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Position: FAV

Testimony in Support of Senate Bill 828

Family Investment Program – Eligibility, Work Experience, Community Service, and Reports – Alterations

Hearing of the Senate Finance Committee, March 10, 2022

Maryland General Assembly

The Honorable Delores G. Kelley, Chair

Chairwoman and Members of the Senate Finance Committee:

The University of Baltimore Civil Advocacy Clinic Strongly Supports SB 828

Thank you for the opportunity to testify in support of Senate Bill 828. My name is Alexis Viegas. I am a third-year law student at the University of Baltimore School of Law, where I am a Rule 19 Student Attorney in the Civil Advocacy Clinic. The Clinic represents low-income clients on a pro-bono basis, most of whom would not have access to legal representation without our services. SB 828 would greatly benefit many of the clients whom the Clinic represents by providing recipients of Temporary Cash Assistance (TCA) critical flexibility and independence to ensure better long-term outcomes for their families. For these reasons and more, the Clinic strongly supports SB 828 in its entirety. This testimony focuses on two important aspects of the bill that we have researched: the proposed changes to minimum work hours for parents, and the improvements to the work experience (WEX) program that would increase the likelihood of long-term, paid employment.

SB 828 is a critical step toward improving family success for TCA recipients.

- TCA provides temporary cash payments to minor children and parents of minor children who are living in deep poverty.¹
- TCA is intended to be a temporary safety net for poor families, with opportunities for parents receiving assistance to work toward long-term employability, increased wages, and successful family outcomes². TCA is also frequently an option of last resort with applicants often applying for TCA following major life changes such as divorce, loss of employment, homelessness, or domestic violence.³
- Recipients who are able must work to receive TCA. Yet, many TCA recipients do not see a significant increase in employability or wages over the long-term, and often return to deep poverty when their benefits end.⁴
- SB 828 is an effort to make the TCA program more effective by focusing on each parent's individual goals, needs, and life experiences when providing work opportunities and supportive services.
- By ensuring a work schedule conducive to the demands of child rearing, providing opportunities for growth through meaningful work experiences, and connecting parents to jobs that lead to long-term employment opportunities, SB 828 will ensure that recipients of TCA exit the program with a greater chance at long-term economic success and stability.

Maryland expects parents to work 40 hours a week, even though that is not required by federal law and is not standard across a majority of states.

- A federal law called Temporary Assistance to Needy Families (TANF) governs the TCA program. It provides states the flexibility to determine who is eligible to work, what activities constitute work, and who may be exempted from these requirements.⁵
- TANF states that single parents with children under six years old must work an average 20 hours per week; parents in two-parent work eligible households must average 35 hours per week, together; and all other parents must average 30 hours per week.⁶
- By contrast, Maryland requires all work-eligible individuals to work up to 40 hours per week, including single parents with children.⁷ This exceeds the requirements of federal law.⁸ Only four other states have this same requirement.⁹
- More than thirty states have codified the federal minimum hourly requirements into law.¹⁰ These states include D.C., Delaware, Pennsylvania, and West Virginia.¹¹

- SB 828 would not only ensure that the program reflects federal law but would also place Maryland in the majority of states which provide for an hourly threshold that allows families the flexibility necessary to address their numerous parental responsibilities while juggling work, child care, and transportation.

SB 828 moves families toward full-time, paid work.

- TCA recipients who can work must participate in a federally defined work activity.¹² One permissible activity is known as “work experience,” or WEX, which places parents in unpaid positions, which often include low-skilled labor or non-growth industries.¹³
- Under current Maryland law, WEX is not voluntary, it does not support the career goals of the parent, provide opportunities for skill development, or require that WEX placements lead to actual employment. As a result, parents who participate in WEX have lower earnings after leaving TCA.¹⁴ Research shows that unpaid work experiences result in poorer outcomes as compared to paid work.¹⁵
- Maryland is a significant outlier in its use of WEX as a work option for parents. For most states, the majority of their working participants are in paid positions.¹⁶ Maryland, however, places more than 25% of participants into unpaid WEX positions.¹⁷ While all neighboring states use WEX at a rate of less than 2%, Maryland significantly exceeds this rate, and in-fact ranks fifth in the nation in terms of overall WEX placements.¹⁸
- SB 828 limits the use of WEX by: providing parents a choice of whether to participate in unpaid work experiences; requiring the Department to locate experiences that meet the goals and needs of the parent; limiting WEX to a period of not more than 90 days every three years; requiring vendors (the companies that find the placements) to provide substantive learning experiences for parents; and, requiring vendors to employ a percentage of participants at the end of the WEX term.
- By limiting the use of WEX and placing requirements on WEX vendors, the State will be able to focus on placing parents in work experiences that lead to actual employment and transferrable skills.

SB 828 will provide positive and impactful changes to the TCA program, with no impact on the State’s ability to meet federal requirements

- To maintain federal funding, the TCA program must have a certain percentage of participants engaged in work¹⁹.
- Maryland has always exceeded the federally required percentage and will continue to exceed the requirement under SB 828.²⁰
- In the unlikely event of any significant decrease in work participation rates, the bill gives the Department of Human Services an escape valve to ensure federal compliance.

TCA is a program for parents and children living in poverty, and SB 828 will ensure that the TCA program is sensitive to their needs, goals, and lived experiences.

- Parents experiencing poverty face numerous barriers to finding stable work at a living wage.²¹
- SB 828 accommodates parents’ needs and goals in consideration of the challenges they may face.
 - Bringing the minimum hours requirement into alignment with federal law allows parents the flexibility they need to work and care for their children. Many TCA families utilize public transit, may have limited access to childcare, and may lack family or community support, necessitating work hour flexibility that recognizes these realities.
 - Reforming WEX will provide parents with greater flexibility to find meaningful opportunities and lead to long-term employment which can increase economic success after leaving the TCA program.

The TCA program’s statutory purpose, “is to support family efforts to achieve and maintain self-sufficiency through services and financial aid geared to individual family needs.”²² SB 828 will allow the State to meet this purpose by increasing flexibility for families, providing experiences that are in line with individual family needs, and will ensure parents are provided meaningful learning experiences that increase their long-term economic success and sustainability. For these reasons, the Clinic strongly urges a **FAVORABLE report on SB 828.**

For More Information Call:

Alexus N. Viegas, Third-Year Law Student and Rule 19 Student Attorney
 Michele Gilman, Venable Professor of Law and Supervising Attorney
 University of Baltimore School of Law Clinical Law Offices
 (410) 837-5706

¹ See *Generally* MD HUMAN SVS. § 5-308; COMAR 07.03.03.06-07; COMAR 07.03.03.11-13.

² MD CODE HUMAN SVS. § 5-302; § 5-309.

³ *TANF and Domestic Violence*, CTR. ON BUDGET & POL'Y PRIOR. (Oct. 26, 2021), <https://www.cbpp.org/research/family-income-support/tanf-and-domestic-violence-cash-assistance-matters-to-survivors>.

⁴ Lauren A. Hall & Letitia Logan Passarella, *Life After Welfare: 2021 Annual Update*, U. MD. SCH. OF SOC. WORK, 23-24, 28 (2021).

⁵ 45 CFR § 261.10(a)(2).

⁶ 45 CFR § 261.31(c); 45 CFR § 261.34(c); 45 CFR § 261.32(a); 42 U.S.C. § 1607(c)(1)(C)(1)-(2).

⁷ MD CODE HUMAN SVS. §5-301(h); MD. DEPT. OF HUMAN SVS, *The Work Book: Work Participation* § 102.1 (Jan. 2015), <https://dhs.maryland.gov/documents/Manuals/The%20Work%20Book/Work%20Book%20Work%20Participation%2001-15.pdf> (internal guidance to local departments).

⁸ 45 CFR § 261.34(c).

⁹ Shantz, Katie, Ilham Dehry, Sarah Knowles, Sarah Minton, & Linda Giannarelli, *Welfare Rules Databook: State TANF Policies as of July 2019*, U.S. DEPT. OF HLTH & HUM. SVS. 147-157 (2020),

[https://wrds.urban.org/wrd/Data/databooks/2019%20Welfare%20Rules%20Databook%20\(final%2010%2019%202020\).pdf](https://wrds.urban.org/wrd/Data/databooks/2019%20Welfare%20Rules%20Databook%20(final%2010%2019%202020).pdf).

¹⁰ *Id.*; FY2020 WPR – Table 6B, U.S. DEPT. OF HLTH. AND HUM. SVS. (JUL. 21, 2021),

<https://www.acf.hhs.gov/sites/default/files/documents/ofa/wpr2020table06b.pdf>.

¹¹ *Id.*

¹² MD CODE HUMAN SVS. § 5-301(h).

¹³ See 45 CFR § 261.2(e).

¹⁴ Alyssa Gross & Letitia Logan Passarella, *Participation in Federally Defined Work Activities Across Maryland*, U. MD. SCH. OF SOC. WORK, (Sept. 2019), https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/work-supports-and-initiatives/work_activity_participation.pdf.

¹⁵ *Id.*; See e.g. Indivar Dutta-Gupta, Kali Grant, Matthew Eckel, & Peter Edelman, *Lessons Learned from 40 Years of Subsidized Employment Programs*, GEORGETOWN CTR. ON POVERTY & INEQUALITY (2016) <https://www.georgetownpoverty.org/issues/employment/lessons-learned-from-40-years-of-subsidized-employment-programs/>.

¹⁶ Table 6B, *Supra*, N. 10.

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ 45 CFR § 261.22(c)(2).

²⁰ See *Generally* Resource Library, U.S. DEPT. OF HLTH. AND HUM. SVS. <https://www.acf.hhs.gov/ofa/resource-library>.

²¹ See Ilan Katz, Judy Corlyon, Vincent La Placa & Sarah Hunter, *The Relationship Between Parenting and Poverty*, THE JOSEPH ROWNTREE FOUND. (2007), <https://www.jrf.org.uk/sites/default/files/jrf/migrated/files/parenting-poverty.pdf>.

²² MD CODE HUMAN SVS. § 5-302(b).

SB 828_PJC_Support.pdf

Uploaded by: Ashley Black

Position: FAV



Ashley Black, Staff Attorney
Public Justice Center
201 North Charles Street, Suite 1200
Baltimore, Maryland 21201
410-625-9409, ext. 224
blacka@publicjustice.org

SB 828

Family Investment Program – Eligibility, Work Experience, Community Service and Reports - Alterations Hearing of the Senate Finance Committee

March 10, 2022

1:00 PM

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 stands in strong support of SB 828**, which would utilize federally allowable flexibilities for the State to redesign the Temporary Cash Assistance (TCA) mandatory work program to be trauma-informed, client-centered and to promote racial equity and anti-racism.

TCA is an important resource for over 22,000 low-income families in Maryland and supports basic needs, such as housing and food. When families are able to meet their basic needs, the overall health of the household, including children, is positively impacted. Though adult recipients of TCA are required to work, more than 25% of these families are working without pay. This issue disproportionately impacts TCA recipients who are Black and those who identify as women. Further, though the goal of TCA is to promote self-sufficiency, unpaid work does not leave participants with the necessary skills or training to secure unsubsidized employment. Maryland's existing TCA policies are rooted in the harmful and false narrative that not only must labor be compelled, but also that not all labor is worthy of payment. SB 828 seeks to disrupt this narrative and bring meaningful changes to Maryland's TCA program by reducing barriers to TCA and obtaining paid work experience. SB 828 would transform what counts as work experience and provide families with options for their placement. As a result, TCA would empower families.

Not only is SB 828 good policy, but it is informed by individuals with lived experience participating in the TCA program. PJC is a member of the DHS Program Advancement Through Community Outreach Workgroup alongside DHS, FIA, advocates and individuals with lived experience with TCA. This Workgroup centers the voices of individuals with lived experience by empowering them to provide their insight and expertise on barriers to accessing TCA based in their own experiences with DHS and FIA. SB 828 centers these voices by incorporating their recommendations.

The Public Justice Center is a 501(c)(3) charitable organization and as such does not endorse or oppose any political party or candidate for elected office.

For these reasons, the Public Justice Center urges the committee to issue a **FAVORABLE** report for **SB 828**. If you have any questions about this testimony, please contact Ashley Black at 410-625-9409 x 224 or blacka@publicjustice.org.

SB0828_FAV_JOTF.pdf

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Position: FAV



Advocating better skills, jobs, and incomes

TESTIMONY IN SUPPORT OF Senate Bill 828:

Family Investment Program – Eligibility, Work Experience, Community Service, and Reports - Alterations

TO: Hon. Delores G. Kelly, Chair and Members of the Senate Finance Committee

FROM: Caleb Jasso, Policy Advocate

DATE: March 10, 2022

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that develops and advocates for policies and programs to increase the skills, job opportunities, and incomes of low-wage workers and job seekers in Maryland. JOTF supports **Senate Bill 828** which adds federally-allowed flexibilities to the Temporary Cash Assistance (TCA) program including streamlining work verification paperwork, codifying that 30-hours is the minimum standard work week for able-bodied adults on TCA, codifying that families who newly receive TCA can optionally have 12 months to stabilize before moving into work placements, and re-envisioning the Work Experience (WEX) program so that TCA recipients have more choice in their placement so that they can gain tangible, marketable skills that lead to quality employment opportunities.

The Temporary Cash Assistance (TCA) program serves families with children who live in deep poverty. TCA, the cash assistance part of Maryland's TANF program, was created as part of Welfare Reform in the mid-nineties. Today, over 22,000 Maryland's families have to rely on TCA to meet their basic needs, and more than 70% of TCA recipients are children (DHS Caseload Data, FY 2021). Families use TCA benefits to purchase housing, food, transportation, and other basic needs. These funds are immediately spent in the local economy, generating economic growth.

While TCA is a critical safety-net for those living in the deepest levels of poverty, it is not a pathway to economic stability for the vast majority of recipients. In order to receive TCA, able-bodied adults in the household are required to participate in federally defined work activities. Although the original intent for the work requirement might have been for recipients to obtain employment after a short spell of receiving benefits, numerous studies show the workforce component of cash assistance does not result in long-term, stable [employment](#). In fact, data from the Life After Welfare report shows that five years after receiving TCA, 80% of Maryland families still live in poverty and, most disturbingly, almost 68% of former recipients are living in deep [poverty](#).

SB 828 begins the critical process of improving TCA – especially the work requirement - to be a more trauma-informed, anti-racist and client-centered program. The federal TANF program – particularly the strict work requirement - is rooted in a history of racism that perpetuates false and harmful assumptions about families living in [poverty](#). Far too often, TCA recipients are placed into temporary, unpaid work experience activities with little to no opportunity for employment after they have completed their placement. Of all of the types of work activities TCA recipients can be referred to, recipients in these unpaid work experience (WEX) placements have the most difficulty securing employment after TCA, and overall make the lowest earnings [post-TCA](#). Maryland – compared to other states – places TCA recipients

JOTF JOB OPPORTUNITIES TASK FORCE

Advocating better skills, jobs, and incomes

into unpaid WEX placements at much higher [rates](#). Instead of relegating 30% of our working adults in TCA into WEX placements without any choice, HB 1043 recognizes that TCA participants have a wide range of personal experiences, history in the workforce, and family structures that are ill-served by a one-size-fits all work program. Rather than offering the labor of TCA recipients to the lowest WEX contract bidder, HB 1043 encourages the state to partner with innovative educational, training and skill-building programs that provide meaningful opportunities for TCA families to locate employment in high-wage, growing industries.

HB 1043 additionally enacts a series of changes that are permissible under federal law, which allows families to have more choice and flexibility to meet work requirements. The bill codifies that adults in the household have to work the minimum hours federally required instead of the maximum. Without this flexibility, parents must work 40 hours per week – 10 hours more than required by federal TANF - and the family is punished with a benefit reduction if they are not meeting the maximum weekly hours. Moreover, HB 1043 codifies that families can be exempt from the work requirement for the first 12 months while on TCA, and can be exempt when needed to care for a newborn under 12 months. These flexibilities are trauma-informed practices, allowing families time to stabilize after a new baby or a major life crisis before transitioning into work programs.

SB 828 creates tangible progress to improving the TCA program – without any threat to our state’s Work Participation Rate (WPR). If Maryland is going to reduce the number of households living in deep poverty – and truly create a bridge out of poverty for families on TCA - a critical area to focus on is improving the TCA work requirement. The US Department of Health and Human Services provides guidance on the myriad of options states have to meet their Work Participation Rate (WPR), and notes “our goal in issuing guidance continues to be to give States as much flexibility as possible to implement effective, innovative and creative programs that support work and [responsibility](#).” Maryland has consistently exceeded its WPR every year there is available data, even as we’ve passed legislation to improve the program, like allowing two years of advance education to qualify as work instead of one year. Even in an improbable scenario that Maryland was in jeopardy of not meeting WPR without reasonable cause – which the federal government liberally grants to states – the federal process if a state does not meet its WPR is multi-pronged over the course of several years, with several opportunities for a state to bring up the WPR before losing funding. Moreover, there is a pressure release valve built into the bill that the Department can revert to how it currently reports activities toward the WPR if the state is ever in the unlikely scenario the State is out of compliance with federal TANF.

Investing resources and building flexibility into the state’s TCA program is a good investment in the future of Maryland families, employers, and our economy as a whole. **For the reasons stated above, we respectfully urge a favorable report on Senate Bill 828.**

For more information, contact:

Caleb Jasso / Policy Advocate / caleb@jotf.org / 626-224-3543

SB 828 _MFN_FAV_Macsherry.pdf

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Position: FAV



**Testimony Concerning SB 828 “Family Investment Program – Eligibility, Work
Experience, Community Service, and Reports – Alterations”
Submitted to the House Appropriations Committee
March 10, 2022**

Position: **SUPPORT**

Maryland Family Network (MFN) supports SB 828 which would add federally allowable flexibilities to the Temporary Cash Assistance (TCA) program and re-envision the Work Experience Program so that TCA recipients have greater access to family-supporting employment opportunities.

MFN has worked since 1945 to improve the availability and quality of child care and other supports for children and families in Maryland. We have been active in state and federal debates on welfare reform and are strongly committed to ensuring that low- and moderate-income families -- and indeed, all families -- have the supports they need to care for their children and to be economically self-sufficient.

While TCA is a critical safety net for those living in the deepest levels of poverty, it is not a pathway to economic stability for the vast majority of recipients. In order to receive TCA, able-bodied adults in the household are required to participate in federally defined work activities. Although the original intent for the work requirement might have been for recipients to obtain employment after a short spell of receiving benefits, numerous studies show the workforce component of cash assistance does not result in long-term, stable employment. In fact, data from the Life After Welfare report shows that five years after receiving TCA, 80% of Maryland families still live in poverty and, most disturbingly, almost 68% of former recipients are living in deep poverty.

SB 828 codifies that families can be exempt from the work requirement for the first 12 months while on TCA, and can be exempt when needed to care for a newborn under 12 months. These flexibilities are trauma-informed practices, allowing families time to stabilize after a new baby or a major life crisis before transitioning into work programs.

A re-envisioning of the Work Experience Program could promote family economic stability and provide additional income for children, who will benefit greatly from it. For this reason, MFN urges your favorable consideration of SB 828.

Erika Young_Testimony_SB 828_favorable.pdf

Uploaded by: Erika Young

Position: FAV

Testimony in Support of SB 828
Hearing before the Senate Finance Committee, March 10, 2022

I, Erika Young, am writing this letter in support of Senate Bill 828.

Temporary cash assistance recipients have many responsibilities and expectations that they must meet in order to receive benefits. In this same tone, the Department of Social Services and third party work activity vendors should also have a responsibility to ensure that TCA recipients are learning skills and gaining experiences that will put them in a better position to have long term financial independence and stability. Senate Bill 828 addresses these concerns and offers a few ways of remedying these issues to garner a more successful outcome for participants.

I have received temporary cash assistance intermittently over the course of eight years. During those times I had the experiences of performing unpaid work and attending job readiness courses and specified training. Before being assigned to a work activity, participants go to an orientation and complete a large packet of paperwork. This intake is to assess the participants background, life goals and any barriers to their success. Unfortunately this information is often not taken into consideration when the time comes to place participants into an activity to satisfy the expectations of the program.

Too often, participants are performing unpaid work with the expectation of being hired by the employers. Yet they are rarely ever offered a position. Other participants may receive career training in so-called "high demand" positions. Unfortunately these positions don't typically offer a livable wage nor do they provide the ability for career growth and development. Being impoverished and needing assistance should not limit or prevent anyone from pursuing their dreams and passions. Nor should it hamper one's ability to perform their parenting duties because of restrictive scheduling and stringent expectations.

With more options and less restrictions, TCA recipients will be able to create long term success in a career that satisfies their passion and interests. Without this many people will cycle in and out of the temporary cash assistance program, such as I did. Yes, success is financial gain. Success is stability. Success is also happiness. Happiness is the total satisfaction with oneself. When a parent reaches that pinnacle the entire family is uplifted and made stronger as to break poverty's stronghold.

Health Care for the Homeless - SB 828 FAV - TCA Re

Uploaded by: Joanna Diamond

Position: FAV



**HEALTH CARE FOR THE HOMELESS TESTIMONY
IN SUPPORT OF**

**SB 828 – Family Investment Program – Eligibility, Work Experience, Community
Service, and Reports – Alterations**

**Senate Finance Committee
March 10, 2022**

Health Care for the Homeless supports SB 828, which requires the Department of Human Services to hire an outside consultant to conduct a thorough review of the Temporary Cash Assistance (TCA) Program to ensure the program is employing best practices that will achieve meaningful outcomes for family economic stability. In particular, the bill requires that any non-governmental entities that the government contracts with for work activity requirements have performance-based incentives for 1) education and training, 2) job placement and placement wage, 3) employment retention, and 4) exiting TCA due to earnings that are at least 150% of the state's minimum wage. The bill also has a focus on providing accommodations to people with disabilities and people experiencing homelessness.

Health Care for the Homeless works with many clients who utilize TCA and we have an inherent understanding of the importance of this program for families experiencing poverty as well as the barriers the current TCA system erects in preventing families from exiting homelessness. As a former Health Care for the Homeless social worker in pediatrics has stated:

Imagine that you and your children suddenly became homeless, having no place to go and no income – no means of paying for a place to stay. After many weeks on a waiting list, you arrive at a shelter and are provided with a bed to sleep in a congregated room with many other families. You are informed that the shelter resources are limited and you will eventually need to pay for your own supplies like toilet paper, diapers, personal hygiene items, clothes, shoes and transportation. Or you're meeting with a case worker, at a shelter or community agency, to discuss housing options but since you don't have an income you cannot apply for any programs because of the application fees, security deposit and the required proof of income. Maybe you have a doctor's appointment for yourself or your child, but since you don't have an income, you do not have transportation to get to the appointment. Perhaps you need to call your children's school or schedule medical appointments but due to no income, you can't pay for a phone.

Everyone has the right to have essential needs met such as food and shelter. For homeless families with children, the stress from trying to obtain shelter, food and personal items is enormous. Having access to a source of income while trying to get on your feet, secure housing and employment, is vital to the health of homeless families with children.

TCA is a starting point for families to move from homelessness to stability. Since most housing programs require clients to have an income, TCA enables families experiencing homelessness access to these programs so they can obtain stable housing. When clients are forced into unpaid and unskilled work that denies them employment opportunities after exiting TCA, this can delay access to housing and increase their shelter stay. For families who are housed, the current TCA unpaid work requirements can jeopardize housing and result in homelessness.

Reviewing the TCA program, as SB 828 intends, also helps dismantle historically racist policies. The federal TANF program – particularly the strict work requirement - is rooted in a history of racism that perpetuates false and harmful assumptions about families living in poverty.¹ Far too often, TCA recipients are placed into temporary, unpaid work experience activities with little to no opportunity for employment after they have completed their placement. Recipients who are forced into these unpaid work experience placements have the most difficulty securing employment after TCA, and overall make the lowest earnings post-TCA.²

If Maryland is going to reduce the number of households living in deep poverty and increase employment, the TCA contracts must be improved. SB 828 improves education, employment outcomes, and wages. This bill is a critical measure in improving the lives of people living in the deepest of poverty. As such, we urge a favorable report on SB 828.

Health Care for the Homeless is Maryland's leading provider of integrated health services and supportive housing for individuals and families experiencing homelessness. We work to prevent and end homelessness for vulnerable individuals and families by providing quality, integrated health care and promoting access to affordable housing and sustainable incomes through direct service, advocacy, and community engagement. We deliver integrated medical care, mental health services, state-certified addiction treatment, dental care, social services, and housing support services for over 10,000 Marylanders annually at sites in Baltimore City and Baltimore County. For more information, visit www.hchmd.org.

¹ [Life After Welfare Series - University of Maryland, Baltimore \(umaryland.edu\)](http://www.umaryland.edu/media/ssw/fwrtg/welfare-research/work-supports-and-initiatives/workactivities.pdf?&)

² <https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/work-supports-and-initiatives/workactivities.pdf?&>

SB828_MD Center on Economic Policy_FAV.pdf

Uploaded by: Kali Schumitz

Position: FAV

Maryland Families In Income Support Programs Deserve True Pathways to Work and Stability

Position Statement Supporting Senate Bill 828

Given before the Senate Finance Committee

Maryland's economic security programs provide vital supports that can help families meet their basic needs and set them on a pathway to greater stability and economic opportunity. However, the requirements for people to participate in family income support programs, such as Temporary Assistance for Needy Families (TANF), are often rooted in racist ideas and policies and, resulting in an inadequate system of support. **The Maryland Center on Economic Policy supports Senate Bill 828 because it would use the flexibility the federal government provides to improve the workforce components of our TANF program and increase opportunity for families.**

Maryland's Temporary Cash Assistance (TCA) program (our state's TANF program) is the only cash assistance program that provides economic support to families with children who have very low incomes. Cash assistance is flexible and allows families to address whatever their needs are in the moment, whether that is paying rent, buying clothes or school supplies for the children, or paying utility bills.

However, the program also includes a range of onerous eligibility requirements, including strict work participation requirements. These requirements, put in place when the federal TANF program was created in the 1990s, are the outgrowth of decades of anti-Black racism and stereotypes that have always accompanied family income support programs in the U.S.¹ It is also clear that Maryland's current program is not helping families in the long term. Almost 68% of former TCA recipients are living in deep poverty five years after they received TCA and 80% of families still live in poverty².

While Maryland does have to meet some baseline federal standards for work participation by parents who receive TCA, the state has flexibility in how it structures its work requirements. Senate Bill 828 makes several important changes that will strengthen Maryland's TCA workforce participation programs.

SB 828 reforms unpaid "work experience" to improve skills, employability and earnings:

- Maryland often requires parents receiving TCA to participate in unpaid “work experience” programs, in which they work for a private or public employer for a 90-day placement with no pay beyond their TCA benefits. Data show these placements almost never lead to a paying job and don’t equip participants with skills that are useful in the workforce.
- Maryland is an outlier how often it places people in “work experience” programs, which is one of 12 categories of federally allowed work activities. **More than 1 in 4 work-eligible families in Maryland receive unpaid “work experience” assignments, compared to just 2% of TANF participants nationwide.** Many states don’t use this work category at all.
- Hundreds of employers throughout Maryland are benefitting from the labor of TCA participants who receive work experience placements, including hospital systems, state government agencies, major corporations, and small private companies.
- SB 828 would limit unpaid “work experience” placements to one every three years, give TCA families more choice in how they fulfill the work participation requirements of the program, and create incentives for participating businesses to offer permanent employment to people who are assigned to them for “work experience.”

Senate Bill 828 also improves work participation requirements, in line with federal guidelines, by:

- **Allowing all parents with a child under 1 to be exempt from work requirements so they can care for their child.** Federal law allows a parent to be exempt from work when needed to care for an infant. However, Maryland caps this exemption to 12 months in the parent's lifetime, which means if the parent already used the exemption for one infant in the past, the parent would not have the choice to be exempt if needed to care for another infant in the future. SB 828 lifts the 12-month exemption.
- **Conform the definition of a work week to federal standards.** Federal standards and most other states define a parent to be “engaged in work” if they are working at least 30 hours per week. Maryland has set this level at 40 hours. SB 828 would give parents flexibility to work 30 or more hours, depending on their family’s specific needs.
- **Increases flexibility by allowing all families to be exempt from work requirements for up to one year.** Federal TANF requirements allow families to be exempt from work requirements for up to 24 months. While Maryland has a range of specific circumstances that allow families to be exempted from work requirements, the default is for parents to be subject to work requirement almost immediately. Many families entering the program are experiencing profound trauma and destabilizing situations, such as homelessness or domestic abuse. Providing additional flexibility allows people to stabilize and seek other support before entering the workforce.

SB 828 would make Maryland’s work participation programs for families receiving income supports more equitable and create stronger pathways to long-term economic opportunity. **For these reasons, the Maryland Center on Economic Policy respectfully requests that the Finance Committee make a favorable report on Senate Bill 828.**

Equity Impact Analysis: Senate Bill 828

Bill summary

SB 828 would improve experiences and outcomes for Maryland parents receiving essential family income supports through the Temporary Cash Assistance (TCA) program by:

- Placing reasonable limits on the use of unpaid “work experience” programs.
- Removing the lifetime 12-month cap on work requirement exemption for parents who have a child under 1 so that if someone needs to stay home to care for a second child they can still be exempt.
- Conforming to the federal standard of a 30-hour workweek rather than the current 40 hours to meet program work requirements
- Allows all families to be exempt from work requirements for up to one year after enrolling in TCA to have time to address other needs before rejoining the workforce

Background

Congress created the Temporary Assistance for Needy Families (TANF) program 26 years ago as the nation’s primary source of cash assistance to families with children when they fall on hard times or have very low incomes. TANF replaced Aid to Families with Dependent Children (AFDC), a program that had been in existence since 1935. Since TANF’s creation, the accessibility and adequacy of cash assistance has fallen dramatically and, in some states, primarily in the South and where Black children are likelier to live, TANF cash assistance has all but disappeared. Temporary Cash Assistance is Maryland’s TANF program.

TANF provides a vital support to families with the lowest incomes: cash assistance. Other anti-poverty programs, such as SNAP and refundable tax credits, have grown significantly and have had a tremendous impact on reducing hardship, especially for Black and Latinx families and individuals. Yet families with little or no cash income still need monthly cash assistance to be more economically secure.

In large part because of work requirements, TANF today reaches few non-working families and leaves many families with children with no regular cash income. These requirements, put in place when the federal TANF program was created in the 1990s, are the outgrowth of decades of anti-Black racism and stereotypes that have always accompanied family income support programs in the U.S.

In Maryland, the program has had very limited success in moving families to long-term economic stability. 68% of former TCA recipients are living in deep poverty five years after they received TCA and 80% of families still live in poverty.

Equity Implications

- Steep barriers, including discrimination in the labor market and in government policies, have led to disproportionate levels of poverty among Black mothers, so they are more likely to participate in family income support programs like TCA.
- State data on the unpaid “work experience” program shows that 78% of the participants are Black and 90% are women.

- Work requirements and other eligibility requirements that were put in place when the federal TANF program was created in the 1990s, are the outgrowth of decades of anti-Black racism and stereotypes that have always accompanied family income support programs in the U.S.

Impact

Senate Bill 828 would likely **improve racial, gender and economic equity** in Maryland.

¹ Ife Floyd et. al., “TANF Policies Reflect Racist Legacy of Cash Assistance,” Center on Budget and Policy Priorities, August 2021, <https://www.cbpp.org/research/family-income-support/tanf-policies-reflect-racist-legacy-of-cash-assistance>

² “Life After Welfare,” University of Maryland School of Social Work, 2021 update, <https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/life-after-welfare/Life-after-Welfare,-2021-Updated-2-15-22.pdf?&>

SB 828_Kendra James Testimony_favorable.pdf

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Testimony in Support of SB 828

Family Investment Program – Eligibility, Work Experience, Community Service, and Reports – Alterations
Senate Finance Committee, March 10, 2022

Testimony of Kendra James
Baltimore City, Maryland

Chair Kelley and Members of the Committee,

Thank you for the chance to give you my testimony in support of Senate Bill 828, which will improve the Temporary Cash Assistance program by giving families more choice of their work activity options, flexibility in schedule, improve skills and experiences while people are participating in the program, and lead to families finding better jobs with higher wages. I am a single parent, receive TCA and would like to share with you my experience with the Department of Social Services (DSS) when I came to apply for TCA...

--- DSS WORKER- "Homeless or not you can't receive benefits without birth certificates for you and your kids"

---DSS WOKER-"Sit your daughter at the McDonald's across the street from the work activity site with fries and a soda until you're done".

---DSS WOKER-"Well you have to be doing something, you can't just sit and receive benefits..... You gotta come back here every ten days with a letter from the shelter stating you still live there, if you don't we will terminate your benefits".

--- Me: "My kids (10 and 14 at the time) are in summer camp provided by the shelter. I found a class I would like to take at Goodwill that works with this schedule due to the fact that my 14 year old has aged out of a voucher, however she CANNOT BE LEFT AT THE SHELTER ALONE OR WITH ANY OTHER ADULT THAT LIVES AT THE SHELTER (per shelter policy) Can I take this course for work activity hours"?

-DSS WORKER: "Well we can't tell you no, but we no longer work with Goodwill, so if you go to that program your TCA case will be terminated".

DSS-- YOUR CASE HAS BEEN TERMINATED DUE TO EMPLOYMENT.... (Fact is all I had received at the time was a letter stating I was hired... I never worked one hour before my case was terminated and the manager told me they never had to do so much for a person on welfare.... So ultimately the things I was being asked to do by DSS were bothersome and he chose not to allow me to work. But my case was still terminated).

I was new to Baltimore and came here in the middle of a crisis in search of safety and resources. I was met with very personal questions about information DSS did not even need, I felt bullied by DSS, and they gave me a really hard time. The interaction with DSS was very traumatic. I do understand policy but the way the DSS workers treat their customers is like bootcamp not welcoming or helpful at all..... I was told all kinds of stories on how when their kids were younger they got out here and did what they

had to do... But I needed help and it was very hard to find in a place called DEPARTMENT OF SOCIAL SERVICES.

Why is it so hard to receive help??

Why do we get treated like the scum of the earth??

Do you think any of what you just read is right or just??

I'm so pleased to say that this is no longer my story and my hope is that with SB 828 being passed history won't have to repeat its self.... We just want a fair chance at being, doing, and creating better lives for ourselves and the future of our families.... Are you willing to help us help ourselves?

Thank You.

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Position: FAV

Testimony of LaDonna Pavetti, Vice President for Family Income Support at the Center on Budget and Policy Priorities on HB 1043/SB 828

**Appropriations Committee
March 10, 2022**

Good afternoon Delegate McIntosh, Delegate Valentino-Smith and members of the Appropriations Committee. I am testifying today in support of HB 1043/SB 828 because it advances policies that will help to improve Maryland's Temporary Cash Assistance (TCA) and 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.

Putting Maryland in Perspective

The Personal Responsibility and Work Opportunity Act of 1996 (PRWORA), the law that created the Temporary Assistance for Needy Families (TANF) block grant, provides states with considerable flexibility to decide how to spend their federal and state TANF funds and how to design programs to provide work opportunities to TANF recipients. States are required to meet a 50 percent work participation rate (WPR) for all work-eligible families, but that requirement is reduced by one percentage point for every percentage point decline in the TCA caseload since 2005. Because cash assistance caseloads have declined so much, Maryland, like 27 other states, had a zero target Work Participation Rate (WPR) in FY 2020 (the latest year for which published data is available). This provides Maryland with considerable flexibility to provide work opportunities that will help TCA recipients to improve their employment prospects, rather than simply implementing requirements to meet the rate.

Although Maryland met its WPR for FY 2022 with significant room to spare, there are several facts that suggest substantial room for improvement, including the following:

- It's achieved WPR was low – just 14.3 percent; only seven states achieved lower rates.
- It relied more heavily on work experience than most other states. Of the families counted as meeting the work requirement for the all-family work participation rate, 27.2 percent were participating in unpaid work experience, compared to just 1.7 percent nationally. Only four states – Georgia, Montana, Ohio and Wyoming—had a higher percentage of families counted as meeting the work participation requirement engaged in unpaid work.
- The share of participants meeting the work participation rate through unsubsidized employment was substantially lower than the national average. Nationally, 85.6 percent of TANF recipients counted as meeting their work requirement for the all-family work rate were working in an unsubsidized job; the comparable percentage in Maryland was just 54.5 percent. Only seven states had a smaller share working in an unsubsidized job.
- Maryland spent very little of its TANF funds to provide work opportunities for TCA recipients. In FY 2020, Maryland spent just 5.6 percent of its state and federal TANF dollars on work activities compared to 9.7 percent nationally.

Concerns Regarding Maryland's Extensive Use of Unpaid Work Experience

Maryland's reliance on unpaid work experience is cause for concern for three key reasons:

- Studies conducted prior to the advent of TANF found that work experience programs were not an effective strategy for increasing employment or earnings for cash assistance recipients. Because so few states operate large unpaid work experience programs more recent results of their effectiveness are not available.
- Parents participating in unpaid work experience are denied access to tax benefits that are only provided to parents with earnings. Both the Earned Income Tax Credit and the current Child Tax Credit are only available to parents with earnings. Thus, even though TANF recipients are working, they are denied access to those benefits which would provide them with more cash benefits to meet their basic needs and that have significant positive impacts on children's growth and development.
- The focus on mandatory work requirements with an emphasis on immediate job placement, including in unpaid work experience for recipients who can't find paid work, reinforces stereotypes that parents receiving assistance who are disproportionately people of color, do not work and do not wish to work and will only do so if coerced. This stereotype persists even though data show that Black women have consistently maintained the highest levels of labor market participation regardless of age, marital status, and presence of children in the home when compared to other women in the United States. TANF work programs largely ignore the fact that many TANF recipients working or seeking work face structural barriers and discrimination that makes finding stable, high-paying employment — or any employment at all — challenging.

HB 1043/SB 828 Would Make Important Improvements

HB 1043/SB 828 makes changes to Maryland's work experience program that could potentially improve its effectiveness and ensure that it is only used when the participant thinks it is the best choice for them and when it is designed to increase their skills. The following aspects of HB 1043/SB 828 could potentially lead to a more effective program:

- **It requires that work experience placements focus on helping recipients to develop marketable skills.** Some people learn best by doing. When that is the case and when the placement is designed to meet the individual's goals, work experience could help participants achieve their goals and lead to placement in unsubsidized employment. By placing greater requirements on the department and employers to demonstrate that the placement will build marketable skills, the number of recipients that move from unpaid to paid employment should increase.
- **It limits its use to employers who are committed to hiring participants.** Employers benefit from unpaid work experience in multiple ways. First, it reduces their costs since they are not paying wages and other wage-related costs. Second, it reduces their recruiting costs since they are able to "try out" employees without incurring the costs usually associated with hiring new employees. HB 1043/SB 828 limits the ability of employers to rely on work experience participants only as a source of unpaid labor. To continue to serve as a work experience placement HB 1043/SB 828, employers will have to demonstrate that they are committed to hiring participants or provide adequate training to prepare recipients to be hired by other employers.
- **It gives recipients choice and ensures that recipients are not continually cycled in and out of unpaid work experience placements.** Research shows that programs are more effective when recipients are able to choose the programs in which they participate. The requirement that recipients be given multiple placement options and the limits placed on the number of placements will ensure that placements are aligned with recipients' goals and aspirations and that they are not just a source of paid labor.
- **It requires data collection that can be used to assess program outcomes and establish program improvement plans.** The Department does not systematically review the outcomes associated with unpaid work experience. Requirements for standardized annual reporting will provide the information necessary to assess the program's value and to establish program improvement targets.

In addition to program changes to increase the effectiveness of work experience programs, HB1043/SB 828 also includes a provision to reduce the onerous verification requirement imposed upon TCA recipients. In focus groups, recipients noted that these verification requirements strip them of their dignity by reinforcing stereotypes that they are not deserving of assistance and not to be trusted. State are required to document participation for activities that they will count towards the WPR, but they are not required to implement them for all work activities.

It is up to states to decide what it means to be "engaged in work." HB 1043/SB 828 follows Texas' lead in defining "engaged in work" to mean that a TCA work-eligible individual is considered engaged in work by participating in unsubsidized employment, subsidized employment, on-the-job (OJT) training, or educational services for TCA-eligible individuals who have not completed secondary school or received a high school equivalency credential. These activities mostly can be verified through electronic means, reducing the reporting burden on both staff and participants.

Last week, the American Human Services Association released a report with six principles for modernizing TANF. These principles include the following:

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.

Many more changes are needed to fully embrace these principles, but HB 1043/SB 828 will put Maryland on a path to begin to embrace these principles and modernize their TANF program.

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Position: FAV



Welfare Advocates

Founded 1979

228 W. Lexington Street — Suite 220 | Baltimore, Maryland 21201-3432

Phone: 667.600.3356 | lklingenmaier@cc-md.org

Senate Bill 828

Family Investment Program – Eligibility, Work Experience, Community Service, and Reports - Alterations

Senate Finance Committee

March 10, 2022

Support

Welfare Advocates is a statewide coalition of community-based organizations, advocacy groups, faith communities, and consumers, whose mission it is to educate ourselves and the wider community and to advocate for an adequate safety net and public policies that support families moving to economic stability.

Welfare Advocates strongly supports SB 828, which adds federally-allowed flexibilities to the Temporary Cash Assistance (TCA) program including streamlining work verification paperwork, codifying that 30-hours is the minimum standard work week for able-bodied adults on TCA, codifying that families who newly receive TCA can optionally have 12 months to stabilize before moving into work placements, and re-envisioning the Work Experience (WEX) program so that TCA recipients have more choice in their placement so that they can gain tangible, marketable skills that lead to quality employment opportunities.

The Temporary Cash Assistance (TCA) program serves families with children who live in deep poverty. TCA, the cash assistance part of Maryland's TANF program, was created as part of Welfare Reform in the mid-nineties. Today, over 22,000 Maryland's families have to rely on TCA to meet their basic needs, and more than 70% of TCA recipients are children.¹ Families use TCA benefits to purchase housing, food, transportation, and other basic needs. These funds are immediately spent in the local economy, generating economic growth.

While TCA is a critical safety-net for those living in the deepest levels of poverty, it is not a pathway to economic stability for the vast majority of recipients. In order to receive TCA, able-bodied adults in the household are required to participate in federally defined work activities. Although the original intent for the work requirement might have been for recipients to obtain employment after a short spell of receiving benefits, numerous studies show the workforce component of cash assistance does not result in long-term, stable employment.² In fact, data from the Life After Welfare report shows that five years after receiving TCA, 80% of Maryland families still live in poverty and, most disturbingly, almost 68% of former recipients are living in deep poverty.³

SB 828 begins the critical process of improving TCA – especially the work requirement - to be a more trauma-informed, anti-racist and client-centered program. The federal TANF program – particularly the strict work requirement - is rooted in a history of racism that perpetuates false and harmful assumptions about families living in poverty.⁴ Far too often, TCA recipients are placed into temporary, unpaid work experience activities with little to no opportunity for employment after they have completed their placement. Of all of the types of work activities TCA recipients can be referred to, recipients in these unpaid work experience (WEX) placements have the most difficulty securing employment after TCA, and overall make the lowest earnings post-TCA.⁵ Maryland – compared to other states – places TCA recipients into unpaid WEX placements at

¹ DHS Caseload Data. FY 2021.

² Ideas 42. Work Requirements Don't Work. 2019. <http://www.ideas42.org/wp-content/uploads/2019/04/ideas42-Work-Requirements-Paper.pdf>

³ University of Maryland School of Social Work. *Life After Welfare Series*. <https://www.ssw.umaryland.edu/familywelfare/safety-net-research/life-after-welfare-series/?&>

⁴ Center on Budget and Policy Priorities. 2022. *Improvements in TANF Cash Benefits Needed to Undo the Legacy of Historical Racism*. <https://www.cbpp.org/sites/default/files/1-26-22tanf.pdf>

⁵ University of Maryland School of Social Work. *Work Activities and Short-Term Employment & Earnings Among TANF Recipients*. 2016. <https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/work-supports-and-initiatives/workactivities.pdf?&>

much higher rates.⁶ Instead of relegating 30% of our working adults in TCA into WEX placements without any choice, SB 828 recognizes that TCA participants have a wide range of personal experiences, history in the workforce, and family structures that are ill-served by a one-size-fits all work program. Rather than offering the labor of TCA recipients to the lowest WEX contract bidder, SB 828 encourages the state to partner with innovative educational, training and skill-building programs that provide meaningful opportunities for TCA families to locate employment in high-wage, growing industries.

SB 828 additionally enacts a series of changes that are permissible under federal law, which allows families to have more choice and flexibility to meet work requirements. The bill codifies that adults in the household have to work the minimum hours federally required instead of the maximum. Without this flexibility, parents must work 40 hours per week – 10 hours more than required by federal TANF - and the family is punished with a benefit reduction if they are not meeting the maximum weekly hours. Moreover, SB 828 codifies that families can be exempt from the work requirement for the first 12 months while on TCA, and can be exempt when needed to care for a newborn under 12 months. These flexibilities are trauma-informed practices, allowing families time to stabilize after a new baby or a major life crisis before transitioning into work programs.

SB 828 creates tangible progress to improving the TCA program – without any threat to our state’s Work Participation Rate (WPR). If Maryland is going to reduce the number of households living in deep poverty – and truly create a bridge out of poverty for families on TCA - a critical area to focus on is improving the TCA work requirement. The US Department of Health and Human Services provides guidance on the myriad of options states have to meet their Work Participation Rate (WPR), and notes “our goal in issuing guidance continues to be to give States as much flexibility as possible to implement effective, innovative and creative programs that support work and responsibility.”⁷ Maryland has consistently exceeded its WPR every year there is available data, even as we’ve passed legislation to improve the program, like allowing two years of advance education to qualify as work instead of one year. Even in an improbable scenario that Maryland was in jeopardy of not meeting WPR without reasonable cause – which the federal government liberally grants to states – the federal process if a state does not meet its WPR is multi-pronged over the course of several years, with several opportunities for a state to bring up the WPR before losing funding. Moreover, there is a pressure release value build into the bill that the Department can revert to how it currently reports activities toward the WPR if the state is ever in the unlikely scenario the State is out of compliance with federal TANF.

Investing resources and building in flexibilities into the state’s TCA program is a good investment in the future of Maryland families, employers, and our economy as a whole. **For the reasons stated above, we respectfully urge a favorable report on SB 828.**

Submitted by Lisa Klingenmaier, Chair of Welfare Advocates

⁶ U.S. Department of Health & Human Services. *Percentage of Work-Eligible Individuals Participating in Work Activities for Sufficient Hours for the Family to Count as Meeting the All-Families Work Requirement*. 2020. <https://www.acf.hhs.gov/sites/default/files/documents/ofa/wpr2020table04b.pdf>

⁷ U.S. Department of Health & Human Services. Office of Family Assistance. *Q&A: Penalty Process*. <https://www.acf.hhs.gov/ofa/faq/q-penalty-process>

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Position: FAV



HOMELESS PERSONS REPRESENTATION PROJECT, INC.

201 North Charles Street, Suite 1104 Baltimore, MD 21201 (Headquarters)

P.O. Box 1787, Rockville, Maryland 20849 (Satellite Office)

(410) 685-6589 www.hprplaw.org

Support – SB 828: Family Investment Program – Eligibility, Work Experience, Community Service, and Reports – Alterations

Hearing of the Senate Finance Committee, March 10, 2022

Testimony of Michelle S. Madaio, Homeless Persons Representation Project

The Homeless Persons Representation Project, Inc. (HPRP) is a non-profit civil legal services organization that provides free legal representation to people who are experiencing homeless or at risk of homelessness on legal issues that will lead to an end to homelessness. Over the last 25 years since welfare reform, HPRP has represented thousands of families in appealing unlawful denials and terminations of Temporary Cash Assistance (TCA) and has worked to change harmful policies and practices of the TCA program, Maryland's federal Temporary Assistance for Needy Families (TANF) program. TANF has a long history rooted in false stereotypes, anti-Black narratives, and racist ideas that continue to shape the program design to this day, including the strict work requirement, behavioral requirements, harsh penalties and time limits. HPRP supports SB 828 because it moves Maryland's TCA work program in a client-centered, trauma-informed and antiracist direction by exercising the broad discretion, flexibility, and encouraged innovation that exists within the federal TANF framework.¹

SB 828 reforms Maryland's use of unpaid "work experience," a TANF work activity no longer used by most states in the country because there is no evidence that it leads to employment.²

Over 1 in 4 of all work-eligible parents who receive TCA participate in unpaid "work experience" in Maryland, making the state an outlier in its use compared to all other states which either do not use it at all or in less than 2% of cases.³ The federally stated purpose of unpaid "work experience" is "to improve the employability of those who cannot find unsubsidized full-time employment,"⁴ however, this is not what is happening in Maryland. In the year after exiting TCA, only 1 in 2 people who participated

¹ See Ife Floyd, Ladonna Pavetti, Laura Meyer, Ali Safawi, Liz Schott, Evelyn Bellew, Abigail Magnus, "TANF Policies Reflect Racist Legacy of Cash Assistance," Center on Budget and Policy Priorities (August 4, 2021), [available at https://www.cbpp.org/research/family-income-support/tanf-policies-reflect-racist-legacy-of-cash-assistanceorg](https://www.cbpp.org/research/family-income-support/tanf-policies-reflect-racist-legacy-of-cash-assistanceorg); see also American Public Human Services Association, "Core Principles for TANF Modernization: A Legislative Framework for TANF Reform," (March 2022) [available at https://files.constantcontact.com/391325ca001/905334d8-53b0-4cae-89a3-7892d31c11b4.pdf](https://files.constantcontact.com/391325ca001/905334d8-53b0-4cae-89a3-7892d31c11b4.pdf).

² Research finds that unpaid "work experience" has negative or no impact on earnings. See Davis, B.C., Lim, Y., & Livermore, M. (2011). A fresh look at an old debate: Assigned work activities, employment, and post-program earnings in TANF work programs. *Journal of Policy Practice*, 10, 108- 127; see also Greenberg, D., Cebulla, A., & Bouchet, S. (2005). Report on a meta-analysis of 12 welfare-to-work programs. Retrieved from the Office of Planning, Research & Evaluation, Administration for Children & Families, U.S. Department of Health & Human Services website: http://www.acf.hhs.gov/sites/default/files/opre/meta_analysis.pdf.

³ Nationally, only 1.7% of work-eligible parents are in this category of unpaid "work experience." Only a handful of states use unpaid "work experience" more than Maryland: Georgia, Guam, Montana, Ohio, Virgin Islands, and Wyoming. See U.S. Department of Health and Human Services, "Percentage of Work-Eligible Individuals Participating in Work Activities for Sufficient Hours for the Family to Count as Meeting the All-Families Work Requirement Monthly Average, Fiscal Year 2020," Table 4B, [available at https://www.acf.hhs.gov/sites/default/files/documents/ofa/wpr2020table04b.pdf](https://www.acf.hhs.gov/sites/default/files/documents/ofa/wpr2020table04b.pdf).

⁴ See 45 C.F.R. § 261.2(e).

in unpaid “work experience” are employed and have median annual earnings of \$4,499,⁵ which means they are still living in deep poverty below 50% of the poverty line.⁶ HPRP has worked with countless families who receive TCA and are required to perform up to 40 hours a week of unpaid “work experience” where they are mopping floors, cleaning toilets, performing manual labor, greeting customers, filing papers, preparing food, without ever being hired by the employer for paid work.⁷ The employers who benefit from hundreds of hours of free labor annually include large private companies (McDonalds, CVS, Amazon, Giant), a wide range of private businesses, state and local government agencies (including the Department of Human Services and local Departments of Social Services), hospital systems, schools, nursing homes, and many more. HPRP’s clients have described the shame, stigma, and inequities they feel as the unpaid worker at their job who is living in deep poverty, experiencing housing and food insecurity, yet showing up every day to work extremely hard alongside people who are performing the same labor in exchange for fulltime salaries, health insurance and other benefits of being a paid employee. Parents who receive TCA must have their employer sign weekly timesheets for the Department, a stigmatizing, obtrusive, and unnecessary method for verifying participation. SB 828 will provide participants with marketable skills necessary to obtain employment in local high growth industries, increase the number of TCA participants who are hired for employment and limit unpaid “work experience” to one 90-day placement in a three-year period.

SB 828 will require the Department of Human Services to offer parents three choices in work activities that will better meet parents’ career interests and goals.

HPRP’s clients who have been required to perform unpaid “work experience” have not been offered a choice in their work activity or placement and are deprived of meaningful and effective work activities. Federal law provides broad discretion to states in different kinds of work activities that satisfy the required work program, including subsidized employment or on-the-job training –two categories with better outcomes yet not used at all in Maryland.⁸ While Maryland has a number of WIOA (Workforce Innovation and Opportunity Act) funded workforce programs across the state that are designed to help job seekers with employment, education, training, and support services to succeed in the labor market, parents receiving TCA are rarely connected to WIOA workforce development programs.⁹ SB 828 will require the Department to only offer a parent a referral to an unpaid “work experience” activity if it will provide skills that match the individual’s personal, career, and family goals to support economic mobility. And the Department must also present two other work activity options: a WIOA funded work option and another work activity. Allowing parents to choose their work placement is trauma-informed and will result in parents feeling more engagement, inclusion, and connection with their work activity.

⁵ Lisa Thiebaud Nicoli, University of Maryland School of Social Work’s Ruth Young Center for Families & Children, “Work Activities and Short-Term Employment & Earnings Among TANF Recipients” (June 2016) at p. 8-9, available online at <https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/work-supports-and-initiatives/workactivities.pdf?&>

⁶ The U.S. Census Bureau defines “deep poverty” as living in a household with a total cash income below 50 percent of its poverty threshold. In 2021, the poverty threshold for one person was \$12,880 and a family of two was \$17,420. See U.S. Department of Health and Human Services, Annual Update of the HHS Poverty Guidelines, 88 FR 7732 (February 1, 2021), available at <https://www.govinfo.gov/content/pkg/FR-2021-02-01/pdf/2021-01969.pdf>

⁷ These experiences are consistent with the Department’s data on program use across the state. Between FY2018 to FY2021, there were 17,814 TCA participants in an unpaid “work experience” activity and only 99 people gained paid employment by the unpaid “work experience” employer during that time (less than 1%).

⁸ In FY2020, Maryland placed 0% of families in subsidized employment, on-the-job training, and education related to employment. U.S. Department of Health and Human Services, “Percentage of Work-Eligible Individuals Participating in Work Activities for Sufficient Hours for the Family to Count as Meeting the All-Families Work Requirement Monthly Average, Fiscal Year 2020,” Table 4B, *supra* footnote 3.

⁹ In 2019, only 139 TCA participants were in WIOA workforce development programs.

SB 828 offers parents the choice to be exempt from work for the first 12 months, giving time to develop and pursue personal and family goals.

Many parents who apply for TCA are in the middle of a crisis, like domestic violence or homelessness or another major life event that often caused them to lose their employment in the first place. Although federal law allows states the flexibility to not require participation in work activities until recipients have received assistance for 24 months,¹⁰ Maryland immediately funnels families into work activities, reinforcing the false and racist stereotype that parents receiving TCA will only work if coerced by public policy to do so.¹¹ SB 828 adopts a trauma-informed approach by allowing parents the **choice** to be exempt from work activities for the first 12 months on TCA. Maryland allowed this flexibility for the first 24 months on TCA in the late 1990s.¹² A few other states have this flexibility as well.¹³ The approach of pushing families to work as soon as they receive TCA is not effective and fuels occupation segregation, often keeping families in the same unstable and low-wage jobs after TCA as when they entered.¹⁴ SB 828 refocuses the TCA work requirement to help families address immediate crises, improve their short-term well-being, and prepare for quality jobs that align with their career goals.

SB 828 allows parents the choice to work out or in the home caring for their newborn.

Federal law allows parents to be exempt from the work activity to care for a child under the age of one.¹⁵ Currently, Maryland offers this exemption but only allows a parent to use the exemption for one 12-month period in a parent's lifetime. This means if a parent has a second baby they must participate in a work activity immediately if they already used the exemption in the past. This will allow parents time to heal from childbirth, postpartum, to care for the many needs of their newborns, including establish feeding schedules, attend doctors' appointments, bond with their baby and provide high quality care during this critical time for brain, emotional, and childhood development.¹⁶

HPRP strongly urges the Committee to issue a favorable report on SB 828. If you have any questions, please contact Michelle Madaio (she/her) at (410) 716-0521 or mmadaio@hprplaw.org.

¹⁰ 45 C.F.R. § 261.10(a)(1).

¹¹ See Elisa Minoff, "The Racist Roots of Work Requirements," Center for the Study of Social Policy (February 2020); available at <https://cssp.org/wp-content/uploads/2020/02/Racist-Roots-of-Work-Requirements-CSSP-1.pdf>; see also LaDonna Pavetti and Ali Safawi, "States Have Flexibility to Move TANF Work Programs in an Antiracist Direction," Center on Budget and Policy Priorities (September 9, 2021) at 7, available at https://peerta.acf.hhs.gov/sites/default/files/public/uploaded_files/Pavetti%20Using%20TANF%20Work%20Programs%20to%20Promote%20Equity-508.pdf

¹² See Maryland Department of Human Resources Action Transmittal #97-61 (issued December 1, 1996), "Temporary Cash Assistance Time Limits," ("An adult caretaker in the assistance unit needs to be in a State defined work activity by the 24 month time limit. The 24 months of TCA benefits do not have to be consecutive)." See also Maryland Department of Human Resources Action Transmittal #99-05 (issued July 1, 1998), "Twenty-Four Month Time Limit Work Requirement Customer Reports."

¹³ Mississippi and Missouri allow an adult to engage in work within 24 months of receiving TANF. See Welfare Rules Databook: State TANF Policies as of July 2019, at page 161, available at "Welfare Rules Databook: State TANF Policies as of July 2019," available at [The Welfare Rules Databook: State TANF Policies as of July 2019 \(urban.org\)](http://TheWelfareRulesDatabook.org); California (does not distinguish between core/non-core work activities for 24 mo but still requires participation. See California Department of Social Services TANF Program Work Verification Plan, available at https://www.cdss.ca.gov/CDSSWEB/entres/pdf/TANF_WorkVerificationPlan.pdf

¹⁴ Top industries after exit from TCA include: administrative and support services (20%), restaurants (14%), nursing homes (7%), and general retail (7%). See Haley Smith & Lauren A. Hall, University of Maryland School of Social Work, "Temporary Cash Assistance 2020 Jurisdictional Snapshots," (April 2021), at 5, available at <https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/life-on-welfare/TCA-2020-Jurisdictional-Snapshots-.pdf?&>

¹⁵ 45 C.F.R. § 261.22(c)(1).

¹⁶ Elizabeth Lower-Basch and Stephanie Schmit, Center for Law and Social Policy (CLASP), "TANF and the First Year of Life: Making a Difference at a Pivotal Moment" (October 2, 2015), available at https://www.clasp.org/sites/default/files/public/resources-and-publications/body/TANF-and-the-First-Year-of-Life_Making-a-Difference-at-a-Pivotal-Moment.pdf

SB828 FAV BJC Family Investment Program – Eligibil

Uploaded by: Sarah Miicke

Position: FAV

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Senate Bill 828 – Family Investment Program – Eligibility, Work Experience, Community Service, and Reports - Alterations

Finance Committee

March 10, 2022

SUPPORT

MEMBER ORGANIZATIONS

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Americans for Peace Now
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American Israel Public Affairs Committee
American Red Magen David for Israel
American Zionist Movement
Amit Women
Association of Reform Zionists of America
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Beth Shalom Congregation of
Howard County
Beth Tfiloh Congregation
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B'nai Israel Congregation
B'nai Jacob Shaarei Zion Congregation
Bolton Street Synagogue
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Chevrei Tzedek Congregation
Chizuk Amuno Congregation
Congregation Beit Tikvah
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Jewish Labor Committee
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Jewish War Veterans, Ladies Auxiliary
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Moses Montefiore Anshe Emunah
Hebrew Congregation
National Council of Jewish Women
Ner Tamid Congregation
Rabbinical Council of America
Religious Zionists of America
Shaarei Tfiloh Congregation
Shomrei Emunah Congregation
Simon E. Sobeloff Jewish Law Society
Suburban Orthodox Congregation
Temple Beth Shalom
Temple Isaiah
Zionist Organization of America
Baltimore District

Background: Senate Bill 828 (SB828) would allow the Department of Human Services to have more flexibility, (within Federal guidelines) to administer the Temporary Cash Assistance (TCA) program. These flexibilities would include codifying that 30-hours is a minimum standard work week, streamlining the work verification paperwork, re-working the Work Experience program so that TCA recipients have more/better choices in the employment placement, and codifying that families who are new to TCA can have up to 12 months to stabilize before joining a work placement.

Written Comments: The Baltimore Jewish Council represents The Associated Jewish Community Federation of Baltimore and all of its agencies, including Jewish Community Services (JCS), which provides social services to low-income Marylanders. Maryland has one of the highest rates of Deep Poverty in the country, with almost 50% of those living in poverty, living in deep poverty. It is these individuals and families who receive public benefits such as TCA. TCA, while a vital safety-net for those living in deep poverty, has not created a means to get out of poverty. TCA was created to help those in need receive job skills to pull them out poverty, by requiring residents to participate in federally defined work activities. However, the program has not created these outcomes. In fact, 80% of TCA recipients five years after receiving TCA are still living in poverty.

SB828 will improve TCA outcomes, especially around the work programs. The strict work requirement was created by racist and classist ideas about families living in poverty. Many of the work program placements are unpaid (WEX), with no opportunity to gain employment after the placement. It is these WEX programs that have the lowest rate of secure employment after completion, and for those that do find employment, they have the lowest earnings. SB828 would encourage the state to partner with better skills building programs that would give better opportunities to TCA participants.

Additionally, SB828 would make federally permissible changes to the work requirements of TCA participants, including changing the state's 40-hour week requirement, and codifying the 30-hour minimum under federal law. It would also allow for families to have more flexibility by exempting the work requirements for the first 12 months of receiving the benefit, and also allowing for an exemption for those caring for a child under 12 months. For these reasons, the Baltimore Jewish Councils asks for a favorable report on SB828.

The Baltimore Jewish Council, a coalition of central Maryland Jewish organizations and congregations, advocates at all levels of government, on a variety of social welfare, economic and religious concerns, to protect and promote the interests of The Associated Jewish Community Federation of Baltimore, its agencies and the Greater Baltimore Jewish community.

BALTIMORE JEWISH COUNCIL

5750 Park Heights Avenue, Suite 329 • Baltimore, Maryland 21215

410-542-4850 • fax 410-542-4834 • baltjc.org

Member of the Jewish Council for Public Affairs

Baltimore Jewish Council is an agency of The Associated

100 The Associated
Jewish Federation of Baltimore

MAP_SB 828_FAV.pdf

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Position: FAV



Member Agencies:

211 Maryland
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Behavioral Health System Baltimore
CASH Campaign of Maryland
Energy Advocates
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Laurel Advocacy & Referral Services, Inc.
League of Women Voters of Maryland
Loyola University Maryland
Maryland Center on Economic Policy
Maryland Community Action Partnership
Maryland Family Network
Maryland Food Bank
Maryland Hunger Solutions
Paul's Place
St. Vincent de Paul of Baltimore
Welfare Advocates

Marylanders Against Poverty

Julia Gross, Co-Chair
P: 410-528-0021 ext 6029
E: jgross@mdhungersolutions.org

Kali Schumitz, Co-Chair
P: 410-412- 9105 ext 701
E: kschumitz@mdeconomy.org

TESTIMONY IN SUPPORT OF SB 828

Family Investment Program – Eligibility, Work Experience, Community Service, and Reports – Alterations
March 10, 2022

Submitted by Julia Gross and Kali Schumitz, Co-Chairs

The Maryland Alliance for the Poor (MAP) strongly supports SB 828, which would make the work participation portions of Maryland's Temporary Cash Assistance (TCA) program more equitable, effective, and responsive to individual family needs.

TCA is Maryland's cash assistance program that funded in large part by the Temporary Assistance to Needy Families (TANF) block grant. TCA is available to low income or no income families. Adult members of the household are required to participate in work activities each week. Our TCA program is not living up to the promises of the mid-1990's – it is not leading recipients to work and increased wages. **Five years after leaving TCA 68% of former recipients live in deep poverty (less than 50% of the poverty line)**, which is less than \$9,155 per year for a family of two.

While the TANF block grant provides states with significant flexibility to design their welfare programs, it does tie funding to a state achieving a target work participation rate. These work participation requirements are deeply rooted in our country's history of racist ideas and policies, and this reduces the effectiveness of this program for all TCA participants, regardless of race.

SB 828 would:

- End Maryland's overuse of unpaid "work experience" programs. These programs require people to work 90-day assignments for no pay and rarely lead to employment or meaningful skill development. Maryland places people in "work experience" programs at a much higher rate than any other state.
- Allow all parents under 1 to be exempt from work when needing to care for an infant, in line with what is allowed under federal law.
- Adopt the federal 30-hour minimum work week (20 hours for single parents with a child under 6). Maryland currently uses a 40-hour work week as the standard minimum work week, which limits flexibility for parents caring for children.
- Give families the choice of exemption from work for first 12-months on TCA. Federal law allows states flexibility to exempt families for the first 24 months on TCA. While Maryland has a list of specific exemptions from the work requirement, it is not allowing the full flexibility allowed within the federal framework.

SB 828 recognizes that parents have a wide range of personal experiences, history in the workforce, and family structures that are ill-served by a one-size-fits all work program. It would better support families and put more Marylanders on a path toward economic security.

MAP appreciates your consideration, and strongly urges a favorable report with amendments on SB 828.

Marylanders Against Poverty (MAP) is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.

SB 828 _TCA- Work Experience_BHSB_FAVORABLE.pdf

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Position: FAV



March 10, 2022

**Senate Finance Committee
TESTIMONY IN SUPPORT**

SB 828 Family Investment Program- Eligibility, Work Experience, Community Service, and Reports- Alterations

Behavioral Health System Baltimore (BHSB) is a nonprofit organization that serves as the local behavioral health authority (LBHA) for Baltimore City. BHSB works to increase access to a full range of quality behavioral health (mental health and substance use) services and advocates for innovative approaches to prevention, early intervention, treatment and recovery for individuals, families, and communities. **Baltimore City represents nearly 35 percent of the public behavioral health system in Maryland, serving over 77,000 people with mental illness and substance use disorders (collectively referred to as “behavioral health”) annually.**

Behavioral Health System Baltimore supports SB 828- Family Investment Program- Eligibility, Work Experience, Community Service and Reports- Alterations. This bill adds federally-allowed flexibilities to the Temporary Cash Assistance (TCA) program including streamlining work verification paperwork, codifying that 30-hours is the minimum standard work week for able-bodied adults on TCA, codifying that families who newly receive TCA can optionally have 12 months to stabilize before moving into work placements, and re-envisioning the Work Experience (WEX) program so that TCA recipients have more choice in their placement so that they can gain tangible, marketable skills that lead to quality employment opportunities.

The Temporary Cash Assistance (TCA) program serves families with children who live in deep poverty. TCA, the cash assistance part of Maryland’s TANF program, was created as part of Welfare Reform in the mid-nineties. Today, over 22,000 Maryland’s families have to rely on TCA to meet their basic needs, and more than 70% of TCA recipients are children. ¹ Families use TCA benefits to purchase housing, food, transportation, and other basic needs.

BHSB supports SB 828 because it begins the critical process of improving TCA-especially the work requirement-to be a more trauma-informed, anti-racist and client centered program. The federal TANF program – particularly the strict work requirement - is rooted in a history of racism that perpetuates false and harmful assumptions about families living in poverty. ² Far too often, TCA recipients are placed into temporary, unpaid work experience activities with little to no opportunity for employment after they have completed their placement. Of all of the types of work activities TCA recipients can be referred to, recipients in these unpaid work experience (WEX) placements have the most difficulty securing employment after TCA, and overall make the lowest earnings post-TCA.³ This leads to continued economic instability for families and caregivers and continuing the cycle of deep poverty.

¹ DHS Caseload Data. FY2021.

² Center on Budget and Policy Priorities. 2022. Improvements in TANF Cash Benefits Needed to Undo the Legacy of Historical Racism. <https://www.cbpp.org/sites/default/files/1-26-22tanf.pdf>

³ University of Maryland School of Social Work. Work Activities and Short-Term Employment & Earnings Among TANF Recipients. 2016. <https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/work-supports-and-initiatives/workactivities.pdf?&>

Studies show that children living in deep poverty are five times more likely to experience abuse and neglect and other adverse childhood experiences (ACEs), which begins a lifelong struggle with negative mental, behavioral, and physical health outcomes.⁴ Improving the TCA Work Experience Program can lead to economic stability for families. Improved job stability and income can mitigate children's exposure to ACEs as it reduces parental stress by helping to provide for their children.

The CDC estimates lifetime costs associated with ACEs at approximately \$2 trillion nationwide, measures that prevent and address childhood trauma not only work to improve the public health of our state, but also have a high rate of return on investment and decrease healthcare, education, and welfare program costs in the long term. Maryland must continue to enact policies such as the one in SB 828 that prevent and mitigate ACEs. **As such, BHSB urges the Senate Finance Committee to support SB 828.**

⁴ <https://www.cdc.gov/violenceprevention/childabuseandneglect/fastfact.html>

TCA group testimony_SB_828_favorable.pdf

Uploaded by: Tiffany Johnson

Position: FAV

Testimony in Support of SB 828 – Hearing in Senate Finance Committee 3/10/22

Members of the Senate Finance Committee,

We are mothers who have experience with Maryland's Temporary Cash Assistance (TCA) program. We are the unspoken, unheard majority. We hope that you will listen to our testimony. How can you make a decision about something if you haven't experienced it? We are a collective sharing some of our individual experiences through our testimony.

TCA is not created for people to actually succeed – it is a revolving door.

The work programs they send you to don't put you in a position where you can make a living wage. With children, inflation, and rent, you can't afford to be on TCA and you can't afford to live on the wage a job would get you. That is how the system becomes your whole life.

The shelter where I was staying offered free summer camp for my children, but the TCA work program wouldn't work around the camp hours so that I could drop the kids off and pick them up. I went on my own and found a different work program at Goodwill that fit with the summer camp hours, and I took it back to DSS, but DSS said it wouldn't count for my TCA because DSS doesn't partner with Goodwill anymore. I could have taken a class when my children were safe over the summer. I could have had a certificate by the end of the summer and been ready to work.

I did complete the Microsoft program, which I didn't actually need because I had a degree already and knew the information, but they said they would refer you to a job at the end. They never referred me to a job, so I had to do the work program again and got sent to makeup artistry training. At least it was something I was interested in. I was referred to a community center to clean before that, which I don't mind cleaning because I have a background in that too, but it's hard on your body and wasn't helping me get towards my career goals. DSS has you fill out a form with all of your goals and your past experience, but no one reads it. They never even read it.

When they have training programs, a lot of them will only allow you to support yourself but so long. It's not helping people get a living wage. You're giving me a certificate, you're not giving me a license, a job, or a way to start my own business. And they just say "oh, it's better than McDonald's." A lot of things are better than McDonald's.

I was referred to a TCA work program where I was doing case work, and there were other people there who weren't on TCA doing that same job for an annual salary. And I was doing it for free – the same job and often more work than the people who were getting paid.

When it comes to work activity, there is a lot of favoritism. There were a couple of places that boasted and put up posters that if you do good enough for 90 days, we'll pick you, but they never did.

There is a lack of empathy. When someone reaches out for TCA, they need help.

I was dealing with domestic violence, mental health issues, and I got cancer. I didn't need to focus on work, I needed to take care of myself and my children. There is no empathy or understanding of your need to focus on yourself or your family.

Testimony in Support of SB 828 – Hearing in Senate Finance Committee 3/10/22

Anytime I've gotten TCA, there was never a conversation about less hours – only 40 hours. And I always worked up until the day I had my kids, I'm talking 40 weeks pregnant and over – and it was stressful. They would say "we'll put down 30 hours," but any place I had an internship it was always full-time 8 hours a day.

There is a lack of community and a lack of respect. There is no respect for us, no respect for women who fall into certain situations. I feel like I am being bullied and forced into something that doesn't work for me and my family. I was told by DSS to sit my 14-year-old at a McDonald's with some fries so I could go to a work program. If I had come up with that idea by myself, they would take my child from me. If I tried to work a regular job and sat my child at a restaurant, they would deem me unfit and take my child from me. TCA work activity is so important that you would tell me to leave my child alone, unsafe at McDonald's, but it's not important enough to talk to me about my goals and what I want for my future? Nobody ever talked to me about any of that.

We aren't given options. They're saying you've got to do this and you can't do this, and none of it makes sense. It's like we are chasing our tails.

When I was living in a shelter, I had to go back to DSS every 10 days to report on my situation so they could try to refer me to a work program. I had a 10-year old and a 14-year old. There was no childcare for kids that age, but the shelter has all these rules – you can't leave your children alone, can't leave them with someone. And you don't want them in a situation that is unsafe anyway. What was I supposed to do? These are challenges we face and it is completely unfair.

I have a background in housekeeping but I want to do something different. I told DSS I want to be a pharmacy tech. They said I had 18 days to find my own program, enroll, and get childcare. I wasn't offered help and had to try to find something by myself.

A lot of people don't know that you can actually find your own placement, it's called a self-referral, but DSS never tells you that. You can actually volunteer at your child's school, or do something else that allows you to be with your children and invest in them. When I learned about the TCA program and had the weapon of knowledge, I went to DSS asking questions and they were looking at me like "how do you know this?" It's like they don't want you to succeed.

We are passionate about this bill because we don't want other families and children to cry the tears that we and our children have had to cry trying to get TCA. We have faced uncertainty and bullying in situations when we should have been given opportunity and a chance. Life begins with mothers, the stronger and smarter, the better. We need a system revamped to lift us up and strengthen us, so that our children can reap into the future with us. **We want to break the cycle of poverty. We want to help our families. Will you help us? We ask that you please vote in favor of SB 828.**

Tiffany Johnson, Tyra Jones, Kendra James, and Erika Young

SB828_DHS_LOC.pdf

Uploaded by: Lauren Graziano

Position: INFO

Date: March 10, 2022

Bill number: SB 828

Committee: Finance

Bill title: Family Investment Program – Eligibility, Work Experience, Community Service, and Reports – Alterations

DHS Position: Letter of Concern

The Department of Human Services (the Department) respectfully submits this letter of concern in regards to Senate Bill 828 (SB 828). SB 828 makes multiple changes to Temporary Assistance for Needy Families/Temporary Cash Assistance (TANF/TCA) work program requirements.

TANF is a federal flexible block grant to states with a range of goals, notably to provide income support that allows children to be raised at home, to promote work, and to encourage marriage. The only measure of performance for which states are held accountable is the work participation rate (WPR). States that fail to meet the WPR targets are at risk of losing a share of nearly \$229 million in TANF block grant.

Under the TANF Work Participation Rate (WPR) requirements, states must engage parents receiving assistance in allowable work activities for 20-30 hours a week or face financial penalties. By statute, the target rate is 50 percent; however, this target is lowered for states that have experienced caseload decreases, so many states have a lower effective target WPR. As of September 2021, our preliminary WPR was 4.8%, which fell short of the required adjusted WPR standard of 12.8%, which was not met. DHS is currently discussing corrective action measures with the U.S. Department of Health and Human Services.

SB 828 appears to be designed to effectively abolish unpaid work experience, a federally approved core work activity, from Maryland's TANF program. Among the Department's chief concerns, this bill would no longer require customers in an unpaid work experience to verify their hours of participation. In turn, these hours would not be counted towards the State's WPR. Currently, this category of work activity makes up just under 30% of Maryland's total WPR. Not counting these hours would make it difficult to maintain federal compliance.

Additionally, the bill provides a work activity exemption for adults who have not received assistance for at least 12 months. This would create further reduction in hours that may be counted toward WPR.

Next, the bill specifies that a customer may not be placed in an unpaid work experience or community service placement for more than 90 days in a 3-year period. This provision ignores the possibility that some customers may require more time to learn or master certain skills. If a work experience or community service placement is limited to 90 days, it may hinder the customers continuity of skill building. Currently, customers in these categories of work activity are already reassessed every 3 months to ensure the customer is learning and gaining valuable skills.

The bill further stipulates that a work experience site may not have more than 5 customers placed at that site at any given time. Many State agencies serve as work experience sites, and can accommodate more than 5 placements. Moreover, the bill dictates that a work experience site would be disqualified from accepting placements for 5 years, if they do not hire a certain number of customers as paid employees. The main purpose of unpaid work experience is to gain marketable job skills. Many work experience sites can, and do, hire TANF/TCA customers. The customers who are not hired at their placement site use the skills that they have obtained to become successful elsewhere. Disqualifying a work experience site for 5 years will drastically reduce the number of available placements, making it extraordinarily difficult for customers to meet the required countable hours.

The Department appreciates the opportunity to share the aforementioned concerns with the Committee, and asks that these be taken into consideration during deliberations.