

Date: March 10, 2022

Bill number: SB 829

Committee: Finance

Bill title: Department of Human Services - Family Investment Program - Contract and Program Review

DHS Position: Letter of Information

The Department of Human Services (the Department) respectfully submits this letter of information in regards to Senate Bill 829 (SB 829). The bill would require the Department to conduct an annual review of vendors providing employment and training services to be made available to the public. It would also require the inclusion of certain performance based contract incentives, as well as a review of DHS work programs by an independent consultant.

HB 1041 would require certain performance measures to be included in the Department's contracts with vendors who provide job training and employment services to Temporary Assistance for Needy Families/ Temporary Cash Assistance (TANF/TCA) customers. Specifically, the bill suggests the inclusion of performance based contract incentives for:

1. Education and Training
2. Job Placement
3. Higher Wage
4. Job Retention
5. Exiting program at 150% of State Minimum Wage or higher

It is worth noting that the bill does not include contract incentives for Work Participation Rate (WPR)--the only federal compliance measure used nationally to determine the success of the TANF/TCA program.

With respect to the independent study required by the bill, the Department would suggest the study be completed prior to the implementation of any new performance metrics. Rather, the findings of the study should inform best practice and the criteria by which to evaluate the success of the job training and employment services available to this population. Furthermore, the Department believes this study can be done with existing resources, through existing research partnerships.

The Department appreciates the opportunity to share the aforementioned information with the Committee, and hopes it is helpful during deliberations.