

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515

March 16, 2010

Assistant Secretary Carmen Nazario  
Administration for Children and Families  
U.S. Department of Health and Human Services  
370 L'Enfant Promenade, S.W.  
Washington, DC 20447

Dear Assistant Secretary Nazario:

Thank you for your March 11<sup>th</sup> testimony to the Committee on Ways and Means, Subcommittee on Income Security and Family Support at its hearing on TANF's role in providing assistance to struggling families. In order to complete our hearing record, I would appreciate your response to the following questions:

1. You suggest in your testimony that the Administration wants to extend the TANF welfare emergency fund "for another year until the economic recovery is more robust." (page 6) The President's budget includes the Administration's latest economic projections. Those projections suggest unemployment in 2011 will average 9.2 percent, or about half a percentage point less than today's 9.7 percent.
  - a. Is 9 percent unemployment what you consider the measure of a "robust" recovery?
  - b. Are you willing to commit that, even if the unemployment rate is as high as 9 percent, the Administration will support ending this welfare emergency fund next year, if it is extended this year?


2. The Administration proposes increasing the Federal matching rate for some spending from the welfare emergency fund from the current 80% to 100%.
  - a. Does HHS operate other programs that have 100% Federal matching rates – that is, are entirely Federally funded? If so, what are those programs?
  - b. Do States ever leave funds unspent in such 100% Federally funded programs? When and involving which programs?
  - c. Why is the Administration proposing to add more money into the welfare emergency fund that still has billions of dollars in funding available, instead of adding money to the contingency fund created in the 1996 welfare reform law that has run out of money? Wouldn't adding funds to the depleted contingency fund make more sense?
3. Last summer New York State used welfare emergency fund dollars to make one-time \$200 per child “back to school” payments to welfare and food stamp recipients, and chaos ensued. Some recipients used the money, as [CBS News put it](#), to purchase “flat screen TVs, iPods and video gaming systems.” Convenience stores in low-income areas “noted marked increases in beer, lotto and cigarette sales.”
  - a. Do you support States using this “emergency” money for “back to school” payments that end up being spent on alcohol, lottery tickets, and flat screen TVs?
  - b. Is there anything in the latest Administration proposal to extend and expand the welfare emergency fund – which was the source of those “back to school” payments in New York – to keep States from using these funds for the type of unfettered “one time payments” made last summer in New York?
4. The Administration’s budget proposes to extend and expand the welfare emergency fund created in the 2009 stimulus law. In particular you want to provide 100% Federal funds that States would turn around and pass out to businesses, government agencies, or nonprofits to use to hire new workers or keep other workers on the job. What evidence can you point to that these jobs will continue to exist after the Federal funding ends?

5. You mention in your testimony literally dozens of ways that TANF funds can be spent by States. Some involve "non-recurrent, short-term benefits" like employment bonuses, short-term training, work expenses, transportation support, and so on. You specifically mention on page 10 of your testimony that those benefits go to "a broader group of low-income families" not on cash assistance.
  - a. How many families each year fall into the "broader group of low income families" who get help supported by TANF funds but who are not counted as "participating" in TANF?
  - b. Would people in transitional jobs programs supported by TANF funds be counted as "participating" in TANF, under this methodology?
6. What is the latest amount of unspent TANF funds across all States, and for each State?

I would appreciate your response to these questions by March 30, 2010. Please send your response to the attention of Matt Weidinger, Staff Director, Subcommittee on Income Security and Family Support, Committee on Ways and Means Republicans, U.S. House of Representatives, B-316 Rayburn House Office Building, Washington, D.C. 20515. In addition to a hard copy, please submit an electronic copy of your response in WordPerfect or Microsoft Word format to [Mike.Stober@mail.house.gov](mailto:Mike.Stober@mail.house.gov) and [Moyer.McCoy@mail.house.gov](mailto:Moyer.McCoy@mail.house.gov).

Thank you for taking the time to answer these questions for the record. If you have any questions concerning this request, you may reach Matt Weidinger at (202) 225-4021.

Sincerely yours,

  
John Linder  
Ranking Member  
Subcommittee on Income Security  
and Family Support

  
Charles Boustany  
Subcommittee on Income Security  
and Family Support

  
Peter Roskam  
Subcommittee on Income Security  
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