



**Testimony of Ellen Small Billard, MSW
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**Subcommittee on Human Resources of the Ways and Means Committee
Hearing on Improved Work and other Welfare Reform Goals**

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My name is Ellen Small Billard, and I am Coordinator of the CABHN Network, the Connecticut Alliance for Basic Human Needs. **Thank you for the opportunity to submit written remarks on the issue of TANF Reauthorization and the overall goals of the welfare program.**

CABHN is a statewide advocacy and outreach network committed to helping Connecticut families meet their basic needs, achieve self-sufficiency, and attain economic security. It is also a participating member of the Welfare Working Group of Connecticut. The Welfare Working Group consists of approximately 25 dedicated advocates who have worked together since 1995 to monitor the impact of Connecticut's family welfare program and the federal TANF program on low-income families and to propose policies to improve the program.

CABHN and the Welfare Working Group have provided consistent leadership and advocacy on improving Connecticut's TANF program, Jobs First, since the initiation of welfare reform in the mid-1990s.

It is the aim of CABHN and the Welfare Working Group to inform both state and federal policymakers of the impact of the TANF Block Grant on the program's participants and to offer recommendations as to how the program can be reformed to better serve vulnerable families in Connecticut and nationwide.

In 2010, we released two policy reports and held a legislative forum, detailing the experiences of program participants and highlighting several key policy recommendations to improve the efficacy of the program.

The reports, a summary of the responses received during ten focus groups conducted with program participants statewide, reflect the experiences of Jobs First program participants, detail the challenges these families face in moving from poverty to gainful employment, and offer constructive solutions to help them make a successful transition to self-sufficiency.

Although I will detail many of our findings in my written remarks, the full reports can be accessed at:

- **Increasing Opportunity: Improving the Jobs First Employment Services Program;** released November 2010
(http://www.larcc.org/files/larcc_files/documents/jfesp2010.pdf)
- **Welfare to Work, or Welfare to Worse?;** released Spring 2010
(http://www.larcc.org/files/larcc_files/documents/jfesp2010.pdf)

By sharing with this subcommittee the results of our study as they relate both to our state Jobs First program and the federal TANF program, we hope members gain a better understanding of both the challenges the TANF program creates for states, as well as the restrictions it places on program participants.

Key findings highlighted in the reports include:

- Federal TANF requirements regarding work participation and eligible training opportunities significantly hinder the Jobs First program's ability to meet the needs of program participants
- Lack of resources has significantly hindered the ability of Jobs First administrators to provide case management and education/training opportunities, key to helping families move out of poverty
- The Jobs First program is overly focused on meeting the federal work participation rate, and therefore cannot focus on helping families secure stable employment, achieve long-term stability, and move out of poverty
- Families face multiple and persistent barriers to obtaining and maintaining gainful employment, which should be addressed as part of the TANF program
- Without increased education and training opportunities in competitive, relevant fields that pay a living wage, families cannot escape poverty

Most importantly, **the responses of our focus group participants highlight that Connecticut's current Jobs First program is not moving families out of poverty and into stable jobs that pay a living wage.**

In fact, it is worth noting that **of the over 50 recipients of cash assistance interviewed for our report, not one felt that he/she had moved out of poverty and into stable employment.**

Before we explore the ways in which we can improve the TANF Block Grant and affect long-term change, it is important to first gain a more complete understanding of who exactly the families are who utilize the assistance provided through the TANF Block Grant. **These families have names and they have stories; they are not just arbitrary numbers that count toward a state's work participation rate.** It is important to understand the unique challenges and significant barriers to work they face in comparison to the majority of the working population. These barriers make the transition from poverty into stable employment and self-sufficiency all the more difficult for these families.

These barriers include, but are not limited to:

- Access to safe and reliable childcare.
- Access to reliable transportation.
- Lack of available jobs.
- Limited education.
- Limited educational opportunities. Opportunities for adult basic education and post-secondary educational opportunities are limited for individuals on cash assistance due to federal requirements defining appropriate “work” activities and state requirements limiting the amount of time individuals have to complete any educational activities.
- Physical and cognitive disabilities. In particular, mental health needs can make it difficult for individuals receiving cash assistance to obtain and maintain stable employment. Often it is their mental health needs that lead them to the crisis situation that requires them to apply for cash assistance.
- Abusive partner relationships.
- Limited English proficiency.
- Lack of child support payment and father-involvement.
- Responsibility to care for other family members, not just their children.
- Homelessness.
- Difficulty maintaining stable employment while also participating in additional education and training opportunities.¹

Most families enrolled in Connecticut’s Jobs First program experience many of these challenges concurrently, finding it difficult to overcome one without overcoming the other. The Jobs First participants we spoke with emphasized their discontent and often embarrassment for needing to utilize government assistance. Each expressed a strong desire to work and to become self-sufficient. All wanted to provide for their children and families without the need for government assistance.

Unfortunately, Connecticut’s Jobs First program often emphasizes its need to comply with federal work participation requirements over its need to meet the unique needs of families experiencing financial crisis. The contributing factors to financial need exceed the need for a job. Unfortunately, the requirements of the federal TANF Block Grant actually provide incentive for states to treat the symptom rather than the illness. **This approach yields neither long-term change nor significant gains for families trying to escape poverty.**

One reason TANF does not succeed in moving families out of long-term poverty is that it was not designed to respond to the needs and challenges of a changing and often tumultuous economy. The program requires families to meet work participation requirements in times of economic prosperity where industries expand and jobs abound, as well as in times of deep economic recession where even middle class families struggle to maintain employment. Families on TANF face even greater challenges during economic recession.

¹ “Welfare to Work, or Welfare to Worse?” A study conducted by the Connecticut Alliance for Basic Human Needs. Prepared by Ellen Small. Spring 2010.

For example, poverty rates did decrease after welfare reform during a period of greater economic prosperity during the late 1990s and more families on TANF found work. **These gains, however, have proven unsustainable as two economic recessions during the 2000s have stymied poverty reduction efforts and led to increased poverty levels.** As work opportunities evaporate, TANF families are simply running out of options.

According to the Annie E. Casey Foundation's 2011 KIDS COUNT Data Book, child poverty rates have risen significantly over the past few years:

“Pre- and post-2000 trends are clearly illustrated by changes in the rate of child poverty. Between 1994 and 2000, the child poverty rate fell by nearly 30 percent. This was the largest decrease in child poverty since the 1960s. **Since 2000, however, the child poverty rate has increased by 18 percent, meaning that the economic recession of the past few years effectively wiped out all of the gains we made in cutting child poverty in the late 1990s.** In 2009, 2.4 million more children lived in poverty than in 2000, and many experts predict that the child poverty rate will continue to increase over the next several years.”²

It is important to note, however, that the stated goals of the program are actually to simply provide a temporary cash supplement and to move participants into jobs – **not to lift families out of poverty.**

This is certainly not to say the program does not benefit families. On the contrary, participants told us repeatedly just how valuable the cash assistance component of the program proved in helping their families avoid complete financial crisis. **It is my strong position that the cash assistance component of the TANF block grant is a life-preserver for some of our nation's most vulnerable families.** The removal or reduction of this vital safety net would be disastrous.

But TANF can do more: this program has the unique opportunity to not only provide temporary aid to families who are in crisis, but also to lift them out of poverty; to train them to perform in jobs that will pay a living wage and provide opportunities for upward mobility; to ensure the future economic security for families receiving assistance through TANF.

A former recipient of cash assistance in Norwich, Connecticut highlights the problem with TANF's “work-first” approach:

“They try to get you into programs or trainings quickly because that will allow them to get you off assistance faster – but it won't get you out of poverty.”³

I would argue that TANF's overall framework – a singular focus on “work first” – actually impedes the greater success of the program and hinders families from escaping poverty.

² “2011 KIDS COUNT Data Book: Summary and Findings.” Annie E. Casey Foundation. 2011. http://datacenter.kidscount.org/databook/2011/OnlineBooks/2011KCDB_FINAL_S_f.pdf

³ “Increasing Opportunity: Improving the Jobs First Employment Services Program.” Prepared by Ellen Small Billard. CABHN and the Welfare Working Group of Connecticut. November 2010.

The work-first approach is particularly problematic as:

- **Families face multiple barriers to obtaining and maintaining employment.** These barriers must be addressed if families are to move off of welfare and into work permanently.
- **Finding work right now is extremely difficult, even for middle-class, educated, and skilled workers.** Lower-income families tend to have fewer skills, less education, and access to fewer resources. The program must provide additional funding and flexible requirements in times of increased financial hardship and greater unemployment.
- **The TANF program must move families into jobs that pay a living wage,** rather than requiring them to meet strict work participation requirements that only serve to push them into low-wage jobs.

According to Elizabeth Lower-Basch of the Center for Law and Social Policy (CLASP), this push for “work first” hinders opportunities for program participants to further their education and hone skills that would allow them not only to secure stable employment, but also to increase their future earnings potential:

“With ‘work first’ as the mantra, most recipients were denied the opportunity to participate in education and training that might have given them access to better jobs. Instead, they were pushed into a labor market full of low-wage jobs that did not provide enough income to make ends meet. **Research has shown that too often these jobs fail to serve as stepping stones to better jobs in the future.**”⁴

Thus, TANF participants find themselves trapped both by the need for temporary cash assistance and the program’s strict work participation guidelines. Although the program does provide vital cash assistance to families in crisis, it does not ensure these families will move well beyond the verge of crisis and permanently out of poverty.

The responses we received from Connecticut’s Jobs First program participants clearly demonstrate that **job training and educational opportunities are imperative to moving families out of poverty.**

A participant of Connecticut’s Jobs First program in Hartford, Connecticut said:

“How do you expect people to get a job if they don’t have an education? I wanted to go to school and get an education. I did NOT want to receive cash assistance. But I had to care for my child, and I was not able to comply with the Jobs First program if I went to school. *You have to help people get a real education, not just give them certificates for trainings.*”⁵

TANF program participants need skills, not just jobs.

⁴ Lower-Basch, Elizabeth. “TANF Policy Brief.” Center for Law and Social Policy. Updated January 24, 2011.

⁵ “Increasing Opportunity: Improving the Jobs First Employment Services Program.” Prepared by Ellen Small Billard. CABHN and the Welfare Working Group of Connecticut. November 2010.

Without additional education and training, they do not have the upward mobility to attain stable jobs that earn a living wage and raise their family out of poverty. They will remain trapped in low-wage jobs, teetering on the verge of financial crisis, if we do not invest our resources in ensuring their future economic security.

Although the goal of securing stable employment is certainly laudable, the achievement of this goal should not come at the expense of a family's opportunity for future economic security. **Instead, the primary goal of the TANF program should be to lift families out of poverty, not merely to move them into low-wage jobs.**

One of our focus group participants in Norwich, Connecticut highlights the benefits of such an approach:

“If the state provided Jobs First participants with training and education that could actually lift them out of poverty, they would have better jobs and pay more taxes in the long run. I want to pay taxes! I want to move out of poverty.”⁶

I urge this subcommittee to recommend a framework shift for the TANF Block Grant program that emphasizes long-term positive outcomes, rather than short-term fixes; a shift that invests in the future of America's workforce by training more skilled laborers, rather than just pushing workers into low-wage jobs that will not help them escape poverty.

Specifically, CABHN supports a revised TANF framework that:

- **Shifts program focus from work participation requirements to a more outcome-based model which focuses on moving families out of poverty, rather than just off of cash assistance.**
 - Current work participation measure places unfair burdens on families in crisis and on states as it encourages moving individuals off cash assistance and into jobs quickly.
 - Program currently is not designed to ensure families move into gainful, sustainable jobs and achieve self-sufficiency.
- **Permits more education and training options to count toward federal work participation rates, thus creating greater opportunity for future economic security.** This includes increased access to subsidized employment, Adult Basic Education, developmental education, post-secondary education, and specialized training in competitive, growing fields.
 - Parents enrolled in cash assistance are often discouraged from pursuing adult basic education or post-secondary educational opportunities because of pressure to participate in activities that count toward federal work participation requirements.

⁶ “Welfare to Work, or Welfare to Worse?” A study conducted by the Connecticut Alliance for Basic Human Needs. Prepared by Ellen Small. Spring 2010.

- **Increases work supports for parents receiving TANF cash assistance.** This includes expansion of the federal Earned Income Tax Credit and increased funding for subsidized child care that will aid parents with young children to obtain and maintain stable employment.

Participants in the TANF program want to get good jobs. They want to escape poverty. They want to provide opportunity and economic security for their families. They don't want to live off of government assistance.

One of our focus group participants exemplifies this desire:

“Whoever says, ‘When I grow up, I want to be on welfare?’ Who actually wants to be in this situation?”⁷

Revising the framework of the TANF Block Grant as suggested above will prove a significant step in reducing poverty and reducing the need for cash assistance nationwide. In addition, it will prove a wise investment in the future economic security of some of America's most vulnerable families.

Finally, these revisions will transform the TANF Block Grant from a program that serves as a temporary band-aid for families experiencing economic crisis to a program that stabilizes families in crisis and equips them to become productive members of America's workforce.

Thank you for your time and consideration to improving this valuable and necessary program.

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⁷ “Welfare to Work, or Welfare to Worse?” A study conducted by the Connecticut Alliance for Basic Human Needs. Prepared by Ellen Small. Spring 2010.