

Testimony for Public Hearing on Bill 20-414: "Temporary Assistance for Needy Families Cost-of-Living Adjustment Amendment Act of 2013" District of Columbia Council Committee on Human Services October 3, 2013, 11:00 a.m.

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The Legal Aid Society of the District of Columbia thanks Councilmembers Marion Barry and Jim Graham for their introduction of the "Temporary Assistance for Needy Families (TANF) Cost-of-Living Adjustment Amendment Act." This legislation is long overdue. For the past several years, attention has been focused on improving the District's TANF program through a complete redesign of the services available to families receiving benefits. At the same time, the District has instituted a series of benefit reductions for families who have needed the help of TANF for more than 60 months or five years. Indeed, the most recent benefit cut went into effect just two days ago. This benefit reduction comes as the Department of Human Services (DHS) continues to implement a new sanctions policy that will result in a family's benefits being slashed to \$0.00 if a parent is deemed to be out of compliance with the TANF employment rules. In light of these fundamental changes to the District's TANF program, it is only appropriate that the Council also update a key element of TANF that has otherwise gone unaddressed: the maximum benefit amount available to families.

TANF benefits have not been increased in the last five years, ² although families continue to face high unemployment rates and the higher cost of living in the District. Moreover, the value of the benefits provided in the District has not kept up with inflation; families receiving TANF today have less purchasing power than they did in 1996 when the TANF program was created.³ Today's District benefit of \$428.00 per month for a family of three does not come

¹ The Legal Aid Society of the District of Columbia 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." For more than 80 years, Legal Aid staff and volunteers have served tens of thousands of the District's neediest residents. Legal Aid has been practicing in the area of public benefits for a number of years, representing clients with TANF, Supplemental Nutrition Assistance Program (SNAP, commonly known as food stamps), and Medicaid cases.

² Benefits Boost for DC TANF Families Would Halt Value Loss, But Not Give Them Enough for Basic Needs, http://povertyandpolicy.wordpress.com/2013/09/03/benefits-boost-for-dc-tanf-families-would-halt-value-loss-but-not-give-them-enough-for-basic-needs/ (Oct. 1, 2013). The increase instituted five years ago was later repealed. If Finch & Liz Schott, Center on Budget and Policy Priorities, The Value of TANF Cash Benefits Continued to Erode in 2012 (2013), at 15.

close to allowing that family to afford the rental of a two-bedroom apartment.⁴ Instead, they must scrape by at under 30 percent of the federal poverty line.⁵

The legislation before us today recognizes these concerns and would require a modest improvement in the benefits provided in the District. The bill will not relieve the dire financial situations of the many families facing an additional benefit reduction due to time limits. However, if implemented, the bill would help by increasing maximum benefit amounts by 15 percent plus the relevant consumer price index percentage while also providing for annual benefit adjustments in future years. With this commitment to an annual increase, the District would acknowledge that the cost pressures on families do not stand still.

We at Legal Aid hear from applicants and clients who rely on TANF as their primary—and sometimes only—source of income. I would like to share with you the stories of three real Legal Aid clients. Their stories reflect the difficulties of relying on such a meager monthly benefit amount while caring for their children and managing barriers to employment such as their own or their children's disabilities.

Ms. M, a young single mother raising a toddler, began receiving TANF after her daughter was born prematurely. Her daughter suffered medical complications after her birth, leading Ms. M to apply for Supplemental Security Income on her behalf. As she waits for a decision regarding her child's eligibility for SSI, Ms. M relies on TANF. The benefits for a family of two—\$336.00 per month—are not enough to cover her expenses. Ms. M lives with a family member to make ends meet. She cannot work because she needs to be at home to care for her daughter. If her daughter's SSI application is not granted, which could easily happen if the child's medical records do not reflect the limitations created by her prematurity, TANF will remain Ms. M's only option until Ms. M is no longer needed at home. A benefit increase, however incremental, would go a small way to reducing some of the burden on Ms. M so that she can concentrate on her daughter's health.

Ms. C is also raising her child alone. When a family member became ill, she left her office job to care for the relative. After some time off, she could not find work. Her son struggled in school and was enrolled in special education classes. TANF provided limited support as Ms. C's son continued through high school. During her time on TANF, Ms. C gained some work experience through a job placement organized by her TANF employment vendor. Although her benefits eventually ended because of her son's age, for a period she was able to successfully combine employment with TANF. The low TANF benefit amount makes it exceedingly difficult for those like Ms. C to cover everyday expenses and to plan for their futures. An increase in TANF benefits would have helped her pay for her son's school uniforms and supplies. It also could have aided her in those months when she was planning for the end of her eligibility for TANF and in her transition from TANF to employment.

Ms. W lives with her two children. Although Ms. W has a long history of employment, she received a startling medical diagnosis last year which prevented her from continuing at her job as a housekeeper. She plans to return to work as soon as she is able, but now relies on TANF

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⁴ *Id*. at 1.

⁵ *Id.* at 3. This family would likely also be eligible for SNAP, which would slightly increase their income but still leave them far below the poverty line. *See id.* at 8.

to support her two children. The current benefit level for her family does not stretch far enough. Ms. W lives with her elderly and ailing mother, who also has a limited income. Even with the TANF, Ms. W is unable to contribute her full share of the rent for the family's apartment. She worries not about her recovery but about whether she will be able to meet her family's basic needs. For her, a higher monthly TANF benefit amount would allow her to contribute more to the monthly rental payment and to focus on her own health so that she can (hopefully) return to work.

Raising the TANF benefit amounts will not end poverty in the District and will not eliminate the many difficulties faced by the low-income residents who make up our client community. However, an increase to the benefit level will provide some concrete help to families who are facing extraordinary financial pressures. With each year, the rent may go up or the cost of a co-pay for a child's prescription medicine might increase. This legislation recognizes these pressures and provides a small, but regular, solution. We ask that the Council and the Administration support the increases outlined by the "TANF Cost-of-Living Adjustment Amendment Act" as updates to the District's TANF program every bit as important as the redesign of TANF services.

Thank you for the opportunity to testify and I am available to answer any questions that you may have.