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TESTIMONY OF KATE COVENTRY, POLICY ANALYST
At a Public Oversight Roundtable on
Transition Plan for Families Nearing the Temporary Assistance
for Needy Families Time Limit and
PR 21-346, The “Temporary Assistance for Needy Families Sanction Policy Amendment
Approval Resolution of 2015” and
Temporary Assistance for Needy Families Employment Program Performance Outcomes
District of Columbia Committee on Health and Human Services
November 17, 2015

Chairwoman Alexander and members of the committee, thank you for the opportunity to testify today. My name is Kate Coventry, and I am a policy analyst with the DC Fiscal Policy Institute. DCFPI engages in research and public education on the fiscal and economic health of the District of Columbia, with a particular emphasis on how policies impact low-and-moderate income families.

I am here today to testify about the upcoming Temporary Assistance for Needy Families (TANF) time limit cliff when more than 6,000 families with 13,000 children will be cut off of TANF and to urge the mayor and Council to work together to ensure that these children do not fall into deeper poverty.

Parents who have received TANF for more than sixty months can be loosely divided into two broad categories. The first is parents who are struggling with barriers that make it very difficult for them to work. Research from other states finds that families reaching time limits are far more likely than other TANF recipients to face serious barriers, such as physical and mental health problems, low cognitive functioning, and low levels of education.¹ The DC Department of Human Services has acknowledged that many TANF recipients “[have unexposed or undiagnosed barriers that may prohibit them from engaging in services.](#)” **Yet DC’s time limit fails to recognize the complex lives of many poor families.** Forty-four states recognize that some families need more time after they reach 60 months to move to self-sufficiency.² But DC’s rigid time limit has no exceptions.

The second category consists of parents who are ready to work but cannot find a job or secure enough hours at work to make ends meet. The District has recovered from the recession, but wage

¹ Pavetti, LaDonna and Jacqueline Kauff (2006). When Five Years Is Not Enough: Identifying and Addressing the Needs of Families Nearing the TANF Time Limit in Ramsey County, Minnesota. Mathematica Policy Research, Inc. <http://www.mathematica-mpr.com/publications/PDFs/timelimitramsey.pdf>

Seefeldt, Kristen and Sean Orzol (2005). Watching the Clock Tick: Factors Associated with TANF Accumulation. National Poverty Center Working Paper Series. <http://www.npc.umich.edu/publications/workingpaper04/paper9/04-09.pdf>

² Department of Human Services. *FY 2016 Budget Request Fact Sheet on the TANF Employment Program*

and job growth have been very uneven. Low-wage workers have seen their wages fall, and workers with less than a college degree face unemployment rates that are far higher than they were in 2007. [About 18 percent of residents with a high school diploma are unemployed, compared with 10 percent in 2007 before start of the recession.](#)³ The vast majority of parents who leave TANF for employment earn less than DC's living wage. **DC's time limit fails to recognize that some parents still cannot secure sufficient employment even when they are doing all they can.** Other states ensure that these families do not lose needed financial support and services, by providing "playing by the rules" extensions.

Both categories of families have suffered because the District offered inadequate services for years and only recently has made notable improvements. Prior to a redesign of DC's TANF program in 2010, focus groups with TANF parents revealed that service providers discouraged them from getting mental health, substance abuse, and domestic violence services.⁴ Families also reported that they were not informed about training and educational opportunities that could have led to more secure and better paying jobs.

Then, the District undertook a major effort to re-design TANF employment services starting in 2010. These reforms have resulted in a system that provides better assessment of family needs and then provides more customized employment preparation services. Presumably as a result, the number of families participating in work preparation activities has doubled. Yet given the complexity of the changes, the new system took a long time to roll out. And there wasn't sufficient capacity at service providers, meaning families waited up to 11 months for needed services with their time clocks ticking.

The Department of Human Services has eliminated wait times and is focused on improving services. These are significant improvements but families who have received more than 60 months of TANF assistance have not received high-quality services for the vast majority of their time on TANF. In contrast, the time clock in Maryland does not run any month that families do not receive services.

All of these TANF families already receive very low benefits, just \$154 for a family of three, and have to complete between 20 and 35 hours of activities each week. **This translates to much less than they would make in even the lowest paying job, suggesting they stay on TANF because they cannot secure sufficient income through employment.**

As the District moves forward to review and adjust its TANF time limit, we as a city should adopt the goal that the new time limit should not push more children into deep poverty. The goal of TANF policy should be to improve family economic stability and mobility, knowing that this kind of stability is critical to the healthy development of children. This is important for several reasons:

³ Left Behind: DC's Economic Recovery is Not Reaching All Residents. Ed Lazere and Marco Guzman. DCFPI. January 2015. <http://www.dcfpi.org/left-behind-dcs-economic-recovery-is-not-reaching-all-residents>

⁴ *Voices for Change: Perspectives on Strengthening Welfare-to-Work From DC TANF Recipients* by Katie Kerstetter and Joni Podschun. DCFPI and So Others Might Eat (SOME). www.dcfpi.org/wp-content/uploads/2009/11/11-12-09TANFreport.pdf

- **An inflexible time limit is likely to leave many families in deeper poverty.** Research from other states finds that the vast majority of families cut off TANF are not able to replace lost benefits with employment income, leaving many to lead chaotic and unstable lives. This leads to increases in homelessness and child neglect as families cannot meet their children’s most basic needs.⁵
- **Poverty affects children negatively in ways that make it harder to succeed in school and in later life.** Poor children are more likely than other children to experience “toxic stress” that disrupts brain development.⁶ They are more likely to suffer from health problems like asthma, developmental delays, and learning disabilities. And they are more likely to have mental health and behavioral problems that make it difficult to succeed in school. Poor children are more likely to drop out of high school and become teen parents. These effects last into adulthood, meaning poor children are much more likely to become poor adults.⁷ By contrast, when families get the financial support they need, research shows that children are more likely to complete high school and work as an adult.
- **A loss of benefits also would greatly diminish a family’s ability to make progress toward employment or toward addressing other barriers.** Parents would not be able to focus on the activities that could help them because they would be struggling each day to meet their family’s most basic needs. It would be difficult for parents to even pay for the bus fare to get to these activities.

This means that an effective TANF time limit is important to the healthy development of children, to reducing poverty and narrowing racial disparities, and to a strong workforce that can support a growing economy. DCFPI recommends that the mayor and Council work together to ensure that families receive the financial support and services they need to make progress towards greater stability and employment. Ensuring children do not fall into deep poverty will create a brighter future for them and the District as a whole.

Thank you for the opportunity to testify, and I’m happy to answer any questions.

⁵ The Welfare Time Limit in Minnesota: A survey of families who lost MFIP eligibility as a result of the five-year time limit. Ramona Scarpace, , Karen Jung, and Leslie Crichton (2003). Minnesota DHS.

⁶ The Long Reach of Early Childhood Poverty: Pathways and Impacts: Q&As with Drs. Greg Duncan, Katherine Magnuson, Tom Boyce and Jack Shonkoff. developingchild.harvard.edu/index.php/download_file/-/view/623/

⁷ *The Foreseeable Harm from Governor Brown’s Proposal to Reduce CalWorks Grants for Children* by Michael Herald and Jessica Bartholow. March 2011.