

**Testimony before the District of Columbia Council
Committee on Human Services
Tommy Wells, Chair
Public Hearing
Re: “District of Columbia Public Assistance Amendment Act”
Bill 18-1061**

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Columbia
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11:00 AM**

Good afternoon. My name is Monica Bell, and I am a public interest fellow at the Legal Aid Society of the District of Columbia. I am testifying today in strong opposition to the District of Columbia Public Assistance Amendment Act of 2010.

Bill 18-1061 would limit the time that TANF recipients can receive TANF benefits by excluding them from eligibility for TANF and -- as currently drafted -- *all* public assistance once they have reached a 60-month lifetime time limit for receiving TANF benefits.

The Legal Aid Society of the District of Columbia¹ shares this Committee’s goal of helping families who can move from welfare to self-sufficiency do so. But the way to do so effectively is to reform TANF employment services so that families who can work can get the individualized services they need to increase self-sufficiency and families who are not yet employable receive more appropriate supportive services. Imposing blanket time limits on the other hand, would have myriad unforeseen consequences on the most vulnerable District families. These consequences would come with few positive effects for the District; studies have shown that time limits are an ineffective tool for increasing work participation, and they may increase child poverty. Furthermore, imposing a welfare time limit now, in the midst of the longest and deepest recession since the Great Depression when entry-level and low-wage work is even more difficult to come by, simply does not make sense. For all of these reasons, we oppose Bill 18-1061.

I. This Legislation is a Distraction from the Positive Changes the District is Already Poised To Make in the TANF Employment Program, and from the Pursuit of Best Practices in Other Jurisdictions.

As the Committee knows, and as the Department of Human Services has acknowledged, the District’s current welfare program does not sufficiently address the needs of TANF recipients. In order to better serve these families, the District must provide better assessments and connect families with education, training, mental health, and other supportive services that

¹ The Legal Aid Society was formed in 1932 to “provide legal aid and counsel to indigent persons in civil law matters and to encourage measures by which the law may better protect and serve their needs.” Legal Aid is both the oldest and largest general civil legal services program in the District of Columbia. Over the last 70-plus years, tens of thousands of the District’s neediest residents have been served by Legal Aid staff and volunteers.

would help them work or participate in work activities. One aspect of this work will be to ensure that those families on TANF who have a family member with a serious disability are connected with legal and other services that can help them secure federal social security disability benefits.

The District government is already poised to make some of these positive changes by redesigning the TANF employment program in a way that recognizes the individual needs of TANF recipients. Legal Aid recently testified in support of the TANF Educational Opportunities and Accountability Act of 2010, introduced by Councilmembers Tommy Wells and Michael Brown, which would require up-front assessments, encourage the District to make educational opportunities more readily available to TANF recipients, and mandate data collection and dissemination to promote accountability. The Department of Human Services has already embraced the path of requiring more assessment and identification of people who experience barriers to employment that would qualify them for a federal program. These improvements -- supported by advocates for low-income families -- represent the beginning of a more humane, effective way of helping families transition from welfare to work while ensuring that the safety net remains for those who need it. The Urban Institute has found that the barriers to employment most frequently found among the District's long-term TANF recipients were lack of education, lack of work experience, and low job skills -- the very types of barriers that the currently proposed measures would address.² We should give these improvements a chance to work before we impose time limits.

The changes that the District is proposing to make are supported by research on best practices and the studies of other jurisdictions' experiences. Studies that explain best practices from other jurisdictions have all emphasized the importance of careful individual assessment that has both formal and informal components.³ In addition, the National Governors' Association's Center for Best Practices has identified several additional TANF reforms that *are* effective in improving employment outcomes for TANF recipients, including aggressive job training and educational opportunities, and providing ongoing support to recipients once they begin working.⁴ While apparent cost-cutting measures may attract more attention during these budget times, there is little data that would suggest that measures like time limits actually move people from welfare to work.

There is ample data, on the other hand, that reforms like those which the District is already pursuing lead to better employment outcomes. The full focus of our attention should remain on data-driven, results-oriented approaches to ending welfare dependency among those who can achieve self-sufficiency. Perhaps the Committee and DHS should connect with people in states that have had innovative, successful, and humane approaches and discuss how to implement similar policies in the District. Legal Aid is happy to participate in such a dialogue.

² Gregory Acs & Pamela Loprest, Urban Institute, *A Study of the District of Columbia's TANF Caseload* 49 (Oct. 2003), http://www.neighborhoodinfodc.org/pdfs/410863_DC_TANF.pdf.

³ See, e.g., Katie Kerstetter & Jodi Podschun, *Voices for Change: Perspectives on Strengthening Welfare-to-Work From DC TANF Recipients*, DC Fiscal Pol'y Inst. & SOME (So Others Might Eat), Inc. 38-40 (Nov. 2009), <http://dcfpi.org/wp-content/uploads/2009/11/11-12-09TANFreport.pdf>.

⁴ Nat'l Governors' Ass'n Ctr. for Best Practices, *supra* note 10, at 4.

II. Time Limits Are Not an Effective Tool for Moving Families from Welfare to Work.

Part of Councilmember Barry's stated goal of this bill is to break the cycle of welfare dependency by moving more families from TANF to the workplace. Unfortunately, however, this bill is unlikely to achieve that goal, or even to advance it. Even though states with time limits have seen reduction in their caseloads, this does not mean that the families who are kicked off TANF are now working. Researchers who examined states with welfare time limits have found that the women and children who "time off" TANF do not have greater workforce participation rates. Rather, they face greater economic stress and continue to languish in poverty.⁵ Indeed, losing one's sole source of income can make it extremely difficult if not impossible to participate in job training or job search efforts, let alone pay for child care so that working is more feasible.

University of Maryland researchers found that Maryland's time-limited recipients were *significantly* less likely than voluntary leavers to have worked at *any* point during the first year after their welfare was terminated. This may be because time-limited leavers in Maryland had poorer work histories. Moreover, when they *had* worked in the past, people who timed off TANF earned an average of only about \$3,500 annually, compared to an average of a little over \$10,000 among voluntary leavers.⁶ Neither amount is enough for a family to live on, but those who time off TANF had a history of earning only about 1/3 the wages of voluntary leavers, which indicates that they faced even greater employment barriers than most TANF recipients. The researchers focusing on Maryland concluded that "even after controlling for certain key factors that could conceivably affect results [such as living in Baltimore or having multiple children], the data show that leaving welfare after reaching the limit is *itself* associated with higher risk of less positive outcomes."⁷ When states reduce caseloads, but not work participation, child poverty deepens because many who leave due to time limits remain poor.⁸ Thus, although caseload reduction is inevitable when a government imposes time limits, lifting people out of the cycle of poverty and dependency is not.

III. Bill 18-1061 would threaten the most vulnerable District families during a time of economic crisis.

It is well-documented that families who reach the federal sixty-month time limit are usually the most vulnerable families. Studies have shown that families who time off TANF have

⁵ Taryn Lindhorst & Ronald J. Mancoske, *The Social and Economic Impact of Sanctions and Time Limits on Recipients of Temporary Assistance to Needy Families*, 33 J. Sociology & Soc. Welfare 93 (March 2006), manuscript at 9, available at <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2137137/pdf/nihms25153.pdf>; see also *id.* at 3; Bloom et al., *Welfare Time Limits: State Policies, Implementation, and Effects on Families* 70-72 (2002), available at <http://www.mdrc.org/publications/51/full.pdf>.

⁶ Andrea Hetling, Kathryn W. Patterson & Catherine E. Born, *The TANF TIME Limit: Comparing Long-term and Other Welfare Leavers* 10, 12 (Feb. 2006), available at <http://www.familywelfare.umaryland.edu/reports/timelimitleavers.pdf>. Time-limited leavers earned an average of \$3,509 in the two years before getting on TANF; voluntary leavers earned \$10,021.

⁷ *Id.* at iv.

⁸ Sharon Parrott & Arloc Sherman, *TANF at 10: Program Results Are Often More Mixed than Understood* 3-5 & Table 2 (Aug. 17, 2006) (indicating that the share of poor children receiving TANF decreased from a high of 62% in 1995 to 31% in 2003 – before the economic downturn, in which child poverty has drastically increased).

lower education levels, are more likely to include a family member with a disability, and are nearly two times more likely to be headed by survivors of domestic violence than families who voluntarily leave TANF.⁹ Field researchers have found that families nearing the federal sixty-month limit are more likely to have IQs below 80 and tend to be afflicted with chronic physical problems that make them unable to find employment, untreated or under-treated mental health problems, and have difficulties completing even the most basic daily functions such as maintaining personal hygiene and keeping their homes safe and tidy.¹⁰ These are the families for whom it will be most difficult to find work; in fact, many of these families should probably be receiving federal disability benefits instead of TANF.

So first, consider that long-term TANF recipients are often the most difficult to employ. Then consider that most working TANF clients are employed in low-wage, low-benefit jobs.¹¹ Finally, note that because of the recession, opportunities for low-wage work in the District have declined. The brunt of recession-related job loss has fallen on low-wage workers, including salespeople, food preparers and servers, janitors and maintenance workers, movers, security guards, and construction workers.¹² Unemployment in the District is extremely high, with one in ten District residents unemployed¹³ -- almost half of those formerly low-wage workers -- and almost 30% of Ward 8 residents are actively seeking work, but are unable to find it. Moreover, Ward 8 had one of the highest percentage increases in unemployment from 2008 to 2009.¹⁴ These figures demonstrate that the recession has made it substantially more difficult for even the *most* employable TANF recipients to obtain and keep a job. It is mystifying that the District would seriously consider such a draconian measure when the prospects for employment are so limited.

IV. Terminating families from TANF would have unforeseen negative consequences on the District's budget.

This particular measure would likely *increase* expenditures, not reduce them. It is true that a time limit would reduce the TANF caseload – but the collateral effects on expenses for other District services would likely offset those savings. For example, researchers have found that short TANF time limits have been associated with higher numbers of substantiated abuse or

⁹ Mary Farrell, Sarah Rich, Lesley Turner, David Seith & Dan Bloom, *Welfare Time Limits: An Update on State Policies, Implementation, and Effects on Families* at ES-5 (April 2008), available at <http://www.mdrc.org/publications/481/execsum.pdf>; see also Gregory Acs & Pamela Loprest, Urban Institute, *A Study of the District of Columbia's TANF Caseload* 51 (Oct. 2003), http://www.neighborhoodinfodc.org/pdfs/410863_DC_TANF.pdf.

¹⁰ LaDonna A. Pavetti & Jacqueline Kauff, *When Five Years Is Not Enough: Identifying and Addressing the Needs of Families Nearing the TANF Time Limit in Ramsey County, Minnesota* 8-16 (Mar. 2006), <http://www.mathematica-mpr.com/publications/pdfs/timelimitramsey.pdf>.

¹¹ Nat'l Governors' Ass'n Ctr. for Best Practices, *State Strategies for Improving the Employment Outcomes of TANF and Low-Income Families* 1 (June 13, 2007), <http://www.nga.org/Files/pdf/0706IMPROVINGTANF.PDF>.

¹² Katie Kerstetter, *Increase in DC's Unemployment Rate Falls Heavily on Those Least Able to Afford It* 2 (June 25, 2010), <http://www.dcfpi.org/wp-content/uploads/2010/06/5-25-10unemployment.pdf>.

¹³ District of Columbia Department of Employment Services, *District of Columbia Jobless Drops to 9.9% in August*, September 21, 2010.

¹⁴ Kerstetter, *supra* note 12, at 1.

neglect cases and greater numbers of children in foster care.¹⁵ Moreover, when families no longer have the cash or Food Stamps to buy food or bus tokens, childhood hunger will increase, as will truancy. Therefore, in addition to creating hardships on families, these limits could lead to increased expenditures for other District programs such as homeless services, child welfare, and education.¹⁶ While states who experiment with TANF time limits might be able to pass some of these costs along to municipal governments, the District does not have this option.

V. As drafted, the bill would threaten eligibility not only for District-funded TANF benefits, but for all “public assistance,” with none of the supports and exemptions required under federal law or in other jurisdictions.

Proposed Section 511b states that “Public Assistance as defined in section 201 shall not be provided to any assistance unit beyond the 60-month limitation of section 511a.” Section 201 defines “public assistance” as “payment in or by money, medical care, remedial care, goods or services to, or for the benefit of, needy persons.” Although the intention of the bill may only be to terminate TANF benefits (both the child’s and the parent’s) – which, as explained above, is problematic in itself – this bill is drafted so broadly that it would jeopardize the entire social safety net for the District’s lowest-income families. Such families could receive no child care subsidy, no shelter or homeless prevention services, etc., virtually ensuring parents would be unable to care for their children or find work.

In addition, the bill lacks any mention of the positive support structures that must be in place before kicking families off the TANF rolls, such as training staff to more effectively identify and refer families who should be receiving other federal benefits such as Social Security, connecting families with services they need, and having a meaningful job placement and job training program. Many states, regardless of whether they have time limits, also have a variety of other mechanisms in place that are designed to individually assess recipients and prepare them for work.¹⁷

Finally, the bill as drafted contains no exemptions for the most vulnerable District families. The federal TANF law, on the other hand, contains mandatory exemptions from the time limit for certain vulnerable populations, such as minor caregivers who are not the head of the household. Federal law also allows states to use federal TANF dollars for up to 20 percent of their TANF caseload that has exceeded the five-year limit and more if the additional recipients are survivors of domestic violence. States across the country have used this discretion to enact exemptions from time limits. For example, Virginia exempts recipients who are disabled or are caring for a disabled person, parents or caretaker relatives of a child under 12 months of age, recipients age 60 or older, and minor parents under age 20 who are enrolled full time in elementary or secondary school. In Missouri, exemptions include recipients who are teen parents participating in school and caretakers over age 60. Texas’ exemptions include those

¹⁵ Christina Paxson & Jane Waldfogel, *Welfare Reforms, Family Resources, and Child Maltreatment*, 22 J. Pol’y Analysis & Management 85, 103. These researchers focused on time limits that were less than sixty months, but this data is nonetheless pertinent to a discussion of potential costs and benefits of removing families from the TANF rolls.

¹⁶ See, e.g., *id.* at 103 (on child welfare costs).

¹⁷ See, e.g., Arkansas Career Pathways Initiative, <http://www.arpathways.com/>; Michigan JET Program, <http://www.michigan.gov/dleg/0,1607,7-154-41500---,00.html>.

facing domestic violence, grandparents over the age of 50 caring for children under 3, and those who are pregnant and unable to work.¹⁸ Bill 18-1061 contains no exemptions at all.

Conclusion

Legal Aid shares this Committee's vision of a TANF program that properly identifies recipients who can work and helps them move into and maintain employment, while providing recipients with the potential to work with additional job training and educational opportunities. We also share the Committee's concern about how best to proceed with the TANF program in light of the District's budget shortfall. However, passage of Bill 18-1061 is unlikely to resolve any of these issues, and may only distract from more reasonable and humane solutions. Therefore, the Legal Aid Society strongly and unequivocally opposes this bill and urges the Council to reject it. We look forward to continuing our collaboration with the Council, officials in the Department of Human Services, other advocates, and TANF recipients to create a TANF program that will move more families from welfare to work.

¹⁸ See U.S. Dep't of Health & Human Services, *Welfare Time Limits: An Update on State Policies, Implementation, and Effects on Families*, appx. B (Apr. 2008), http://www.acf.hhs.gov/programs/opre/welfare_employ/sep_state/reports/time_limits/time_limits.pdf.