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Testimony of Joby Thoyalil, Maine Equal Justice Partners in opposition to LD 452, An Act to Require a Work Search for Job-ready Applicants for Benefits under the Temporary Assistance for Needy Families Program

Good afternoon Senator Brakey, Representative Gattine and members of the Joint Standing Committee on Health and Human Services. My name is Joby Thoyalil and I work for Maine Equal Justice Partners. We are a civil legal services organization; we work with and for people with low income seeking solutions to poverty through policy, education and legal representation. I am speaking today in opposition to LD 452.

I understand that at first glance the policy proposed by LD 452 may seem to some like a reasonable approach. But as we all also understand, before enacting policies that will affect thousands of children and families, it is imperative to look beyond first impression.

To begin, imagine yourself as the single parent of a young child turning to TANF because you are in crisis. Imagine yourself without income, without a car, without child care, with an illness or disability that limits your ability to work, or with a child with a disability that requires regular and multiple medical appointments—and then imagine that the rent is due on Friday.

Imagine next being asked to look for three jobs in a small community knowing you couldn't take that job even if you got it because of your current circumstances. If you apply for the job and don't take it you burn a bridge with one of the few employers in your community with whom you may someday hope to be able to take a job. When thinking about this proposal from this perspective it becomes far less reasonable.

We understand that this bill does, on its face, limit this requirement to those who are "job-ready." However we have serious and well-founded concerns that this provision will not, in practice, deliver the protection that it appears to provide. Here's why.

Two years ago, this Committee gave its unanimous support to legislation that subsequently became law establishing a new assessment process for TANF recipients which is performed by contracted staff from the Maine Medical Center Vocational Department. These comprehensive assessments form the basis for individual plans to help TANF parents overcome barriers that limit their ability to work. This bill was enacted because of the increasing prevalence of disability and other serious barriers to employment faced by TANF families. It was also enacted because it was recognized that DHHS staff did not have the expertise necessary to make meaningful employability determinations given the nature and extent of the barriers that these families face. Yet this is the very same kind of determination that LD 452 proposes that Department staff make.

This legislation would undermine this new assessment process. Of the 1,800 families that have completed the assessment an overwhelming number said they wanted to work, but only 32% were found to be actually "job ready". This new process is just starting to bear fruit but LD 452 undermines it by denying this opportunity to many who would benefit. Instead, LD 452 would subject people to job-readiness assessments by workers who are admittedly not qualified to make them. It would deprive applicants that are unable to meet the new work search requirement of both needed TANF benefits and a chance to be assessed in a manner that will help identify what is really needed for them to move toward employment and ultimately greater economic security. For those who do manage to meet the new job search requirement it would create a process that is redundant, inefficient and costly.

Our second reason for concern is based on our now substantial experience with a similar "hardship" protection enacted as part of the TANF time limit law enacted in 2011. As many members of this Committee may recall, TANF families that have received 60 months of assistance may be eligible for an extension to that limit if they can show evidence of a hardship including disability, a child with a disability, domestic violence and certain other barriers that prevent them from working. We have seen numerous cases in which families eligible for hardships did not receive them. Moreover, two studies by Professor Sandy Butler from the University of Maine at Orono that have followed the lives of families who lost TANF as a result of time limits have found a pattern of similar problems by families in accessing extensions.

Data provided by the Department of Health and Human Services in late 2013 showed that of the more than 3,000 families who lost assistance as a result of time limits since June 2012, only 17% received a disability-related extension. That low percentage gives us considerable concern in light of an earlier Maine study showing that nearly 90% of families receiving TANF for five years or longer have a work-limiting disability themselves or are caring for a disabled family member. Similarly only 1 percent of all terminated families received an extension based on domestic violence, yet nearly 25 percent of families that apply for TANF do so after leaving an abusive relationship.

Only a minority of states have adopted an up-front job search requirement. There is little data on these experiments, but several states have seen an increase in application denials and a decline in caseload. While proponents claim that a decline in caseload means that people are finding jobs, there is no evidence that up-front work requirements actually result in parents getting secure and lasting employment that enables them to support their families.

Kansas implemented an up-front job search requirement in its TANF program in November 2011. In the first year alone, thousands of applicants were denied help as a result with the state estimating that this policy led to a 10 percentage point drop in the approval rate of applications. Kansas since abandoned this approach for a more comprehensive post-eligibility assessment similar to Maine's.<sup>3</sup>

Large numbers of families also lost assistance in Georgia, South Carolina and Ohio. When Pennsylvania imposed an up-front job search thousands of families were denied help. Following implementation of this policy in Pennsylvania, the state denied as many as eight of every 10

http://www.mainewomenspolicycenter.org/assets/files/reports/Families in Focus Final%20Report.pdf

<sup>&</sup>lt;sup>2</sup> ibid

<sup>&</sup>lt;sup>3</sup> Information provided by the Center on Budget and Policy Priorities

applications for cash welfare in 2013, a major increase over previous years.<sup>4</sup> According to the state's data, the spike in welfare denials peaked at 81 percent after a decades-long norm ranging from 50 percent to 60 percent.

The problem is not that TANF families do not want to work. They are eager to work and the vast majority has work experience. The 2010 TANF study cited above shows that 97% of TANF parents have work experience with an average of three jobs in the past five years.

The real problem that these families face is the higher and deeper levels of poverty that they are facing with all of the associated hardships, lack of opportunity, and loss of hope. Child poverty is particularly troubling with one out of five children under the age of five living in poverty. The real solutions for these families is not to bar the door to TANF assistance but rather allow families the opportunity to meet their most basic needs, and to get the benefits of the employment, education, and training services offered through the ASPIRE and Parents as Scholars Programs. Education and skills training is widely recognized to be one of the surest routes out of poverty. Our state's policies should do all they can to encourage access to these opportunities, not close the door to them as this bill would do.

Thank you for the opportunity to share our concerns about LD 452 with you today. I would be glad to try to answer any questions that Committee members may have.

<sup>&</sup>lt;sup>4</sup> http://articles.philly.com/2013-09-17/news/42117456 1 tanf-cash-welfare-public-welfare --Pennsylvania