



TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

KIM REYNOLDS
LT. GOVERNOR

August 13, 2012

The Honorable Kathleen Sebelius
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Sebelius:

I write to express my concerns about the legality and spirit of the U.S. Department of Health and Human Services' (HHS) July 12 Information Memorandum, which outlines a new waiver authority from work participation requirements under the Temporary Assistance for Needy Families (TANF) program. I am concerned that your Department has watered down the most powerful element of the welfare reform efforts – a clear expectation that those who get temporary help from their fellow citizens must become self-sufficient through work in a timely manner. This weakening of work requirements for TANF, veiled as flexibility for states, harms the ability of states to empower citizens and undermines the successful TANF reforms that have been in place since 1996. In this case, I believe your Department has confused flexibility for states with a selection of bad policy choices.

The TANF block grant was the result of a hard-fought, bipartisan effort by President Clinton, Republican governors, and a Republican-led Congress to address burgeoning welfare rolls through comprehensive welfare reform. I should know as I was one of those governors at the forefront of these important reforms.

I am certain that there are flexibilities in the TANF program that would improve the program such as refining credit requirements for vocational training and efforts to close the middle skills gap. However, work should remain a core principle that is not compromised. I understand that a group of governors wrote then Majority Leader Bill Frist in 2005 encouraging movement on a Senate bill that would have increased mandatory work requirements, not weakened them.

The work requirements in TANF have been successful in Iowa. In 1996 when work requirements were implemented, Iowa had more than 86,000 Iowans on TANF. Today, Iowa has just over 43,000 Iowans on TANF. Work requirements have been instrumental in serving Iowans on this program. The work requirements, along with work by the Iowa Department of Human Services and Iowa Workforce Development, have helped empower many Iowans to increase their education, skills and abilities. Simply put, we believe the work requirements have led to greater long-term success for Iowans and the management of our TANF program. We are proud of our progress, but recognize that work remains in helping Iowans acquire the skills they will need to succeed in the future. We recently launched the Skilled Iowa Initiative which aims to help us raise the skills of Iowans.

The July 12 Information Memorandum, whether intentionally or unintentionally, seeks to unilaterally overhaul the central component of welfare reform and create a new "employment outcome" system directed by HHS. This initiative creates a dangerous policy precedent and exceeds the Department's authority, as granted by Congress. Congressman Dave Camp and Senator Orrin Hatch recently expressed these concerns to you and indicated in their July 12 letter that the Department's legal reasoning was flawed as Congress "explicitly prohibited waivers to section 407 work requirements." Given the constitutional concerns of this authority, the State of Iowa will not pursue a waiver to weaken or overturn effective TANF welfare work requirements. I would welcome a serious public discussion on TANF reauthorization and encourage your Department to proactively reach out to all governors before taking any similar actions in the future for any programs that require partnership with the states.

Policy changes to the TANF program should be directed by Congress, not the Secretary, and should be done within the context of TANF reauthorization. Moreover, HHS should be working with states to identify areas for improvement and create recommendations for Members of Congress to consider. I am proud of those Iowans who have worked hard to improve their lives and achieve self-sustainability for their families. This is the message that should be reinforced by Federal partners and the structure of Federal programs.

The United States was built by individuals who worked hard to achieve their dreams. This American Dream is a beacon to the rest of the world. As Governor, it is my duty to empower Iowans by encouraging individual responsibility and promoting policies that will achieve this goal. Attempts to prolong temporary assistance or remove work requirements weaken the clear and powerful expectation of self-sufficiency through work. I would encourage you to reconsider the spirit and congressional intent of the TANF program, and to reassess your authority to waive work requirements for beneficiaries.

Sincerely,

A handwritten signature in black ink, reading "Terry E. Branstad". The signature is written in a cursive style with a long horizontal line extending to the left.

Terry E. Branstad
Governor of Iowa