

T A N F

Welfare reform or welfare deform? Historically, "welfare reform" has made life more difficult for impoverished children and their families. Temporary Assistance to Needy Families (TANF) P.L. 104-193, is the latest attempt at reforming welfare. It imposes 2-year time limits on impoverished families. After two years many impoverished families, who for the most part are single mothers, lose their safety net and are sentenced to becoming homeless in the United States of America.

The anti-family and anti-child message is clear, working is more important than parenting as women are expected to look for work soon after their babies are born. This means babies and very young children are housed in day care centers and in the care of strangers instead of their parents.

Welfare officials and politicians continue to tout the propaganda that TANF results in reduced caseloads are going down. The truth is that poverty has risen. With these strict timelines, what happens to that family when they no longer are eligible for aid? Where do they go? How do they live? About 70% of the TANF federal and state-matching money goes to welfare bureaucracies and to balance state budgets. Less than 30% of it goes to "payments to families with children." Before TANF, 80% of the AFDC money went to "payments to families." TANF has been a resounding success for everyone, but poor families.

RECIPIENT IMPACT STATEMENT

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The hearing will focus on oversight of the TANF program along with proposals to improve work and other TANF goals as part of upcoming legislation to extend TANF and related programs.

Thank you for the opportunity to provide a statement for the record of the TANF program.

In 1996 Congress abolished the Aid to Families With Dependent Children (AFDC) program and replaced it with the ill-conceived TANF program that gave States a block grant and allowed States to do whatever they want to do with that money. It was communism for the States that they received money but was not required to spend it on the poor. States were given the green light to do whatever they wanted to do with the TANF money as long as it met one of four (4) goals of the TANF program:

- Assist needy families so that children can be cared for in their own homes;
- Reduce the dependency of needy parents by promoting job preparation, work and marriage;
- Prevent out-of-wedlock pregnancies; or
- Encourage the formation and maintenance of two-parent families.

The bill did not define a needy family. It did not require that families be financially needy. They can be socially needy. All of these goals open the door for TANF funds to be used by families who are required to meet TANF work requirements. It would be interesting to see how much of the money is used directly for families required to meet the TANF work requirements.

If this Committee is really concerned about meeting work requirements they can amend the TANF bill to provide that TANF funds can only be used for families who are required to meet the TANF work requirements.

At least the AFDC program helped children. The TANF program is designed primarily to help local and State governments to manipulate the claiming process to use TANF dollars for families not required to meet the work participation rates.

AFDC	70% Payments to Families
TANF	30% Payments to Families

This is a great testimony to the success of the TANF program insofar as local and State government is concerned. But it is disheartening when it comes to the poor.

TANF's proponents argue that the caseload has gone down. This is true. But is there any evidence that those who were terminated from TANF are doing better than they were when they received TANF? There is no verification to support the false assertion that families are better off without financial assistance. How many TANF kids end up in foster care?

If a TANF parent "fails" to cooperate with the welfare bureaucrats because who or she does not have childcare (and refuses to commit the felony of child neglect to please the TANF bureaucrats) they are severely punished by the TANF program in many States – all cash aid is terminated and food stamp benefits are reduced. On the other hand, if the welfare bureaucrat denied benefits to an impoverished family in violation of the welfare rules – there is no punishment. It is called “government immunity. The bureaucrats still get their welfare check which they call a paycheck.

California's welfare recipients have contributed about \$15 billion to the California General Fund. No wonder States love this program. They reduce benefits to impoverished families while using the TANF program to operate other government programs. California just reduced benefits by 8% lowering California's impoverished families fixed income to 1984 benefit level. On the other hand the people who run the program and enact legislation impacting the program are receiving salaries and benefits that reflect 2011 and not 1984.

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Annually welfare recipients contribute over \$1 billion to the California General fund and receive a fixed income of what the benefit level was in 1984.

Recommendations:

- I. At least 70% of the TANF funds should be spent directly on payments to families who meet the TANF eligibility rules.
- II. No child should be punished for the behavior of the parent(s). That is barbaric mid-evil behavior.
- III. No family should be sanctioned if it leaves the family with income that does not cover their housing and utility costs. Children need a place to live with their natural parents. To do otherwise is *anti-family*. NOTE: TANF currently is anti-family.

IV. Simplify the federal participation rates by giving States more flexibility to define which TANF recipients are required to participate. Also give the States more flexibility in defining participation. Current regulations do not recognize self-employment as an activity when the entrepreneur is just starting out or is treading water due to economic difficulties. TANF forces entrepreneurs to DROPOUT of their self-employment activities that could eventually lead to earning enough income to hire others employees to become a low-paid employee to someone else.

V. Require States to contribute 50% of the TANF MOE rather than reducing State participation in the TANF program. If the States' share is reduced, then the federal share should be increased provided that 70% of all TANF funds are provided to impoverished families eligible for TANF and not used to offset State budget deficits.

VI. If States do not spend the MOE amount, then States should be punished by reducing their federal participation rates in all other programs that corporations receive from the Tax Code known as "tax expenditures" for any entity doing business or selling products in the State.