



TESTIMONY OF ELIZABETH LOWER-BASCH,
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**Human Services Committee
Council of the District of Columbia
Hearing re: Bill 18-1061, the District of Columbia
Public Assistance Amendment Act of 2010
November 15, 2010**

Good morning. Thank you for the opportunity to speak today. My name is Elizabeth Lower-Basch, and I am a Senior Policy Analyst with the Center for Law and Social Policy, or CLASP. CLASP is a national organization that advocates for policies and programs that work for low-income people.

I urge this council to reject bill 18-1061, which would impose lifetime limits, without exemptions, on receipt of public assistance in the District. While I share the sponsors' concern with the low share of cash assistance recipients moving to self-sufficiency, time limits – especially in the absence of effective services – are unlikely to accomplish the desired goals.

Both at CLASP and in my previous position with the planning and evaluation office at the U.S. Department of Health and Human Services, I have closely followed the research literature on the Temporary Assistance for Needy Families, or TANF, program. This is what the national research tells us about time limits:

- The five-year duration in federal law, and the 20 percent limit on extensions, were not chosen based on any evidence.
- All of the rigorous evaluations of time limits tested the effect of time limits in combination with strengthened welfare to work services and improved income disregards, that made work pay. These combinations did increase the likelihood that participants were employed. No study looked at time limits alone.
- There is no evidence from the studies that participants were more likely to find work after they hit the time limits. In fact, some of the studies suggest that participants were *less* likely to be employed after the time limits, possibly because the loss of income disrupted their housing or child care arrangements.

- The studies consistently show that families who reached the time limits were a very disadvantaged population. They tended to have low educational levels, poor work histories, and high rates of disability among both parents and children.
- Families terminated from benefits have high rates of hardship, especially food insecurity.

It is worth noting that none of the studies were conducted at a time when unemployment was as high as it is today. At a time when there are still more than five job seekers for every opening, it is absurd to suggest that TANF recipients could find employment if they simply looked harder.

The extended recession also means that fewer recipients will have access to private safety nets if the public safety net is removed. When the economy is good, many low-income families can depend on informal or formal child support, or assistance from extended families, to tide them over a period of hardship. But we know that child support collections are down, and that friends and neighbors don't have extra cash to spare.

For an example of how time limits might play out in a recession, we can look at Rhode Island, which adopted shorter time limits a few years ago. The first families hit these time limits on July 1, when unemployment was 11.9 percent, among the highest in the nation. As a result of these time limits, Rhode Island's assistance caseload is today lower than it was before the recession hit. Hundreds of families have been cut off with no cash income, and no hope of employment. I do not believe that this is a model that the District should emulate.

Turning specifically to the District, a 2003 study of TANF recipients in the District of Columbia conducted by the Urban Institute found that recipients who had been on the rolls for more than three years were more likely to face skill challenges, such as having less than a high school degree and limited work experience. They were also more likely to be caring for a sick child or family member.

The study also found that long-term recipients were *more* likely to have participated in welfare-to-work activities, primarily job readiness classes, over the previous year than shorter-term recipients. These classes were not, however, leading to jobs that paid enough for the participants to escape poverty and leave the welfare rolls.

I agree that the status quo in DC's TANF program is not acceptable. In addition to my concern about the consequences for children and families if time limits are imposed without thoughtful exemption policies, I worry that time limits will give the appearance of reform, without substantively changing the services that clients receive.

Note that in Dr. Pavetti's study of recipients reaching the five year time limit in Minnesota, she found very high rates of previously undiagnosed disabilities and intellectual limitations. Such issues should be identified and addressed well before five years have passed. Many of these individuals may be eligible for SSI benefits; but that determination process often takes multiple years.

I understand that another bill has been introduced, the TANF Educational Opportunities and Accountability Act of 2010, which would require up-front assessments, support education and training for TANF recipients, and promote accountability. The Department of Human Services has already embraced the path of requiring more assessment and identification of people who experience barriers to employment so that they can be assigned to appropriate services. These policies should be allowed to take effect before time limits are considered.

Finally, if this council decides to adopt time limits, it is essential to have a thoughtful exemption policy that is flexible enough to respond to the realities of people's lives, and the vagaries of the labor market. The current bill does not provide for any exemptions from the time limit; moreover, as drafted this time limit appears to apply to receipt of other forms of public assistance, not just TANF cash assistance.

Thank you for your time and attention.