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**Name of Hearing: Improving Work and Other Welfare Reform Goals**

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Thank you for the opportunity to submit comments in response to the House Committee on Ways and Means Hearing "Improving Work and Other Welfare Reform Goals" concerning the Temporary Assistance for Needy Families (TANF) program, which in California is administrated through the California Work Opportunities and Responsibility to Kids (CalWORKs) program.

Western Center on Law and Poverty felt very strongly that the focus of the committee was misguided and were disappointed to see a lack of focus on the core program values of helping families reach self-sufficiency and ensure the future success of children in families with incomes below the federal poverty line. According to the U.S. Census Bureau data released today,<sup>1</sup> which show an increase in 2010 to 46.2 million in the number of Americans in poverty. Rather than focus on how to further restrict the flexibility of states and identify which adults are exempt from work is misplaced, we believe that Congress must restore the flexibility that TANF once had and which allowed states to develop important poverty reducing strategies has been replaced by a mechanical, check the box approach which minimizes creativity. We would urge, less, not more federal mandates and urge the committee to begin by reversing the mistakes made in the DRA as follows below.

Even worse, poverty among children has reached record highs.<sup>2</sup> Congress has the opportunity to find solutions that work in our countries most important safety net for poor children. Below, we suggest ways that Congress could improve the targeted reach of TANF to increase economic self-sufficiency of poor families and reduce hardships experienced by poor children during our country's challenging economic times.

### **CalWORKs Is There to Help Families During Times of High Unemployment**

Since the implementation of TANF, California has maintained a robust cash assistance program for families with children. For years, program participation was on the decline until the economy began to decline in the summer of 2007 and our TANF program (CalWORKs) was there for families.<sup>3</sup> We experienced a 25% caseload increase and increased costs for cash assistance, child care and supportive services. The basic needs grants that low-income families

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<sup>1</sup> U.S. Census Bureau, [American Community Survey 2010](#)

<sup>2</sup> [Poverty Rates Among Women and Children by State](#)

<sup>3</sup> CalWORKs Caseload Trends: <http://www.cdss.ca.gov/research/res/pdf/caltrends/CA237Caseload.pdf>

receive, while still don't keep families from deep poverty, they are vital for the most vulnerable children in our state.<sup>4</sup>

*Recommendations:* Congress should ensure that TANF programs are responsive to unemployment and that grant levels do not drop so low as to put children in deep poverty.

### **Support TANF Subsidized Employment**

Despite unemployment at over 11 percent and dramatic caseload increases California has continued to improve its' work participation rate during the recession. With the state experiencing an unprecedented loss of anticipated revenue, Governor Schwarzenegger and Governor Brown made significant reductions in cash assistance. This year alone, California made some of the deepest cuts in its TANF program ever, including an 8% grant cut, a shortened lifetime limit for adults, elimination of our CalLearn program for parenting and pregnant teens and further reduction in county administrative allocations. Among those proposals considered but not implemented was the complete elimination of the CalWORKs program were among the harshest. The need for such devastating cuts was significantly reduced because the American Recovery and Reinvestment Act TANF Emergency Contingency Fund (TANF ECF) helped California manage the cost of the increased caseload and create jobs through subsidized employment. But for the arrival of the TANF ECF funds, many poor California families would either have lost aid or seen their cash assistance reduced earlier and more significantly.

*Recommendations:* We encourage Congress to support efforts to restore the subsidized jobs through TANF.

### **Restore State Flexibility Lost in the DRA TANF Reauthorization**

One of the chief reasons state's cannot meet work participation requirements is due to administrative interpretations of the Deficit Reduction Act of 2005. Since its' passage state and local governments have spent valuable time and funds complying with federal requirements that previously were the province of states. These changes have made the program increasingly difficult to manage and reduced the creativity of states. Not only were the statutory DRA changes damaging but time after time the prior Administration squelched promising approaches by prohibiting them or limiting their effectiveness.

1. ACF added child only Safety Net cases into the federal work rate even though the parent has used up the 60 months on aid and is no longer receiving federal assistance.
2. ACF narrowly defined allowable work activities including job readiness activities, vocational ESL and limited duration and scope of subsidized employment with private sector.

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<sup>4</sup> [Losing Ground Against Poverty: CalWORKs Grants Levels at Historic Lows](#), J.Bartholow and M. Herald

3. ACF denied the ability to count Domestic Violence counseling as work preparation
4. ACF denied the ability for states to make “reasonable accommodations” to federal work requirements under the Americans with Disabilities Act but instructed states to comply with it.
5. ACF required disabled and needy grandparents to work, families that California exempts.
6. Imposed confusing, burdensome and costly documentation and verification requirements on participants, counties, employers and providers in educational activities.
7. ACF adopted a narrow methodology for counting state welfare spending that cut California’s credit for excess state spending in half.
8. Denied the ability to count state spending unless it was for TANF eligible families even though the DRA specifically permits it.
9. ACF limited states ability to use “pre-TANF” programs as the Schwarzenegger Administration proposed.

The cumulative impact of these actions has shifted the focus of states to complying with federal TANF requirements and away from helping families reach self-sufficiency. While we appreciate that it is important for the Administration to be able to evaluate the success of state TANF programs, we believe there are more effective ways to do that than a simplistic one-size-fits all approach to meeting work participation. We urge the Administration to abandon the overly regulatory framework of TANF DRA and restore state flexibility.

**Recommendations:** We urge Congress and the Administration to reverse the ill-conceived TANF DRA requirements and restore state flexibility.

#### **About Western Center on Law and Poverty**

Western Center on Law and Poverty (WCLP) serves as a support center for California’s legal aid community and leads the way in large-scale impact litigation, administrative advocacy, budget advocacy and legislative advocacy in an effort to ensure that low-income Californians can easily access safe and affordable housing, adequate health care, and a broad spectrum of safety net services. [www.wclp.org](http://www.wclp.org)