

**Testimony for Public Oversight Hearing on the Fiscal Year 2009 and Fiscal Year 2010
Budget Gap-Closing Strategies
District of Columbia City Council Committee of the Whole**

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The Legal Aid Society opposes strenuously the Mayor's proposed cuts to programs that serve low-income families in the District. The Mayor's current proposal does not share the burden of the budget shortfall across all District residents; instead the Mayor concentrates the hurt on those who experience quite a bit of pain on a daily basis. Furthermore, Legal Aid is very concerned that the Mayor is rushing through this proposal without undertaking thoughtful analysis of the merits of various programs and the impact of cuts on beneficiaries.

My testimony addresses the Mayor's proposal for the Temporary Assistance for Needy Families (TANF) program. The Mayor's proposal would allow the District of Columbia Department of Human Services (DHS) to impose higher sanctions on TANF recipients, and eventually terminate assistance to vulnerable children and families through the use of full family sanctions.² While the Mayor's proposal would also give DHS the authority to increase the cash grant for families who are complying with work requirements, this improvement does not mitigate against the harm that will be caused to already fragile families by this proposal.

Imposing increased and total sanctions on TANF families will harm vulnerable children and families who need assistance the most.

Research shows that TANF sanctions cause more hardship for families who are already fragile. In a study of outcomes for former welfare recipients, the highly respected Urban Institute found that those who are neither working nor receiving welfare have high incidences of food insecurity (with more than 60 percent revealing two or more incidences of food insecurity compared to 48 percent of other "leavers") and inability to pay their rent or utilities (almost 45 percent compared to 44 percent of other "leavers").³ The authors of a survey of research on sanctioned families concluded, "[s]anctioned recipients are more likely to experience material hardships than their non-sanctioned counterparts. Material hardships TANF recipients face include borrowing money to pay

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 While we understand that the Mayor does not intend to impose full family sanctions in FY 2010, the Budget Support Act would not prevent them from doing so. They have also not ruled out the possibility of imposing these sanctions in FY 2011.

³ Pamela Loprest and Sheila Zedlewski, The Changing Role of Welfare in the Lives of Low-Income Families with Children. (Urban Institute, August 2006).

bills or falling behind on payments, not having enough food, problems paying for medical care, and experiencing a utility shut-off.”⁴

When sanctions are imposed on families, children suffer. One study found that infants and toddlers in sanctioned families had a 30 percent greater risk of having been hospitalized since birth and a 90 percent greater risk of being admitted to the hospital after visiting the emergency room.⁵ Another study found that preschoolers and adolescents in sanctioned families were at a greater risk for behavioral problems and lower test scores than children in families that hadn't been sanctioned.⁶ Full-family sanctions have also been linked with “more substantiated cases of maltreatment and both physical abuse and neglect,” based on a comprehensive review of data from all states between the years 1990 and 1998.⁷

The Mayor’s carrot and stick approach does not recognize the reality that many families on TANF have serious barriers that prevent them from working and that the TANF program does not currently provide quality opportunities for work participation.

The Mayor’s proposal assumes that families are sanctioned because they choose not to participate. They propose a combination “carrot and stick” approach that would provide monetary incentives to TANF recipients who meet federal work participation requirements and impose progressively higher sanctions on families who don’t meet these requirements. However, this approach is unlikely to get many sanctioned families to participate because evidence shows that most sanctioned families experience multiple barriers to work which prevent them from complying with TANF work requirements. Several analyses of sanctioned welfare recipients have shown that sanctioned families have lower levels of education than non-sanctioned participants, higher incidents of health related barriers to work – including mental health problems and domestic violence and had less work experience than non-sanctioned families.⁸ Other studies show that the more barriers a family faces, the greater the likelihood that they will be sanctioned.⁹

Federal and District law recognize that individuals with the types of barriers to work described above may not be able to participate in TANF work activities at federally prescribed levels. Exemptions from work requirements are available to individuals over 60, caring for children less than one year old, with physical or mental disabilities that prevent them from participating, survivors of domestic violence, individuals without access to appropriate child care, individuals who are caring for sick or disabled children or dependents, among other categories of recipients.

⁴ LaDonna Pavetti, Review of Sanction Policies and Research Studies (Mathematica Policy Research 2003).

⁵ Meyers, et al. (2006) (citing Children’s Sentinel Nutrition Assessment Program, Pediatricians Find TANF Sanctions Put Young Children at Risk (2005)).

⁶ Marcia Meyers, et al., Review of Research on TANF Sanctions. (University of Washington, West Coast Poverty Center, June 2006) (citing P. Lindsey Chase-Lansdale, et al., Welfare Reform: What About the Children, Policy Brief 02-1. (Welfare Children, and Families: A Three State Study, Johns Hopkins University, 2002)).

⁷ Christina Paxson & Jane Waldfogel, Welfare Reforms, Family Resources, and Child Maltreatment, in The Incentives of Government Programs and the Well-Being of Families at 102-03 (2000). Available at <http://www.albany.edu/faculty/kretheme/PAD705/PastExams/PaxsonWaldfogel.pdf>.

⁸ Meyers, et al., (2006); Heidi Goldberg and Liz Schott, A Compliance-Oriented Approach to Sanctions in State and County TANF Programs. (Center on Budget and Policy Priorities, Oct. 1, 2000).

⁹ Meyers, et al. (2006).

However, as many providers who serve TANF recipients have observed, the District has done a completely inadequate job of educating TANF recipients about their right to receive exemptions, assessing them for potential work barriers that could qualify them for exemptions and assisting them in proving their eligibility for exemptions. For example, statistics from the District of Columbia Coalition Against Domestic Violence show that 20 percent of TANF recipients experience domestic violence, but only one TANF recipient received a domestic violence waiver in FY 2008. While not all domestic violence survivors are appropriate for exemptions, it is inconceivable that only one does. We also know that physical and mental disabilities are prevalent in the TANF population. While some of these individuals should be receiving Supplemental Security Income (SSI) benefits, others are not disabled enough to meet the SSI standard but still can't work for 20 or 30 hours per week; and others are awaiting a decision in their SSI appeals that can take up to two years. The District created the POWER program to facilitate the participation in appropriate work activities for people with disabilities. However, the number of individuals the District enrolls in POWER is extremely low.

In our own cases, we have seen examples of staff from the work vendors whose staff does not seem to understand that TANF recipients can receive exemptions from work requirements. One TANF vendor caseworker reportedly told an applicant for Legal Aid's services that a civil protection order was not enough to be considered for a domestic violence waiver. Another client presented medical evidence to her vendor caseworker but the caseworker did not forward it to the Department of Human Services, as she was required to do, because she did not feel that the evidence was sufficient. We have also seen examples of IMA practices that prevent eligible clients from receiving exemptions. A client of mine who revealed her physical disability and provided medical evidence from her doctor was not even considered for an exemption because she failed to use a particular form.

Even for TANF recipients who do not face these work barriers, the Mayor's proposal seems to ignore the reality that the state of the economy will make it very difficult for TANF families to enter the workforce and keep those jobs. People with much higher levels of education and work experience than most TANF recipients are being laid off and having difficulty finding employment. It is hard to imagine that significantly higher numbers of TANF recipients are going to be able to find employment than are currently doing so such that the District's work participation rate will increase. For those who cannot get and keep jobs, the Mayor has not indicated what type of work activities will be provided.

In short, the only thing that the Mayor's budget proposal is very specific about is the economic incentives and punishments for families who do and do not participate in the TANF program. We cannot say that a system of incentives and punishments will not convince some families to participate with the TANF program's work requirements, and Legal Aid has consistently supported efforts to get additional cash assistance to TANF families. However, we are doubtful that monetary incentives are going to help TANF families with multiple serious employment barriers participate in the TANF work program at federally prescribed levels. Furthermore, we are very concerned that there is no direct acknowledgment that the District needs to do more to ensure that these families, many of whom are entitled to exemptions, receive those exemptions and service referrals so that they are not sanctioned and can address the challenges with which

they are struggling.¹⁰ Finally, the Mayor does not seem to have a plan for improved access to quality employment and training activities that would help TANF recipients who are able to work but can't find work participate at federally prescribed levels. Monetary incentives and punishments for recipients will not strengthen the work opportunities and job training programs available to all TANF recipients. Without a concrete plan by the Mayor to address the issue of exemptions and provide better employment and training services, we fear that the Mayor's proposal will lead to more hardship and increased child poverty for those families who are most vulnerable, and meaningless participation in activities that may qualify for federal funds but will not improve the job prospects of TANF recipients who can work.

“Reform” of the TANF program should not be done through a Budget Support Act intended to fill a budget shortfall that the Council will only have two weeks to consider.

The Mayor's “reform” of the TANF program in the context of the current Budget Support Act treats a complex issue that impacts the lives of thousands of poor children as a vehicle for budget savings. If the Mayor wants to reform the TANF program, Legal Aid and other groups would be pleased to work with him on policy proposals to improve the District's performance rates without harming children and families.

One can debate the best way to improve outcomes for TANF recipients and the District's TANF program. Legal Aid opposes the Mayor's approach and believes that will harm children without significantly increasing participation rates. But even those who share the Mayor's vision for the future of the TANF program should also agree with us that these programs are too complex and their impact too large to be adequately considered in emergency budget legislation that must pass in two weeks.

Please stop the Mayor from cutting thousands of vulnerable kids from welfare.

The Council should, therefore, strip the TANF provisions from the Budget Support Act, thus preventing the Mayor from making these policy changes through this vehicle. Instead, the Council should insist that the Mayor propose separate legislation, in consultation with the Council, policy experts, service providers and TANF recipients, that would allow for a thoughtful, serious discussion of policy options and the implications of these options for TANF recipients. At a minimum, the Council should limit the Mayor's ability to sanction above the current sanction level to protect children in already struggling families from falling further into poverty and experiencing even worse health, nutritional and educational outcomes.

¹⁰ There has been some discussion about providing more resources for improved assessments and an Office of Work Opportunity. However, there has been no direct discussion about how these changes will ensure that individuals who are entitled to exemptions receive them.