



1133 Nineteenth Street, NW, Suite 400, Washington, DC 20036
T: (202) 682-0100 F: (202) 289-6555 www.aphsa.org

Raquel Hatter, President

Tracy Wareing Evans, Executive Director

**House of Representatives
Committee on Ways and Means
Subcommittee on Human Resources**

Hearing

***Ideas to Improve Welfare Programs to Help More Families Find
Work and Escape Poverty***

April 30, 2015

Testimony by

American Public Human Services Association (APHS A)

Tracy Wareing Evans, Executive Director

Contact: Larry Goolsby, (202) 682-0100, x239, lgoolsby@aphsa.org



Mr. Chairman and members of the Subcommittee, thank you for this opportunity today to share insights from state and local human service leaders on how we can more effectively connect Americans to the workforce and to a successful and sustainable career path. I am Tracy Wareing Evans, executive director of the American Public Human Services Association (APHSA), and I represent the views of our state and local public human services agency members across the nation.

Our member agencies are responsible for directly implementing and managing the Temporary Assistance for Needy Families (TANF) program and a broad array of other health and human services programs, including child welfare services, nutrition assistance, services to the elderly and people with disabilities, as well as a wide range of other populations. APHSA also represents human services program managers across the nation, including those who direct each state's TANF program and who are organized within APHSA as the National Association of State TANF Administrators (NASTA).

APHSA also houses the Center for Workforce Engagement, a new initiative this year that is bringing together our members, representatives from other public agencies, and stakeholders from the private, nonprofit, and philanthropic sectors to collaborate on innovative practices and successful solutions for connecting more of our customers to gainful employment and sustainable careers.

Perspectives on the Human Services System

APHSA and its members have a long-standing interest in assuring that all human services programs provide positive and lasting impacts both for the populations they serve and for the nation at large. We commend the Subcommittee for this series of hearings on how we can better address poverty, strengthen work engagement, and build the capacity of individuals and communities. We are especially pleased that you have addressed improving the evidence base in human services, investing in what actually works, and securing meaningful and sustainable returns on the investments we do make. APHSA's *Pathways* initiative is our member-driven set of policy and practice recommendations that promotes these and related values and ways we can practically implement them.

Through *Pathways*, we are actively working to create a transformed human services system that can lift individuals toward greater independence and health, add value to communities, and strengthen families while reducing costs to taxpayers. Thriving communities depend on healthy individuals and strong families, sufficient income to meet needs, and educational and skills attainment that leads to sustainable employment. When the circumstances that enable these critically important outcomes are more widely available – without regard to where families live, or their histories, or what disruptions occur in their lives – the nurturing and successful communities that result benefit us all.

Pathways is designed around enabling our customers to achieve four significant outcomes: stronger families and communities; healthier individuals; the sustained well-being of children and youth; and

gainful employment and greater independence. Among these four outcomes, gainful employment and the many benefits that flow from it have long been a key priority.

To help more Americans attain gainful employment, our members recommend some TANF reforms that I will share today. However, I will first focus on a larger set of concerns about the human services system as a whole that must be addressed before changes to any single program can have sustained and meaningful impact. Our members administer TANF and other human services programs on behalf of what are often the same populations who want to achieve the same broad outcome goals I have just cited. For the most part, these programs exist alone: they came into being at different times and for different purposes; are overseen by different federal agencies; are usually limited to narrowly defined populations; and are typically complex, unaligned with each other, and judged by how well they meet numerical process standards rather than how well they actually serve customers and taxpayers.

This frequent absence of integration, reasonable levels of flexibility, broad measures of meaningful outcomes, and aligned policies and funding all significantly curtails effective use of the human services system's limited financial and administrative resources for critical common goals, especially gainful employment and the bridge supports it requires.

Examples within human services include child support, the Supplemental Nutrition Assistance Program (SNAP), child care assistance, and housing assistance; all help enable working parents to get a job and successfully maintain it, but all are very different in their approach and reach. Beyond our direct purview are the Earned Income Tax Credit and other tools that enable savings, asset-building, and otherwise strengthen financial capacity; training programs through the Department of Labor; and the many education and training initiatives provided by community colleges, other parts of the education system, and private business. So long as these programs touch different eligibility groups using unique funding streams, different rules, and separate measures of success – all the while having the same basic goal of greater and more successful attachment to work – we will continue failing to use our funds and talents to the best effect.

How a More Integrated and Effective System Should Look

An integrated, outcomes-focused approach would allow all these systems to work together in:

- enabling sustainable employment outcomes;
- delivering tailored services at the right time and for the right duration;
- being accountable for real impacts and social return on investment;
- encouraging strong partnerships that can leverage other sectors and community resources to achieve collective impact; and
- encouraging and rewarding widespread testing and prompt implementation of sound, bold, and innovative solutions.

We recognize that the Workforce Innovation and Opportunity Act (WIOA) and its recently issued draft regulations provide encouraging opportunities to advance on some of these fronts. As we continue our analysis of WIOA's new rules, we sincerely hope they will contribute to more effective integration between human services and its workforce partners and to leveraging resources and expertise on behalf of all those needing workforce services. We are encouraged that WIOA can help achieve the following:

- a truly aligned set of outcome measures that will evaluate all work engagement programs, including TANF, on their customers' sustainable progress along a career path;
- the state option to include TANF and SNAP in unified planning for work engagement;
- greater emphasis on the ability to identify and pursue career pathways;
- clarified definitions of the eligibility of certain populations, such as the homeless and people with disabilities; and
- greater emphasis on adult education and on-the-job training.

As we examine the potential improvements we hope WIOA can make, TANF will continue as a tool available to support our work engagement goals. TANF has done much over the years to assure the well-being of our children and families by moving parents into the workforce and toward greater independence. The program's underlying flexibility that allows it to play multiple roles in addressing its general goals – keeping children in their own homes, forming and maintaining two-parent families, and promoting job preparation and work – must be retained and strengthened. TANF has especially made possible highly cost-effective “light-touch” supports and early interventions such as one-time payments for rent, overdue utility bills, or car repair, and similar bridge assistance that gets families past temporary setbacks and avoids unnecessary and far more costly crises down the road.

Specific TANF Recommendations

However, TANF has shortcomings that must be addressed if it is to succeed among the rapidly changing realities evident in the economy, technology, social structures, and demographics. TANF must change so that it can:

- Move from participation that counts to engagement that matters.¹ Despite its block grant nature, TANF's Work Participation Rate (WPR) restrictions focus far too much on activity and process and too little on meaningful customer results. Much the same is true for its 90 percent participation requirement for two-parent families. States should at the least have the ability to opt into performance measurements based on employment entry, retention, and advancement rather than the current process-focused activities of the WPR.
- Engage with families based on the services and activities that are right for them at the time; e.g., what is needed for a family with small children may be job training hours leading to eventual employment that is part-time, or with the flexibility of hours that match their children's school hours.
- Leverage resources and partnerships beyond TANF, especially those now housed under WIOA and other programs in Labor and Education, including post-employment supports to move a participant along a career pathway and assure sustainable employment.
- Consider the needs of the whole family – over both generations – when developing person- and family-centered engagement plans that lead to successful outcomes, such as the increased risks to children in many TANF families that reduce their likelihood of graduating from high school.
- Quickly identify barriers such as chemical dependency and behavioral health issues so participants can access services appropriate to addressing such barriers – a need difficult to serve under current WPR restrictions.

¹ See Washington State's WorkFirst Subcabinet report: *Resetting Washington's Workfirst for the 21st Century* (January 2011).

- Modernize our service delivery approaches and analytical tools – e.g., use predictive tools to identify at-risk families earlier, understand the impact of low executive functioning, incorporate new findings from brain science telling us that the stresses of inadequate income lead to poor long-term decisions, and tailor services more effectively to low-skilled and under-skilled groups.
- Support assistive technologies for workers with disabilities and other modern technological tools and applications that can let hard-to-serve populations compete more successfully in the workforce.
- Take full advantage of linkage opportunities that arise in other programs, such as the recently reauthorized Child Care and Development Block Grant Act requires partnerships with other sectors to provide coordinated consumer education and information on other economic support programs – efforts that can address challenges more holistically with minimal administrative burdens.

Short of a new accountability structure, there are changes to the WPR that would help better direct energies to the goal of employment and retention, including:

- Recognizing the role of education in employment success by allowing educational and vocational training to count beyond the limit of 30 percent; consider exempting participants successfully participating in designated career pathways programs from WPR.
- Extending the time required to successfully complete substance abuse treatment or mental health counseling to match the realities of the time it takes for some parents to successfully complete.
- Providing appropriate proportional credit to individuals and families for any activity that moves them toward TANF’s goals, for example part-time work, leaving the program due to getting a job, and enrolling in English as a Second Language classes.
- Providing a mechanism for lifting the current 12-week limit for job search during a recession to match the reality of what it takes to get a job during tough economic times.
- Revamping the verification requirements to avoid unnecessary time spent collecting paperwork instead of working directly with families in job search, retention and progression.
- Removing WPR’s incentives to identify as few customers as possible as “work eligible” even when they may be borderline or capable of working limited hours.

Modernizing TANF in these ways is an important step in ensuring that more Americans can attain gainful employment and move their families out of poverty. I would like to cite a few examples from our members that show how these principles can be applied in practice. While these examples are certainly successful, current rules keep them limited in scope and difficult to scale up and maximize their impact.

Utah has improved the state’s ability to connect its TANF customers more effectively to the workforce through two recent initiatives, one that assesses the impacts of intergenerational poverty and a second that strengthens its workforce alignment tools. The state’s new five- and 10-year plan to mitigate intergenerational poverty – in which children remain in the same situation as their parents – helps families overcome those barriers by addressing better health care, child abuse and neglect, language proficiency, and a number of other skills and capacity issues. Utah has found this a complex yet surmountable challenge – one that is beginning to yield results through this coordinated and holistic approach. The state’s workforce alignment initiative, known as the Cluster Acceleration Partnership, brings together education,

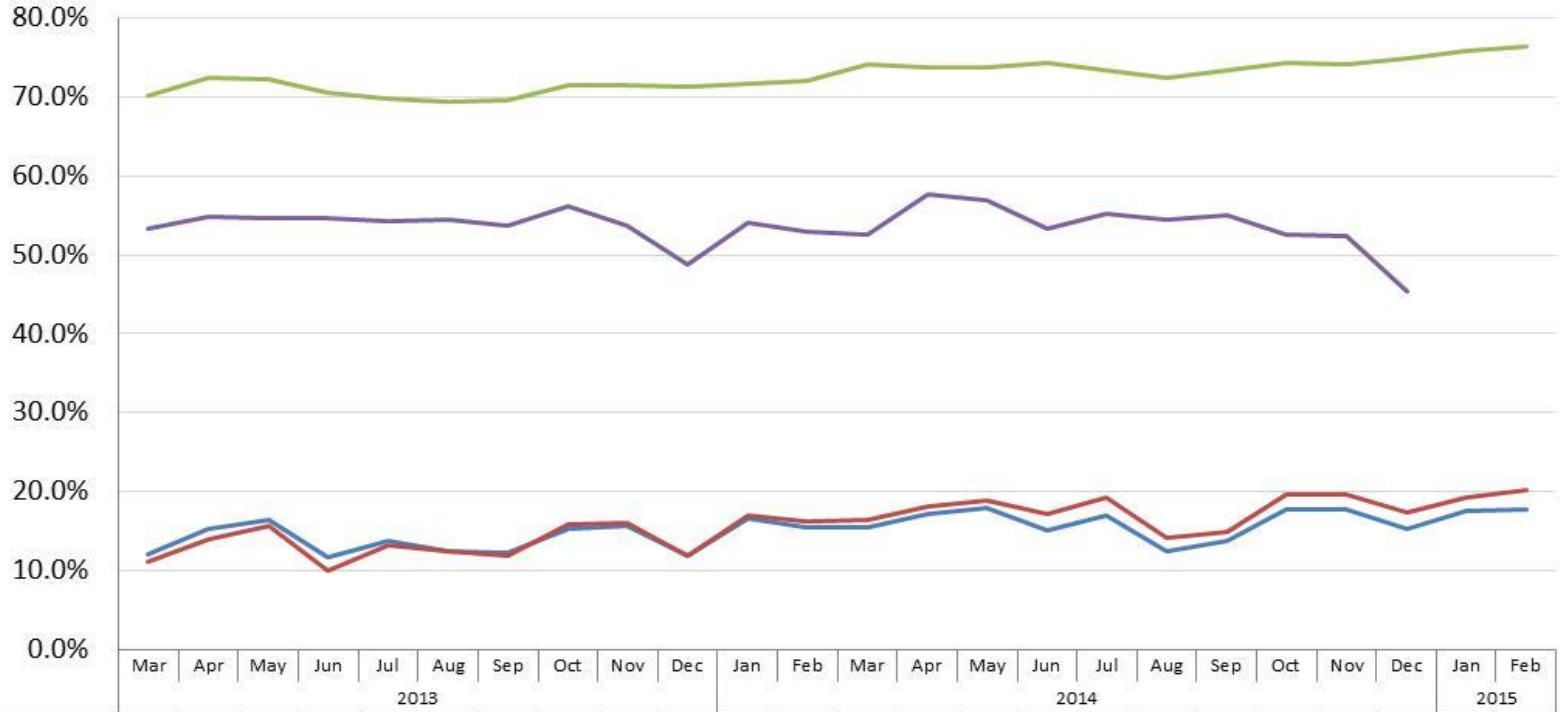
workforce/economic development, and the business community to train students in high-demand skills.

Washington State is using a WorkFirst Engagement index that highlights the differences between engaging in activities designed to eliminate barriers and move people to work, and participating in a narrowly defined set of activities or hours regardless of circumstances. I have attached a recent graphic from the state dramatically illustrating these differences in performance. Washington is also embracing a whole-family (two-generation) approach – focusing on stabilization, family dynamics, and employability – that allows the agency to intervene earlier when barriers are present that will diminish the possibilities of success. If families in crisis are not first stabilized, they will likely have little chance of doing well in the job market and workplace.

While we encourage Congress to take up TANF reauthorization, we strongly urge you to undertake this task as I have outlined here – that is, refashion and modernize the program in the context of broader workforce engagement systems and move beyond technical modifications that do not address the serious concerns our members have raised. APHSA and its members will be glad to work closely with you to develop the details of these proposals.

Mr. Chairman and members of the Subcommittee, thank you again for this opportunity. I look forward to answering any questions you have and to continuing this important dialogue.

Monthly WorkFirst Engagement Index March 2013 - February 2015



	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
	2013											2014											2015	
Non-Exempt Adults Participating in WF Activities	70.1%	72.4%	72.2%	70.6%	69.8%	69.5%	69.6%	71.5%	71.5%	71.4%	71.8%	72.1%	74.1%	73.8%	73.8%	74.4%	73.4%	72.5%	73.4%	74.4%	74.2%	74.9%	75.9%	76.4%
TANF Families Self-sufficiency Exits*	53.4%	54.9%	54.7%	54.7%	54.2%	54.4%	53.8%	56.1%	53.8%	48.7%	54.0%	52.9%	52.5%	57.7%	56.9%	53.4%	55.2%	54.4%	55.0%	52.6%	52.3%	45.4%		
All-Family WPR	12.1%	15.3%	16.4%	11.7%	13.7%	12.5%	12.2%	15.2%	15.6%	11.8%	16.6%	15.4%	15.5%	17.2%	18.0%	15.0%	17.0%	12.5%	13.7%	17.8%	17.7%	15.2%	17.6%	17.7%
Two-Parent WPR	11.1%	14.0%	15.7%	9.9%	13.2%	12.5%	11.9%	15.8%	16.0%	11.8%	17.0%	16.2%	16.4%	18.1%	18.9%	17.1%	19.3%	14.1%	14.9%	19.6%	19.7%	17.3%	19.2%	20.1%

*Self-sufficiency exits are for increased income or at customer request that lasted three or more months. Data for the most recent two months is not yet available due to the three-month time frame.