

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

HEARING
BEFORE THE
SUBCOMMITTEE ON HUMAN RESOURCES
OF THE
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**NEXT STEPS FOR WELFARE REFORM: IDEAS TO IMPROVE TEMPORARY
ASSISTANCE FOR NEEDY FAMILIES TO HELP MORE FAMILIES FIND
WORK
AND ESCAPE POVERTY**

Thursday, April 30, 2015
House of Representatives,
Subcommittee on Human Resources,
Committee on Ways and Means,
Washington, D.C.

The subcommittee met, pursuant to call, at 3:17 p.m., in Room 1100, Longworth House Office Building, Hon. Charles Boustany [chairman of the subcommittee] presiding.

Chairman Boustany. The subcommittee will come to order. I want to thank our witnesses for being here today and thank everyone for coming to today's hearing on how we can improve welfare and help more families and individuals find work and escape poverty.

Before we get into the meat and potatoes of the hearing, I want to welcome -- I see he is not here yet, he is probably on his way over -- I want to welcome the newest member of our subcommittee and the full committee, Congressman Bob Dold. We had a vacancy that arose and Bob was just placed on the full Ways and Means Committee, and yesterday it was decided that he will be a member of this subcommittee. I look forward to working with Bob in the 114th Congress on these important issues. I think he is going to bring a lot of talent as an individual to this subcommittee.

I would also like to take this time to thank Congressman Tom Reed, a member of the full committee, he is leaving this subcommittee and his talents will be missed. He has made many substantive contributions during his time here. Tom, I know, will still be very active on these issues even though he is not directly a part of the subcommittee.

So with all that, let's move on to the business at hand. We know that welfare reforms of the 1990s helped millions of low-income parents go to work, move up the economic ladder. The key was increasing work and work opportunities.

After work-based welfare reform, employment by single mothers who head households most likely to go on welfare rose sharply. That increased work and earnings caused poverty and dependence on welfare checks to fall substantially for key groups. Poverty among African American households with children reached record lows; poverty among female head of households with children remains lower today than before the 1996, despite two recessions.

Now while that story is positive, it is not enough. Recent years have seen troubling trends, especially on whether State welfare programs are doing enough to engage adults in work. For instance, according to HHS, States recorded that in 2011 a full 55 percent of adults on welfare did zero hours of work or other activity while collecting benefit checks. Despite welfare's apparent work requirements, States did so through a grab bag of accounting gimmicks, loopholes and exceptions.

Then in mid 2012, the Obama administration released their unprecedented guidance, suggesting States could waive work requirements altogether. While no States sought waivers, that move sent a clear signal that work requirements don't matter to the administration. Add in the fact that the last comprehensive reauthorization of welfare was in 2006, it is clearly past time for a full review and reauthorization of the critical program.

That is what we are here today to do, to review how we can improve welfare to help more parents find work so their families can escape the trap of poverty, which starts with rejecting the Obama administrations guidance waiving work requirements, it certainly doesn't end there. Other more important bipartisan policies can strengthen the work requirements and improve the program.

For example, the President's budget would prohibit the use of nongovernmental third-party expenditures to meet State maintenance of effort requirements, and includes a provision to ensure that States use these welfare funds for benefits and services to needy families. We should be able to find agreement on that that would strengthen welfare and focus its resource on families who most need the help. We should also reduce marriage penalties, simplify the program administration and pave the way for broader reforms, improving opportunity and upward mobility.

This is about more than abstract policies here in Washington, D.C. And so that is why today, I think, the committee's going to be really benefited greatly by being joined by Sherrie Smoot, who spent years on welfare without getting the kind of help she really needed, how to find, get and keep a job. For example, her example shows what can happen when we actually really do have programs that help people solve problems instead of just dispensing checks year after year. That is the real goal of the hearing today, for more people to succeed like Sherrie.

I look forward to all the testimony and working with members of the both sides of the aisle to do just that. With that, I will be pleased now to turn to the esteemed ranking member of the subcommittee, Mr. Doggett, for the purposes of an opening statement.

Mr. Doggett. Thank you, Mr. Chairman and thanks to each of our witnesses for coming, I look forward to hearing the diverse testimony that each of you have to offer. I think that we saw in 1996 an opportunity to change welfare, move welfare to work. I joined in that effort by supporting the reform that occurred then. We had significant early promise from the program, but I think that promise has slowed, and that we have allowed spending to be directed away from help to people to go to work. The TANF funds have not kept pace with inflation, they have prevented the small amount of financial assistance that we give to families from providing any real support. We called on the States to do more to incentivize work, but, in some cases, Federal TANF monies have been little more than a slush fund for State to use for whatever social service purpose they wanted where they were spending money and simply replace it with Federal dollars and shift that to something else.

We see the share of TANF funds that are spent on promoting work accordingly from the States has declined over time. As Dr. Donna Pavetti says in her written testimony, the States are now using only about 8 percent of their TANF funds for work activity. Perhaps even more troubling, TANF's current provisions designed to encourage work are short-sighted. The participation requirements measures the amount of time that an individual spends in Federally defined work activities rather on how many welfare recipients are able to find and maintain a job.

There I think we do have a bipartisan part, that finding and retaining job at a livable wage is the best path out of poverty and the objective for which we should be striving. This troubling focus is reflected in the fact that the amount of people on TANF, who may participate in vocational education is capped, and the amount of time a person can spend learning an in-demand job skill is limited.

How can we expect struggling parents to find long-term work to help them avoid needing assistance in the future when we so severely restrict training opportunities? A recent report from the Government Accountability Office described how the current system quote, discourages States, and quote, lacks incentives to foster broader adoption of promising approaches to help those on TANF find long-term work.

As Utah's Republican Governor Gary Herbert explained in 2012 to our committee, TANF participation requirements do not lead to meaningful employment outcomes. Officials in Kentucky have even explained that some of the current limitations are adding to the overall program cost.

In just my own State of Texas, we have seen outside of welfare-to-work dollars how programs like Project QUEST in San Antonio and Capital IDEA in Austin partner with community colleges and local businesses to successfully train low-income individuals for living wage jobs that are in high demand in our communities. Allowing the States the use of such programs will put more people into careers they can use to climb the economic ladder. I was particularly interested in State Secretary Eloise Anderson's written testimony concerning the importance of strengthening the ability of States to use

these type of education programs and double the amount of time those on TANF can participate in them. I look forward to hearing other proposals from our witnesses.

We, as you know, have September 30 approaching, an opportunity to focus on work, not on peripheral issues, not on shaming the poor, but on work and ways to encourage that work in these livable wage jobs.

Mr. Chairman, I look forward to our work together toward that deadline in finding meaningful changes in TANF and renewing it at acceptable level. I yield back, and thank you.

Chairman Boustany. I thank the gentleman. I think there is going to be a lot of common ground to actually spread this program. I appreciate the gentleman's statement.

Without objection, each member will have the opportunity to submit a written statement and have it included in the record. I want it remind our witnesses as we go forward with your oral statements, we are going to go 5 minutes. We have your written testimony. We have been able to review it. Try to keep your comments to 5 minutes as is customary here so we can get through the hearing in a timely way and leave plenty of time for questions.

We have a very distinguished panel today. This is going to be a very good hearing, a very informative hearing. First we will hear from Peter Cove, founder of America Works. Next we are going to hear very compelling testimony from Sherrie Smoot, former America Works client, who is going to give us some real-life experience in working through these programs.

Next Eloise Anderson, no stranger to the subcommittee, and co-chair of the Secretaries Innovation Group and Secretary of Wisconsin Department of Children and Families. Then we will here from a Heather Reynolds, president and CEO of Catholic Charities Fort Worth. Tracy Wareing, executive director, American Public Human Services Association, and then last and certainly not least, LaDonna Pavetti, vice president for Family Income Support Policy, Center on Budget and Policy Priorities.

I want to thank you all for being here. You bring tremendous expertise to this hearing and we will start with Mr. Cove. So thank you for being here and please proceed with your testimony.

STATEMENT OF PETER COVE, FOUNDER, AMERICA WORKS

Mr. Cove. Chairman Boustany, good afternoon. My name is Peter Cove and I am the founder of America Works of New York. Before I begin, I would like to thank House Ways and Means Chairman Paul Ryan, Human Resources Subcommittee Chairman Charles Boustany, and the rest of the committee members for allowing me to speak today.

America Works was founded in 1984 to help welfare recipients to get jobs. It was the first for-profit company dedicated to this effort. There are four principles which we are passionate about. First, people on welfare can and want to go to work. Prior to welfare reform, the assumption was that people needed to stay home or they couldn't go to work.

Second, work combined with on-the-job-training curriculum designed by employers, not training in isolation, is central to that effort. For far too many years, welfare recipients were sent to training programs that never led to employment.

Third, companies should be paid for performance. Only when a person gets and keeps a job should a vendor be paid.

Fourth, getting a job is easy, but keeping the job is hard. So we developed retention services for the first 6 months to provide counseling, on-the-job coaching, interventions to navigate workplace issues, and attach workers to a host of financial incentives. In the 1980s, we ran modest-sized programs around the country with our program design, and they attract the media and the interest of politicians. Newt Gingrich was an early supporter, as the Democratic Leadership Council, the DLC, which was headed by Bill Clinton, among many others.

America Works was involved in providing information to both the House and White House during the implementation of the 1996 TANF law. Once the law passed in 1996, America Works expanded its services in a number of States around the country. During the first 10 years, there was a great deal of experimentation with different service models, but always with a primary focus on employment and not abstract training unrelated to jobs.

In 2006, when the bill was reauthorized, the focus of each of the contracts was directed towards participation rates. This will be part of the presentation as I go on. Since the start of America Works 31 years ago, we have placed over 500,000 people in jobs. We have expanded the services we provide to other populations, including ex-offenders, veterans, the homeless, and people with disabilities.

I would like to address seven areas in which I believe TANF needs to be strengthened. First, although the law directs the local governments to have 50 percent of their caseload looking for work, most do not. States have elaborate ways of reporting the data so that far few able-bodied people are actually participating. This is accomplished by moving recipients in and out of the denominator that determines the 50 percent rate, in some cases into separate State programs not subject to Federal requirements. In addition, there are reductions in participation requirements based upon caseload reductions and State spending on the population beyond the expected maintenance of work level.

Second, despite the law, which directs localities to limit welfare to five years, many places do not do that.

Third, very few cases are ever sanctioned. A history of granting good cause waivers, conciliation and appeal hearings has led to welfare departments retaining a culture of not aggressively using the sanction process as it was intended.

Fourth, every State has a pool of people who are exempted from participation for medical reasons. However, since all that is required is a doctor's note, some of these cases are not legitimate.

Fifth, in a related issue, there are many TANF recipients whom States would like to remove from their rolls, and instead place in SSI and SSDI. Again, this is appropriate for those who clearly cannot work, but inappropriate for many others.

Sixth, there is an increasing number of programs at the Federal, State and government levels which are being contracted out only to not-for-profits. As we have seen in New York City, the most effective jobs programs are those run by the for-profit industry. We see no reason that for-profit companies should be excluded from participating, there is no reason.

Seventh, and the final point, has to do with work verification procedures that are made unduly complicated in the 2005 reauthorization. Here I believe there is the law of unintended consequences. The intent was to close the loophole where States allowing people to do these kinds of non-work related activities. The effect on the ground is a tremendous amount of administrative paperwork on contractors such as America Works, and this really takes away from the program activities.

I want to just add one other comment, and I want to reiterate something I said before. People talk about best practices in welfare reform. To me there is only one, and that is government should only be paying those who are responsible for getting people jobs, if they get people jobs. They shouldn't be paying them for their program, they shouldn't be paying them for their staff, they should be paying them for them getting them jobs and keeping them in jobs. We pioneered that back about 30 years ago. I have to tell you, it still is difficult to get governments to agree to that. Thank you very much, Mr. Chairman.

Chairman Boustany. Now we will hear from Ms. Smoot. And I want to say we are very, very happy that you are able to be with us today and to share your personal story. It always takes quite a bit of courage to do that publicly, so we deeply appreciate it, because it will be very informative to us in this discussion, and also in how we proceed going forward. So with all that, Ms. Smoot, please proceed and we would love to hear your testimony.

STATEMENT OF SHERRIE SMOOT, FORMER AMERICA WORKS CLIENT

Ms. Smoot. Thank you for allowing me the opportunity to testify before you today. My name is Sherrie Smoot, and I am grateful to share my story, a story that shows what perseverance and support can do for someone receiving public assistance.

My mother, brothers and I had moved a bit when I was young. I went from Washington, D.C. to New York and returned to Washington, D.C. for good when I was around 12 years old. My mother did not have my transcripts upon our return to Washington, D.C., so I was sent to Woodland Job Corps Center program. I was in Woodland Job Corps Center for 2 years and was doing really well in my business and clerical course work. Soon afterward, I graduated from Woodland Job Corps Center with certificates in the trades I had studied.

When I returned to the district, I had nowhere to go and was staying house to house. My brother and his girlfriend took me in. I was trying to find work, but no one would hire me. I knew nothing about writing resumes, cover letters or thank you letters. I did not have enough money or enough experience to be seen as qualified. A few months later I became pregnant with my daughter, Danniele Lee. I tried to get public assistance but was turned away. They said I had to be 6 months pregnant, so my brother's girlfriend, she took care of me. After 6 months, I started receiving public assistance. After becoming pregnant with my second child Frank Lee, Jr., the children's father and I separated.

After I had my son, I had to join a jobs program at a local nonprofit. I gained computer skills and earned certificates. Soon after, I earned a temporary position working with Douglas Resources, Incorporated.

I was not successful in retaining positions due to health and personal concerns. I was mandated to another program where I was able to obtain my GED and gain additional work experience with some temporary and contract positions. Two years later, I went to the University of the District of Columbia after receiving aid from TAPIT program. I have since received my bachelors of computer information system science. Around a year and a half later, I earned my first IT temporary job working for Corestaff at the Advisory Board Company.

When that contract ended, I was sent another letter to join a workforce program. I picked America Works of Washington, D.C., there I learned how to write cover letters, build resumes, and build self-confidence, and how to prepare for interviews. I also had the opportunity to build my own resume by participating in a work experience assignment with the District's Department of Human Resources. While at America Works, I was also warmly referred to the program recruiter at the Veterans Group. Although not a veteran, I was invited to attend the Veterans Group and took up ComeTIA+ Security+, Network+, CCNA, CCENT, Microsoft Windows Server and MCTS classes in which I graduated with a security administration and network administration completion certificate, and as a Microsoft certified technology specialist.

I now work with Teksystems at the Environmental Protection Agency as a call center central analyst. My daughter is in college aiming to be a United States Marshal; my

oldest son is graduating from high school this year, and going to college aiming to be an FBI agent. And my youngest son is in junior high school. My TANF case has been successfully closed since 2014.

Honestly speaking, America Works is a program that has the best staff, and they make you achieve when you think you can't. They taught me how to express myself and how to have confidence and now the road that I am on has inspired me to shoot for the stars. Thank you for allowing me this opportunity. I look forward to any questions.

Chairman Boustany. Thank you very much.

Ms. Smoot. You are welcome.

Chairman Boustany. Ms. Anderson, you may proceed now.

STATEMENT OF ELOISE ANDERSON, CO-CHAIR, SECRETARIES' INNOVATION GROUP, SECRETARY, WISCONSIN DEPARTMENT OF CHILDREN AND FAMILIES

Ms. Anderson. Chairman and ranking member, thank you for the invitation. As you know by my testimony, that I am Secretary of the Department of Children and Families for the State of Wisconsin, and I am also the chairperson for the Secretaries' Innovation Group.

I want to talk about TANF, Temporary Assistance for Needy Families. I believe TANF was intended to engage parents in work and job preparation activities to promote family self-sufficiency and reduce long-term dependence on welfare.

The WPR, which is the Workforce Participation Rate was established as a performance measure to ensure States' programs reflected full engagement in helping parents enter the workforce. We support the accountability message surrounding the WPR, and believe that the focus on work must be maintained to encourage family stability through employment. Participation requirements, as currently structured, must be revised to ensure that the standards align with the ultimate goal of TANF programs moving recipients from welfare to work.

The issues. In its current state, work participation rate is entirely process-driven in that its rate measures the number of families in the State TANF caseload participating in assigned work and work-related activities for a required number of hours. There is currently no outcome-based performance measure. I want to go back over there, there is currently no outcome-based performance measures established to evaluate success and increasing the employment of low-income families.

Rule changes surrounding TANF in the Deficit Reduction Act of 2005 greatly restricted the autonomy necessary for operating TANF programs to fit individual needs of States. I

think it is very different for a centralized government to understand how all the States need to perform.

Recommendations that we are putting on the table is to revise the work participation rate to support employment outcomes. Our recommendations are from revising and enhancing the work participation rate where we derive from our experience with pay-for-performance contracts. In Wisconsin, we have all our operators who we contract with are on a pay-for-performance system. I think that is the way the TANF program needs to go overall.

We believe that we should be funding job attainment, job retention and wages. We believe that the system should reward employment outcomes and allow for our programs to help participants achieve long-term financial independence, and also provide information about which services and opportunities are most effective in achieving those goals.

So, if you really support job attainment, job retention, and job wages and allow States to be able to freely figure out how to do that, we will learn a lot more than you guys directing all the traffic.

Three general categories that I want you to think about, is restore the enhanced areas of the State flexibility that were generally undermining the DRA; maintain a focus on work and balance, the individual activities and that there needs to be that balance for able-bodied employment, and to support long-term job retention; and three, enhance the workforce participation rate by developing additional performance measures, all focused on work, retaining work, and keeping work for a long term, with particular emphasis to those related to employment outcomes.

We believe that if we take our focus from the process focus to really to look at the outcomes of who is getting a job and how long they are staying on a job, and for long-term people we will have a better outcome across the Nation. My conclusion is, implementing changes to increase the focus on employment, job retention and higher wages through continued skill development and consistent with the overarching goals of TANF, we believe it is vital that the provisions surrounding Workforce Participation Rates enhanced and expand performance measures to employment outcomes and allow States greater flexibility in creating programs approaches that best fit the individual States needs as well as the individual participants' need, and provide an opportunity to demonstrate what approaches are most effective, and consider using the contingency fund the way you use title 4(d) as an incentive for outcomes. We believe that what we do in 4(d), which is the child support program, that what we do in there really forces States who want to compete with each other in outcomes, but it also creates -- it rewards the outcomes. So I would like you to look at the 4(d) model as a way to use a contingency fund if we go forward with that.

Thank you.

Chairman Boustany. I thank you. Ms. Reynolds you may proceed.

STATEMENT OF HEATHER REYNOLDS, PRESIDENT AND CEO, CATHOLIC CHARITIES FORT WORTH

Ms. Reynolds. Chairman Boustany, Ranking Member Doggett, and members of the Subcommittee on Human Resources, thank you for the opportunity to speak with you today. My name is Heather Reynolds, and I am CEO of Catholic Charities Diocese of Fort Worth. Over 100,000 people come to our organization every year for help. Three hundred eighty-four employees are back at Catholic Charities Fort Worth right now working to move clients out of poverty.

Our team knows that individualized, holistic case management is the critical element in moving someone from a place of dependence on government or charity to a place of self-sufficiency. Many government programs intended to help people out of poverty only meet basic needs, but never give what is truly needed to be self-sufficient. Simply put, it is my belief that pouring more money into TANF just doesn't make sense. Using existing funds in a smarter, better way does.

As a businesswoman, running a \$30 million agency, I would never simply add more resources to an already well-funded, yet failing system or service. More money is not the answer. In the case of TANF, overhaul is. I have three suggestions for reforming this program. First, allowing funding at both the Federal and State levels to be flexible enough to allow us to pair assistance with intensive case management and other services.

If TANF was structured more like some of our refugee programs, would it also mirror their success? The Federal voluntary agency matching grant program for refugees, which we participate in in Fort Worth is a successful, federally-funded, anti-poverty program in the United States. More than 80 percent of our refugee clients are completely self-sufficient after 6 months. It is extremely rare for any of our refugee clients to even access TANF because they usually don't qualify since they entered the workforce.

Second, we need individualization. State TANF laws and policies need to be more flexible so this benefit can be used in a way that will help individual families the most. For example, TANF clients enrolled in our workforce program receive vouchers that they could use for child care while they attended employment-related classes or apply for jobs, but these vouchers can only be used at certain child care centers. The centers often have wait lists, are over an hour away, or are not near a bus stop. The inflexibility of this benefit makes it extremely difficult for clients to actually access the help that these vouchers are supposed to provide.

The current Texas TANF structure requires them to follow a prescribed program that may not meet their needs or help them make any progress along the path of self-sufficiency. By failing to customize benefits to individual needs, something that is intended to help, can actually become a barrier to getting families out of poverty.

Third, rather than abruptly ending once a client starts working, TANF's benefits should be gradually reduced to offer continued support until a person can reach a living wage. By actually raising the income limit for applicants TANF, can supply supplemental support while the client is working, helping them get completely out of poverty, and eliminating the need for them to access government benefits again in the future.

The end goal of TANF and other welfare programs should be supporting people to secure living wage work so they can live healthy, self-sufficient, fulfilling lives. Simply helping them survive is not enough.

Gallup recently released study findings related to managing human capital in the workforce. Gallup found that developing the already innate strengths of individual employees leads to an exponentially more employee potential. Gallup found that when employees know and use their strengths, they are far more productive and their performance is spectacular.

If government assistance can be structured in a similar way, shifting from a complicated set of criterion processes in order to attempt to fix people, to allow for case management systems that would support them using their own strengths, what is right with them, what would be the result? I think it would be more people successfully employed, leaving behind reliance on government, welfare, or charitable assistance forever.

We often say in Fort Worth that we hope to put ourselves out of business. Making TANF more flexible, individualized, and responsive would be a step in the right direction of.

It is not okay for the greatest Nation on Earth to allow 46 million men, women and children struggle in poverty day after day and year after year. It is an affront to the values that Americans everywhere hold dear. As children reciting the Pledge of Allegiance, we learn of the ideal America, "One Nation under God, with liberty and justice for all." We must do better. To accept the status quo would be to turn our backs on millions of Americans seeking self-sufficiency and the pursuit of happiness. Thank you.

Chairman Boustany. Thank you very much, Ms. Reynolds. Ms. Wareing you may proceed.

STATEMENT OF TRACY WAREING, EXECUTIVE DIRECTOR, AMERICAN PUBLIC HUMAN SERVICES ASSOCIATION

Ms. Wareing. Good afternoon, Mr. Chairman and members of the subcommittee. I am Tracy Wareing Evans, executive director of the American Public Human Services Association. We appreciate the opportunity to share insight from governor-appointed service leaders, like Eloise, as well as many local agency directors that we represent at

APHSA, and how we can more effectively connect Americans to the workforce and to a sustainable career path.

Mr. Chairman, your description for today's hearing expresses this subcommittee's intention to examine ways to make the Federal welfare program more efficiently and effectively as a hand-up from poverty, not a handout. We, too, are interested in what evidence tells us actually works and how public investments can return real and lasting value.

We urge the subcommittee to look beyond TANF. As laid out in our member's pathway agenda, success in the marketplace is a function of not just TANF and other human service programs, but a wide segment of the broader community, including education and training, employers, nonprofit groups and other government agencies.

My remarks about TANF today are provided within this broader context. While our members do recommend some changes in TANF's details, and we have noted those in my written statement, and I think you have heard them from the panelists today, our overarching concerns are with the full workforce engagement system, and how its components must work better together to make real progress. We must support changes in that human services system that more effectively deliver what we call engagement that matters, ultimately getting parents into sustainable jobs with wage progression and advance in opportunities.

At its core, TANF was designed to help low-income parents build a pathway out of poverty and toward economic security for their family, while assuring the safety and well-being of their children. Our members believe that TANF participants who can move directly into jobs should have the opportunity to do so. But our members also know that most TANF participants are families in crisis and face various obstacles that require targeted and appropriate support to become work-ready, get a job with a family-supporting wage, and stay in the workforce over time.

Indeed, their very presence on the TANF caseload typically means that faster and more direct routes to sustain employment haven't worked for them. States such as Utah using a variety of strategies to better engage families through intergenerational approaches, as well as alliances with a business and education community that trains students in high demand skills. A compelling example of what we mean by engagement that matters is occurring in Washington State. There they began with a focus on stabilizing families in crisis by identifying what is causing the instability.

Employment counselors look at what is happening with the family, and they ask questions about their strengths and their challenges. They ask how are your kids doing in school? Are you caring for an elderly parent? Do you have a child with special needs? Is there a substance abuse or mental health condition in the home? Once stabilized and the family dynamic is understood, the assessment evaluates work-readiness through educational levels and work history.

This extended look at what is happening with a family allows for engagement that matters, leading to better-informed interventions and early attention to barriers that might otherwise result in parents failing to secure a job or to achieve the economic security that we desire for them.

Let me be clear, engagement is not about ignoring sanctions or extending time limits, these remain important motivators, it is about getting to the core issues sooner and eliminating the barriers, and help assure long-term success and prevent families from recycling on and off the rolls.

I think it is fair to say that our members are disappointed that TANF has now, for a decade, been subjected to an accountability scheme that tracks participation metrics, that don't use actual paid employment or independence from government support as its outcome measures.

The work participation rate is extremely complicated. As a result, the system directs energy to process and paperwork, but tells us little about whether participants are truly moving towards greater self sufficiency. States are hamstrung by arbitrary limits to prevent many in the caseload who come with a wide variety of existing skill levels from receiving the tailored service that you just heard about from Heather that are aimed at getting them into long-term employment.

So exactly how should we move forward? States are encouraged by the opportunities that the workforce investment and opportunity act is offering them and urge more aggressive approach. We should give States the ability to opt into performance measurements based on actual employment, retention, and advancements, as well as the measures of the child's well-being, rather than the current process-focused activities of the WPR.

We should examine additional ways to blend and brave funding from multiple sources in the workforce system, and you might want to look at the disconnect youth partnership pilots that were recently enacted that work across existing resources, not new resources, across HHS, education, and labor.

In conclusion, we really that we have to spend more time talking about what is actually going to work as a career pathway to serve individuals with those more complex needs and we look forward to working with

Chairman Boustany. Thank you very much, Ms. Wareing. Ms. Pavetti, you may proceed.

STATEMENT OF LADONNA PAVETTI, VICE PRESIDENT FOR FAMILY INCOME SUPPORT POLICY, CENTER ON BUDGET AND POLICY PRIORITIES

Ms. Pavetti. Thank you for the opportunity to testify today. I am LaDonna Pavetti, I am vice president for Family Income Support at the Center on Budget and Policy Priorities. I have spent most of my career studying TANF programs and working in States to help improve them. In my testimony today, I am going to first provide five key facts that demonstrate how little TANF does to help families find work and escape poverty, then I will suggest policy changes to improve the program.

First the facts. Number one, TANF provides cash assistance to very few needy families. When TANF was enacted, 68 families received assistance for every 100 families in poverty. That number has since fallen to just 26 families for every 100 families. And in 10 States, fewer than 10 families receive cash assistance for every 100 families in poverty.

Fact number two: TANF lifts many fewer children out of deep poverty than AFDC did. The share of children living deep poverty has increased since welfare reform was implemented and research suggests that the loss of TANF benefits has contributed to that growth.

Fact number three: States spend little of their TANF funds to help improve recipient's employability. One of key ideas behind block granting TANF was that if States had more flexibility, they could use the funds previously used for cash grants to help recipients find jobs, and to cover the cost of work supports like child care. However, this is not what States did. In 2013 States spent only 8 percent of their TANF funds on work activities, and only 16 percent on child care.

Number four: Most of TANF's early employment gains have since been lost. Employment among never-married mothers with limited education peaked in 2000, 14 years ago and has fallen considerably since then. Since 2000, never-married mothers have been just as likely to work as comparable single women without kids.

Fact number four: The successive work program is vastly overstated. Studies completed in welfare reform's early years are often used to tout the success of programs that encourage recipients to get a job quickly rather than taking the time to increase their skills so they can get a better job. The problem is is that the studies are decades old and they did not lead to steady employment for most participants. In one of the programs deemed most successful, only 38 percent of the participants were employed steadily. More recent rigorous studies demonstrate the training is if effective. Evaluations of at least three different training programs show that earnings increased by 27 to 32 percent in the second year after participants commenced.

Now I would like to turn to a discussion of how to make TANF a better program. In developing my recommendations, I considered two questions: First, what do we want States to do that they are not doing now? And second, what changes would encourage them to move in that direction? My answer to the first question is that we want States to provide assistance to families in need and we want them to support multiple pathways to

work that take into account individual strengths and limitations, and not just focus on meeting work rate.

So what changes could Congress make that would help move States in this direction? I will focus on four recommendations here and have additional recommendations that echo many of the recommendations of my colleagues on the panel on my written testimony.

First, require greater investments in work activities. If States don't speed more on work activities, it is hard to see how we will improve TANF work programs. All States could be required to spend a specified portion of their TANF dollars on work activities. And rather than paying penalties, States that do not meet performance measures could be required to invest additional funds from work activities.

Second, establish a demonstration project that encourages State experimentation. This demonstration could build on the bipartisan demonstration project that Congress created to encourage States to do the same thing with SNAP recipients.

Third, redesign the TANF contingency fund to focus on subsidized employment and training. Recent recession exposed serious flaws in the design of the contingency fund, which is unnecessarily complicated and poorly targeted to achieve its purpose. It is one of the funds we could use to actually do something better.

And fourth, identify ways to integrate TANF work programs into the broader workforce system. Last year Congress passed bipartisan workforce legislation that emphasized coordination, training participants for today's labor market, and serving those in need. Those same principles should be applied to TANF so that the two systems are in sync with one another.

Finally, I think it is important to keep in mind that TANF is part of a larger safety net that plays a critical role in supporting families when they go to work. Success in TANF will require that those supports in place. We have learned a lot over the last 18 years about what does and doesn't work in TANF. We should use that knowledge to create a more effective system that will build parents' capabilities and will provide a brighter future for our children with a future of kids that are served by TANF and hopefully for those who are not served by TANF now, but should be. Thank you.

Chairman Boustany. Thank you very much, Ms. Pavetti. We will now move to questions. I will begin here.

Ms. Smoot, first I want to start with an apology to you. You should not have had to wait all the years to get the kind of help you needed that you really needed. We have got to do a better job of aligning these programs, holding them responsible for actually helping people like yourself and others who are caught in this trap. And you deserve that, your kids deserve it, the taxpayers deserve to get value for what they are providing to help

needy individuals. This is about individual lives trapped in a cycle of poverty. And we are just moving along at the same pace.

I think all of you in your testimony have put this out there about very important things that we could consider to reform the program. My background I was a physician, so I dealt with individuals. And I like the idea of casework and individual approaches, the flexibility, take advantage of the potential. Each individual brings to the table, help them find their path, but put them on a path to growth. I think this is critical.

So Ms. Smoot, you spent 2 years in Job Corps, got a GED, and finally obtained a college degree all without being able to successfully land a stable job. During much of that time you were able to collect the benefits. Is that correct?

Ms. Smoot. Yes.

Chairman Boustany. So what do you think about the TANF program, as well as the other programs that you dealt with? What could we do to get more help, substantive help quickly to you and others who are in similar situations to get you back to working and supporting your family and achieving your dreams.

Ms. Smoot. Well, going to America Works, that really helped me. Going to the Veterans' Group, that really helped me. It is all about getting either certifications for something you want to do or getting the education for something you want to do. I mean, I done seen girls go -- well, some people go to programs and they go out there and they get jobs working at the Safeway, or Payless, or something making less than \$9 or \$10 an hour. Now personally, getting off of public assistance, it is going to take you maybe \$15, \$16 an hour. The money -- if you sit with \$10 an hour on PA, you are not going to get off that way, not unless you are working two or three jobs.

So I would say if somebody wanted to get off, they would have to find a position making that type of money or more. And I mean that is just right for me, because the position I have now is paying just about that much or more and I am hoping not to ever leave that position, but I like what I am doing. And I am hoping that whoever tries to get off likes what they are doing, because if you don't love your job, it is not a job to you. And what I am doing now, it is not only my job, the people I am around are my family, you can say. So I mean that -- it is -- it is nice.

Chairman Boustany. So when you first got started and you were told, okay, you have to find work and -- tell me a little bit more about, did the people trying to help you? Did they actually say, well, what did you want to do? What do you picture yourself doing? How can we help you get there? Did they give you options, you know, on a way to grow into a career rather than simply take a job at a convenience store or something like that to get minimum wage or slightly above minimum wage?

Ms. Smoot. No, the only ones that really helped me was America Works, and that is why today I am where I want to be. Back then, I mean, I got my certificates, but I didn't have

the training. I mean, I walked into an interview and she looked at my resume and said, you have never had a job. No, I had training, I had education, but I didn't have experience.

So the minute I got home I got the phone call saying I wasn't qualified. And that really hurt me to my heart not having the experience and then no one wanted to train me. And now, look. I got the experience, I had got the certifications, and I have my position that I really want doing something I love.

Chairman Boustany. It is a testament to your spirit that you just kept going through all that.

Ms. Smoot. Yes.

Chairman Boustany. Ms. Anderson, do you want to comment on what you just heard? This is quite a remarkable story.

Ms. Anderson. Well, I have been in this business too long. One of the things I learned early is that we tend not to line our programs up with people's interests, and we tend not to line our programs up with people's aptitudes. And we put people in jobs that they have no interest in, that they cannot see a future in, and they collapse and they don't stay.

One of the things I think that I learned early and we are trying to put in our programs is that people need to be in a job that they enjoy and that they can see a future. If they don't see a future, they are not staying in that job, they are not giving everything they have. Now, I am an employer, and I tell my employees all the time, I want you to love what you are doing, because if you love what you are doing, you will give me everything you have got. Why would I think different for people we have in our programs? And so the disconnect for me is that we say, I am going to put you in any job, and I believe that is the wrong move to make.

The other thing that we try to do is that if we look at the requirement on 12 months of training in Wisconsin, I can't get a person a good job with that simply because our jobs are manufacturing and high skills, and it takes 2 years.

Chairman Boustany. Two years, yeah.

Ms. Anderson. So 2 years I can get you an associate degree. You can become a machinist, you can become a carpenter. There are all kind of skilled jobs that I can get you in 2 years that are high-paying jobs. In 12 months, I can hardly get you anything. And we have got jobs in Wisconsin that are going open because we can't get skills to fill them. So what she said is what we are experiencing in our programs.

Chairman Boustany. Yeah, we don't want a program that takes somebody trapped in a hopeless situation and moves them into a trap of just despair. You can either put them -- you know, hopefully have programs that help them achieve some growth and a

career track, something they can embrace as their own, be proud of, and to advance their own --

Ms. Anderson. I think what she also said is something that is subtle, her children are following her.

Chairman Boustany. I know. I was getting ready to make that point. That is a very important point --

Ms. Anderson. Successful.

Chairman Boustany. Because we have seen too many families now where you have multiple generations who get caught in the same trap. And so you have now, Sherrie, allowed your children to see a path and if you have a tremendous hope to achieving the American Dream.

Chairman Boustany. Thank you. I now yield to Mr. Doggett.

Mr. Doggett. Mr. Chairman, I think, you made some good points, and it doesn't help to get someone out of one dead end and into another. Secretary Anderson, I think you just made that point as well.

Ms. Smoot, you were saying that really, to get by, you have to get up to the \$15-, \$16-, \$17-an-hour level, depending on where you are in the country to get what is considered to be not just a wage, but a liveable wage, right?

Ms. Smoot. Yes.

Mr. Doggett. And there is no way you could get by on a minimum wage job, is there?

Ms. Smoot. No.

Mr. Doggett. It won't keep food on the table and won't pay the rent. So often these programs seemed aimed at just getting somebody -- just the numbers, just getting somebody into a temporary position. One of those jobs that you said might be at Payless or might be at Safeway sacking groceries, nothing dishonorable about that, but usually not a way that you can afford to keep paying the Safeway bill and the rent bill.

I was impressed by though you came at it different ways and I know there is not total consensus on this, but that each member of our panel from the different perspectives you bring all seem to be saying that our current TANF work participation rules, our requirement is flawed. I guess I would just begin with Dr. Pavetti and go across to each of you and ask you if you do agree that we need to modify the TANF work requirement to make it more focused on results and not just on a process? And should the bottom line performance measure be the number of TANF recipients who find and maintain a good job and how might that requirement be more adequately stated?

Ms. Pavetti. I definitely think we should be focusing on --

Chairman Boustany. Turn on your mike.

Ms. Pavetti. I definitely think we should be focusing more on results than on process. I think that what we need to think about is, one of the things that I think is important is there is a difference between work requirements and imposing work requirements on individuals, and the work participation rate. And I have been in enough States that I don't think any State would move away from actually expecting people to either be in work or to be in training or to do something. I think that is very much a part of our culture. But I think what we measure needs to be what happens when people participate in that.

I think we really need to look at the workforce system so that we have a blending across and we are not treating TANF recipients differently than we are treating everybody else. And so I think there is a need on the work requirements themselves, the activities, to make those simpler and also to look at exactly the measures that you indicated to come up with a better system.

Mr. Doggett. Thank you. Ms. Wareing?

Ms. Wareing. Yeah, I would echo what LaDonna has said. I that there -- you have got to talk about have you been employed, have you an opportunity -- are you retained in that employment? There has got to be some period of time where you continue to stay with a family, and what does your wage progression look like? I think it is interesting, I heard from one State that is looking at with a SNAP employment in training dollars, one of the States that was awarded those extra dollars from last year. They are looking at whether or not they can take families who actually transition off of cash assistance because they are employed, but following them because oftentimes they remain for a period of time receiving SNAP assistance.

So they are employed, receiving SNAP assistance and can they receive that continued case management that is so important to progressing through the job career pathway, could we tie that in? I think that is a fascinating idea, and one we have to watch closely as Washington is doing that.

Chairman Boustany. Ms. Reynolds.

Ms. Reynolds. Great. Thank you for your question. I think accountability is key, and I agree with my colleagues that the end result needs to be focused on not the process. You know, so many programs that are aimed at combating social issues, infant mortality, financial success for families, they really measure indicators, you know. Instead of measuring how much we are reducing infant mortality, we just measure if somebody has a medical home and stop there, we say we want to get someone to a financially successful place and then we just measure if they have reduced their debt by 10 percent, which, if you have got \$10,000 worth of debt and you reduce it to \$9,000, that is good, but you have still got a long way to go so --

What I would encourage is outcome measures, really, what is the impact we want to have would be four things: First getting people into jobs, I think it is really important to get people working. The second would be retention, keeping those jobs because it is one thing like one of our colleagues, Sherrie, to get a job, it is a different thing to keep a job. The second though, and this is where case management can come in, is to build skills. We know those with more education, I am not talking 4-year degrees even, I am talking certificate programs, vocation programs, we know they are less likely to be in poverty. So help people build skills and then eventually getting people to a living wage job. And I believe that those accountability metrics as good case management supporting families during those steps would be great.

Mr. Doggett. Great. And I want to say as well I worked with Catholic Charities in San Antonio, they provided such important leadership on the needs of our immigrants, and the concern that many immigrant families, of course, we have many immigrant families that have American citizen children and other family members, and the work that I am sure you are doing in Tarrant County as well with our immigrant families is really important.

Ms. Reynolds. Thank you.

Mr. Doggett. Secretary Anderson?

Ms. Anderson. Well, I am going to take a slightly different turn, I think we should quit treating two-parent families differently than we treat single-parent families, and we do that a lot in this program. We have done that for at least 40 years. And I think the outcome of that is that we have more single-parent families than we do two-parent families. And a way in which we do that is around our work participation rating for single-parent families. So we should do all families the same, and eliminate the difference between the two-parent families. I think that would help.

I think the other thing that would be important is at least within our caseload, we are people who are ready to work, they just need skills. We also have people who have barriers, and those barriers are real important. And I think for those we need to figure out a way for our system to be incentivized to move people with long-term issues into the workplace, and that will be structurally different than people who we can send to a vocational education program. I think we have to come to grips, we have some families that the low-skill jobs are where they are going to be for long term.

Mr. Doggett. Thank you.

Mr. Cove.

Mr. Cove. I just want to caution against us moving back toward the human capital approach for getting people jobs. Obviously it differs from individual to individual what they are going to need to move them into a job and up in the job. But I used to argue with Senator Moynihan about this until he finally said to me, you are right, work first

works better, then education and training and classrooms. And yes, education and training is terribly important and it should be there, because I mentioned in my testimony, along with the employer and moving that person up in that job.

But we have to be very careful if we are going to say that everybody has to go into the best job possible. We have the earned income tax credit, we have many other supports that are there for individuals who are going into \$9- and \$10-an-hour jobs or even minimum wage jobs. I just want to caution, we don't want to go back there, and there is a tendency right now in this country to do that.

Mr. Doggett. Thank you. Thank you, Mr. Chairman.

Chairman Boustany. No problem. Mr. Young.

Mr. Young. Well, thank you, Mr. Chairman. I open again by -- I want to tell Ms. Smoot how much your testimony affected me, it was gripping, it was touching. The level of motivation required to navigate this complex system that you had to deal with, is very impressive that you persevered. Your level of motivation ought not be necessary in order to end up as one of the success stories.

In that sense, and because of the amount of time it took you to finally find a job that you saw offered a path forward, offered you a wage that made sense for you and your family, offered you opportunity and hope. In that sense, we have failed you, and so allow me to apologize as well and dedicate myself here today to trying to improve things however I can.

Mr. Young. You did everything right. You listened to the experts. You took responsibility for actions, by your testimony and all accounts, and you played by the rules. So, clearly, we need to change some of those rules. And so, just thank you for being here very much. Impressive.

Ms. Smoot. You are welcome.

Mr. Young. Ms. Anderson, I would like to go back to the GAO report that our ranking member referenced in his opening remarks, highlighting the fact that the TANF program lacks incentives for large numbers of State and local TANF agencies to adopt and test promising approaches to help TANF cash assistance recipients gain employment. So it is a lack of incentives for these State and local agencies; that is the heart of the problem.

What might policymakers do to encourage more innovation within the TANF program and evaluation at the State and local levels and help more of these recipients attain jobs, attain employment, retain those jobs, develop more skills, and ultimately move themselves and their family out of poverty?

Ms. Anderson. Well, for me, we have a focus on work and skill development. They are not separate; they are together. You work.

So the way you are structured now is that the incentives are not to get people out of the program and into a job. You don't get any credit for that. You are getting credit for if I hold onto you in some way and support that.

We went to a pay-for-performance system, and we did two things. We looked at our food stamp population and said who were the people in there who were not in our program, and we went after them, so everybody thought we lost our minds. But we dropped our caseload because we have pay-for-performance systems and we pay our contractors to perform. You don't do the same thing for us.

In fact, if you look at the work participation rate failure across the country, the reason why people are failing for those States who are trying to get people jobs, they don't get credit for it. So if you just back up and start giving us incentives for putting people in jobs, I think you would have a complete turnaround.

Mr. Young. Thank you. Thank you. So the focus on work and make sure that we have the outcomes right and we are rewarding the outcomes.

Ms. Anderson. Yeah. And there are a couple of things. You know, a lot of people go to work, but they still need a little help.

Mr. Young. Right.

Ms. Anderson. But if we put them in a job where they don't need a subsidy and we still help them, the States get no incentive for that. And we view that when we put a person in a job and they come back to the agency like America Works and America Works is helping them to retain the job and then go up in the job, there is no credit for the State for that.

Mr. Young. Thank you.

So, with roughly 1 minute left, I am going to give Ms. Reynolds an opportunity to take a crack at how we incentivize States, localities to be a bit more creative, to try new things, and then to evaluate those outcomes so that we all might learn from their best practices.

Ms. Reynolds. Yeah. I agree with a lot of what my colleague said. I feel like the Federal Government should hold the States accountable for outcomes, and those outcomes need to tie to job retention in jobs and then ultimately a career ladder where they are able to move from minimum wage to a little higher wage to ultimately living-wage employment based on geography as well as family composition.

Mr. Young. Okay. Thanks.

I yield back.

Chairman Boustany. I thank the gentleman.

Ms. Noem, you are recognized.

Mrs. Noem. Thank you, Mr. Chairman.

Ms. Pavetti, I was very interested in your testimony because it was news to me that a lot of States aren't utilizing a lot of their TANF dollars for workforce development. And I tend to be a person who usually sides on the side of the argument to give the States flexibility. So you give them block grants, you give them dollars to meet the needs that they have, because not every State is the same and not every population is the same; therefore, they can be more flexible and meet the needs of their people.

But if the States are making decisions that aren't investing in making sure that people can provide for their families and have a better future, then I think we have a real problem. And so I guess I would like to have you weigh in a little bit.

I come from South Dakota, so we have a very unique situation in that we have a very low unemployment rate. In fact, there are towns that have 15,000 to 25,000 people in them that have 1,500 to 2,000 open jobs. They are begging for people to move there and to work these jobs, and they will pay to train them to do that.

So if anybody wants to move to South Dakota, it is cold, but we will take you.

But we also have some Native American tribes that are the poorest in the Nation that have 90-percent unemployment. They are very isolated. They are in parts of the country that finding them a job would be extremely difficult. So programs we want to work for them and to give them skills and create economic development where it is needed, as well.

I guess I would like you to speak a little bit to, do you believe that the Congress should place some requirements on the States to invest in increasing workforce participation? And how do you see that coming down? What would be the best way to do that, while still maintaining some flexibility for the States to meet the needs of their people?

Ms. Pavetti. I think if you don't mandate it States won't do it.

Mrs. Noem. Why do you think that that is? That seems to me --

Ms. Pavetti. I think there are two reasons why States spend as little as they do on work and related programs.

One is because they serve very few people in TANF to start with. And the incentives are they get a caseload reduction credit, so if their caseload goes down, they have to put fewer people in work. So they don't need to spend it if they don't serve people. So there is that incentive.

And then the other incentive is that they can use the money to fill other budget holes. And we see States increasingly, and particularly when they have constraints, they are shortening time limits, they are even serving fewer people, so they can move those resources to fill other things that the State would have paid for otherwise.

So there are lots of, sort of, incentives for States not to serve.

Mrs. Noem. So you are saying they could move those dollars to --

Ms. Pavetti. They can move them to pretty much --

Mrs. Noem. -- early childhood development, things like that --

Ms. Pavetti. Exactly.

Mrs. Noem. -- and that that is happening.

Is there a State out there that you can think of that is making the correct decisions?

Ms. Pavetti. Well, I think States are -- well, I will just tell you, I have the data for South Dakota.

Mrs. Noem. Oh, that is great.

Ms. Pavetti. Even though South Dakota, actually -- South Dakota spends twice the share of dollars on work than the national average. So, even though they are a small State, they are actually investing.

I think there are States that are -- the States are all over the map.

Mrs. Noem. Yeah.

Ms. Pavetti. So I don't think there is one State that points -- some States are spending a lot on childcare; some States are spending none on childcare. But I think there isn't a message that says that work is what we want these dollars to go to.

So I think the way to actually make it happen is to have States be required to increase over time so they get to some point, so that you begin to, sort of, have those investments, to incentivize States that actually spend it, that they may be the ones that get the incentives.

And then the other piece, I think, is I really do think, if we maintain penalties, that is a problem, because what you do is you have States that don't meet the work requirement and then you take money out so they even have less requirement. So one thing could be to have States be required to spend more on work so that they begin to meet those metrics.

So I think that I wouldn't want to keep the work participation requirement, whatever that metric is. I think there are lots of different ways in which you could begin to incentivize States to have them move in that direction and spend more on work. And I think part of it has to be serving people who are in need --

Mrs. Noem. Yeah.

Ms. Pavetti. -- so that you can't, sort of, just have States not serving anyone.

Mrs. Noem. Ms. Anderson, could you weigh on this a little bit? You spoke about incentivizing States to make the correct decisions. When they get more people in the workforce, in a long-term job situation, is there a way you think we can incentivize States to do that, as well?

Ms. Anderson. Well, I think you have to reward work. I mean, to me, it is pretty simple. We reward States' efforts in getting people jobs. People go where the incentives are. A human animal is a pretty simple animal, you know. This is where the fruit is, that is where we are going to go.

Mrs. Noem. Uh-huh.

Ms. Anderson. And so the way in which TANF is structured now, that is not where the fruit is. The fruit is someplace else.

Mrs. Noem. Is there another program that does that that we could use as an example?

Ms. Anderson. I think the child support program actually does that. I mean, it is kind of strange that that would be the program, but the incentive system is around what the Federal Government says it wants, and that is where the incentives are, and that is what they pay for. And over in the collections part, where everybody is struggling, is where the most incentives are.

And so I think it is a good model for you to decide what your goals are, and then that is what you pay for. But paying for process, you need to stop that.

Mrs. Noem. Okay.

Ms. Anderson. And work participation rate is paying for process.

Mrs. Noem. Appreciate it.

I am out of time. Thank you, Mr. Chairman.

Chairman Boustany. I thank the gentlelady.

Mr. Davis, you are recognized.

Mr. Davis. Thank you very much, Mr. Chairman.

And I thank all of the witnesses for their testimonies and for being here.

Mr. Cove, you have put a lot of emphasis on getting a job and that that is what agencies are supposed to be able to do. And you also emphasized that your agency has been quite successful in terms of the numbers of jobs that you have been able to direct or acquire for people.

What percentage of those would you say were livable jobs, jobs that approach where Ms. Smoot might be?

Mr. Cove. The average wage at America Works, across the board, has been over \$10 an hour. That includes, obviously, as I mentioned before, other supports that the government provides.

Obviously, depending on what city you are in or what State, that may or may not be fully a livable wage. But it may well move you quickly, if things are organized properly, into what you would consider a living wage.

But I do consider work, any work, better than sitting home. And it is more money than sitting home.

Mr. Davis. I certainly agree that it is more money than no money.

Mr. Cove. Or than welfare.

Mr. Davis. And better than welfare.

So you are saying that, if the person is earning, say, \$10 an hour and there are some other supplements that they might be able to require, that they can feel better about themselves in terms of what they are contributing to self-sufficiency and wellbeing and moving on.

Mr. Cove. Well, without question. And I think we heard that testimony a few minutes ago. The children of the parents that go out and start working are really affected by this, as is the person themselves in terms of their self-esteem.

I really do believe any job is better than no job. And I understand there are problems in various communities with, quote, a living wage, but we can't solve everything. And the first thing I think we have to solve -- and we have been talking about this in this panel -- is how do you get the States incentivized in a way so that they get people working.

There are other issues, as well, but I am not sure I can take care of that.

Mr. Davis. Ms. Smoot, I think all of us are indeed impressed with your success and what you have been able to do. What would you say exactly that TANF did for you?

Ms. Smoot. Basically, TANF just provided something, far as me doing for my kids and for things for me to buy in the household. I couldn't afford a home, couldn't afford hardly food until I got SNAP. That is about it. That is all I could really afford -- get personal things, far as the house, far as taking care of the kids, far as the health-wise or any conditions in the home.

Mr. Davis. During the process, did that give you some of the energy that you needed, some of the hope that you needed, some of what you needed to keep moving?

Ms. Smoot. Well, it provided me transportation to go look for jobs. That, and for my kids to maybe eat at school when they couldn't afford the food, far as -- I mean, sometimes they had the programs where you can get free food at school, but -- it was mainly nothing, far as trying to survive in the home.

I mean, look at the houses that they -- condos are going up. They running 2-, 300s for sale. And then other homes you rent, they are \$1,500, \$1,600 a month. I mean, no one on TANF can afford that. Not even if you are making \$10 an hour, you still can't afford that. The money I am making right now, I can't afford that.

So, money-wise, if you really want to be stable or comfortable, you have to be making at least \$50,000 a year. If you want to be stable, about \$30,000 a year. But that still is not going to get you off TANF.

If you want to get off TANF and stay off TANF to do on your own or for your kids or see your kids see you thriving and they want to do it, too, instead of them falling back on TANF -- because my mom, she was on it. And I didn't see much of any good job where as though she can take care of me and my brothers. And it was just her. She couldn't afford it.

And I am looking -- my kids look at me, and they see that I couldn't do it, and they are going to try to do for themselves before they can even try to think about TANF.

So, to get off of it, I say \$15, \$16 an hour, but if you want to be comfortable, it is \$50,000. I mean, these companies -- I am thinking the companies today, some of them, they are not hiring permanently. They are hiring temporary. And, as you see, just about my whole life was temporary positions. That is the only way I could get experience. There was no stable positions, no permanent ones, because they wasn't hiring for us. And basically they are still not. I am on a contract. I am not on a permanent roll.

And I am still trying to strive for it today. I am not looking back on TANF, no. I am not looking back. I am looking forward. I am trying to move up to own my own home, where my kids can do the same thing.

And my kids are now about to be successful because I picked up on myself. I didn't want to see them keep me struggling along with them on my back, just keep it moving and keep it moving with them on my back. No, I wanted to keep it moving so they can go ahead, go before me, run for the stars. You shoot, you go ahead. I want you up there.

So I got up. America Works helped. Veterans group helped. And I still say, if you want to get off TANF, that is the only way to go.

Mr. Davis. And I think you make a great case for job creation as being one of the great needs of our country. Thank you very much.

Secretary Anderson, when we talk about flexibility and providing more flexibility for States, what are we talking about?

Ms. Anderson. Well, I guess the first thing I can say is that, for Wisconsin, I don't think we are like Ms. Pavetti's -- States that she is looking at, because we don't want children in poverty, and so we do everything we can to make sure that parents have opportunities for work.

For us, what we need from you -- and I have to now speak for Wisconsin -- what we need from you is the ability for you to put some incentives in front of us so that when we put a person to work -- and we do that a lot -- that that is what we get credit for.

And the way we have tried to structure our programs is to do -- we try to reward work, and, because these are family programs, we try to supplement childcare, because these are people with children. So we do that.

But there is another piece that we keep continually not wanting to look at that we need flexibility around, and that is that we want the fathers to be able to be incentivized to work, as well. Because when we get a dad paying child support and a mom working, we are putting income in that family that will help that family. So it is a two-parent thing; both of them need to be working.

And when you give us flexibility around that two-parent family, all family issue, we can start putting more and more fathers to work even if they are not in the home. And that is important. We cannot forget fathers are important to the wellbeing of their children. And we need more flexibility around allowing fathers to participate in the work programs and have the same kind of services that the mothers have.

Mr. Davis. And I am so delighted to hear you say that, because it seems to me that when we strengthen and enable the father, even though he may not be physically in the home, that you are actually strengthening the family and you are dealing with it as a family unit.

And I really appreciate that perspective, because we try and work a great deal with fatherhood. And we have something called a fatherhood initiative, where some focus is put on those individuals and the roles that they play.

Ms. Reynolds, if I could just --

Chairman Boustany. Well, the gentleman's time has expired. I want to get to the others --

Mr. Davis. Okay.

Chairman Boustany. -- because we are going to have votes coming up, too.

Mr. Davis. All right. Thank you very much, Mr. Chairman.

Chairman Boustany. I thank the gentleman.

Mr. Davis. I yield back.

Chairman Boustany. Mr. Holding.

Mr. Holding. Thank you, Mr. Chairman.

Mr. Cove, if you could take a minute and sketch out for me how it would have been different had Ms. Smoot met you on day one of entering into, you know, this maze. How would it have been different under your program?

Mr. Cove. Well, let me tell you why it would have been different first. The reason it would have been different is that we are -- and I am going to sound like a broken record, but we are only paid if we get her a job and she stays in job. Otherwise, I go out of business. And we do quite well as a company, and we do quite well because we quickly move people into the jobs and give them the help that they need to stay in the jobs, which is a terribly important thing. That point has been made by others here, as well.

We focus hard on moving the person quickly and attaching them quickly to the labor market --

Mr. Holding. Give me some specifics, just, you know, how your program works.

Mr. Cove. Sure.

Mr. Holding. I mean, just tick through it.

Mr. Cove. First, the person gets assessed, and we get a sense of what their strengths are.

Second, during that period of time, we have a very hard-nosed, hard-hitting sales force. Think of us as, like, Manpower, Inc., or Kelly or whatever. We have salespeople -- we don't have job developers -- we have salespeople who go out into the community, and they sell to companies and say, "We are going to get you someone who you are going to want to keep, and we are going to reduce your turnover. You are not going to do us any favors or the person any favors. You are going to do yourself a favor by hiring a person who we get to you." And that makes a significant difference.

We then have what we call corporate representatives who are available to the individual if they get into any issues that are in the way of work. I call it the static in their lives --

Mr. Holding. So transportation issues or childcare.

Mr. Cove. Exactly. All of those things. So, if the person is a good worker, we try to put a protective cocoon around them so that they are prepared to stay in the job and handle the things that maybe they wouldn't have been able to handle without us.

So you have this assessment of a person's strengths -- and, by the way, you will hear a lot about barriers to employment. I just don't believe in it. I mean, of course there are people that have certain things that will keep them from certain jobs and certain things that might ultimately keep them from going to work. But, if you start with the issue that people have barriers, let's see what the barriers are and let's get rid of those barriers, you don't get people into work.

About 20 percent of this country are working alcoholics. If a person came in to me and I knew that they were an alcoholic and I didn't place them and I said, "You have to go into an alcoholic treatment program," we would lose 10 to 20 percent of our working population here.

We have to be very careful. You don't know what barrier is going to get in the way. And that is why we have these corporate representatives, so when something does pop up, we are there to help.

And I don't mean to sound naive. Of course, someone comes in with a drug issue, we make sure that person goes into a drug treatment program. But it is a drug treatment program where they can work. And then we make sure that they continue in that drug treatment program.

Mr. Holding. So if a person comes to you and they have very few skills and you are not able to get them a job, I mean, what happens then?

Mr. Cove. They have very few skills?

Mr. Holding. Very few skills, and it just doesn't -- you are not able to find them a job.

Mr. Cove. Well, let me give you something that might seem counterintuitive.

We place thousands of ex-offenders in jobs. Many or most of them don't have high school degrees, don't have hard skills. You know where we place a lot of them? Customer service, because they are very good at BS. And you put them behind a phone, and they can sell someone in South Dakota a refrigerator. They are amazing. It is backroom, so they don't have to interact with other people; you know, we are not worried about them getting in trouble. And they are highly successful doing that.

That is only one example. I could give you others, but that is an example.

Mr. Holding. Good. Thank you very much.

Mr. Cove. You are welcome.

Mr. Holding. Mr. Chairman, I yield back.

Chairman Boustany. I thank the gentleman.

Mr. Smith.

Mr. Smith. Thank you, Mr. Chairman.

I want to thank each and every one of you for your testimony.

Ms. Smoot, I have to tell you, I very much appreciate your testimony and listening to your questions and your responses. You have been a blessing -- blessing to this committee and a blessing for me to sit here and hear your story.

And all that I can keep thinking over and over when you say that you want your kids to do better and that you are going to do better, you are the American Dream. You are what everyone strives for. And they will do better, and you will continue to do better. And I think that is a lot of hope and inspiration for myself and for so many people.

If you would talk to my grandparents, who none are alive today, they would tell you that they were all in poverty and now their grandson is a Member of Congress. Never had the opportunity to live and see that.

But I got to tell you, they will do better. Who knows -- you know, the U.S. Marshal or whatever job -- they could be a Member of Congress. And you have made a big step today. And I just want to say thank you for that, for myself.

Mr. Cove, I have a couple questions from the perspective, looking at the State of Missouri, where I am from. The general assembly just passed a piece of legislation that would change the TANF benefits because the scorecards have showed that they have rated F's in managing the programs and not really having a work requirement in receiving TANF benefits. And this would require a work benefit. It also would shorten the length of time from, I think, 60 months to 30 months.

The Governor vetoed it today, so now it has been sent back to the general assembly to either override it or to change it.

What are your thoughts on the work activity? I mean, do you think it is extremely important to have work activity tied to TANF, or -- I would assume it is, but do you see a great advantage?

Mr. Cove. I think what has been mentioned is there is, as my wife calls it -- she is the CEO; she just had to leave -- "administrivia." There is an awful lot of work that has to be done to show that people are there and that they are participating. I think that needs to be simplified.

I think, again, the effort has to be to look at whether the person is going into a job and getting a job. That, to me, is what is important. And, as Eloise said, incentivizing States to do that is, to me, so terribly important. And, again, incentivizing the delivery of these services through pay-for-performance is terribly important, as well.

So I think you are going to have to look carefully at that. The participation rate issue is a serious issue.

Mr. Smith. Ms. Anderson, what are your thoughts?

Ms. Anderson. Well, I am just going to be repeating. Incentivize work. Treat us the way we in our State treat our contractors. We pay for performance, and they deliver. Pay us for performance, and we will deliver.

When you set out the performance criteria, it is hard to do something else, because it is -- this is what you want, either we do it or we don't, and if we don't, we don't get paid for it, and if we do, we get paid for it. I think that is simple. And I think it is simple for you; it is simple for us. We spend a lot less work and time on administrative stuff, and we spend much more of our time on actually getting people jobs.

And what will happen is that -- when I look at this system, in some places I don't see much change from the old AFDC program. Because a lot of the pieces in it, a lot of the structure in it are carryovers. And I want to get rid of the carryovers.

Make this a pay-for-performance system, and I think you will see the States deliver.

Mr. Smith. Is there anything else any of you all would like to -- Ms. Reynolds.

Mr. Reynolds. We just cannot stop at getting a job, though. We have got to work to move people to get skills, while they are working and respect the dignity of work, but we have to move them across the finish line. Because we have seen it time and time again in our community, throughout the Nation, you get people employed, you support them a little, then you back off because you have your next client coming through the door, and

then they cycle back into crisis. And so we need to make sure we move people across the finish line into that living-wage job.

In addition, if you just look at the economics of this, often what you will find is that people on TANF aren't just getting TANF. They are getting food stamps, they are getting public housing, they are getting a multitude of other benefits. And sometimes working a minimum-wage job or a \$9-an-hour job, depending on family composition, it is cheaper for them to -- it is more economically sensible for them to live on all kinds of welfare programs.

And so what we have got to do is support people across that finish line. Otherwise, we are disincentivizing people to ever get out of poverty.

Chairman Boustany. The gentleman yields back.

Next, we will go to Mr. Dold.

Mr. Dold. Thank you, Mr. Chairman.

And I also want to echo my thanks to all of you for your testimony, for taking your time to come and help us understand what is going on.

And, Ms. Smoot, I particularly want to thank you for sharing your story.

And I would like to start with you, if I may, because you have an interesting perspective that I think most don't have, in terms of actually understanding, going through these different programs, many of which didn't work.

Can you tell us from that perspective, kind of, what didn't work and what would you have liked to have seen differently? We know that, obviously, when you came to see Mr. Cove that things started to work, but before then?

Ms. Smoot. Well, before, I didn't have the education. Me obtaining my bachelor's degree, that was one. Having certifications and experience in what I have now, that is number two. And no other programs provided that. When I was in America Works, they enrolled me into veterans group, where I received my certifications.

And now I am doing everything I love, as far all the education I have. I mean, the bachelor's degree was the computer information systems, which is IT, the certifications is IT --

Mr. Dold. Right.

Ms. Smoot. -- and now I am in the IT field. So I am feeling, if anybody want to do something they like doing, they have to get those skills and those certifications to do it.

Mr. Dold. Well, and you are a testament to being -- you know, your perseverance, as well. But I think your point also goes to what Ms. Pavetti said earlier in terms of just the percentage of what people are putting -- or what some organizations are putting towards work.

And I think you had mentioned it was 8 percent?

Ms. Pavetti. It is 8 percent nationally.

Mr. Dold. What do you think that the number should be, in terms of the emphasis for organizations?

Ms. Pavetti. That is a hard one. I mean, I think that there is such a, sort of, wide range, that I think what we want to do is to figure out a way to gradually increase it so that people are spending more. But, again, I agree with Eloise that you have to incentivize States to focus on getting people jobs and paying for those results. So I don't think just spending the money is what you want.

Although I do think that one thing that is important is that there is no real correlation between how much a State spends and their work participation rates. So some States don't spend much because they don't have anybody on TANF.

Mr. Dold. And I also think one of the big problems that we see is that a one-size-fits-all mentality --

Ms. Pavetti. Exactly.

Mr. Dold. -- from the government is oftentimes the response coming from Washington, and that really doesn't work.

Ms. Pavetti. Right. And I think that paying for results, though -- then you allow States to use the strategies that work in their communities. If it is a Native American community, that is going to be different than an urban area.

And so, if you are paying for the end result, you want to take into account the employment situation and the differences there. But, again, if you are paying for results, you allow States that flexibility, that they can do things differently if that is what they choose to do.

Mr. Dold. What would you say -- because there are those that would say, listen, there are those who just need help and they are not going to be able to find a job and we need to make sure they do it, we just need to make sure we help them.

What are your claims -- Ms. Reynolds, what would you say to someone that says, listen, we just can't do that?

Ms. Reynolds. Yeah. I think you have to look at poverty in several different ways. You have to look at it from a situational poverty situation. Somebody comes through your doors, you know, has run on hard times, and you just have to give them a little bit of intervention and support to get them back on their feet.

You have folks in generational poverty, you know, families who have not seen anything different, not seen mom or dad go to work in the morning, who have been on welfare for generations. And so those folks, again, work, same with situational folks.

But then there is a group who will always be in chronic poverty and, because of mental abilities, disabilities, several things like that, may not have the ability to work.

I think the most important thing is we figure out in all groups how they can contribute to society, depending on what level of contribution folks can make based on their individual circumstances.

Mr. Dold. Well, and I think in your opening statement you were talking about individualization, so --

Ms. Reynolds. Absolutely.

Mr. Dold. -- how do we target programs for the individual as opposed to, "This is what you might fit into."

Ms. Reynolds. Right. Right.

Mr. Dold. Can you talk to me a little bit more about that and what you are doing to --

Ms. Reynolds. Absolutely.

So, like, for example, in our organization, we will have a focus on pulling families out of poverty. And what we mean by "out of poverty" is a living wage, 3 months of living-wage savings, so if they fall on hard times they still have some savings in order, no government or charity assistance needed, as well as appropriate levels of debt. So that is end goal. That is what we are trying to accomplish. That is the result we intend to have.

But then what we do is we sit down, we thoroughly assess what is going on in that family's life. We understand what their strengths are so we can build on those strengths that the family has. And then we will work on a customizable plan for that family.

And we are aggressive about it. You know, in one of our services, we are saying -- you know, every 7 days we are having contact with our family, and every 21 days they are making progress on their individual goals. And we are sticking with them for a long period of time. People do not often move out of poverty in 6 to 12 months. People move out of poverty in usually about 18 to 36 months because they need to get a skill to get to a wage where they can support their family.

Mr. Dold. Well, I certainly hope that we can focus on what unites us. And I know that we can all agree that we want to get people out of poverty into work, where they can support themselves and have better opportunities for their children.

Mr. Chairman, my time has expired.

But, again, I want to just thank you all for your testimony and for what you are doing out in the workforce. Thank you.

Chairman Boustany. I thank the gentleman.

We will go now to Mr. Meehan.

Mr. Meehan. Thank you, Mr. Chairman.

And thanks to each and every one of you for the work that you are putting into this very, very important area and making the difference in so many families' lives.

But it is a complex situation, including -- we are often dealing with families, and you sort of identified it, in a particular context. There are a lot of other factors that play in. I saw a lot of transients when I was a prosecutor dealing with families' movement, other kinds of factors.

How do you deal -- you have a flexible program, but you have these other elements that are part of the family circumstance. Some may be of their control, some beyond their control.

Ms. Reynolds, you have impressed me not just with your enthusiasm but this idea of working through to a point, staying with them. So how do you accommodate these various stages in which a lot of curve balls can be thrown in the process?

Ms. Reynolds. It is not easy, and it is complex; there is no doubt about it. But there are a variety of interventions.

Number one, it is about engagement. It is about, from the moment you meet a family that you are serving, starting to meet their basic need, because if someone does not have a roof over their head or wonder where their next meal is coming from, they are not thinking about self-sufficiency. And so, first of all, it is meeting a client where they are at.

But, second of all, it is instilling hope in them, giving a picture of a tomorrow and what life could look like --

Mr. Meehan. I don't want to interrupt your --

Ms. Reynolds. Yes?

Mr. Meehan. -- answer, but let me ask: Are you getting -- because one of the things that Ms. Pavetti and I think Ms. Wareing and some others have said, we want to reward success and progress. But are there abilities to be able to measure those things? Are we giving you the capacity to be able to measure that as a success? Or are some people going to say, well, it has been 9 months and, you know, you are still dealing with hope, we still haven't gotten them to work.

Ms. Reynolds. I don't think the Federal Government needs to measure on us if we are creating hope or if they are engaged or that. I think that gets into the very problem of all these indicators and no end result. I think the end result needs to say what folks are saying: jobs, and I would argue living-wage jobs, as the ending point.

But I would say, we know on the ground that if you do not have engagement, if you don't create hope, if you don't take a client where they are at and move them step by step by step and help support them, bring out their individual strengths and what is going on in their family -- they are survivors -- how you move them forward, I don't think you all need to be involved in those metrics and measuring. I think the end result needs to remain on jobs. It is our work to make sure we get clients across that finish line.

Mr. Meehan. Can any of the panel say their followup on that thinking?

Or, as well, sometimes we often hear -- and there was testimony already that there is a variety of other programs out there, competing programs, and the families often qualify for multiple things simultaneously. How do you deal with the variety of programs being out there together?

Ms. Wareing, you are raising your hand.

And is there a way for us to get to a point in which none of the programs are so completely needed?

Ms. Wareing. Yeah, I think we have a huge opportunity, Mr. Meehan, to align our programs. And it is not that those other programs are always out of line. They can be very important and supportive. I think the notion about how much we spend on work in the States has to also look at what is that spending that is on work supports, like childcare. So someone can't go to a job if they have a young child and can't have support, knowing what childcare costs, to have some subsidy supports for that.

But the biggest opportunity I see right now is one that Congress put before us last year, which is we reauthorized the Workforce Investment and Opportunities Act. And one of the things you all did was say TANF should be a mandatory partner. Now, States can opt out, but TANF can be a mandatory partner.

And that means looking at the entire workforce engagement system, how all those supports work together, and thinking about how other supports -- TANF should be short-term. TANF subsidy, cash assistance, should be short-term; help someone so that

their kids have food on the table and they can pay their bills, and get to the place where then we have moved someone into a job, into a job that has progression, into a job with a living wage, and then we have to have a mechanism by which those other supports slowly scale down.

And our end game is someone is employed with a living wage and not on government support. And I think all of us agree that has to be what we are aiming for.

Mr. Meehan. Ms. Pavetti?

Ms. Pavetti. I just would like to make one comment, that I think it is important to recognize that there is this huge diversity of people who are receiving TANF as well as other public benefits, and their ability to move into work is varied. And I think what Heather said about really thinking about what contribution can people make -- it is not always going to be work. It is not always going to be work at 40 hours, 20 hours.

So I think we have to recognize there are families who have extreme limitations and that we need to think about what is the support we provide for them so that their kids always have some basic level of support, a roof over their head, and food to be able to provide for them.

So I think we need to be thinking of the diversity and moving people as far as they can go. But I think that if we assume everybody can go into work, we are fooling ourselves. There aren't enough jobs in everyplace, and there are also some people who have just very significant issues.

Mr. Meehan. Can you quantify success, though, in that category? Because you were saying, "Pay us for success."

Ms. Pavetti. Right. And I think you are not going to have success with everybody, but I think success will be different for different people. So, again, I think what you want is to aim for work and get as close as you can, but recognize that for some people they may not be able to sustain work all the time.

There was a program in Chicago called Project Match, that what they did was they created jobs that were 10 hours a week, where they paid people stipends to be part of their communities so that they were making a contribution. I think we have to be thinking about what can we do to create opportunities for people to be part of their communities, where they feel like they are making a contribution, if they can't sustain, sort of, being in the regular labor market.

That is going to be a small group of people, but we can't leave them behind. We have to make sure that we have a safety net and a way to help that group of people, as well.

Mr. Meehan. Well, thanks, each and every one of you, for your insights.

Well, Mr. Chairman, my time is back, but there is a -- one of the panelists wants to --

Chairman Boustany. Yeah, that is fine.

Mr. Meehan. -- have testimony.

Ms. Anderson. Yeah, I just have to step in on this one.

The mentally ill and people with physical disabilities need to be not looked at as people who can't work. They can work. Every morning, I see people come into our garage at our work going to work who have some serious disabilities.

We may need to think about having both rehab and TANF do more collaborative work. Goodwill has done an excellent job at putting people to work. So I don't like hearing people can't go to work.

One of the things that got me started in this work was a person walking in -- wheelchairs himself into my office, with no ability to use his hands, had to use a pencil in his mouth, saying, "I want a job." That did it for me. If somebody can come in my office with nothing going for him in terms of physical capability saying, "I want a job, and I want to work," we need to throw this notion out of our heads that people with mental disabilities and physical disabilities cannot work.

There are jobs out there for them, and we have a lot of agencies that prove that. So I don't -- I don't like hearing that. I get very upset --

Ms. Pavetti. Can --

Ms. Anderson. -- because, when you are in the workforce, however you are in it, you are part of the community. And we have to quit isolating people and making them less than human. And, in our society, the first thing we ask people when we go the parties or whatever we do is, what do you do? We don't even ask you what your name is. So let's not isolate people.

Ms. Pavetti. Can I just --

Ms. Anderson. I am sorry, but that is my soapbox for today.

Ms. Pavetti. Can I just make one quick clarification?

I think that we need to just sort of -- I don't disagree that people can work, but I think the evidence of what we can do is quite limited, and we need to accept that there are alternative pathways.

New York City did an experiment, at one point, where they took the group of people with the most significant barriers to employment and put them in a special program where they

provided very significant resources and really tried to move them on a path to work. And they did have an increase in the number of people who went to work, but, in the end, they got about a third of that group of people into jobs. So we have a long way to go to learn how do we get people into jobs who have those barriers.

So I agree that we should believe that everybody can work, but I think the reality of what we have been able to accomplish is different than getting everyone in. So I think that we can't, sort of, assume that we have the answers, because we don't.

Chairman Boustany. Mr. Cove?

Mr. Cove. I want you to understand that what you are hearing here are two very different ways of approaching the world.

Part of what you are hearing is what we had before TANF, which was, there are lots of people who are broken, there are lots of people who need a lot of services. And you know what happened with that? No one went to work.

What you want now is you want to recognize that that may exist but not start from that position that the barriers are there. You have to start from the position that everyone can go to work and then deal with those who turn out they cannot work. But if you start with the other position, you are going to end up where we were before TANF.

Thank you, Mr. Chairman.

Chairman Boustany. Thank you. That is a very great closing argument on all of this.

I want to thank all of you. This was really compelling testimony, very helpful to us, as we are trying to shed light on this fundamental issue on how can we improve the TANF program and get individuals and families back into the work world and escape poverty. And I think your testimony was very important in shedding light on that and helping us to understand what steps we need to take. I think you all did a terrific job, so I want to say thank you.

And, with that, we will conclude the hearing. This hearing is adjourned.

[Whereupon, at 5:03 p.m., the subcommittee was adjourned.]

[Public Submissions For The Record](#)