
Temporary Assistance for Needy Families Program Instruction

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

No. TANF-ACF-PI-2006-05 (Amended)

Date: June xx, 2007

- TO:** State agencies administering the Temporary Assistance for Needy Families (TANF) Program and other interested parties
- SUBJECT:** Reporting the Number of “Deemed Core Hours” on the TANF Data Report
- REFERENCES:** 45 CFR §§ 261.31 and 261.32
- PURPOSE:** To instruct States on how to report the number of “deemed core hours” for the overall and the two-parent work participation rates. This replaces an earlier version of this program instruction, issued on September 28, 2006.

BACKGROUND:

The Deficit Reduction Act of 2005 reauthorized the TANF program and required the Secretary to issue rules to ensure a more uniform and consistent measurement of the work participation rates. Under §§ 261.31 and 261.32 of the TANF interim final rule, published on June 29, 2006, if a work-eligible individual participates in work experience or a community service program for the maximum number of hours per week that a State may require under the applicable Federal or State minimum wage law but falls short of the hours needed to meet the “core” hours requirement, we will “deem” the individual to have participated in the remaining core hours needed. For purposes of this instruction, we refer to these remaining hours as “deemed core hours.” This policy is limited to States that combine the value of TANF and food stamp benefit amounts when calculating the maximum hours of participation permitted based on the applicable minimum wage. A State can include the value of the food stamp allotment by adopting the mini-Simplified Food Stamp Program (mini-SFSP) option.

ACTION:

States must determine and report the deemed core hours for a family in accordance with the instructions below. A State may only report deemed core hours for work experience or community service program positions that create an employer-employee relationship. States may not deem hours of participation in work experience or community service programs that are not subject to the FLSA or State minimum wage requirements.

To determine the number of deemed core hours for the overall work participation rate, a State must:

1. Determine the maximum allowable number of hours of participation for a month in work experience or community service programs by adding the monthly TANF and food stamp benefits for a family and dividing the result by the higher of the Federal or State minimum wage.
2. Determine the maximum average weekly number of hours of participation in work experience or community service programs by dividing the monthly maximum by the number of weeks in the month. A State must use the same method for determining the number of weeks in the month for this purpose as it uses to calculate the average number of hours of participation per week in work activities.
3. Determine the number of deemed core hours by subtracting maximum allowable average weekly number of hours of participation in work experience or community service programs from 20 (the core hours work activity requirement).
4. Report deemed core hours only for those work-eligible individuals who actually participate the maximum number of hours allowed for the month in work experience or community service programs.

In determining the amount of TANF assistance in step one of the FLSA calculation, States should calculate the amount of assistance net of any child support collected used to reimburse the State. Under the community work experience programs provisions of the former JOBS program, the portion of child support collection, if any, used to reimburse the amount of AFDC was explicitly excluded by law. Section 482(f)(1)(B)(i) of the Social Security Act outlining the minimum wage formula specified that “...(and the portion of a recipient’s aid for which the State is reimbursed by a child support collection shall not be taken into account in determining the number of hours that such individual may be required to work).”

To determine the number of deemed core hours for the two-parent work participation rate, a State must follow the same general approach as described for the overall rate. Steps 1 and 2 above are the same for a family in the two-parent rate and the overall rate. In step 3, the State must subtract the maximum allowable average weekly number of hours of participation in work experience or community service programs from 30 (the core hours work activity requirement for a two-parent family) or from 50 (the core hours work activity requirement for a two-parent family receiving federally subsidized child care) rather than from 20. In step 4, both of the work-eligible parents in the family may contribute to the hours of participation in work experience or community service programs to reach the maximum permitted under FLSA.

Reporting Deemed Core on the TANF Data Report

For the overall work participation rate, States must report deemed core hours of TANF work-eligible individuals in the TANF Data Report – Section One, Data Element #62, “Additional Work Activities Permitted Under Waiver Demonstration.”

For the two-parent work participation rate, States must report deemed core hours of TANF work-eligible individuals in the TANF Data Report – Section One, Data Element #64, “Required Hours of Work Under Waiver Demonstration.”

We are using these waiver-related data elements because we failed to add specific data elements to collect deemed hours when we revised the TANF Data Report in conjunction with the publication of the interim final rule. With one exception, States are no longer using these data elements for waiver-related information and they will serve as a temporary place to report deemed core hours pending revisions to the TANF Data Report.

Separate State Programs

The TANF rules permit deeming only when the State combines the TANF and food stamps benefits. Under the law, a Simplified Food Stamp Program (or mini-SFSP) cannot be used with a separate State program (SSP). That means that it is not possible to count the value of food stamps with the SSP assistance grant to determine the maximum allowable number of hours of participation for a month in work experience or community service programs. Therefore, a State cannot report deemed core hours for a work-eligible individual if the family does not receive TANF assistance. While a State cannot deem core hours for a family receiving SSP assistance, we remind States that the minimum wage requirements of the FLSA apply in SSP activities as they do in TANF activities. Any additional hours beyond the maximum allowed by the FLSA that a SSP family needs to count toward the participation rates must come from other activities.

EFFECTIVE DATE: October 1, 2006.

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

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