 6.7 26.3 22.1 28.2 13.6 3.2 Illinois 8.228 3.7 29.6 27.1 28 1 9.8 1.6 3,183 7.4 28.4 22.5 24.9 12.8 4.1 Indiana 25.0 11,077 4.9 29.2 27.6 10.9 2.4 lowa 5,767 7.4 30.4 23.7 25.5 10.7 2.4 Kansas 32.0 25.9 25.6 1.5 Kentucky 12,788 6.6 8.4 Louisiana 2,333 5.6 29.0 30.9 26.9 6.7 1.0 3.6 25.7 25.3 2.7 4.939 31.1 11.6 Maine Maryland 12,839 4.4 29.7 25.2 29.6 8.9 2.2 30,973 4.5 24.1 24.7 29.4 14.3 3.1 Massachusetts Michigan 20,118 6.2 35.1 24.4 22.9 9.6 1.9 10.809 11.4 35.2 23.8 20.6 7.3 1.7 Minnesota Mississippi 5,684 10.5 46.4 25.6 15.1 1.9 0.4 23,982 6.5 36.4 24.5 22.9 8.1 1.7 Missouri Montana 2,021 4.0 24.2 25.7 31.4 12.1 2.6 Nebraska 1,991 6.3 28.6 27.6 27.1 8.1 2.3 Nevada 7,003 5.6 26.7 22.2 28.6 13.8 3.2 New Hampshire 2,226 3.8 29.2 27.4 27.4 10.0 2.2 **New Jersey** 21,514 3.6 24.1 23.7 31.9 13.3 3.3 New Mexico 10,280 7.5 26.0 24.6 28.4 10.9 2.5 New York 69,253 7.3 24.6 23.6 27.3 13.4 3.9 North Carolina 6,332 7.8 30.7 26.0 23.7 10.0 1.9 27.6 North Dakota 5.5 26.9 28.6 2.1 784 9.2 Ohio 26,295 5.3 35.0 22.9 23.9 10.6 2.2 6.5 24.9 23.7 30.8 2.2 Oklahoma 2,821 11.9 19,304 4.2 22.8 21.8 3.3 Oregon 33.7 14.3 25.6 2.8 Pennsylvania 50.613 4.6 23.8 31.8 11.4 23.9 Puerto Rico 12,257 3.2 28.0 30.8 10.2 3.8 4,620 28.0 8.9 22.8 26.9 2.2 Rhode Island 11.1 South Carolina 5,842 8.1 32.2 24.9 26.2 7.5 1.0 22.4 12.3 South Dakota 909 5.9 24.1 31.9 3.3 33,683 29.7 25.1 Tennessee 6.7 27.3 9.0 2.3 Texas 11,195 6.3 26.3 22 1 30.0 11.0 44 Utah 1,725 2.7 20.9 35.6 16.8 4.7 19.3 Vermont 2,059 6.5 24.4 25.1 31.4 10.5 2.0 Virgin Islands 354 3.5 35.0 31.2 20.4 7.2 2.6 17,228 27.7 Virginia 4.3 25.6 29.4 10.3 2.6 Washington 35,293 6.4 27.3 22.3 28.0 12.5 3.6

25.2 *Note: Totals may not sum due to rounding. Percent distribution based on collected and reported responses. Source: Unpublished run from the National TANF Data File as of 06/16/2015, provided by ACF

28 4

29.9

5.6

4.9

3.8

4.174

15,663

146

26.5

23.9

24.0

29 0

28.0

33.8

17

2.1

2.1

8.8

11.2



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Appendix B- Federal TANF provisions affecting teen parents

Minor parent requirements

Under federal law, states are required to impose two rules on minor parents (under age 18) who receive federally funded TANF assistance.

- 1) Minor parents who have not graduated high school (or the equivalent) must participate in educational activities once their baby is 12 weeks old. Social Security Act § 408(a)(4)
- 2) Unmarried minor parents must live in an approved setting, typically with their parents, adult relatives or guardians, although the state has discretion to approve other living arrangements when they are determined to be in the best interest of the family. Social Security Act § 408(a)(5)

States have a great deal of flexibility in how they implement these rules, particularly with regard to the circumstances when an "alternative living arrangement" (other than living with the minor's parents) can be approved.¹²

Special provision regarding counting of high school attendance for work participation rate

The primary performance measure under TANF is the work participation rate (WPR). Under the WPR, states must engage a target share of families receiving assistance in a specific list of countable work activities for at least 30 hours a week (20 hours a week for single parents with one or more children under age 6) or face financial penalties. The list of countable activities emphasizes work and work experience and limits the credit that states receive for engaging recipients in education and training or in activities such as substance abuse treatment aimed at removing barriers to employment. Specifically, for most recipients, the following activities can only count toward the required hours once a recipient has engaged in at least 20 hours per week of a core activity (such as community service or subsidized employment):

- Participation in job skills training directly related to employment;
- Education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency; and
- Satisfactory attendance at secondary school or in a course of study leading to a certificate of general
 equivalence, in the case of a recipient who has not completed secondary school or received such a
 certificate.

However, teens who are heads of household may be deemed to be engaged in work if they maintain satisfactory attendance at secondary school or the equivalent during the month or participate in education directly related to employment for an average of at least 20 hours per week during the month. Social Security Act § 407(c)(2)(C). The statute is clear that this exception applies to teen parents under the age of 20. However, in practice, it appears that states may apply it only to minor parents. A Congressional Research Service analysis found that while 42.2 percent of minor teens without a high school diploma were deemed to be participating on this basis, only 9.6 percent of 19-year-olds without a diploma were so counted.¹³



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Appendix C – Use of TANF Funds to Serve Youth

To be eligible for TANF <u>assistance</u>, a family must include a pregnant woman or a minor child who resides with a custodial parent or other adult caretaker relative of the child.¹⁴ A minor child is defined as an individual under 18 or an individual under 19 who is a full-time student in a secondary school (or in the equivalent level of vocational or technical training).¹⁵

However, for benefits and services that are not assistance, ACF has said that a state may define a needy family using a reasonable definition of "child" that has a higher age threshold than the federal definition of "minor child." In the context of funding summer jobs for youth with the TANF Emergency Fund, ACF provided guidance that a jurisdiction could reasonably set an age for a child that includes an individual under the age of 25. ¹⁶ ACF also said that such older youth who are living independently can receive non-assistance from TANF funds as members of a "family of one."

Endnotes

¹ The Teen Brain: Still Under Construction, National Institute of Mental Health, NIH Publication No. 11-4929, 2011, http://www.nimh.nih.gov/health/publications/the-teen-brain-still-under-construction/index.shtml.

http://www.clasp.org/resources-and-publications/publication-1/Campaign-for-Youth-Road-Map-2014-Final-November.pdf.

Andrew Sum, Joseph McLaughlin, Ishwar Khatiwada, et al., Still Young, Idle, and Jobless: The Continued Failure of the Nation's Teens to Benefit

http://www.luminafoundation.org/publications/A stronger nation through higher education.pdf.

²Our Youth, Our Economy, Our Future: A Road Map for Investing in the Nation's Talent Pipeline, CLASP, 2014,

³ Andrew Sum, Joseph McLaughlin, Ishwar Khatiwada, et al., *Still Young, Idle, and Jobless: The Continued Failure of the Nation's Teens to Benefit From Renewed Job Growth*, Center for Labor Market Studies Northeastern University, 2006, http://levitancenter.org/resources/Still%20Young,%20Idle,%20and%20Jobless%20Report.pdf.

⁴ Focus on Employment, CLASP, 2014, http://www.clasp.org/resources-and-publications/publication-1/CLASP-Young-Men-of-Color-Employment-Briefing-June-2014.pdf.

⁵ Kristen Lewis and Sarah Burd-Sharps, *Zeroing on Place and Race: Youth Disconnection in America's Cities*, Measure of America, June 2015, https://www.measureofamerica.org/youth-disconnection-2015/.

⁶ Lumina Foundation, "A Stronger Nation Through Higher Education", March 2013

⁷ Nebraska TANF EF brief.

⁸ Minnesota TANF Innovation Summer Project, Updated 8/27/15, http://mn.gov/deed/images/TANF_InnovationSummerProject.pdf

⁹ Human Resources Administration, "YouthPathways Concept Paper", The City of New York, July 2015,

Administhttp://www1.nyc.gov/assets/hra/downloads/pdf/contracts/concept_papers/2015/july/HRA_YouthPathways_Concept_Paper.pdf.

¹⁰ Shelley K. Irving and Tracey A. Loveless,, *Dynamics of Economic Well-Being: Participation in Government Programs*, 2009-2012: Who Gets Assistance?, U.S. Census Bureau, May 2015, https://www.census.gov/content/dam/Census/library/publications/2015/demo/p70-141.pdf.

¹¹ Ohio Office of Human Services Innovation, Comprehensive Case Management and Employment Program Transmission Letter, Clearance Notice 7841, October 19, 2015, http://www.odjfs.state.oh.us/clearances/public/index.aspx

¹²Robert G. Wood and John Burghardt, *Implementing Welfare Requirements for Teenage Parents: Lessons from Experience in Four States*, Mathematica Policy Research for the Office of the Assistant Secretary for Planning and Evaluation, October 1997, http://aspe.hhs.gov/execsum/implementing-welfare-reform-requirements-teenage-parents.

¹³ Gene Falk, *Temporary Assistance for Needy Families (TANF): Welfare-to-Work Revisited*, Congressional Research Service, October 2012, https://www.fas.org/sgp/crs/misc/R42768.pdf.

¹⁴ Section 408(a)(i) of the Social Security Act.

¹⁵ Section 419(2) of the Social Security Act

¹⁶ See Q2, http://www.acf.hhs.gov/programs/ofa/recovery/tanf-faq.htm# serving older youth ACF initially indicated that states could use a different definition of child that was used in another state program, but later clarified that states could go up through age 24 whether or not such a definition was used elsewhere.