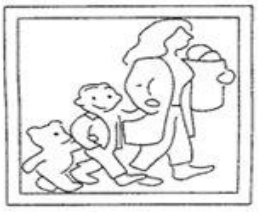

All Families Deserve Chance Coalition

March 13, 2013

Dear Committee Members:

We encourage Congress to **oppose H.R. 890--the Preserving Work Requirements for Welfare Programs Act of 2013**. We encourage you to authorize the TANF waiver on the condition that states document improved employment outcomes, rather than defend adherence to mind-numbing overregulation that can stand in the way of helping parents find and retain jobs.

All of us would agree that a TANF (Temporary Assistance to Needy Families) success occurs when a parent who is able to work gets a job. Ideally, that job would pay enough for her to support her family. More likely, works supports like subsidized child care – currently subject to sequestration -- and the Earned Income Tax Credit would help her provide for her family's most basic needs.

Currently a Colorado mother and child would become ineligible for TANF, after a transition period, if she makes $8.50 per hour – or about $17,204 if she works 40 hours per week. The typical Colorado TANF recipient is a mother between 25-34 years old with a child under 6. According to the Self-Sufficiency Standard for Colorado 2011 report there is no county in our state where a mother and preschool age child can meet basic needs on $ 17, 204. The self-sufficiency standard cost of living range for this family composition is $24,032.76 to $59,407.91 and the highest cost driver is child care.

The 1996 Personal Responsibility and Work Opportunity Reconciliation Act may have intended to prioritize helping a parent obtain employment. Indeed, the federal law requires a "Work Participation Rate" (WPR) of 50% of all single parents on TANF, and 90% of all two parent families, which sounds good. However, the Work Participation Rate (WPR) is not a good measure of employment, or a good measure of a state's performance in the program, because it does not measure actual employment leading to economic self-sufficiency. The Federal Deficit Reduction Act of 2005 (DRA), also known as TANF Reauthorization, included changes to TANF WPR rules and required states to develop a work verification plan and monitor participants' engagement in work activities in order to verify hours of participation. The current list of "countable" work activities follows:

- Unsubsidized employment
- Subsidized private sector employment
- Subsidized public sector employment
- Work experience
- On-the-job training
- Job search and job readiness assistance (generally, up to 6 weeks a year)
- Community service programs
- Vocational educational training (up to 12 months, for up to 30 percent of those counting toward rates)
- Providing child care services to an individual who is participating in a community service program

But to move families from TANF and towards self-sufficiency and meet the needs of employers looking for skilled workers the following activities need to be incorporated:

- Job skills training directly related to employment
- Education directly related to employment
- Satisfactory attendance at secondary school or in a course of study leading to a GED.

Currently, each TANF parent is required to document at least 30 hours per week of "work activities". For parents of children 5 and under, the requirement is 20 hours per week. When we look closer at this "Work Participation Rate", it details exactly what kinds of activities are "countable" and "allowable". Instead of following the intent of the law which states that "work activities should help individuals develop the skills necessary to become job ready and go to work", the focus of states and counties has been on meeting the quotas listed, or risk losing TANF funding.

Having a GED increases one's ability to compete for a job. In Colorado, for example, 21% of those who lack a high school education are employed compared to 11% of those who completed high school, but have no college (State of Working Colorado 2012 p. 11, Colorado Center on Law and Policy, 2012). Under current requirements attending a GED class is allowable, but not countable. Parents must do 20 hours of "countable activities"—like a job or unpaid community service such as picking up trash or filing—before they can use the hours spent in GED preparation to count toward the rest of the 32 hours per week. Meeting, categorizing and documenting this weekly quota of activities preoccupies parents, case managers and human services staff. Parents must keep up activities to avoid sanctions. Staff focuses on these activities because they are the basis for funding.

This obsession for a weekly accounting of countable and allowable activities reduces the focus on obtaining and maintaining **actual paid employment.** In our current economy, those relatively few jobs available often require more education or different skills than parents on TANF have.

Many governors, as well as others who work with low income parents , and the parents themselves, would rather the **TANF program be judged by how well it helps low income parents obtain and retain jobs.** As Utah Governor Gary R. Herbert said in his waiver request: "Utah is very proud of the comprehensive work-centered approach we take moving adults from dependency to self-sufficiency. The cornerstone of Utah's philosophy is that all who can work should work, and that states are laboratories of innovation." As his office explained in a July 17, 2012 press release, "Utah's request for a waiver stems from a desire for increased customization of the program to maximize employment among Utah's welfare recipients –allowing for evaluation to be determined based on the State's success in placing customers in employment."

This was exactly what the proposed waiver- Memo #TANF-ACF-IM-2012-03-- would have required: That States could apply for a waiver to the work participation rate only if they agreed to other, more stringent, outcome measures **related to actual employment**. States were to be required to have performance measures and a stringent evaluation plan. H.R. 890 – Preserving Work Requirements for Welfare Program Act of 2013- removes the chance for states to try creative approaches towards job development, without burdensome government regulations, for a population that has already weathered the disadvantages of living in poverty.

Sincerely,

Brad Wood

Brad Wood, Legislative Chair
All Families Deserve a Chance (AFDC) Coalition
c/o 9to5
655 Broadway #800
Denver, CO 80203
afdccoalition@gmail.com
303-777-6700