

**Testimony before the District of Columbia Council
Committee on Human Services
Hearing on the “Fiscal Year 2009 Budget Support Act of 2008”**

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The Legal Aid Society of DC is pleased to support the Mayor’s proposed increase to the TANF cash assistance grant. However, we feel that this funding is not sufficient and urge the Council to appropriate more funding for this vital support for the District’s most vulnerable families. The Legal Aid Society of DC supports the Fair Budget Coalition’s call for a \$10 million increase in funding for TANF grants which would result in a \$70 per month increase, as opposed to the \$9 per month increase contained in the Mayor’s budget.

There are many good reasons why this increase is necessary for families. Others will talk today about the decline in the purchasing power of TANF benefits due to inflation and the value of additional income support in keeping children out of the abuse and neglect system. At least one TANF recipient will testify about her struggles to support herself and her children with the current TANF benefit.

This testimony will focus on the need to fortify TANF as a safety net for all vulnerable families with children – families led by parents, grandparents and other kinship caregivers; families who will move on and off TANF; and those who need TANF as a long-term support. Without an adequate safety net, these families will fall through the cracks.

TANF is a safety net for families who cycle in and out of the labor force or find themselves temporarily without support from other assistance programs.

Studies have shown that most families do not come on TANF and stay there. A recent Urban Institute study analyzing national data sets found that in 2002 almost 60 percent of TANF recipients had been on TANF for less than two years.²

I see this dynamic in my own caseload. One client received TANF for about a year after she had been temporarily cut off of Social Security Disability Insurance. After Legal

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.” Over the last 70 years, tens of thousands of the District’s neediest residents have been served by Legal Aid staff and volunteers. Legal Aid has been practicing in the area of public benefits for a number of years, representing clients with TANF, Food Stamps, and Medicaid cases.

² Gregory Acs and Pamela Loprest, Final Report: TANF Caseload Composition and Leavers Synthesis Report (Urban Institute, March 28, 2007) at 62-63.

Aid's involvement, she is now back on SSDI and attending college. Another client is receiving TANF to support her family while she recovers from surgery. Then she plans to return to school and work. Another client has a disabled child. It is difficult for her to keep jobs because of the demands of taking care of her child. For these families and many others, TANF is the safety net that protects them against the vagaries of the low-wage labor market, health crises and problems with other public benefits.

TANF is a safety net for families who face significant barriers to achieving self-sufficiency.

Through its work programs and incentives, TANF is, and should be, a program that supports people while they look for work and gain the skills they need to achieve self-sufficiency. However, many TANF families struggle with serious challenges that limit their ability to work and achieve self-sufficiency. These families are less likely to be able to supplement their TANF benefits with earnings, and are therefore more disadvantaged by inadequate TANF funding.

The Urban Institute has found that since the implementation of welfare reform, many families who receive TANF face many barriers to achieving self-sufficiency. For example, an examination of studies of welfare recipients from 12 locations across the country between 1999 and 2002, found a prevalence of mental health problems (ranging from 11 percent to 52 percent of recipients), physical health problems (12 percent to 36 percent), domestic violence (6 percent to 21 percent) and the need to care for a child with special needs (9 percent to 36 percent). Having less than a high school diploma and little work experience were also identified as barriers in these studies.³ According to the Urban Institute's analysis, "[m]ost [studies found] that the vast majority of the caseload has at least one barrier, and a substantial minority of the caseload has multiple barriers."⁴ The Urban Institute authors conclude that recipients with multiple barriers have "significantly" lower work rates than those with one barrier or no barriers.⁵

These families will be less able to supplement their TANF benefits with earnings from work. Food Stamps, Medicaid and maybe housing assistance will be their only other supports. But these benefits are not enough to provide all of the food, shelter and other necessities it takes to support a family with children. These families need an increased TANF benefit so that they can provide for these necessities.

TANF is a safety net for grandparents and other kinship caregivers who help to keep children out of the foster care system.

TANF also is the safety net for grandparents and other kinship caregivers who need additional resources to provide for the children in their care. One former client relied on TANF benefits to supplement her Social Security as she cared for her two

³ *Id.*, at 56.

⁴ *Id.*, at 57.

⁵ *Id.*, at 69-70.

granddaughters. She expressed great concern to me about how important the loss of these funds would be when her granddaughters aged out of the program.

Although funding for the grandparent subsidy is not before this committee, Legal Aid supports the proposal to increase funding by \$1 million so that all of the children on the wait list for the program can be served. However, given the limits on the numbers who can participate in the grandparent subsidy program (even with this increase in funds), TANF will remain an essential safety net for many of these kinship care families.

For all of these families, the TANF grant must be increased so that families can provide for their needs.

For all of these families, the District should provide a sufficient TANF benefit so that they can live at level higher than 29 percent of poverty. What is sufficient? Wider Opportunities for Women estimates that a family of three needs \$1,130 to support itself with current child care, Food Stamps, Medicaid and housing assistance.⁶ This figure sets an important benchmark for designing a policy of low-income supports.

Legal Aid and its coalition partners appreciate that Mayor Fenty has proposed an increase in the TANF grant even in lean budget times. However, a \$9 increase is just not enough to help TANF families. The TANF grant increase proposed in the Mayor's FY 2009 budget would allow a family receiving TANF, Food Stamps, Medicaid, a child care subsidy and a housing subsidy to meet only 60 percent of its monthly expenses.⁷ And these are the lucky families who receive housing support. Without such support, this figure drops to 23 percent.⁸ Families need TANF to fill in the holes that the rest of these programs don't address sufficiently – families need TANF to buy food above the amount that can be purchased with Food Stamps, pay their share of the rent, and purchase necessities like clothes, school supplies and metro fare.

The Legal Aid Society of DC, along with its partners in the Fair Budget Coalition, is asking the Council to increase the Mayor's proposed allocation for a TANF grant increase to \$10 million. This amount would allow an increase in the TANF grant by \$70 per month for a family of three. With this increase, the District would be halfway towards the benefit level for a family of three in Maryland.

⁶ WOW Self-Sufficiency Standard (<http://www.wowonline.org/ourprograms/fess/sss.asp>).

Housing costs have been adjusted to reflect Fair Market Rent for 2007. Other expenses have been adjusted for inflation. This calculation assumes that TANF recipients receive Medicaid and Child Care Assistance at no cost. Housing and food costs were calculated using the public housing and food stamp formulas.

⁷ These figures, calculated by a coalition of organizations supporting a TANF increase, are featured in testimony that will be provided by representatives of the DC Fiscal Policy Institute and So Others Might Eat (SOME). The difference between the WOW Self-Sufficiency Standard calculation and the other figures is that when income is increased, housing and Food Stamps assistance decreases. Therefore, a family needs additional income to make up for the decline in the value of these benefits.

⁸ Id.

Even with a \$70 per month increase, there would still be a long way to go until TANF families had the support they need to provide adequately for their families. However, we believe that this increase would be a good start towards fortifying the TANF safety net.

Legal Aid understands that we are in difficult economic times and that there are many demands on the DHS budget. However, the reality of this current economic climate makes it even more important that we fortify the TANF safety net to promote the health and well-being of the District's poorest families and children.