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**Testimony of LaDonna Pavetti, Ph.D., Vice President for Family Income Support at the Center  
on Budget and Policy Priorities in Support of HB 1041/SB 0829**

**Senate Finance Committee  
March 10, 2022**

Good afternoon. I am testifying today in support of HB 1041/SB 0829 1 because it advances policies that will help to improve Maryland's Family Investment Program (FIP).

My name is LaDonna Pavetti and I am the Vice President for Family Income Support at the Center on Budget and Policy Priorities, a nonpartisan policy think tank that focuses on improving the lives of families with low incomes. I lead the Center's work on TANF (TCA and FIP in Maryland) which involves working with state and federal agencies and advocates to increase TANF's effectiveness. Before coming to the Center, I was a senior fellow at Mathematica Policy Research, a leading social policy research organization. I have worked on TANF since it was created and worked on AFDC prior to its creation. My work has primarily focused on studying program implementation, with a focus on identifying best practices. Most recently, I have been working with state agencies to redesign their TANF work programs to increase their effectiveness. Over the course of my career, I have worked in more than half the states. Most recently, I have been asked to provide guidance to improve TANF work programs in Vermont, Louisiana, Maine, Massachusetts, Michigan, California, Pennsylvania, and Oregon. I also regularly work with advocates in more than half the states and recently conducted focus groups with TANF recipients in Maine, Indiana, and Louisiana.

HB 1041/SB 829 would take significant steps towards improving the Family Investment Program (FIP), building on what we have learned about key elements of effective programs over the last 25 years. In recent years, several states have embarked on efforts to redesign their TANF work programs to make them more trauma-informed, to provide individualized services that take into account the needs of the whole family and to focus on families' strengths and create optimal conditions for achieving success. The provision in HB 1041/SB 829 that requires the state to hire an outside consultant to conduct a review of Maryland's FIP program will provide an analysis of the program's current operations that will lay the groundwork for improving FIP's effectiveness and eliminating program elements that reinforce rather than disrupt systemic racism. The way HB 1041/SB 829 structures that analysis will allow Maryland to learn from and benefit from efforts already under way in other states. The provision in HB 1041/SB 829 that requires the Department to review its contracts will provide data on current program performance that will help the Department to monitor and improve outcomes for families now and in the future. It also adds incentives for participants to the contracts that will reward them for the steps they take to improve their circumstances, providing contractors with a positive tool for increasing engagement in work activities.

Last week, the American Public Human Services Association (APHSA) released a report outlining six principles for modernizing TANF. The report was developed by the National Association of State TANF Administrators (NASTA), an affinity group within APHSA that is comprised of TANF directors from the 50 states and the District of Columbia. The report is significant in that it represents consensus among states that differ significantly in their political ideology.

The six core principles outlined in the report are:

1. To help families achieve economic mobility, TANF must support the physical, social, and emotional well-being of individuals and their families.
2. TANF must prioritize tailored solutions that help families succeed for the long-term.
3. TANF should foster conditions that advance a person's sense of agency over their life and belonging within their community.
4. To best help families achieve their goals, TANF policies should be centered in evidence and promising practices that reflect the lived experiences of families.
5. The broader workforce system must provide a coordinated continuum of services that support all jobseekers' strengths, goals, and needs.
6. Families must have access to adequate assistance and services that allows them to meet their basic needs while working to achieve their long-term goals.

While the report primarily uses these principles to identify federal policy changes that could help modernize the program, it can also serve as a roadmap for how states can use the flexibility they have to implement a new approach to providing assistance to families who are struggling to make ends meet and are seeking opportunities to improve their circumstances. HB 1041/SB 829 lays the groundwork for Maryland to be a leader in developing and implementing a new generation of policies and programs that will help families to significantly improve their employment and earnings.