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HB 559
Family Investment Program - Temporary Cash Assistance - Funding
Hearing of the Appropriations Committee
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SUPPORT

The Public Justice Center (PJC) is a not-for-profit civil rights and anti-poverty legal services organization which seeks to advance social justice, economic and racial equity, and fundamental human rights in Maryland. Our Health Rights Project supports policies and practices that promote the overall health of Marylanders struggling to make ends meet, with the explicit goal of promoting strategies that work to eliminate racial and ethnic disparities in health outcomes. PJC strongly supports HB 559, which would gradually raise the Temporary Cash Assistance (TCA) benefit.

TCA helps families living in poverty meet their most basic needs, but it is still not enough to bring families out of poverty at its current funding level.

- ❖ **Thousands of families in Maryland receive TCA.** Though most low-income working families earn too much to qualify for TCA, in fiscal year 2017, over 48,000 Marylanders were TCA recipients.¹ TCA is a block grant program that serves as a critical resource for children and their caretakers, enabling them to pay for shelter, clothing and other necessities.
- ❖ **Half of working families who exit the TCA program return within 5 years.** As the cost of living rises, low-income working families are finding it nearly impossible to make ends meet. Adult recipients of TCA are required to work, but their benefit is decrease by .60 for every dollar that they earn until the benefit level is zero. 5 years after exiting the TCA program, 81% of recipients still had poverty-level earnings.² The loss of

¹ *Overview of the Temporary Assistance for Needy Families Program in Maryland*, Department of Legislative Services (2017), <http://dls.maryland.gov/pubs/prod/HHS/Overview-of-the-Temporary-Assistance-for-Needy-Families-Program-in-Maryland.pdf>.

² Letitia Logan Passarella and Lisa Thiebaud Nicoli, *Life After Welfare Report: 2017 Annual Update*, University of Maryland School of Social Work (2017), <http://www.familywelfare.umaryland.edu/reports1/life2017.pdf>.

this benefit disproportionately impacts low-income women of color as the average adult recipient of TCA is an African American (74%) woman (91%).³

HB 559 would help TCA better meet the needs of families.

- ❖ **Increasing TCA will help families living in poverty achieve better financial stability.** The funding formula for TCA has not changed in over 20 years. By slowly raising TCA to 71% of the Maryland Minimum Living Level, when combined with food stamp benefits, HB 559 would enable low-income families to permanently exit the TCA program and build economic security.

For these reasons, the Public Justice Center urges the committee to issue a **FAVORABLE** report for **HB 559**. If you have any questions, please contact Ashley Black at 410-625-9409 x 224 or blacka@publicjustice.org.

³ *Id.*