

**Testimony before Finance Committee**  
**\*\*Support\*\***

**SB 787 – Family Investment Program – Temporary Cash Assistance – Eligibility**

**March 6, 2020**

Maryland’s Chapter of the National Association of Social Workers (NASW – MD), which represents professional social workers across the state, supports SB 787 – Family Investment Program – Temporary Cash Assistance – Eligibility.

SB 787 will alter the sanctioning process when a Temporary Cash Assistance (TCA) recipient is non-compliant with a work activity. Currently, Maryland TCA recipients receive a single-day sanction for the first instance of non-compliance, 10 days for the second, and 30 days for the third and ever instance thereafter. When an individual is sanctioned the full family loses the benefit, drastically reducing the household income.

Maryland TCA is an important safety-net program that aims to help residents obtain self-sufficiency in a time of financial crisis. Recipients are required to participate in work activities including employment, job search and readiness, mental health and substance abuse treatments, vocational education and several other categories. These activities aim to increase the recipients’ financial stability until the 60-month time constraint is reached or the recipient has increased their income above the TCA income limit.

SB 787 does not propose removing sanctions entirely. The full benefit is divided into an adult portion and a child portion, and a percentage of the adult portion is sanctioned in the event of noncompliance. The benefit will set aside 75% of the TCA benefit as the child portion, in line with what other states have done. With data from the Family Investment Administration indicating nearly 75% of TCA recipients are children, sanctioning the full-family benefit only harms the children receiving TCA and further restricts those with the greatest need from achieving self-sufficiency.<sup>i</sup>

SB 787 will also address concerns that sanctions are not being appropriately applied. The 2017 Life After Welfare for Maryland reports that 28% of families that left TCA did so because they had received a work sanction.<sup>ii</sup> The University of Maryland School of Social Work found that of TCA cases subjected to work requirements in Maryland, in a single year 60% of the cases had at least one work sanction.<sup>iii</sup>

Full-family sanctions assume that the sanctioned recipient made a mindful decision not to comply with the work activity. However, sanctioned recipients tend to have more barriers including limited education and work history, physical health and mental health problems, and instances of domestic violence.<sup>5</sup> SB 787 will outline in statute good cause exemptions for sanctions, such as homelessness,

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eviction, and utility cut off, when the adult demonstrates there are mitigating reasons for why participation in work requirements were not met.

Full-family TCA sanctions have a variety of negative effects on recipients. There are associations found across multiple research studies between sanctions and increased risks of food insecurity, financial hardship, reliance on family or friends for housing, utility shutoffs, and homelessness or eviction.<sup>iv</sup> Research has shown an association between sanctions and increased stress and depression or mental health problems, greater levels of economic hardship, increased risk of child maltreatment, and lower cognitive achievement scores and greater behavior problems among low-income children and youth.<sup>v</sup>

**For these reasons we ask you give a favorable report on SB 787.**

Respectfully,

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<sup>i</sup>Department of Human Services Family Investment Administration. *Temporary Cash Assistance, 2019*. <http://dhs.maryland.gov/documents/Data%20and%20Reports/FIA/Statistical%20Reports/2019-All-Prg-MoStat-Public-Web-w-Charts-PRELIMINARY-10.pdf>

<sup>ii</sup> <sup>2</sup>University of Maryland School of Social Work Ruth Young Center for Families and Children. *Life After Welfare: 2017 Annual Update*. <https://ywcsw.com/sites/default/files/pdf-resource/lifeafterwelfare.pdf>

<sup>iii</sup> <sup>3</sup>University of Maryland School of Social Work Ruth Young Center for Families and Children. (2016). *Are Welfare Recipients with the Most Severe Work Sanction Particularly Disadvantaged*. <https://familywelfare.umaryland.edu/reports1/sanctionscharacteristics.pdf>

<sup>iv</sup> <sup>4</sup>Kirzner, R. (2015). *TANF Sanctions: Their Impact on Earnings, Employment & Health*. Drexel University Center for Hunger-Free Communities.

<sup>v</sup> <sup>5</sup>Wu, C-F., Cancian, M., & Wallace, G. (2014). *The Effect of Welfare Sanctions on TANF Exits and Employment*. Children and Youth Services Review.