

Spending Too Much, Accomplishing Too Little: An Analysis of the Family Formation Provisions of H.R. 4737 and Recommendations for Change

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On May 16, 2002, the House of Representatives passed H.R. 4737, the Personal Responsibility, Work, and Family Promotion Act of 2002, which, among other things, amends the Temporary Assistance for Needy Families (TANF) program to encourage states to make more efforts to promote marriage and, to a lesser extent, responsible fatherhood. The bill also earmarks substantial funds — \$1.6 billion — focused almost exclusively for the promotion and support of marriage.

In this paper, we describe and analyze the various family formation provisions in H.R. 4737 and offer recommendations for how the legislation could be improved. We begin with an overview of the issue, then proceed with an analysis of the various provisions in the bill regarding: (1) program purposes and maintenance of effort clauses, (2) the provision of TANF benefits to two-parent families, (3) the establishment of marriage performance goals, and (4) funding for marriage and fatherhood activities. In each section, we offer recommendations.

Overview

Both common sense and a large body of social science research indicate that stable, loving two-parent families are very important to the well-being of children. For instance, children growing up with two married parents are less likely than children raised in single-parent families to be poor, to drop out of school, to have difficulty finding a job, or to become teen parents.² This research leads many who care about the

¹ This paper benefited from discussions with the Center on Budget and Policy Priorities and others at CLASP. The authors especially want to thank Alan Houseman, Mark Greenberg, and John Hutchins of CLASP for reviewing drafts of this paper.

² Children living with single mothers are five times as likely to be poor as those in two-parent families. Federal Interagency Forum on Child and Family Statistics, *America's Children: Key Indicators of Well-Being 2001*. Washington, DC: U.S. Government Printing Office. Available at: www.childstats.gov; Sara McLanahan and Julien Teitler, "The Consequences of Father Absence" in Michael E. Lamb (Ed.), *Parenting and Child Development in "Non-Traditional" Families*. Mahwah, NJ: Lawrence Erlbaum Associates, Inc., 1998. See also Sara McLanahan and Gary Sanderfur, *Growing Up with a Single Parent: What Hurts, What Helps*. Cambridge, MA: Harvard University Press, 1994.

well-being of children to be concerned about the structure of the families in which they are being raised.

When Congress created the Temporary Assistance for Needy Families (TANF) program in 1996, it reflected this concern by increasing the flexibility of states to prevent and reduce out-of-wedlock pregnancies, encourage the formation and maintenance of two-parent families, and promote marriage with their welfare funds. In this three-pronged approach, the statute permits states to use TANF funds for preventive strategies, such as reducing teen pregnancy rates, and economic strategies, such as helping low-income parents maintain employment. These strategies are important components of any plan to reduce the number of children being raised in single-parent families.

Congress also recognized that, while marriage is an essential social institution that should be encouraged and supported, it is not feasible or desirable for many parents. For instance, family violence, substance abuse, and criminal records may make some men and women inappropriate marriage partners or even dangerous to their spouses or children. Lack of education and job prospects make others unlikely to be the kind of partners who will bring economic assets or social capital to a marriage. And some have existing spouses or financial obligations to children from prior relationships that make marriage between the parents of some children an impossible goal.

Thus, the statute was written to allow states to define two-parent families flexibly, making it possible to promote marriage for those for whom it is a real possibility and encourage responsible and cooperative parenting among parents who are not married. CLASP refers to this as a Marriage-Plus approach — one that puts the well-being of children and families first.³ States have used this flexibility to put TANF resources into family formation issues. Some have focused on teen pregnancy prevention or marriage promotion, while others have removed stricter eligibility requirements for two-parent families.⁴

H.R. 4737 contains a number of useful provisions, including (1) making the overarching goal of TANF be “to improve child well-being,” (2) establishing as a purpose of TANF “to reduce poverty,” (3) requiring state TANF programs to “encourage the equitable treatment of married, two-parent families,”⁵ and (4) redirecting the funds used for the \$100 million per year out-of-wedlock bonus. However, some of the provisions of H.R. 4737 take a step backward in that they do not provide states with the flexibility to address the variety of family formation issues that affect the well-being of children. In general, we believe that the family formation provisions in H.R. 4737:

- Allow states to shift state spending in their TANF programs from needy families to better-off families.

³ Theodora Ooms, “Marriage-Plus,” *The American Prospect*, 13(7), 24-29, April 8, 2002.

⁴ *Testimony of Theodora Ooms*, Senior Policy Analyst at CLASP, before the Subcommittee on Human Resources, Committee on Ways and Means, U.S. House of Representatives, May 22, 2001.

⁵ However, this provision would be strengthened by *requiring* the equitable treatment of *all* two-parent families.

- Recognize the importance of healthy marriage but restrict TANF purposes in a way that could make it harder for states to serve unmarried, two-parent families.
- Do not go far enough to require state TANF programs to assist two-parent families to the same extent as single-parent families.
- Focus on marriage promotion to the detriment of other related family formation issues, such as preventing teen pregnancies, increasing the economic prospects of struggling young couples, and helping low-income fathers be able to provide better support to their children.
- Reflect a narrow view of what constitutes marriage promotion activities.
- Allocate more money than is justified for marriage-related activities, given other pressing needs and the current state of knowledge about government's role in marriage promotion.
- Do not contain adequate safeguards and protections to govern the grant-making process.

Therefore, the Senate should build on H.R. 4737 by adding language to the purposes of TANF to “improve child well-being” and “reduce poverty,” by requiring states to treat two-parent families equitably, and by redirecting the out-of-wedlock bonus. However, the Senate should reject the narrow House marriage promotion provisions described above and should encourage a broader Marriage-Plus approach that provides sufficient — but not excessive — funds to conduct research on ways that the government can appropriately encourage new marriages and strengthen existing ones, discourage non-marital childbearing, and encourage responsible parenting by non-custodial parents. Particular attention should be paid to strategies that would be helpful to unmarried, low-income parents who are having their first child together (so-called “fragile families”). This broader approach should also identify and encourage replication of promising strategies that reduce teen pregnancy and help low-income non-custodial parents provide better financial and emotional support to their children. Such a research fund should be limited to \$100 million per year and structured along the lines of the family formation fund proposed by Senator Rockefeller (S. 2052) and in the Democratic substitute amendment offered to H.R. 4737.⁶

⁶ House Amendment 483 to H.R. 4737, offered by Rep. Cardin and others.

Analysis

Changes in the Purposes and the Maintenance of Effort Clauses

The Provisions of H.R. 4737

The TANF program is the main funding source for cash assistance and services for needy families. The purposes of the TANF program are to (1) provide assistance to needy families, (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 (4) encourage the formation and maintenance of two-parent families. States receive federal block grant funds, which they are required to spend on activities related to these purposes. While TANF funds spent by states on activities designed to meet purposes (1) and (2) are restricted to needy families, spending on activities designed to meet purposes (3) and (4) can be directed to a broader population. Thus, under the current law, states can and do spend federal TANF dollars on marriage and family formation activities.

In addition, states must spend a certain amount of their own state money under TANF maintenance of effort (MOE) requirements in order to receive the full amount of federal TANF block grant funds. To count toward MOE requirements, state funds must be spent on *needy families*. State funds spent on families who do not qualify as needy cannot be counted, even if spent to meet purposes (3) (pregnancy prevention) and (4) (family formation).

The House bill significantly modifies the TANF purposes to focus increased attention on child well-being, reduction of poverty, marriage, and fathers, and to recognize the importance of services as well as cash assistance to families. The legislation also significantly changes MOE requirements by allowing state expenditures to count if they are made to prevent out-of-wedlock births, encourage marriage, or encourage responsible fatherhood, even if state funds are spent on programs for better-off families. The legislation:

- **Amends TANF purposes to focus on child well-being.** Section 101 amends the introductory language of the TANF purposes statute to read: “The purpose of this part is to *improve child well-being* by increasing the flexibility of States in operating a program designed to” meet the four purposes [italics added]. The current wording in the introduction is: “The purpose of this part is to increase the flexibility of States in operating a program designed to” meet the four purposes.
- **Amends TANF purpose (1).** Section 101 amends the first TANF purpose to read: “provide assistance and *services* to needy *families* so that children may be cared for in their own homes or in the homes of relatives” [italics added]. The current wording is: “provide assistance to needy parents so that children may be cared for in their own homes or in the homes of relatives[.]”

- **Amends TANF purpose (2).** Section 101 amends the second TANF purpose to read: “end the dependence of needy *families* on government benefits *and reduce poverty* by promoting job preparation, work, and marriage” [italics added]. The current wording is: “end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage[.]”
- **Amends TANF purpose (4).** Section 101 amends the fourth TANF purpose to read: “encourage the formation and maintenance of healthy 2-parent *married* families, *and encourage responsible fatherhood*” [italics added]. The current wording is: “encourage the formation and maintenance of two-parent families.”
- **Relaxes state maintenance of effort requirements.** Section 103 permits state funds used for activities meeting purposes (3) and (4) to count as “qualified state expenditures” for purposes of meeting state maintenance of effort requirements.

CLASP Analysis

The increased emphasis on child well-being and poverty reduction is a significant improvement to the current purposes. The modifications to the current purposes language made by the House bill signal an important broadening of the goals of TANF from welfare caseload reduction to improved child well-being and poverty reduction. CLASP supports these welcome changes.

However, the current purposes adequately address the broad range of marriage and family formation issues, and changes made to purpose (4) could have the unfortunate effect of narrowing state efforts in this area. The current language of purpose (2) allows states to promote marriage and provide marriage-related services. At the same time, purpose (4) allows states to provide services and supports to various kinds of families. Sometimes these supports will lead to marriage, and other times they will lead to better child outcomes in families where marriage is not an option. However, the modifications in the language made by the House bill appear to narrow the acceptable activities to just those focused on the promotion of marriage and responsible fathering. These changes could raise questions about whether current state spending for fragile families and other two-parent families in which marriage is not an option are allowable TANF expenditures.

Moreover, it should be acknowledged that not all two-parent families are good for children and that not all couples should marry. When there are family violence issues, alcohol and substance abuse problems, or high levels of conflict, children are often better off if their parents are not together.⁷ The current language in purpose (4) allows states to develop approaches that recognize this, by not requiring that every couple relationship

⁷ Paul R. Amato and Alan Booth, *A Generation at Risk: Growing Up in an Era of Family Upheaval*. Cambridge, MA: Harvard University Press, 1997.

lead to marriage. Changing the language of purpose (4) could narrow state flexibility and lead to programs that are not consistent with the best interests of children and families.

While encouraging fathers to be more responsible for their children is a worthwhile purpose, focusing on fathers to the exclusion of mothers is inappropriate. Presumably, the reason for including a reference to responsible fatherhood in purpose (4) is to clarify that services to non-custodial parents are also important to help them provide financial and emotional support to their children. However, about 20 percent of non-custodial parents are mothers.⁸ The use of the gender-specific “responsible fatherhood” appears to exclude these non-custodial mothers from such services. HHS has made it clear that expenditures for non-custodial parents are allowable TANF expenditures, and no change is needed in the statute to accomplish this goal.

However the purpose language is resolved, states should not be allowed to satisfy their TANF state spending obligation by providing marriage-related services to better-off families. The House legislation would allow states to shift their family formation spending from needy families to better-off families and still meet their maintenance of effort requirements. Moreover, it would create an incentive for states to shift their state maintenance of effort funds to marriage-related services from job training, child care, and other critical supports necessary for families to move from welfare to work. There is no justification for encouraging states to divert TANF funds away from low-income families.

CLASP Recommendations

- **The House provisions adding child well-being, poverty reduction, and services to the purposes language should be adopted.**
- **The current wording of purpose (4) should be retained.**
- **If changes are made to purpose (4) that reflect the House position, however, the reference to “responsible fatherhood” in purpose (4) should be changed to “responsible parenting.” In addition, the word “healthy” should be inserted before “marriage” in purpose (2).**
- **The House provision allowing states to count spending on families who are not needy to meet their MOE requirements should be rejected.**

⁸ Census Bureau. *Father’s Day, 2002: June 16* (press release). Washington, DC: U.S. Census Bureau.

The Provision of TANF Benefits to Two-Parent Families

The Provisions of H.R. 4737

Before the 1996 law was enacted, states were required to impose a more restrictive set of eligibility rules for two-parent families than for single-parent families. Section 103 of H.R. 4737 requires the TANF assistance program to “encourage equitable treatment of married, two-parent families.” In addition, Section 110 eliminates separate work participation rates for one-parent and two-parent families.

CLASP Analysis

While the House bill is a step in the right direction, states should be required — not simply encouraged — to serve all two-parent families on the same basis as single-parent families. While states have the flexibility under TANF to apply the same eligibility rules to two-parent and single-parent families, 17 states and the District of Columbia have continued to retain eligibility rules that make it harder for two-parent families to receive assistance. In addition, narrowing TANF purposes to “2-parent married families” could signal to states that discrimination against unmarried, two-parent families in their use of TANF or MOE funds is appropriate. By contrast, the Rockefeller bill (S. 2052) bans stricter eligibility criteria for two-parent families and requires states to assure that they do not have rules or procedures that discriminate against two-parent families. If children benefit from living with both of their parents, then two-parent families should not be discouraged from receiving assistance when they need it.

The House provision eliminating separate work participation rules for two-parent and single-parent families is an important improvement. Under current law, states face a 90 percent work participation rate requirement for two-parent families. As a result, a number of states have chosen to use only state rather than federal funds to assist two-parent families because states fear that they risk federal penalties if they assist such families in their TANF programs. Eliminating the separate requirement will remove this disincentive against assisting two-parent families in TANF.

CLASP Recommendations

- **Congress should adopt the Rockefeller language that requires state TANF programs to serve two-parent families on the same basis as single-parent families and to assure that they do not have rules and procedures that discriminate against two-parent families.**
- **The House provision that eliminates separate work participation rules for two-parent and one-parent families should be adopted.**

Establishment of Marriage Performance Goals

The Provisions of H.R. 4737

Under Section 113 of H.R. 4737, states would have to establish annual, specific numerical performance goals and outcome improvement plans with respect to each of the four TANF purposes in its state plan. This would include promotion of “healthy marriages.”

CLASP Analysis

Data are not available that would allow states to meet this requirement. The only relevant numerical data currently available are *some* state statistics on marriage, divorce, and out-of-wedlock birth rates and the Census sample surveys that measure rates of children living in two-parent married households. The federal government and many states no longer collect marriage and divorce statistics, and, in those states that do so, the data are of very uneven quality. There are also serious limitations in using the Census surveys.⁹

Even if data were available, requiring states to meet numerical goals on marriage could have perverse effects. The stated purpose of the bill is to encourage “healthy” marriages, not marriages per se, and available statistics measure only the number of marriages, not their quality. Yet pressure on states to increase the number of marriages, whether healthy or not, could result in states engaging in marriage promotion activities even when it would be inappropriate and unsafe to do so, and it could lead some states to pay marriage bonuses, condition eligibility for services on marital status, engage in activities that stigmatize single parents, or otherwise coerce couples into marrying.

CLASP Recommendation

- **The House provision requiring states to establish annual, specific numerical performance goals related to promoting “healthy marriages” should be rejected.** More useful and productive steps would be (1) for the federal government and states to invest in improving marriage and divorce data, as recommended in a forthcoming report from the Federal Interagency Forum on Child and Family Statistics,¹⁰ and (2) for HHS to establish a task force (or

⁹ Stephanie Ventura, “Vital Statistics from the National Center for Health Statistics” in Douglas Besharov (Ed.), *Data Needs for Measuring Family and Fertility Change After Welfare Reform*. College Park, MD: Maryland School of Public Affairs, June 2001; Theodora Ooms, “The Importance of Measuring Marriage,” Presentation at the Interagency Forum on Child and Family Statistics Meeting, February 27, 1998. Available at: www.childstats.gov/DataColl/Ooms22798.asp.

¹⁰ *Counting Couples: Improving Marriage, Divorce, Remarriage, and Cohabitation Data in the Federal Statistical System*. Proceedings of a national conference held on December 13-14, 2001. Published by the Data Collection Committee of the Federal Interagency Forum on Child and Family Statistics, available mid-July 2002. See www.childstats.gov.

working group) of national experts to examine ways of measuring “healthy” marriages in federal surveys and program evaluations.

Marriage and Fatherhood Funding in the House Bill

The Provisions of H.R. 4737

H.R. 4737 authorizes a total of \$1.6 billion over five years for marriage-related activities. While not exclusively focused on marriage, virtually all of the money is earmarked for marriage promotion activities:

- *Healthy Marriage Promotion Grants.* Section 103 authorizes \$1 billion over five years for a state competitive grants program to promote and support healthy, married, two-parent families. Half of the funds come from redirection of the existing out-of-wedlock bonus funds,¹¹ and half comes from allowing states to use federal TANF block grant funds as state match to draw down the federal monies.¹² Grants are limited to specified marriage education and promotion activities (see Appendix I). Section 111 allows states to use their federal TANF funds as their matching contribution to Healthy Marriage Promotion grants.
- *Marriage Research and Demonstration Funds.* Section 115 authorizes \$500 million¹³ over five years for research, demonstration, and technical assistance grants to be used “primarily” for the marriage activities specified in Appendix I.¹⁴
- *Promotion and Support of Responsible Fatherhood and Healthy Marriage Grants.* Section 119 authorizes \$100 million over five years to fund marriage and fatherhood promotion activities. Fifteen percent (\$15 million) is set aside for HHS-funded projects (see Appendix II). The remaining 85 percent would support a competitive grants program to directly fund community-based service projects. These projects would test approaches to accomplishing four objectives in order to improve child outcomes (see Appendix III).

¹¹ The TANF program authorizes various bonuses to states, including a \$100 million per year allocation to reward states that reduce out-of-wedlock births and a \$200 million per year high performance fund to reward other desired outcomes, such as increases in job retention rates and Food Stamp participation rates by low-income households with children. The bill repeals the \$100 million a year TANF out-of-wedlock bonus and reallocates the funds to the Healthy Marriage Promotion grants program.

¹² Although nothing in this provision would require a state to make its match with TANF funds, it is reasonable to anticipate that any state would see “free” federal dollars as the best source for state match funds.

¹³ The bill repeals the \$200 million high performance bonus, redirecting half of the bonus to the marriage research and demonstration fund and half to a new state employment achievement bonus.

¹⁴ Section 115 of H.R. 4737 provides \$102 million per year for research, demonstration projects, and national studies. Of this, \$2 million is set aside for demonstration projects designed to test the effectiveness of tribal coordination of child welfare services and TANF services for families at risk of child abuse or neglect.

The House legislation allocates too much money for unproven marriage promotion activities. The \$1.6 billion included in the House legislation is far too much to allocate for marriage-related activities, given that so little is known about whether the government could implement successful marriage programs, about which marriage activities would be effective for diverse populations, and about whether there would be unintended consequences to government intervention in this area. Much more research is needed before committing this level of funding.

Earmarking \$1.6 billion for marriage-related activities, rather than a more modest amount, raises troubling concerns about competing needs and priorities. The earmark of TANF funds for a limited set of marriage promotion activities means that states will have less discretion on how TANF funds are spent; this is because the funds would largely come from re-directed bonus monies and, under TANF, bonus funds may be spent on any allowable TANF activity. Instead, these monies would have to be spent on the narrow set of allowable marriage activities. In addition, allowing states to use their state MOE funds to match their federal marriage grants would create an incentive for states to shift an inappropriate amount of funds from other important areas of need. A related problem is that this reduction in state flexibility is proposed at the same time as states will likely face increased costs for child care and other work supports to meet anticipated new requirements in the law, such as more stringent work participation rules. This is particularly troublesome in the context of eroded TANF block grant funds, which will have lost 22 percent of their value through inflation by 2007.¹⁵

To illustrate this concern about competing needs, it is useful to compare the level of funds proposed for marriage-related initiatives with the more limited funds proposed for child care and child support. Although the House legislation commits \$1.6 billion over five years to marriage-related initiatives, it includes just \$1 billion in additional mandatory funding for essential child care services and less than \$500 million for child support distribution reforms, both of which have such broad support from states and advocates.¹⁶

Use of the funds is restricted to a narrow set of marriage and fatherhood promotion activities, and fails to focus on low-income communities. Funds from the

¹⁵ Sharon Parrott and Zoe Neuberger, *States Need More Federal TANF Funds*. Washington, DC: Center on Budget and Policy Priorities, May 20, 2002.

¹⁶ In 2000, the House passed extensive distribution reform measures by a vote of 405 to 18. However, the distribution provisions contained in H.R. 4737 are much narrower. In the Senate, legislation sponsored by Senators Snowe (S. 918) and Kohl (S. 916) would give states broad flexibility to eliminate rules that require families receiving TANF assistance to assign (or sign over) to the government their rights to child support to repay welfare costs. Even after families leave welfare, much of the child support collected for families is kept by the government. A Wisconsin study found that when the state passed through the money to families, fathers were more likely to pay child support and less likely to work in the underground economy. In addition, evidence from the Wisconsin study and other research suggest that when regular child support is paid directly to families, there may be less serious conflict between the parents, better health and educational outcomes for children, and less juvenile delinquency.

Healthy Marriage Promotion state grants program created by Section 103 may *only* be used to fund eight allowable activities (see Appendix I). The research and demonstration funds authorized under Section 115 must be spent “primarily” on this same set of activities. With only one exception, all of these activities consist of different types of marriage education and public advertising campaigns. States could not use the funds for pregnancy prevention initiatives or for initiatives to promote employment or increase family incomes, each of which might play a role in reducing the share of children in single-parent homes. And only two activities refer to targeting low-income populations. Similarly, fatherhood and marriage promotion grants under section 119 focus primarily on promoting married fatherhood and encouraging positive father involvement and do little to help low-income fathers find and keep jobs.

Marriage and fatherhood education, by itself, is too narrow a solution to a complex problem. We know from research that the decline in marriage in recent decades is the result of a combination of economic, cultural, social, institutional, and personal factors.¹⁷ Inadequate relationship skills, unrealistic expectations about marriage, and inadequate understanding of the meaning of marital commitment — issues that marriage education programs are designed to address — are only *one* set of factors that needs to be considered. States should be allowed the flexibility to consider other factors, including economics, and to attempt a range of different approaches, alone or in combination. The highly prescriptive language in the House bill would discourage state innovation.

Restrictions on the funds ignore the strong link between poverty and marital status.¹⁸ Economic factors play a strong role in discouraging marriage and creating stress leading to marital breakup, especially in low-income communities. Successful marriages are more difficult to establish and sustain when husbands and wives are poorly educated, cannot find decently-paying jobs, and cannot afford adequate housing, child care, or transportation. They also are less likely when teens become parents before they have completed their high school education or when a parent is jobless, has a criminal record, or has a substance abuse problem.¹⁹ Married and unmarried parents — mothers and fathers — may need both economic resources and non-economic supports to increase the likelihood that their children will grow up in stable, healthy families.

In fact, emerging evidence suggests that increasing family income is an essential part of strengthening marriages and families in low-income communities. For example, the Minnesota Family Investment Program (MFIP), a welfare-to-work demonstration program, increased marriage rates and marital stability among long-term assistance

¹⁷ David Ellwood and Christopher Jencks, *The Growing Differences in Family Structure: What Do We Know? Where Do We Look for Answers?* Cambridge, MA: John F. Kennedy School of Government, Harvard University, August 2001 (unpublished paper).

¹⁸ Isabel Sawhill and Adam Thomas, “For Richer or for Poorer: Marriage as an Anti-Poverty Strategy,” *Journal of Policy Analysis and Management*, in press; Robert Lerman, “Should Government Promote Healthy Marriages?” Number 5 in the *Short Takes on Welfare Policy Series*, Washington, DC: Urban Institute, May 31, 2002.

¹⁹ William Julius Wilson, *When Work Disappears: The World of New Urban Poverty*. New York: Knopf, 1996.

recipients when those families were allowed to keep more of their cash assistance when they worked. Increasing the income of these families led to a series of important changes in family life and improvements in child well-being — including a dramatic decline in domestic violence, increased marriage rates, increased marital stability, reduced incidence of divorce, and improved child outcomes, such as school performance. States should be encouraged to replicate and build on MFIP findings. However, they would not be able to use the new marriage funds allocated in the House bill to do so.

Nor does the House legislation look beyond relationship skills training to help unmarried, impoverished couples who have recently had a baby. A new national study finds that at the time of their child's birth, one-half of unmarried parents are living together, and the majority of them hope to marry someday.²⁰ Yet their relationships often have fallen apart by the time their children reach school age.²¹ These young, “fragile families” struggle to stay together without a steady income, stable housing, or adequate education. At the same time, the research suggests that the best predictive factor for whether a father will remain involved with his children over time is the quality of his relationship with the mother.²² Despite this, there are no services available to these parents to help them cooperate in raising their children. Demonstration projects could test innovative strategies designed to help low-income unmarried couples stabilize their income, increase their access to education, and strengthen their relationships through a package of employment and education services, housing, child care, medical coverage, relationship skills training, and other supports.

If a couple separates, the non-custodial parent (as well as the custodial parent) may be in need of services to be able to help provide financial support for his or her children. However, the House legislation does not appear to allow these funds to be used for employment and training services to help low-income parents support and care for their children in these circumstances. An objective of the fatherhood grants program is to “enhance the abilities and commitment of unemployed or low-income fathers to provide material support for their families.” Yet, the only employment and training services that actually seem to qualify for funding under the bill are minimal — basically outreach, referral, and coordination.

Restrictions on the use of grant funds also ignore the importance of pregnancy prevention programs in a pro-marriage agenda. Teen pregnancy prevention is a necessary component of any effective family formation effort. While the proportion of out-of-wedlock births attributable to teens has steadily declined, 80 percent of all teen births are out-of-wedlock, and about one-third of all out-of-wedlock births are

²⁰ Sara McLanahan et al., *The Fragile Families and Child Wellbeing Study Baseline Report*, August 2001. Available at: <http://crcw.princeton.edu/fragilefamilies/nationalreport.pdf>

²¹ Research based on the NLSY indicates that roughly half of unmarried parents who were living together at the time of their child's birth were not living together six years later. Robert Lerman and Elaine Sorenson, “Father Involvement with Their Nonmarital Children: Patterns, Determinants, and Effects on Their Earnings,” *Marriage & Family Review* 29(2/3), 137-158, 2000.

²² W. J. Doherty, E. F. Kouneski, and M. Erickson, “Responsible Fathering: An Overview and Conceptual Framework.” *Journal of Marriage and the Family*, 60, 277-292, May, 1998.

to teens. Further, historical data show that women who give birth as teenagers make up almost half of the welfare caseload. However, the earmarked funding in the House bill precludes spending on preventing teen pregnancy, even though there is a solid research base about what prevention strategies work.²³ Thus, funding authority in the area of teen pregnancy should be extended for replication and adaptation of rigorously evaluated demonstration projects.

By focusing narrowly on marriage education, the House bill ignores the real need in this area: rigorously evaluated research projects that provide solid information about what role government can play in promoting marriage in low-income communities. There is no evidence that broad government-sponsored education and media campaigns will effectively address family formation issues in low-income communities. Congress should proceed cautiously before committing substantial funding to marriage education and promotion activities, especially when strategies to address the economic prospects of families may be more productive.

In addition, it is not clear which activities are appropriate for the federal government to fund and which should be left to states or other entities. Because marriage is a personal matter, development of federal activity in this area should be cautious and measured. The ten years of demonstration project research that informed welfare-to-work policies — and the public support for changing those policies — is absent in the debate about marriage promotion programs. Yet, this is the kind of research that would be the most helpful in deciding how the federal government might best proceed.

The legislation is largely silent on the grant selection process, grantee qualifications, and safeguards for program participants. Language defining the grant selection process is completely missing from the Healthy Marriage Promotion grants and related research funds provisions. Healthy Marriage Promotion grantees are not required to meet any criteria of experience, competence, or fiscal soundness. And there are no evaluation standards set for the Healthy Marriage Promotion grants.

Some, but not all, of these issues are addressed in the provisions authorizing the Fatherhood and Marriage Promotion projects (but not the Healthy Marriage Promotion grants). A majority of these resources must be directed to serving low-income fathers. In addition, HHS is required to conduct random assignment evaluations “to the maximum extent feasible” and assess a number of child and family outcomes. Grant applicants are required to demonstrate adequate recruitment strategies and to describe evaluation plans for project implementation, operation, and outcomes.

However, in both programs, safeguards for clients are largely missing. For example, grantees are not required to assure that the services will be offered to clients on a voluntary basis and will not be coercive or discriminatory. Healthy Marriage Promotion grantees are not required to put protections into place to ensure that the

²³ Douglas Kirby, *Emerging Answers: Research Findings on Programs to Reduce Teen Pregnancy*. Washington, DC: National Campaign to Prevent Teen Pregnancy, May 2001.

services do not either overlook or inadvertently exacerbate situations of domestic violence, while the domestic violence provisions required of Fatherhood and Marriage Promotion grantees may not be adequate.

The grant selection process as described in the legislation does not do enough to ensure that funds are given to project grantees who (1) have appropriate qualifications and experience; (2) have program and fiscal competence; (3) have knowledge of the relevant research base; (4) have the ability to guarantee that the activities conducted will not be coercive, discriminatory, or harmful; (5) will target and effectively recruit populations most in need; (6) have community support; (7) have partnership agreements with appropriate public and private agencies, such as domestic violence prevention programs; and (8) have the capacity to document and evaluate their efforts.

It is particularly important for Congress to articulate grant-making and evaluation standards when it funds a newly emerging field, such as family formation and marriage. As in any new field, the number and quality of potential grant applicants may be limited, increasing the potential for a closed or uneven selection process, conflict of interest issues, grantee financial problems, and poor project design and management. In order to ensure objectivity, the grant review process and decisions about who receives the funds should involve outside academic and practitioner experts in the field to review proposals. Because the field is new and research about program effectiveness is limited, grantees should be evaluated by independent entities in accordance with generally accepted and rigorous evaluation criteria and methods, including random assignment whenever feasible.

CLASP Recommendations

- **Congress should provide \$500 million over five years to establish a family formation research and demonstration fund.** To pay for the fund, the out-of-wedlock bonus should be eliminated, and the funds reallocated to the new research fund. Although these bonus funds were already focused on family formation purposes, they could be put to better use by creating a new family formation research fund. At the same time, a fund of this size would not require allocation of new monies, which are needed to expand child care and support child support distribution reform. If funds are granted to states, they should not be allowed to use federal TANF funds to match these grants.
- **These funds should support activities in three broadly defined areas: marriage and prevention of out-of-wedlock births, teen pregnancy prevention, and services to low-income non-custodial parents to help them provide financial and emotional support to their children.** Thirty percent of the funds should be allocated to each area. This is the approach taken in the Rockefeller bill (S. 2052) and the House substitute amendment to H.R. 4737. The fund should be used for research and demonstration projects, replication, adaptation of rigorously evaluated programs, and technical assistance.

Demonstration projects should be rigorously evaluated, including random assignment evaluations whenever feasible.

- **The process for selecting grantees should be open and competitive, should build in safeguards to prevent coercive programs, and, to the maximum extent feasible, should require random assignment evaluation.** The statute should provide a basic framework, and HHS should be required to develop and publish for comment specifications for the grant selection process, grantee requirements, and client protections. At a minimum, the grant review process should rely on independent experts to review grant proposals, should specify grantee qualifications, and should require a demonstration of fiscal and program capacity. Grant proposals should identify community support and collaborative partnerships, describe participant recruitment strategies, target populations in need, and include evaluation plans. In addition, the criteria should include client safeguards, including a requirement that services be offered on a voluntary and non-discriminatory basis and that funded projects involve domestic violence experts in the project design and provision of services.

Conclusion

Improving the well-being of children should be the goal of any effort to encourage states to address marriage and family formation. And states should be given the flexibility to employ a variety of strategies to encourage new marriages and strengthen existing ones, discourage non-marital childbearing, and encourage responsible parenting by non-custodial parents. At the same time, scarce TANF resources should not be shifted from already underfunded work support services for low-income families to marriage promotion programs for better-off families. Unfortunately, H.R. 4737 defines too narrowly the purposes and allowable activities of its marriage and responsible fatherhood initiative and inappropriately redirects too many TANF funds to a set of new and untested strategies. In short, the House bill would spend too much, yet accomplish too little for children and families.

Appendix I

Healthy Marriage Promotion Grants

Section 103 authorizes \$200 million per year in combined TANF funds for a state competitive grants program to promote and support healthy, married, two-parent families. In addition, Section 115 authorizes \$100 million per year for research and demonstration funds primarily to test healthy marriage promotion activities. The funds must be used for the following activities:

- Public advertising campaigns on the value of marriage and needed skills.
- High school education on the value of marriage, relationship skills, and budgeting.
- Marriage education and skills training programs for non-married pregnant women and expectant fathers.
- Pre-marital education and skills training programs for engaged and interested couples.
- Marriage enhancement and skills training programs for married couples.
- Divorce reduction skills-based programs.
- Marriage mentoring programs which use married couples as mentors in at-risk communities.
- Programs to reduce the disincentives to marriage in means-tested programs if offered in conjunction with any activity described above.

Appendix II

Responsible Fatherhood and Healthy Marriage Grants

Section 119 would authorize a number of fatherhood and marriage promotion projects, including:

- Service projects. A direct competitive grants program would fund demonstration service projects. Two types of service project grants are authorized: full service grants, which address all four objectives (see Appendix III) and annual limited purpose grants under \$25,000, which address at least one objective. Up to 90 percent of full service projects may be funded with federal funds, while limited purpose grants may be fully federally funded. The Secretary may give preference to projects in which a majority of the clients are low-income fathers.
- Two multi-city demonstration projects, one of which must test services delivered by married couples. Up to 80 percent of project costs may be covered by grant funds. A majority of project resources must be directed to activities serving low-income fathers.
- Other projects include a national information clearinghouse, a national media campaign, technical assistance, and evaluations.
- To the maximum extent feasible, HHS must conduct random assignment evaluations of full service projects and multi-city demonstration projects, as well as assess a number of child and family outcomes.
- Full-service and multi-city demonstration project grantees must assess for and intervene to resolve domestic violence and child abuse and neglect, and must coordinate with public and private agencies, including domestic violence and state and local child protective service programs.

Appendix III

Four Objectives of Promotion and Support of Responsible Fatherhood and Healthy Marriage Act

Section 119 establishes a new title to the Social Security Act, Title IV-C, and authorizes grants to promote and support responsible fatherhood and healthy marriage. These grants must be designed to accomplish four objectives, including:

- Promoting responsible, caring, and effective parenting through counseling, mentoring, parenting education, information dissemination, positive involvement, and other methods.
- Enhancing the abilities and commitment of unemployed or low-income fathers to provide material support for their families by assisting them to take full advantage of education, job training, and job search programs; to improve work habits and work skills; to secure career advancement by activities, such as outreach and information dissemination, coordination with employment services and job training programs, encouragement and support of child support payments, and other methods.
- Improving fathers' ability to effectively manage family business affairs through education, counseling, and mentoring on matters including household management, budgeting, banking, financial transactions, time management, and home maintenance.
- Encouraging and supporting healthy marriages and married fatherhood through premarital education and inventories, marriage preparation programs, couples counseling, marriage therapy, and skill enhancement programs, including reduction of child abuse and domestic violence and information dissemination about the benefits of marriage.