Introduction

Teen parents were at the center of the policy debates that created Temporary Assistance for Needy Families (TANF) in 1996. This new law transformed the nation's welfare system from a federal entitlement program focused largely on cash assistance for poor families to a state block grant system that emphasizes employment and places a lifetime limit on benefits. With research showing that historically almost one-half of all welfare beneficiaries had their first child in their adolescent years, some lawmakers argued that poverty and welfare dependence were driven in large part by increasing numbers of single-parent families, many started by unmarried teen mothers.

As a result, the 1996 welfare legislation contained several provisions designed to address concerns about both adolescent parenting and single parenthood. Teen parents who are still minors generally must live in an approved, supervised setting (preferably at home with their parents) and must participate in school or training to qualify for benefits – requirements that the law’s proponents believed improve the chances that a teen mother will finish her education and, thus, succeed in the labor market. The law’s explicit goals also include preventing non-marital births, encouraging marriage, and strengthening two-parent families of all ages.

While teen parents were a focus of the welfare reform bill, this population is small compared to the number of other adolescents who are TANF beneficiaries (see Figure 1). About one in eight adolescents receiving benefits have children of their own. The majority of teens (roughly 820,000 individuals) are actually teenagers who do not have children of their own but who, for the most part, live in families receiving TANF cash grants. TANF proponents expected that, like parenting teens, these adolescents would also benefit as the law moved their custodial parents from the welfare rolls into the workforce – enabling them to become financially self-sufficient and provide better role models for their children. Finally, since TANF funds can be spent on those who have never received welfare and can be used for a range of initiatives, TANF reaches an additional, unknown number of teens – often through programs related to teen pregnancy prevention.

To date, research into the full effects of TANF on teens is limited. Preliminary evidence gathered since the program was enacted – and research findings from state-level programs that were initiated prior to TANF – do offer new insights for federal and state policymakers seeking to ensure that welfare policies address the needs of adolescents.

This issue brief describes the history and main provisions of TANF, focusing on those that relate directly to teens, and describes what is currently known about the program’s impact on three different groups of adolescents: TANF teen parents, teenagers living in TANF households, and teens who are involved in TANF-funded initiatives.
Background to U.S. Welfare Policy

Improving child well-being was the explicit motivation behind the establishment in 1935 of the first federal welfare program, Aid to Dependent Children (as part of the Social Security Act), later renamed Aid to Families with Dependent Children (AFDC). The program provided cash grants to very poor women and their children, largely to enable widows to remain at home to take care of their children.

Since the early days of welfare, much has changed regarding women’s roles in both the labor market and the family. By the mid-1990s, the overall proportion of women in the workforce had grown to 59 percent. Among mothers with preschool-aged children, 62 percent reported spending some number of hours in paid employment in 1996. At the same time, increasing rates of divorce and non-marital births had given rise to a greater proportion of single-parent families with children, many of which were poor and headed by women. By 1994, female-headed households accounted for 18 percent of families in the U.S.

In 1996, AFDC was replaced by Temporary Assistance for Needy Families (TANF), a $16.5 billion annual block grant program under which the federal government sets broad goals (see Figure 2) and policy requirements, while states establish their own welfare systems within those parameters. A key feature of federal TANF policy that distinguishes the current welfare program from its predecessor is that cash benefits are generally limited to 60 months over a beneficiary’s lifetime.

Teen Parents and TANF

The focus on teen mothers as part of welfare reform reflected research indicating that one-half of teen mothers became welfare beneficiaries within five years of giving birth. Research also indicated that while the majority received aid for about two years, many remained on the welfare caseloads much longer. Although teenage parents comprise a small portion of the caseload, these findings prompted the authors of the TANF law to create specific requirements for minor teen parents who receive welfare benefits, typically girls (see Figure 3). The two specific teen-parent provisions mandate that minors with children live in an approved setting and that they participate in school or training programs. Available research, while limited, suggests that teen parents sometimes benefit from these requirements. These gains, however, appear modest, and these policies may lead to other unintended consequences.

In addition, while the program still provides cash grants, it focuses more on employment, emphasizing a “work-first” approach under which finding a job is generally encouraged over receiving education and training (although exceptions exist for some teen parents). Federal law requires states to have a certain proportion of their welfare caseloads involved in a defined set of work activities for a prescribed number of hours, and individuals are typically required to participate in mandated activities to qualify for cash grants.

**FIGURE 2**

The Goals of TANF

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, which created the Temporary Assistance for Needy Families program, established that federal welfare policy should:

- Provide assistance to needy families so children can be cared for in their homes or the homes of relatives; End the dependency of needy parents on government benefits by promoting job preparation, work, and marriage;
- Prevent and reduce the incidence of out-of-wedlock pregnancies;
- Encourage the formation and maintenance of two-parent families.

Excerpted From PL 104-193. Title I. Sec. 401

**FIGURE 3**

Key Federal TANF Provisions Affecting Teen Parents

Minor teen parents must abide by the following provisions in addition to the general requirements for receipt of TANF aid:

- Live at home with their parent(s) or guardian(s) or in another approved, adult-supervised setting (with state flexibility to waive the mandate on a case-by-case basis);
- Participate in education or training once their child is at least 12 weeks old;
- Follow the 60-month lifetime limit on receipt of federal TANF assistance when minors are heads-of-households or married to heads-of-households.
TANF policy encourages teen parents to live with their parents or other adults.

States are generally prohibited from spending federal TANF funds on assistance unless the teen lives in an approved arrangement. This policy, known as the “minor parent living arrangement rule,” had at least two motivations: to provide a mechanism to ensure that minor teen parents receive adequate supervision and to discourage minor parents from viewing welfare as a means to set up a separate household if they had a baby.

If a minor parent cannot live with her parent, legal guardian, or adult relative because such a setting is not possible or it could harm the minor teen and/or her child (research shows, for instance, that pregnant and parenting teens are at risk of abuse, particularly sexual abuse), other placements are possible. Under these circumstances, a minor teen may be required to reside instead in an adult-supervised living arrangement. While the legislation did not specifically authorize funds for such “second-chance” homes, it did assert that the state must provide or assist in locating supervised arrangements for the teen. Alternatively, a state could determine that a teen mother’s independent living arrangement is appropriate and that it is in the best interest of the minor child to make an exception.

Evidence on policy’s impact on teens is limited and results are mixed. Relatively little research has been conducted on teen parent living arrangements in general, and even less exists concerning implementation of the TANF provision. The inherent assumption in the legislation is that a teen parent is better off when living at home. Some findings suggest this view has merit, while other research directly challenges this assumption.

One pre-TANF analysis, for example, found that teen mothers who lived with their own mothers obtained more schooling than other teen mothers. But a small, post-TANF study from a Michigan county found that co-residence of a low-income teen mother with her mother was associated with a decrease in enrollment or graduation from school – even though it may also reduce the financial strain of adolescent parenting. Further, the teen mother-grandmother relationship is associated with depression in a teen mother – thus potentially hindering her progress in school, her ability to be a good mother, and the development of her child. A statistical analysis by the Urban Institute of the impact of TANF on the living arrangements of minor parents found that there has been an increase in the share of minor mothers living with parents, but the increase is not statistically significant.

TANF emphasizes school completion for teen parents.

Almost 60 percent of teens with a school-age pregnancy drop out of school at some point between the 8th and 12th grade, with more than one-quarter of these teen mothers dropping out before they become pregnant. Teen mothers under age 18 are also less likely than mothers who delay childbearing to receive a high school diploma or GED by age 30 (61 percent, compared to 91 percent), and their children have poorer school performance. Given the connection between educational attainment and economic self-sufficiency, TANF emphasizes school completion for minor parents. TANF also requires an unmarried, custodial minor parent to participate in school or an approved training program once her infant is 12 weeks of age or older in order to be eligible for assistance with federal funds. (States have flexibility in implementing this requirement—for example, in defining “participation” as enrollment, attendance, or grade completion.)

Policy has broad support from state TANF officials. A 2000 survey of state TANF officials conducted by the Center for Law and Social Policy (CLASP) found that the majority (23 of 30) believe the school/training requirement is having positive results in their states. At the same time, however, a large number of the state officials (30 of 33) indicated that their programs lacked some services needed to help teen parents meet the requirements – including learning disability services, mental health services, and substance abuse treatment.

Research indicates the impact of school/training requirements is modest. Evaluations of welfare-related school requirements in Ohio, California, and Wisconsin initiated before TANF provide further insights into the potential impact of these programs – and highlight the complexities of improving school completion rates among teen parents. Overall, the results suggest that the effects, if any, were moderate. Comparisons among the states is difficult because the programs vary with respect to what was monitored (attendance versus grades), the enforcement mechanism (sanctions and/or bonuses), and the impact on cash grants (the amount of the sanction or bonus).

In Ohio, the Learning, Earning, and Parenting (LEAP) Program improved teen parent school enrollment and attendance, and increased the likelihood that in-school participants – but not drop-outs – would earn a GED or high school diploma. In-school participants also experienced improved employment rates over four years and saw positive earnings effects as well. However, the positive earnings effects disappeared at the two-year mark.
Teen parent participants in California’s Cal-Learn program graduated at a significantly higher rate than non-participants, but half still failed to matriculate. And, in contrast to the Ohio experience, the greatest positive impact in California was found among teen parents who had dropped out (and had not been held back a grade). Finally, in Wisconsin, the Learnfare program (which applied to teen parents as well as other teens) did not demonstrate any improved school attendance.\textsuperscript{16}

**Teen parents sanctioned at higher rates than adults on TANF.** To encourage a minor teen parent to continue her education/training, TANF allows states to impose an enforcement or incentive mechanism such as a grant reduction for non-compliance and a bonus for participation.\textsuperscript{17} But a recent CLASP survey found that teen parents appear to be sanctioned at disproportionately higher rates than their adult counterparts. In a single month, nearly 2,500 teen parents were sanctioned in the five states that gather such data related to school participation – a higher rate than that for the overall TANF caseload there.\textsuperscript{18} These survey findings are consistent with broader studies of sanctions, which find that younger recipients are more likely to be penalized.\textsuperscript{19} Research on the Ohio LEAP program found that a majority of teen parents with multiple sanctions spent less on essentials such as food and clothing.\textsuperscript{20}

**Living arrangement and education requirements may erect barriers to benefits.** Some research suggests that the living-arrangement rule and the education/training requirement may prevent some needy minor parents from entering the TANF program at all, possibly due to misunderstanding and/or misapplication of the federal mandates. A Center for Impact Research study of 1,500 teen parents in Atlanta, Boston, and Chicago found that, depending on the site, between 16 percent and 47 percent of the teen parents who sought TANF benefits were told they were ineligible – and, as a result, they often did not apply. While more research is needed to fully understand this phenomenon, it could reflect the mistaken belief by local welfare staff that a minor parent must already meet the living and/or education/training requirements at the time she applies for aid – despite state policy allowing for caseworker flexibility in permitting such teens to receive TANF.\textsuperscript{21}

**Youth Living in TANF Families**

There are no TANF provisions explicitly directed toward non-parenting adolescents living in families that receive welfare benefits. Yet, these youth far outnumber the ranks of teen parents receiving TANF assistance. Enactment of TANF sparked new interest in understanding the impact of welfare on child well-being, an area little studied until the mid-1990s; recent research offers some early indications about the effects of TANF on adolescent recipients who are not parents (see Figure 4).\textsuperscript{22}

Researchers have grappled with two, largely competing theories on the effect of TANF’s work-first philosophy. On the one hand, encouraging mothers to enter the workforce could enhance child and family well-being by increasing family income, making families more self-sufficient, and setting a better example for the children. On the other, moving mothers quickly into the labor force could increase family stress to the detriment of children and youth, particularly if supportive services – such as child care – prove inadequate.\textsuperscript{23} Both effects could also operate simultaneously.

### Figure 4

**Key TANF Provisions for Parents: Impact on Adolescents**

A number of federal TANF requirements\textsuperscript{24} could affect adolescents because they may influence the number of hours a parent spends at home and a family’s economic status including:

- States must ensure that adults are engaged in work within 24 months of receiving assistance.

- Single parents with children over age six must participate in work activities at least 30 hours/week in order to be counted toward the proportion of a state’s beneficiaries who must be working.

- Parents’ participation is limited to a set of legislated activities including paid or unpaid work, vocational education, or job search.

- States must impose sanctions – which can include grant termination or reduction – on families that refuse to meet work requirements.

- States must enforce a 60-month lifetime limit on federal TANF benefits (although states may impose shorter time limits).
Work requirements for parents have mixed consequences for youth.

Most studies to date have focused largely on elementary school-aged children. Recent evaluations suggest positive effects – particularly higher school achievement – when welfare-to-work programs increase parental employment and family income. Some evaluations have documented reduced behavior problems, increased positive social behavior, and/or improved children's overall health. In contrast, when one attains employment but income does not actually increase, there are few positive effects and there are just as likely to be negative effects.25

To date, only one study of adolescents in welfare families is able to show whether the work requirements of parents actually influence adolescents' behavior. An analysis conducted by the Manpower Demonstration Research Corporation (MDRC) found that adolescent school achievement and progress were negatively affected by parents' participation in welfare and employment programs.26 The most dramatic impact was increased rates of school dropout and suspensions among the students in welfare families who also had younger siblings.

Some researchers also suggest that when single mothers spend more time away from home, it can result in the "adultification" of teens – that is, older youth taking on additional family responsibilities, including child care for younger siblings and heavier household duties.27 This, in turn, can make it more difficult for these adolescents to succeed in school. Teens in families who have just left the TANF rolls are also more likely to work more than 20 hours a week themselves – a factor associated with lower academic achievement.28

Teens may also become "adult" in other ways, as adolescents sometimes take advantage of parental absence and become sexually active.29 In fact, recent research shows that the factors that protect teens from a range of risky behaviors include time spent with parents and adequate parental supervision in families at all income levels.30

TANF funds used for programs that aim to reduce teen pregnancies.

According to a 1999 survey by the American Public Human Services Association (APHSA), 46 states reported using federal TANF funds (or the related state funds) to pay for projects that address teen pregnancy prevention or out-of-wedlock births. It is not clear how many teens are involved in these programs, which range from after-school programs to peer education.34 The APHSA survey also found that 12 states were using general TANF funds to support abstinence education as a strategy to reduce non-marital births.

States may fund programs that focus on abstinence alone or programs that encourage teens to wait while also providing education about contraception – an approach sometimes called “abstinence-plus” or “abstinence-first.” Finally, an unspecified number of teens participate in a completely separate federal abstinence education program, which was created in the same 1996 law that established TANF, but is funded differently and governed by a specific, eight-point definition of abstinence education (see Figure 5).

A strong body of research demonstrates that there are strategies proven to prevent teen pregnancies and births, including programs that offer reproductive health information and services as well as broader youth development programs in which such information is not a central feature.35 The research is less clear about the role of teen marriage in reducing non-marital births and/or strengthening two-parent families. More than half (roughly 56 percent) of marriages among 18- or 19-year-old teens dissolve within 20 years, compared to 41 percent of marriages among 20- to 24-year-olds. For women in general, marrying after a birth and then divorcing correlates with higher risks for poverty than never marrying.36

Although there have been significant declines in birth rates among teens aged 15 to 19 (a 28 percent decline between 1990 and 2002),31 teens should still be a prime target for programs seeking to achieve TANF's family formation aims, as adolescents account for a disproportionate number of unmarried births. More than half (57 percent) of all births to unmarried women were teen births or births by older women who first were teen mothers;32 approximately 80 percent of teen births are non-marital.33

Youth in TANF-Funded Programs

In addition to the provision of direct cash grants to families, states may use TANF dollars to fund a range of activities that support TANF goals – including programs related to reducing out-of-wedlock births, encouraging marriage, and strengthening two-parent families. TANF funds can be spent on low-income youth in families that get cash grants as well as youth in families that have never received cash assistance.
Nearly all states are using abstinence-only funds.
A separate abstinence education program, created at the same time as TANF, directs $50 million in federal funds each year to the states, which must provide a $3 state match for every $4 received from the federal government. All states but one accept the federal funds. The program is often called “abstinence-only” since it seeks to teach students only about abstinence. A federally-sponsored evaluation conducted by Mathematica Policy Research also notes that “programs receiving these abstinence education funds may not endorse or promote contraceptive use” as that would be “inconsistent” with the eight-point definition of abstinence education described in Title V, Section 510 of the Social Security Act (see Figure 5).

In addition, since passage of this provision, millions more in funding for abstinence education have been made available through two other federal sources, both of which are direct federal grant programs: “Special Programs of Regional and National Significance” (SPRANS) and the Adolescent Family Life Act. Programs funded through either of these sources must teach and adhere to all eight points of the definition of abstinence education outlined in the Social Security Act.

Impact of different strategies towards abstinence education still subject to debate. While the impact of the federally funded abstinence programs are not yet known, a recent review of “abstinence-only” evaluations found that “there do not currently exist any abstinence-only programs with reasonably strong evidence that they delay the initiation of sex or reduce its frequency.” In contrast, evaluations of programs that combine abstinence education with contraceptive information (“abstinence-plus” or “abstinence first”) find that they can help delay the onset of intercourse without a concomitant concern regarding health risk.

Many public health experts and parents support a comprehensive approach to sexuality education. By the end of 2005, researchers expect to complete a federally-sponsored evaluation of abstinence programs funded under the 1996 law, which could help fill the gaps in knowledge about the effectiveness of these programs. The research, however, will not offer insights into whether “abstinence-only” is better or worse than “abstinence-plus” programs.

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<th>FIGURE 5</th>
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<td><strong>Federal Provisions for Abstinence Programs</strong></td>
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Abstinence education programs that are supported by funds authorized under Section 510, Title V of the Social Security Act must meet the following criteria:

A. Have as its exclusive purpose teaching the social, psychological, and health gains to be realized by abstaining from sexual activity

B. Teach abstinence from sexual activity outside marriage as the expected standard for all school-age children

C. Teach that abstinence from sexual activity is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other associated health problems

D. Teach that a mutually faithful, monogamous relationship in the context of marriage is the expected standard of sexual activity

E. Teach that sexual activity outside the context of marriage is likely to have harmful psychological and physical effects

F. Teach that bearing children out-of-wedlock is likely to have harmful consequences for the child, the child’s parents, and society

G. Teach young people how to reject sexual advances and how alcohol and drug use increases vulnerability to sexual advances

H. Teach the importance of attaining self-sufficiency before engaging in sexual activity

Excerpted from Section 510 (b), Title V of Social Security Act
Conclusion

Although information that distills TANF’s specific effects on youth is limited, the early findings can provide important insights to Congress as it considers reauthorization of the program. TANF’s influence reaches several populations of adolescents - teen parents, teens in TANF families, and teens that are not in TANF families but participate in TANF-funded programs aimed at encouraging family formation.

Research to date suggests that TANF provisions have had mixed effects on the well-being and health of youth. Policymakers have focused their efforts on encouraging teenage parents to stay in school or training programs and to live with a parent or adult guardian. While some research indicates that more teen mothers are living with parents and some improvements in school attendance rates have been observed in pre-TANF demonstrations, teen parents continue to face considerable challenges. Many are not aware of the full range of welfare benefits available and many are subject to complicated sanction procedures.

Youth living in TANF families are indirectly affected by the work requirements their parents must follow. These teens continue to face significant challenges with poverty, school achievement, and competing responsibilities. Some studies have suggested that increased family income as a result of parental entrance into the workforce can have positive effects on children and youth.

More broadly, policymakers have also invested considerable funding and energy in family formation and teen pregnancy prevention programs. The outcomes of these efforts are still to be determined, but the reach and influence of these programs extend far beyond just teens on the TANF caseload.

Within the broad framework that Congress sets for TANF, states retain quite a bit of control in designing their welfare programs, and the pending reauthorization offers many opportunities for state policymakers to address youth concerns. Because the service delivery system is centered at the state-level, many state-based policies focus on changes to welfare agency processes.

States are required to have in place some process to review TANF participants’ family and social circumstances, but many groups have called on states to improve these reviews and assess teen parents’ unmet needs and education skills so that individualized service plans can be developed for youth whose needs may otherwise be overlooked. States could establish a “transitional compliance” period for teen parents, in which they would have a period of time to transition into the program rules, allowing for receipt of stronger support services such as case management. When sanctions are imposed, states can study the causes of the sanctions and the impact on youth and their families.

There are several prospects to address the broad range of teens affected by TANF. Federal policymakers could consider reforms in work and training requirements that would stop the “time clock” while teen parents are in school. Federal bonuses to states could also be altered to encourage states to create new alternative placements and improve school graduation rates among teen parents. States could be required to develop youth development plans. These changes may impel states to invest resources in case management and long-term planning for youth.

The extensive scope of TANF’s influence combined with state flexibility in designing welfare programs provides state and federal policymakers with several opportunities to address many of the needs and concerns facing this broad range of low-income youth.

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