

**877—14.10(84A,PL105-33) Service requirements.** At least 70 percent of the grant funds must be spent on individuals who face two of three specific labor market deficiencies and who are long-term welfare recipients; or who face termination from Temporary Assistance for Needy Families (TANF) within 12 months; or who are noncustodial parents of minors whose custodial parents meet these criteria. Labor market deficiencies include a lack of a high school diploma or graduate equivalency degree and low reading or math skills; substance abuse treatment prior to employment; and a poor work history.

Up to 30 percent of grant funds may be spent on individuals who are “recent” TANF recipients or noncustodial parents who have characteristics associated with long-term welfare dependence (for example, being a high school dropout, having experienced a teenage pregnancy, or having a poor work history).