Testimony for Public Hearing on Bill 19-704, the "Temporary Assistance for Needy Families Time Limit Amendment Act of 2012" and PR 19-593, the "Temporary Assistance for Needy Families Sanction Policy Approval Resolution of 2012"

District of Columbia Council Committee on Human Services March 22, 2012

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The Legal Aid Society of the District of Columbia applauds Councilmembers Jim Graham and Michael Brown for their recent introduction of Bill 19-704, the "Temporary Assistance for Needy Families Time Limit Amendment Act of 2012." Legal Aid strongly opposes time limit policies that dramatically and suddenly reduce the assistance available to already struggling families, particularly those whose needs have not been identified and addressed by the TANF program. However, given that such limits have been adopted, Legal Aid urges the Council to insist that such reductions are aligned with work incentives while making allowances for recipients suffering particular hardships.

Relatedly, the Council must also consider making additional changes to the TANF program though PR 19-593, the "Temporary Assistance for Needy Families Sanction Policy Approval Resolution of 2012." Although we support the Department of Human Services (DHS) in its efforts to redesign the District's TANF program, we believe that further conversation is needed to ensure that these regulations reflect the goals expressed by DHS as it prepares to provide individualized, comprehensive services to TANF recipients.

My testimony will focus on four issues that we believe must be addressed in order to ensure that the District's TANF program is both equitable and effective. Specifically, the Council, Administration, and agency should:

- (1) recognize that certain barriers to employment exist for many families receiving TANF.
- (2) acknowledge that more time is needed for implementing both time limits and redesigned TANF services here in the District,
- (3) amend the District's TANF program to include retroactive exemptions despite concerns about implementation, and
- (4) improve the regulations proposed by DHS that sanction TANF families who do not comply with the new assessment process.

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." Over the last 80 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, SNAP, and Medicaid cases.

I. Using Exemptions and Extensions to Recognize that Certain Barriers to Employment Exist for TANF Families.

Last year, as part of the Fiscal Year 2012 budget process, the Council adopted a 60-month time limit for families receiving TANF benefits. Families on TANF for 60 months or more now face a graduated system of reductions to their monthly benefits. The first series of reductions went into effect in April 2011, and by October 2012, families will see a second set of reduction that could reduce monthly benefits up to 40 percent—meaning that in October a family of three could have their benefits reduced to only \$257 per month. Unlike many other jurisdictions that have adopted time limits, these new rules include only narrow exemptions for certain individuals with disabilities and child-only families. These rules provide no relief for families experiencing significant barriers to employment, such as domestic violence or the limitations created by learning disabilities or low educational attainment.

Families facing time limits are more likely to struggle with employment barriers—to be the victims of domestic violence or to have a family member with physical or mental health limitations—than are other TANF recipients.² Although the District's rules recognize that certain permanent and temporary barriers will make it more difficult for a parent or caretaker to find a job, the current TANF program does not allow these families any additional time to address these barriers. This lack of exemptions or extensions for vulnerable families is not the norm among the states. Indeed, forty-three states allow either an exemption from or extension of time limits for TANF recipients who are dealing with the trauma of domestic violence. Fifteen states provide this type of extra help for elderly parents and eighteen do the same for minor parents.³ Under current District law, families facing these known difficulties are still required to watch the clock as their 60-month time limit approaches.

Limited exemptions and extensions give families extra help when they face barriers to employment. Bill 19-704 would amend the District's TANF statute by providing limited exemptions and extensions to specific categories of at-risk families. Under the proposed language, the months in which a family qualifies for an exemption criteria will not count against the 60-month time limit. These exemptions are necessary and vital—recognizing that a parent caring for an infant under age one or a caretaker who is recovering from abuse may temporarily need extra time and services before they will be ready to leave TANF. At the same time, this legislation also rewards parents who are attempting to improve their future potential for employability by providing extensions of time for the months during which parents are enrolled in approved education or job training programs. These limited exemptions and extensions better align the District's

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 $^{^2}$ LaDonna A. Pavetti & Jacqueline Kauff, Mathematica Policy Research, Inc., When Five Years Is Not Enough: Identifying and Addressing the Needs of Families Nearing the TANF Time Limit in Ramsey County, Minnesota 9-11 (2006); see Kristin Seefelt and Sean Orzol, National Poverty Center, Watching the Clock Tick: Factors Associated with TANF Accumulation 19 (2005).

³ CENTER ON BUDGET AND POLICY PRIORITIES, TANF TIME LIMITS: KEY FACTS (2012).

TANF program with those offered in other states and incentivize employment while recognizing the special barriers experienced by some families who receive TANF.

II. Acknowledging that Additional Time Is Needed to Implement Both Time Limits and Redesigned TANF Services.

In the last year, as the 60-month time limit went into effect, DHS also undertook to redesign the services provided to TANF recipients. We commend DHS for carefully examining and revamping its TANF program to offer recipients better quality, individualized services that will help better prepare employable individuals to succeed in the work place as well as better identify and address barriers to employment. We appreciate the agency's willingness to discuss their plans with advocates and hear our concerns about how best to protect our clients.

However, the time limits place the success of the redesign planned by DHS in jeopardy. Thousands of families have already had their benefits cut. More reductions are planned for October. These families have not yet had the opportunity to be assessed through the redesigned TANF program, and they will not have the chance to develop their own individual plans to address their own training and educational needs. The agency has only recently begun offering full assessments to TANF recipients. As of February 2012, advocates were told that only 1,800 families had been assessed. Yet, at least 6,000 families will face a benefit reduction this coming fall. More time is needed to allow these families to get individualized, quality job-readiness supports and services.

More time for implementation will improve the redesign of TANF services. Bill 19-704 would give DHS the time to fully implement its new plan for individualized services while also simplifying the framework for future TANF reductions. A new 60-month time limit will take the place of the current system of gradual reductions, resulting in a program that is easier for recipients to understand and for the agency to manage. By postponing implementation until October 2013, long-time TANF families will also have adequate time to participate in the new assessment process and be matched to the services that they need before their benefits are reduced. This bill will better promote the intent of the TANF redesign envisioned by DHS, resulting in more employable TANF recipients moving to jobs and the existence of more stable families here in the District.

III. Amending the District's TANF Program to Include Retroactive Exemptions despite Concerns about Implementation.

We are aware that Bill 19-704 would create a second layer of programmatic requirements just as DHS is engaging in its initial redesign of TANF. However, concerns about implementing the changes required by this bill should not hinder the Council from moving forward with this bill or another incarnation. Two issues weigh in favor of revisiting the District's TANF policies. First, this bill highlights the need to correct the

⁴ DC FISCAL POLICY INSTITUTE, WHAT DOES THE "TEMPORARY ASSISTANCE FOR NEEDY FAMILIES TIME LIMIT AMENDMENT ACT OF 2012" DO? (2012).

⁵ *Id*.

mismatch between the implementation of time limits—a process which has already begun and which applies retroactively to count a family's past months on TANF—and possible time limit exemptions. Second, Bill 19-704 is an important first step in articulating the categories of vulnerable families that should be exempted from time limits, but does not necessarily represent the only set of exemptions that could be put in place by the District.

Retroactive time limits should be matched to retroactive exemptions.

Retroactive time limits require a complementary exemption policy. The District has chosen to apply time limits retroactively and over the lifetime of a recipient. Having selected to manage its TANF program in this manner, the District should also apply exemptions in a parallel way. Doing so promotes the consistent application of TANF policies and will make the program's changes more easily understood by both agency case managers and TANF families.

All TANF exemption policies could be coordinated. Retroactive application of time limit exemptions may be streamlined by adopting exemptions that differ slightly from those offered in Bill 19-704. Although we support the exemptions proposed in this bill, we recognize that there may be alternative exemptions that would achieve the same purpose of protecting vulnerable families. For example, such alternative exemptions might include coordinating currently-existing work requirement exemptions with time limit exemptions so that DHS may use the recipient data it already has to calculate how many months should be counted against a family's lifetime limit for benefits. Currently, DHS allows certain categories of families to be excused from the work requirements that are central to the TANF program. By proposing time limit exemptions that mirror these work requirement rules, DHS can use information it already has to determine if families would be eligible for an exemption for past months. Vulnerable families would get extra help and the agency would be able to maximize its resources.

In conclusion, Bill 19-704 would improve on the work already being done by DHS and will make the agency better able to meet the goal of improving employability outcomes of TANF families. We acknowledge that the agency has funding and staffing pressures that it must consider as it determines how to fairly and efficiently apply a new exemption and extension policy to existing TANF families. The Council should investigate these issues further as more information about the fiscal impact is available. We and other advocates are not wedded to a particular approach. However, basic concerns about implementation should not stop the Council from bringing the District in sync with the majority of other jurisdictions by offering limited exemptions and extensions from TANF time limits. We are ready to work with councilmembers, and the agency, to explore these issues further as necessary.

IV. Improving the Regulations Proposed by DHS that Sanction TANF Families Who Do Not Comply with Redesigned Assessment Process.

PR 19-593 would adopt an amended Chapter 58 of Title 29 of the District of Columbia Municipal Regulations, establishing a full-family sanction policy for TANF families who do not participate and comply with program work requirements or

individual responsibility plans. We, along with a number of other organizations and as part of the rulemaking process, have previously submitted our comments on the regulations proposed by DHS.

Again, Legal Aid continues to strongly oppose full-family sanctions, which jeopardize family stability and child welfare. However, given that this policy will likely go into effect, it is important that DHS not sanction families until DHS has met all of its programmatic responsibilities, and the family has been given full opportunity to come into compliance. We believe that this change in the proposed regulations is necessary in order to ensure that no family suffers these harsh sanctions without first being provided with the services to which they are entitled. The regulations should clearly provide that all TANF recipients will be fully evaluated and offered the chance to engage in a meaningful personal assessment prior to any sanctions being imposed. We have been told informally that this is the agency's intention. We would like to work with DHS to create language that reflects that intention.

V. Conclusion

TANF is an essential support program for the District's most vulnerable families; tens of thousands of children depend on TANF as their only means of support. As the District implements positive changes that would improve TANF recipients' chances of becoming economically self-sufficient, the Council and the Administration must ensure that families with severe barriers do not fall through the cracks. That is why we are urging the Council to support Bill 19-704 (or a similar bill that addresses the same issues) and to encourage DHS to make changes to its sanction regulations. We understand that difficult decisions are necessary in these economic times. However, we urge the Council to support our community's most vulnerable families by making changes that would incentivize work without sacrificing the well-being of families that face extraordinary employment barriers.