S. Hrg. 107-842

# ISSUES IN TANF REAUTHORIZATION: HELPING HARD-TO-EMPLOY FAMILIES

## **HEARING**

BEFORE THE

SUBCOMMITTEE ON SOCIAL SECURITY AND FAMILY POLICY

OF THE

COMMITTEE ON FINANCE UNITED STATES SENATE

ONE HUNDRED SEVENTH CONGRESS

FIRST SESSION

APRIL 25, 2002



Printed for the use of the Committee on Finance

U.S. GOVERNMENT PRINTING OFFICE

83–960—PDF

WASHINGTON: 2002

#### COMMITTEE ON FINANCE

#### MAX BAUCUS, Montana, Chairman

JOHN D. ROCKEFELLER IV, West Virginia TOM DASCHLE, South Dakota JOHN BREAUX, Louisiana KENT CONRAD, North Dakota BOB GRAHAM, Florida JAMES M. JEFFORDS (I), Vermont JEFF BINGAMAN, New Mexico JOHN F. KERRY, Massachusetts ROBERT G. TORRICELLI, New Jersey BLANCHE L. LINCOLN, Arkansas

CHARLES E. GRASSLEY, Iowa ORRIN G. HATCH, Utah FRANK H. MURKOWSKI, Alaska DON NICKLES, Oklahoma PHIL GRAMM, Texas TRENT LOTT, Mississippi FRED THOMPSON, Tennessee OLYMPIA J. SNOWE, Maine JON KYL, Arizona CRAIG THOMAS, Wyoming

JOHN ANGELL, Staff Director KOLAN DAVIS, Republican Staff Director and Chief Counsel

#### SUBCOMMITTEE ON SOCIAL SECURITY AND FAMILY POLICY

JOHN BREAUX, Louisiana, Chairman

JOHN D. ROCKEFELLER IV, West Virginia JEFF BINGAMAN, New Mexico TOM DASCHLE, South Dakota JOHN F. KERRY, Massachusetts JAMES M. JEFFORDS (I), Vermont

JON KYL, Arizona DON NICKLES, Oklahoma TRENT LOTT, Mississippi PHIL GRAMM, Texas CRAIG THOMAS, Wyoming

### CONTENTS

#### OPENING STATEMENTS

	Page			
Breaux, Hon. John B., a U.S. Senator from Louisiana, chairman, Sub- committee on Social Security and Family Policy				
PUBLIC WITNESSES				
Metcalf, Natasha K., commissioner, Tennessee Department of Human Services, Nashville, TN	3 5 7 9			
ALPHABETICAL LISTING AND APPENDIX MATERIAL				
Breaux, Hon. John B.: Opening statement	1			
Butler, David: Testimony Prepared statement Laureano, Michelle:	9 19			
Testimony Prepared statement Metcalf, Natasha K.:	$\begin{array}{c} 5 \\ 25 \end{array}$			
Testimony	$\begin{array}{c} 3 \\ 26 \end{array}$			
Testimony Prepared statement	$\begin{array}{c} 7 \\ 27 \end{array}$			
COMMUNICATIONS				
Child Welfare League of America	29 32 39 41			

#### **ISSUES IN TANF REAUTHORIZATION:** HELPING HARD-TO-EMPLOY FAMILIES

#### THURSDAY, APRIL 25, 2002

U.S. SENATE, SUBCOMMITTEE ON SOCIAL SECURITY AND FAMILY POLICY, COMMITTEE ON FINANCE, Washington, DC.

The hearing was convened pursuant to notice, at 2:32 p.m., in room SD-215, Dirksen Senate Office Building, Hon. John B. Breaux (chairman of the subcommittee), presiding.

Also present: Senators Lincoln, Thompson, and Thomas.

#### OPENING STATEMENT OF HON. JOHN B. BREAUX, A U.S. SEN-ATOR FROM LOUISIANA, CHAIRMAN OF THE COMMITTEE

Mr. Breaux. The committee will please be in order. We're here this afternoon to look at one of the most serious challenges regarding the TANF Welfare Reform Law. And that is the question of how do we address the problems that are presented by the remaining people who are still on the welfare assistance program. Those are clearly, in most cases, the hardest to address and the most difficult to move into the work force.

We fundamentally changed the way welfare works in this country when we created the TANF, or Temporary Assistance to Needy Families block grant back in 1996. Congress then imposed work requirements for the states so that the state programs would focus on what I think most people agree, is the right thing to do. And that is to get poor families into good jobs and eventually off of cash assistance.

Today we have decreased the welfare case load by over 50 percent. In my state of Louisiana we have reduced the welfare case load by over 60 percent. But now my state and most of the other states are working to move the parents that are left on the caseload in to work activities. And many of these folks have undiagnosed learning disorders, illiteracy, mental disorders, substance abuse problems and English as a second language at best.

The policies we adopt here in the Congress, will have a very significant impact on those who are truly the most needy families that

In regards to work participation requirements, as we know under current law, states are required to engage 50 percent of cash aid recipients in work participation or move them entirely off of the rolls. A state failing to achieve this participation rate receives a financial penalty. Because states receive a credit towards the 50 percent standard for families who leave the rolls, states have generally achieved these requirements so far.

As we debate new proposals to increase the work requirements, we should keep in mind what we learn here regarding the impact

on the most needy of families.

Regarding an employment credit, Senator Blanch Lincoln of this committee and the State of Arkansas has worked very diligently on an employment credit to replace the current case load reduction credit that gives states an incentive not just to remove individuals from cash assistance, but to make sure that they actually have good jobs.

This means that the states will have to work even harder to make sure that individuals with the most difficulties and the strongest barriers are taught the skills that they need to get a job first and then to keep that job. Not just take them off of the rolls

because of an artificial time limitation.

With regard to education and training my own state of Louisiana has the highest highschool drop out rate in the nation and therefore one of the highest rates of illiteracy in adults in the nation. The Louisiana Welfare Director, Ms. Dana Riker, who testified before our committee, tells me that it takes 72 hours to move the average adult up one grade level in reading. Many adults on welfare have these undiagnosed learning disabilities and require even more hours to help them learn to read.

Yet basic adult education does not count towards these work requirements. I think it should. So on the question of sanctions, I know that Tennessee has been a leader in adopting a sanction policy that ensures that the most needy families are not cut off from cash assistance before the state can address their needs and move

them into employment.

We are pleased that the commissioner for the State of Tennessee is here to talk about what her state is doing and how to improve

these procedures for the hardest to work families.

Finally, on the question of what we call universal engagement. This concept has been proposed by the Bush Administration as a way to ensure that all the states have a plan called an individual responsibility plan. To address the needs of every family that is on welfare within their state. I support this concept. States should not only have a plan to move a parent from welfare to work, but should also be looking at the needs of the children, to ensure that the children are not somehow the victims of welfare reform.

So we are going to look at these issues. This should be the last of the series of hearings that we have had on welfare reform in this Congress. We hope to be able to present a bill, a recommendation

on what we need to do, hopefully this coming week.

I'd like to welcome the panel we have this afternoon. First would be Ms. Natasha Metcalf who was appointed as the commissioner for the State of Tennessee's Department of Human Services in December of 1998. Ms. Metcalf, in that role, is responsible for administering services such as the TANF Program, food stamps, medicaid, child support and childcare services.

She has also worked for the State of Tennessee under Governor Sunquist since 1996 and prior to that was a practicing attorney.

Our next witness will be Ms. Michelle Laureano. Ms. Laureano is here today to give us a personal account of what it takes to overcome a very difficult situation to become self sufficient. She is a single mother of four children, three of which have attention deficit disorders and has been in an abusive relationship and is struggling to support herself and her family. She is a client of a program called the Mental Health Initiative which is helping to work to place her in full time employment.

We'd like to also introduce Ms. Stephanie Smith who has been the Chief Operating Officer of the Goodwill Industries in Southern Arizona for 7 years. It is a program that we, in this committee, are all very familiar with for the good work that Goodwill does. Ms Smith is a leader in work force development, specializing in helping unemployed and underemployed workers and in creating partnerships with local government and community based organizations. She has an MBA and is a certified professional in human services.

Mr. David Butler finally is the Vice President of the Manpower Demonstration Research Corporation. They are a non-partisan social policy research organization which has been evaluating the welfare reform and employment training programs across the country for almost three decades and he will share his findings with us this afternoon.

With that we would like to ask Ms. Metcalf if you will go ahead and start us off this afternoon and we are pleased to receive your statement.

## STATEMENT OF NATASHA K. METCALF, COMMISSIONER, TENNESSEE DEPARTMENT OF HUMAN SERVICES, NASHVILLE,

Ms. Metcalf. Thank you Mr. Chairman. I am pleased to be with you today to share Tennessee's experiences in assisting the hard-to-employ TANF participants.

Tennessee's TANF program, which is called Families First was implement pursuant to a waiver. Families First is the product of a compromise between Governor Sunquist and the Tennessee General Assembly after many hearings on what would work best in our state.

Because our waiver gives us the flexibility to address a number of unique issues including the needs of hard-to-serve participants, we would like to retain it until it expires in 2007.

Tennessee has made great strides in enrolling participants in education, training and work preparation activities before sending them into the work force. Case loads have dropped from 91,499 to 63,832 and over 200,000 families have been served.

However, we realize that many of our participants face other barriers that inhibit their ability to progress. No matter how much education, training and work preparation we provide, until they overcome these barriers, they are unable to achieve their greatest success in moving toward self-sufficiency.

In response to these concerns, Tennessee allocated \$9.2 million dollars in TANF funds to implement Family Services Counseling in February 2000. This statewide counseling initiative addresses domestic violence, substance abuse, mental health, learning disabilities, and children's health and behavioral problems. This coun-

seling model is significant because it is fully integrated with TANF, employment focused and short term. Counseling services are available to adults and children while they are on the Families First

program and for up to 1 year after their case closes.

Extensive outreach is conducted to inform participants of the availability of these services and participants who are being sanctioned for failure to comply with their individual responsibility plan, they are also given the option of seeking counseling. Referrals can come directly from the case manager, the participant themselves, or a service provider.

A standard assessment is completed to identify the barriers that need to be addressed. And based upon the participants counseling and treatment needs, the counselor can recommend revisions to the individual responsibility plan. Because of the importance of confidentiality, the counselor can arrange to meet the participant outside of the office, at their home or some other convenient location.

Our waiver allows us to stop the time clock for the month that a participant is assessed, as well as for additional months, depending on the severity of their barrier. Most of the 100 master's degreed counselors are co-located in department of human services offices across the State of Tennessee. Co-location builds relationships with case managers and helps them gain a better understanding of the barriers that our participants face.

Almost 4,500 participants were assessed with barriers during Federal fiscal year 2001. 35 percent with mental health barriers, 23 percent children's health or behavior barriers, 17 percent domestic violence, 16 percent learning disabilities and 9 percent substance abuse. And many of our participants, I think close to 42 percent have multiple barriers. Gaps in the availability of treatment

services continue to present challenges, especially in rural areas. For example, most alcohol and drug residential treatment facilities are not designed to serve the needs of mothers with children. To bridge this gap, we fund programs in the four urban areas of the state, that are designed to exclusively serve drug-addicted mothers in a residential setting with their children.

A University of Tennessee study shows positive outcomes from our counseling initiative; 14 percent of the participants were employed prior to counseling. After completing counseling, 49 percent were employed. In addition, those who were employed experienced an increase in wages; 45 percent of our case load does not have a high school diploma or GED. To address this issue, our waiver allows us to exempt participants from the time limits and additional work requirements as long as they are enrolled in 20 hours of adult education and progressing in those classes.

A study from the University of Tennessee Center for Literacy Studies found that it took TANF participants 105 percent longer than non-TANF recipients to move from below the sixth grade reading level to obtaining a GED. With the use of bonuses, we experienced a 133 percent increase in those earning a GED, and a 355 percent increase in those moving above the ninth grade reading level.

We appreciate the bipartisan recognition of the need for services to address barriers faced by TANF participants. The administrations proposal allows states to count families engaged in substance abuse treatment or rehabilitation activities toward work participation requirements for three consecutive months in a 24-month period. The proposal also allows participants to engage in rehabilitation activities for 16 hours of the 40 hour work requirement.

These proposed changes recognize flexibility states need to succeed with hard-to-employ participants in our case loads. In order to build on the successes of welfare reform, we must address the barriers they face so they too can achieve self-sufficiency. Tennessee's waiver allows us the flexibility to achieve this goal.

Thank you again for allowing me the opportunity to testify and

I will be happy to answer any questions.

Mr. Breaux. Thank you very much Commissioner Metcalf. We have been joined by your state senator and we are glad to have Senator Thompson here as well.

Mr. THOMPSON. Thank you very much. Thank you for being here. [The prepared statement of the Ms. Metcalf appears in the ap-

Mr. Breaux. We would like to have our next witness Ms. Laureano. Michelle, thank you for being with us and tell us your story.

#### STATEMENT OF MICHELLE LAUREANO, PARENT, PATERSON, NJ

Ms. LAUREANO. Ok, first of all I would like to thank CCD and Nations Mental Health Initiative and Family Voice for Health for

helping me make it here today.

I started on public assistance in April of 1992. At the time, an unplanned pregnancy and a poor relationship with the child's father caused my housing situation to be unstable. Before long, I secured a studio apartment in Paterson for \$500 a month. In obtaining the new apartment, the only way I was able to maintain the rent was by living with the child's father (despite our problems). Not long after we moved into the new place, things started to change. It began as a vicious and debilitating pattern of verbal abuse and progressed to physical abuse within 1 month. The situation in my home life persisted for about 4 years until I had been beaten to the point of needing emergency medical care. It was only at that point I received the treatment I so desperately needed. I was provided counseling and impatient services at two battered women's shelters in Newark. However, by that time the damage had been done both physically and mentally. While at the shelter I was diagnosed with significant depressive symptoms. I suffered from a sleep disturbance, had no appetite, a shattered self-esteem, socially isolated myself, lost trust in people, and lost a dramatic amount of weight. In fact, I got down to 82 pounds and my medical condition was further compromised by having anemia.

By 1996 I found myself a single mother of four children. During the next few years, I maintained full-time employment (in a leadership role) in a warehouse. I, subsequently, got laid off, but during that period serious of obstacles began to present themselves with regard to my home life. I was a single mother of four children trying to provide for a family while receiving public assistance in the amount of \$322 a month. I was denied child support and thrust

into a desperate financial situation.

The rent alone was \$450 a month not including food, clothing, power bill, and certain basic needs that all children need. So it becomes easy to see what an impossible financial bind I was in. Fortunately, I received assistance from family on occasion. However, although it was greatly appreciated, it was never consistent or pro-

vided enough income to pay the bills.

The children also provided me moments of deep concern with regard to their multiple service needs. Three of my children are diagnosed with Attention Deficit Hyperactivity Disorder. They have frequent behavior problems in school which the staff seems ill equipped to address. The result is that they call me to the school often times during the behavioral episodes to deal with the situation and request the children be removed from school. This deprives my child of his right to an education and solves nothing. Furthermore, I am removed from precious activity hours that are designed to prepare me to once again enter the work force. My efforts to engage the child study teams in their respective schools have met with huge road blocks. I am told that a lack of funding reduces the staffing at the schools causing from 1 to 2 years to secure the needed child study team evaluation. The long wait seems to be a direct result of only having 2 days per week available for the team to meet.

At home, I need to be ever aware of what the children are doing because of their severe impulsive nature. As a result of their condition (and sometimes aggressive acts toward other children) finding daycare has been almost impossible to accomplish. Plus in the home, parenting has been more than full time job. I have to settle conflict, administer medication for their ADHD, and somehow claim even a few minutes a day for myself. When permitted the time to really focus on my goal of obtaining a good job other things seem to get in the way. Transportation has been a problem in getting back and forth to work sites, interviews and children's schools. One big obstacle has been the lack of a high school diploma. The only jobs I found for people without a GED are low paying jobs at about \$5.50 an hour which really would not improve my financial situation and would end my medical coverage. Right now I am working hard to finish my GED. I am placed at a goal directed work site that is providing me with the skills I need for the job I am interested in. These placements have been arranged through the Mental Health Initiative, of which I am a client.

As I stabilize the problems I have spoke about here today, I am motivated for future employment and what is to come. I seek a full-time job that provides personal fulfillment and economic stability. I want to get off of the welfare system and live a happy and healthy life with my children (just like everyone else).

Mr. Breaux. Thank you very much Michelle you did a terrific job. That was a very good statement and we appreciate it very much.

[The prepared statement of Ms. Laureano appears in the appendix ]

Mr. Breaux. Next we will hear from Ms. Smith. Ms. Smith, thank you.

## STATEMENT OF STEPHANIE SMITH, CHIEF OPERATING OFFICER, GOODWILL INDUSTRIES OF SOUTHERN ARIZONA

Ms. SMITH. Thank you. I want to start by saying what an honor this is to be here today. I want to talk a little about our Goodwill in Tucson and then go into nationally how Goodwills can positively affect our communities. Our mission at the Tucson Goodwill is to provide employment, training and support services to increase the employability, retention and earnings of people with barriers to employment. Barriers include welfare dependency, substance abuse, disabilities, lack of English proficiency skills and limited academics.

We are seeing more and more individuals in addition to these barriers also have significant transportation, child care, elder care, financial and personal issues that further complicate getting to training, getting to a job and keeping that job once they have gotten it.

We know at Goodwill that the one size fits all approach to work force development programs is simply just not going to work. Especially given the harder to serve population that we are dealing with now and that we are going to continue to be dealing with.

I am going to talk a little bit about some of the programs that

we offer but first I want to give you a little background about Tucson so you can see the kind of community that we are living in right now.

Tucson is within 60 miles of the Mexican border. Our per capita income is 15 percent below the national average and 39 percent of the residents that are living in South Tucson, which is the area

that our main facility is in is below the poverty level.

Four years ago our Goodwill expanded our mission to start providing services to people with other barriers to employment. And while we still continue to provide services to people with disabilities, we have been able to serve an additional number of people. We were serving 100 people with disabilities a year 4 years ago and we are now serving over a thousand a year. Last year, 80 percent of the people we served were single mothers receiving TANF benefits.

All of our vocational training programs and support services are designed to meet the changing needs of our community. And obviously the employers in our community have a huge impact on that, and one of the things that we have done, is we have formed several business advisory council groups that are different specific industries that we utilize. We get the business leaders in each of those industries to join our councils so that we can find out what it is that they need in terms of job skills. What kind of soft skills are lacking? What is it that is preventing people from maintaining employment and how can we provide skills for tomorrow and for the times to come.

All of our programs are designed to either provide soft skills or life skills and or the hard skills, the job skills that are necessary to get a job and keep that job and then move up in a career.

Soft skills I'm talking about are work ethic, decision making, problem solving, how to get along with co-workers, how to communicate with your supervisor, those kinds of skills.

We have couple of programs I want to touch on briefly that offer the soft skills. We've got our everyday business etiquette program which is a 2 week program designed to help an individual successfully interact in today's work place. We have a program called career preparation which is up to a 4-week program which teaches individuals how to get and keep a job and then how do you move up in that job so this can become a career.

Then I want to talk about a program we put together that is both a hard and soft skills, so I wanted to highlight that as an example. We in Tucson are considered to be a hub for the teleservices industry and have about 300 new positions opening up every month. Our employers in Tucson have told us they are simply not able to fill all of those positions because there are just not enough qualified

applicants out there in Tucson.

So we're looking at training in a 120 hour program in which we train individuals in the hard skills needed for the job. Which are keyboarding, basic computer skills, telephone etiquette and then the soft skills. Which is, how do you interview for a job, what do you wear to that interview, how do you get along with your supervisor, those kinds of skills.

Then I finally want to talk about one last program that was a U.S. Department of Labor grant that several Goodwills were awarded (actually our international office was) and our Goodwill was one of those that participated in the program. It was designed to serve the hardest to serve and we provided intensive, individualized job placement and intensive job retention and followed the participants for 6 months to make sure they were able to maintain that employment.

I want to give you a few statistics about Goodwills nationally. Over the last hundred years, Goodwills have helped over 6 million people earn a living and support their families. Last year Goodwills placed over 100,000 people in good jobs. And every 2 minutes Goodwill places someone in a good job every business day. Every 2 minutes of every business day. Goodwills are uniquely qualified to draw on a variety of successful programs that we see throughout our organizations nationally, replicate them and modify them as we need to for our community needs.

We utilize what we call a business model approach that allows us to be good stewards of the donations we receive through our retail operations. We get donations through our stores. We convert those into dollars and those dollars are then funneled into our mission program. So we are able to provide services as a result of our donated goods programs. Capitalization dollars would allow Goodwills to use the resources and revenue from our retail operations to continue to fund these programs and to serve additional people in the community that we are not able to serve at this point.

Congress had partnered with Goodwills in Florida and Louisiana by authorizing a capitalization and demonstration project in the 1996 Welfare Reform Authorization Bill. These projects were successful in meeting their targets in placing the hardest to serve. The capitalization strategy is a viable tool that Congress could use to allow business model non-profits to meet these needs in a broader

more immediate fashion.

Goodwills put people to work. Work transforms lives and builds self confidence, friendships, independence, creativity and trust. Everyone deserves a chance to have these things in life and Goodwill can offer that chance. Thank you.

[The prepared statement of Ms. Smith appears in the appendix.] Mr. Breaux. Thank you very much Ms. Smith. And now Mr. Butler.

## STATEMENT OF DAVID BUTLER, VICE PRESIDENT, MANPOWER DEMONSTRATION RESEARCH CORPORATION

Mr. Butler. Thank you and I welcome.

Mr. Breaux. I see you have an extended statement which will be made part of the record. If you could summarize, we'd appreciate it.

Mr. BUTLER. Yes, I won't read you the whole statement by any means. I welcome the chance to tell you what we're learning about TANF recipients and former recipients who are having the most difficulty transitioning from welfare to steady employment.

Unfortunately I won't be able to tell it to you with the eloquence of personal experiences reflected by the other panel members as a recipient, a program administrator and a program operator. But many things that I will say will, I think, will reinforce what you've already heard.

The group we are talking about for lack of a better term, we call them the hard to employ—are a diverse and complex population. And the term hard to employ can be misleading or worse when it is used to label a group of people whose characteristics or barriers are assumed to predict that they will be unable to go to work. Many people with these problems do work and the connection between barriers and employment is a complex and dynamic one. The severity and persistence of the problem matters a lot as do other situations that the family or individual might face. And of course there are counterbalancing personal strengths, supports and broader factors that really make it difficult to say someone won't be able to work because they have a particular barrier.

The point being, it's important not to operate with pre-conceived notions about who is and who is not employable, or allow the term hard to employ become a self fulfilling prophecy about who will succeed.

But it's equally important to resist the presumption that potential barriers really don't matter very much since everyone can find a job if they just try hard enough.

So what can we say about the families who haven't succeeded despite the pressures of time limits and work requirements, a booming economy at least until recently and increased employment services? What have states and localities been doing under TANF to try to reach this group and is it likely to make a difference?

I'd like to emphasize a few points. First, I think it's a mistake to think of the hard to employ as the problem of long term welfare receipt. Compared to the general population, long term welfare recipients are far more likely to face barriers associated with reduced employment. But so are former welfare recipients who can't main-

tain a stable job, and others who are cycled between welfare and

work and others who are sanctioned and leave the welfare system for that reason.

I think the implications are that employment retention is as important a goal as is increasing job placement if we are to make a difference for this population. And for programs for the hard to employ, this means that they need to be able to reach out and engage both former and current TANF recipients. Second, the challenges which make it difficult for some TANF recipients to find and retain jobs are diverse and multifaceted (as we've heard already), ranging from human capital deficits, low education levels, health and behavioral problems, and more situational obstacles or family problems. And one size will not fit all here. Therefore one size is not likely to be effective and combinations of treatment, support services and labor market strategies are what is needed.

But do they maintain a capacity to address a range of different services and treatment needs, while staying focused on employment goals pose tough management, organization and resource problems for program staff and service delivery systems. Nevertheless, there is reason to be optimistic. TANF has been a strong catalyst for innovation and experimentation by providing states with adequate funding and encouraging flexibility. And many different kinds of promising approaches are being tried all over the country. Some are building on the lessons from past welfare to work programs. Others are drawing on practices from different fields, such as rehabilitation, disability or mental health. Modified versions, for example of the work first philosophy are evolving which retain a focus on quick employment, but incorporate treatment, education and retention activities with job preparation and job search.

Oregon and Utah are two states which have implemented modified work first programs and Tennessee is certainly moving in that direction as well. And these include treatment activities, an employment development plan, allowing treatment services to count as TANF participation, co-locating mental health and substance abuse counselors in TANF offices. To better link employment activities and treatment, a growing number of programs have begun to pilot more integrated models in which a vocational component is built into a pre-existing substance abuse or mental health program. The national CASA works demonstration, the Los Angeles tri-cities mental health program, and many others are examples of this integrated approach.

But states need resources, time and flexibility to continue to develop these promising initiatives and see if they work. To this end, we are encouraged by the administrations proposal to maintain the TANF funding level and for its recognition that treatment services can promote employment and count towards participation.

However the proposal to increase participation rate to 70 percent and the number of hours of participation to forty a week has far reaching implications for states trying to engage hard to employ recipients. To satisfy a work only participation standard of 20 hours a week, states will probably have to develop a large number of work experience or community service jobs, a costly undertaking that is unlikely to help the hard to employ and could absorb much of the time and effort needed to strengthen programs for this population.

In addition to it's broader implication, the administrations plan specifically allows engagement in treatment programs to count towards participation, but only for 3 months out of every 24. This provision does not recognize the importance of treatment services in promoting employment for some TANF participants. By allowing engagement in these activities to count towards participation rates, states have some incentive to work with the hard to employ. However the research indicates that a 3-month limitation will be too restrictive and for some hard to employ recipients, unlikely to yield positive results. We would suggest 12 months or at least 6 months and there is research to support that that would be more appro-

Just briefly in conclusion, if welfare reform is to continue to build on the success it has achieved in reducing case loads and moving recipients to work, designing and effecting strategies for the hard to employ need to become the priority. And states and localities are increasingly turning the focus to these populations. They need the flexibility and the support at the Federal level to be able to imple-

ment these new program approaches. Thank you.

[The prepared statement of Mr. Butler appears in the appendix.] Mr. Breaux. Thank you Mr. Butler and thank all of you for your testimony and especially I think it's good for us to hear from people who are in the field. We hear many times from people who are in Washington, but people who are actually in the field making the program work and participating in the program, I think is very important.

Ms. Metcalf let's talk about the Tennessee program for a while. You point out that Tennessee applied for a waiver and got that granted. When did that occur? What year?

Ms. Metcalf. That occurred I believe the waiver was effective in

August of 1996, just prior to the new law passing.
Mr. Breaux. And your waiver allows Tennessee to allow for the counting of your adult education as part of the work requirements.

Why did you apply for the waiver?

Ms. Metcalf. We applied for the waiver because we wanted the flexibility to address Tennessee's specific needs. We do have the option of counting adult education as one of the work activities. We recognized again that a large portion of our population does not have a high school diploma or a GED, and so that was a particular area that needed to be addressed.

Mr. Breaux. So in your case, (and Louisiana has an even higher adult illiteracy rate than Tennessee-but in your case, with a illiteracy rate that high and with the number of adults that were on welfare, I take it that it's more difficult to find them jobs in the work place because they don't have a GED equivalent.

Ms. Metcalf. Right. There is some difficulty in finding them jobs with good salaries and opportunities for advancement without

that education background.

Mr. Breaux. So if you did not have the waiver provisions that you could count adult education towards the work requirements, do you think you would be able to meet work requirements without the waiver?

Ms. Metcalf. We would have been limited certainly. In counting the adult education in addition we are able to include more job training than is allowed under the current guidelines. Life skills training, job search activities and even post secondary education, we can count all of those activities.

Mr. Breaux. So I take then, am I correct, that if you would have a problem without the waiver meeting the requirements under the current work requirements of 30 hours, if we were to go to 40 hours work requirement, it would be even more difficult?

Ms. Metcalf. It would certainly be a challenge for us to meet

those requirements.

Mr. BREAUX. It would be more difficult? Ms. Metcalf. It would be more difficult. Mr. Breaux. Michelle, how are you doing?

Ms. Laureano. Alright.

Mr. Breaux. We are very proud of you, and very proud to have you come and tell us your story. We want you to keep on plugging and keep on working and we will make sure that we have a lot of people trying to give you some help. How old are your children?

Ms. LAUREANO. I have a range. I have a 10-year-old, an 8-year-

old, a 7-year-old and a 6-year-old.

Mr. Breaux. Are they all in school now?

Ms. Laureano. Yes they are.

Mr. Breaux. And do they get help from the welfare office in your state?

Ms. Laureano. No we do not.

Mr. Breaux. Do they have health insurance under the medicaid program?

Ms. Laureano. Yes we do have insurance from the welfare and between all the doctors and everything, they do cover it.

Mr. Breaux. And how about yourself, do you have health insurance?

Ms. Laureano. Yes I do.

Mr. Breaux. And that's under the medicaid program?

Ms. Laureano. Yes.

Mr. Breaux. And so are you working now, are you in school, are you getting some training?

Ms. LAUREANO. I am doing 4 hours in the morning in my work

site and I do 3 hours in the afternoon for my schooling.

Mr. Breaux. And so that time that you are away from your apartment that the children are in school, what happens when they get out of school?

Ms. Laureano. I make it home in time to pick them up.

Mr. Breaux. So you don't really have a real problem with childcare then because they are in school or you are able to get back to them?

Ms. LAUREANO. Well I get back to them on time, so right now, after they've been suspended from the child care from the girls and boys club, I have no other choice but to make it home on time.

Mr. Breaux. So why aren't they getting child care now?

Ms. Laureano. Well my two boys are not permitted in child care because, they are acting up.

Mr. Breaux. They've had some problems in child care?

Ms. LAUREANO. Yes.

Mr. Breaux. It would seem to me that that's when they need it the most. So they are not eligible to go to child care right now?

Ms. Laureano. Not right now.

Mr. Breaux. But you are able to get back in time when they get out of school. They are in school though?

Ms. LAUREANO. Yes they are in school.

Mr. Breaux. And where are you trying to go to work? Are you taking your training where you hope to go to work?

Ms. LAUREANO. I am taking my training in a field that I hope

to go to work in.

Mr. Breaux. And what is that? Ms. Laureano. Clerical fields.

Mr. Breaux. Clerical? Ms. Laureano. Yes.

Mr. Breaux. Well good luck to you.

Ms. LAUREANO. Thank you.

Mr. Breaux. And thank you very much. You seem like you have a great attitude and a very positive attitude. I know you've had some great challenges but don't give up. Keep on plugging. We'll have you come work for Congress.

Mr. Breaux. Ms. Smith, Goodwill does some terrific and great things. We've tried to help them with some grants and some extra funding and some of what we call the capitalization funds. Are you

all participating in that in Arizona?

Ms. SMITH. We are attempting to right now.

Mr. Breaux. Tell me about the people that Goodwill puts to work in your state. What type of hours are you able to provide people without a GED or any kind of training?

Ms. SMITH. In terms of employing them?

Mr. Breaux. Yes.

Ms. SMITH. All of our entry level positions and what I would call our mid level positions don't require a GED or a high school diploma. We do that on purpose obviously. We do try to encourage, when we have identified an employee that doesn't have very good English proficiency skills or academically doesn't have a very high reading level, I mean we're dealing with a lot of our employees well below an eighth grade reading level.

Mr. Breaux. How would you call the people that you employ, how do you phrase this, the most difficult, I guess?

Ms. Smith. The hardest to serve?

Mr. Breaux. The hardest to serve. And when you employ these people, how many hours do you employ them a week?

Ms. SMITH. We range from part time to full time so anywhere from 24 to 40 hours a week.

Mr. Breaux. What period do most of them work, on average?

Ms. SMITH. I'm sorry, retention?

Mr. Breaux. No, how many average hours? Between 24 and 40 hours a week, most of them are working what about thirty hours?

Ms. SMITH. 32, 32 or more hours a week.

Mr. Breaux. Thank you. Mr. Butler, you made some points about the help that we need to give the hardest to employ people in terms of the services that Michelle is getting and people with drug abuse problems. And you think that in those cases the pose on this is too restrictive and the time that is allowed to receive this type of treatment? Would you elaborate on that?

Mr. Butler. Yeah, I think it is. I think ideally, the decision about when someone ought to move from treatment to employment should be a case specific decision that's being made by the client and the person who is providing the professional services. And there is a fair amount of research that indicates that for some people, 3 months will not be sufficient. Three months is like the minimum threshold. Substance abuse research indicates that if you invest 3 months nothing is going to happen. But beyond 3 months, there are gains to staying in longer, particularly if people have more serious substance abuse problems. And we see some similar evidence in the mental health field. So the idea of one single threshold feels to me too arbitrary.

Mr. Breaux. Is it fair to say, that the people who are left now (Louisiana's case load is in half) but is it fair to say that the folks who are left are the most difficult to be able to get into the work force? That the first group that we were able to move into the work force were easier than the second group that's still there?

Mr. BUTLER. I think it depends on the particular state. I would say probably it is the case in your state.

Mr. Breaux. In poorer states.

Mr. Butler. In poorer states it's the case. In states where there are more generous earnings disregards and make work pay strategies, you will find many people who are long term recipients who are working and combining welfare and who are not that disadvantaged. And in other states that have full family sanctions, and impose them early on, some of the people who leave, are as disadvantaged if not more so than the long termers. So I think it depends

on the state policy.

Mr. Breaûx. The last point I have is that your statement on page 9, is something I really agree with. You say that, "The administration's proposal to increase the participation rate to 70 percent, increasing the number of required hours to 40 hours per week, has far reaching implications for states trying to engage the hard to employ welfare recipients". You say, "To satisfy work only participation standard of 24 hours per week, states will probably have to develop a large number of work experience or community service jobs". These are just jobs the state is going to have to go out there and put people to work, cleaning up the highways or things that are not jobs for the future, but just make work jobs. Is that what you are saying?

Mr. Butler. Yes.

Mr. Breaux. In addition to that, you don't make the point, but I think the point is obvious, that if we have to do that if you go to 40 hours, we will also have to spend a hell of a lot more money on child care.

Mr. Butler. Absolutely.

Mr. Breaux. I mean Michelle, if she has to work 40 hours a week or 24, we are going to have to be spending a lot more money than we are right now for the child care for her four children. And spending money on that, I'd rather see the money spent on thing that get her into a full-time job. Working for a good job. So those are the two problems I think that are of legitimate concern, aren't they?

Mr. Butler. I agree with you.

Mr. Breaux. And Ms. Metcalf points out that were it not for the waiver, Tennessee would have a hard time making 30 hours. And I guarantee you, I'm not sure whether she could say it, but I think she has indicated pretty clearly, that if we had to go to 40 hours, and without the waiver, they wouldn't be able to do it. I know Louisiana couldn't do it.And Ms. Lincoln.

Ms. LINCOLN. Well first of all, I want to thank the chairman for bringing this very important issue up before the committee and to thank the panelists. And I also want complement and thank my colleague from Louisiana for his leadership in this arena. We are neighboring States. It is a really critical issue to us, and he is really taking it seriously. I am proud to be working with him on that.

As so many of you all have mentioned, the welfare reform that started in 1996, when the senator from Louisiana and I both worked on the Conference Committee there in 1996, has been a qualified success story. And I think if there is anything that we should get out of this debate over the re-authorization of welfare reform is that we are at a critical juncture where we cannot give up. We've got to do it right this time. We did it relatively correctly the first time. We did get many of those that were the easier, perhaps, into the work force. We were able to tackle that, and now

we've got more challenges, greater challenges.

One of the things we have found in talking to many of the others that have worked in welfare reform and welfare to work programs, have said that the retention rate of welfare individuals tends to be pretty strong. Because there is a great desire among these people to be in the work force, to be independent, and to provide for their children as well as to make their children proud of what they're able to do. And that's why we are so honored to have Michelle with us today. To express that and to help us work through some of the particular barriers that she may face, so that we can better understand how we are going to get these individuals into that situation of self sufficiency. So I applaud you all and am grateful that you

In Arkansas, our welfare case load has dropped by 43 percent. Not all 43 percent have gone into the work force. And we want to make sure as we move forward in the re-authorization that we are working towards being able to ensure that more of those leaving

welfare are leaving for work.

As we work to re-authorize TANF this year, I hope that we will keep in mind that many people remaining on welfare face many barriers. I spent some of my last break shadowing some welfare mothers in Arkansas. Working with them at the non-profit where they were getting their GED, and accomplishing their trade, getting their trade track and getting some training there. I arrived at their home early that morning to assist them in getting children on the school bus as well as taking the subsidized taxi or van service to child care, where their younger children would go. I then traveled to where they were finishing up their training in health care and manufacturing. I think it's absolutely critical for us to better understand that if what we are going to do is ask people for additional hours of work, particularly going up to 40 hours of required work, without anymore funding for child care it is going to be virtually impossible.

In Arkansas, if you are working 28 hours a week at minimum wage, you lose your cash assistance. Well at that point where are you going to go for the resources to make up for the difference in the child care that you are going to have to have to make up that 40 hour week? It's going to be phenomenal. So I hope that we will all take that into consideration as we look at that; 75 percent of our families in Arkansas have reported having at least one barrier to employment and more than 1 out of 4 have reported having three or more barriers. Obviously child care and transportation are some of our biggest in rural states like Arkansas. And we want to definitely focus on some of the out-of-the-box solutions that we can come up with. And I am actually working with some of our private industries in the state to see what they can come up with as well.

I wanted to just ask briefly your interpretation of how what you're doing currently is going to be affected. And Ms. Metcalf, we appreciate you representing our neighboring state of Tennessee and we're glad to hear how the success stories your state has been able to see in addressing the need of people with multiple barriers. I am curious if you want to share with us any further, how these programs would be affected under the President's plan, which would eliminate your waiver basically, but also in the context of a 70 percent participation rate that you would have to meet as well as the 40-hour workweek and also the fact that the administration's proposal also requires that if you are a working mother with a child age 1 or younger, you would only have to meet the 20 hours a week, but if you have children over the age of 1, you would also be required to meet the 40 hours a week as well.

Ms. Metcalf. Sure. All of those issues would be impacted if we are not able to maintain our waiver. Again because we are allowed to count so many other activities that other states are not allowed to in terms of meeting our work requirement, currently, if we are no longer allowed to count those activities, then we will certainly be looking towards what other activities our customers might engage in. Tennessee currently has a 40-hour work requirement, but again, because we can count those other activities, we are able to move closer to meeting those measures. Our state law does prohibit us from allowing our customers from engaging in subsidized employment. So that is another limitation that Tennessee faces.

In terms of the 40-hour work requirement, state government requires their employees to work 37½ hours. And that counts as full time. I say that under our waiver, we will look towards what the employer considers full time employment in terms of determining how many hours if it's 35 hours, than we will count that as full time. And again just using state government as an example, 37½ hours is considered full time employment as far as state government is concerned. So again there would be some challenges for us in Tennessee to try and meet the new requirements if we no longer had our waiver because of the advantages and the flexibility that we have been able to operate under.

Ms. LINCOLN. Obviously flexibility is a key for states because as I've mentioned it's not a one size fits all. Do you have any requirements in your state in terms of that 40-hour workweek that gives special consideration to single parents perhaps, or single parents who have children under the age of 6.

Ms. Metcalf. We do have exemptions I believe if the child is under 1 year, let me make sure I get this correct. Yes, if the mothers of infants less than 16 weeks old, we do have exemptions from the work requirements for them. So they are not required to engage in work activities for that time period.

Mr. Breaux. Sixteen weeks? Ms. Metcalf. Yes, 16 weeks.

Ms. LINCOLN. Thanks. Thank you, we appreciate you being here and sharing your information with us. Ms. Smith I am also a believer in Goodwill Industries and all of the great things that are done there in providing employment training and support services and all of the things that you do. Just any specifics that you want to point out about how your programs may be affected by changes that are proposed from the administration.

Ms. SMITH. Actually, what I'd rather make a statement about is what we are doing in anticipation of some changes. And that is what we are in the process of now, our Goodwill is being able to offer the support service of free babysitting if the mothers or fathers are in one of out training programs and that's in collabora-tion with some other community based organizations. And we are in the process of continuing to provide transportation stipends. And that is because our public transportation in Tucson is so poor, is actually one of the mayor's initiatives this year. Buses don't run after basically 6 o'clock in the evening. And we offer some programs in the evening to accommodate work so we are in a situation now where we are using our own vans and hiring a driver to take people to and from class and to work and also provide money for taxis. We are in a position now where we are looking at doing whatever it is we need to do to make that individual successful because we know that in many cases, we may have an individual that their last hope is to go through one of our programs. And that's their last chance and so we are not going to set somebody up to fail.

Ms. Lincoln. Well that's fabulous. During my visits shadowing and working with welfare recipients, I have seen what a tremendous role non-profits play in the lives of many welfare recipients. I visited the non-profit group where these particular welfare moms had already completed their GED and were actually completing their training track—the Good Faith Fund. This group held their hand and helped them in the technical assistance they needed in understanding what the programs meant to them, where they could go for access and what assistance they needed. It was also someone they could call when they ran into a problem or they needed something, particularly in terms of transportation and child care.

So I think it's very important for us to remember that partnering. We are also working with them on some new and innovative ideas about transportation and would love to work with you in that respect as well. Each of the four of the mothers that I did a round table discussion with, had completed their education, and training, and every one of them had been offered at least one if not two jobs. Unfortunately these jobs were all night shifts and the public transportation stopped at 5 o'clock in that small town, what little transportation there was. And so obviously they were going

to find themselves without any transportation and more than likely without child care unless they could find a family member. So those are definitely some challenges that we face and that's what makes these barriers so challenging to these individuals. That's why I think it's so important to interpret that and to be able to work with them and think outside the box. But I'd love to work with you on transportation because we've got some great ideas and it's groups just like yours that we've been looking to for some ideas.

Mr. Breaux. We've got 5 minutes left.

Ms. Lincoln. Oh, for a vote. Thank you Mr. Chairman.
Mr. Breaux. We have a vote that's just been called. I want to thank Senator Lincoln for major contributions in this debate and in reforming welfare. Thank each and every one of you on the panel, and Michelle in particular, I appreciate your being with us and thank all of you for helping us the committee will now stand

[Whereupon, at 3:31 p.m., the hearing was concluded.]

#### APPENDIX

#### ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

#### PREPARED STATEMENT OF DAVID BUTLER

Good afternoon. Thank you for inviting me to testify. My name is David Butler. I am a vice president of the Manpower Demonstration Research Corporation (MDRC), a nonpartisan social policy research organization with offices in New York City and Oakland, California. MDRC has been evaluating welfare reform and employment and training programs across the country for almost three decades. I am here today to share what we have learned about welfare recipients and former recipients who have faced the most difficulty in making a successful transition from welfare to work—the group we call the hard-to-employ.

I will briefly address four broad questions in my testimony: First, who are the hard-to-employ, what do we know about their characteristics, and what special challenges does this group pose for program designers and operators? Second, what have we learned from the evaluation research about how to improve employment and other outcomes for hard-to-employ populations? Third, what are the most promising program models and strategies states and localities have implemented for this population since TANF? And finally, how might TANF reauthorization address the needs of the hard-to-employ?

My main points are:

- A substantial group of unemployed adults continue to receive TANF benefits or no longer receive them but are unable to maintain stable employment. This group faces significant obstacles, including: basic skills deficiencies, mental and physical health problems, learning disabilities, and similar disadvantages. Moreover, these conditions often co-occur.
- The research suggests that many welfare recipients with characteristics that make them hard to employ will need specialized or more intensive services. There is some evidence that targeted strategies can be successful, but very few programs have been evaluated. However, what we have learned suggests that a combination of treatment, support service, and labor market strategies will be necessary to help individuals with serious barriers succeed in employment.
- There is cause for optimism. T4NF has been an effective catalyst for innovation and experimentation by providing states with adequate funding and encouraging program flexibility. Many promising programs and approaches are being tried all over the country. But if welfare reform is to continue to build on the success it has achieved in reducing caseloads and moving recipients to steady work, designing and testing effective strategies for the hard-to-employ needs to be a priority. We applaud the Administration's proposal to maintain the TANF funding level and for its recognition that treatment services can promote employment and should count towards participation.
- However, the three-month limit proposed by the Administration is too restrictive. Ideally, participation in treatment-related services should not be required to have a pre-imposed time limit. Instead, an individual's progress in treatment should determine the treatment timeframe. TANF programs in Oregon and Utah have taken this more individualized approach to serving people with serious barriers. If the Senate decides that a time limit on treatment participation is necessary, we recommend a limit of between 6 and 12 months rather than three months. The research suggests that longer thresholds are more likely to yield better treatment and employment outcomes.

Who are the hard-to-employ?

The term "hard-to-employ" is in some ways misleading, since it suggests there is a group of people whose common and recognizable characteristics or barriers can be predictive of whether they will become successfully employed. Such labeling is simplistic and potentially self-defeating. Individuals cannot be defined by a simple set of characteristics, and the presence of barriers does not necessarily mean that someone will have difficulty moving to work. Many working people face these same barriers and succeed in the labor market. The relationship between a barrier and employment is a complex one, determined by such factors as the severity and persistence of the barrier, the number of problems someone faces, as well as an individual's counterbalancing strengths, motivations, and supports. Therefore, it is important not to operate with preconceived notions about who is, and who is not, employable or allow the term "hard to employ" to become a self-fulfilling prophecy about who will succeed. It is equally important to resist the presumption that characteristics or potential barriers really don't matter very much since everyone can find a job if they just try hard enough.

So, what *can* we say about the hard-to-employ population and how can we explain why, despite the success of welfare reform in reducing welfare caseloads and increasing employment, many families still have not made the transition from welfare—to work? Several national and state surveys and studies have attempted to answer this question by examining the incidence or prevalence rates of potential employment barriers among welfare recipients and other groups. While this body of research is not conclusive <sup>1</sup>, we can speak with some confidence about the characteristics of the hard-to-employ population and the program challenges states and localities face in trying to help them succeed in the labor market.

#### • The hard-to-employ population is diverse.

Many characteristics are associated with a reduced likelihood of employment, including physical or mental health problems; human capital barriers, such as low basic skills or lack of a GED; situational barriers, such as housing instability or transportation access; and family-related factors, such as disabled children or caretaker responsibilities. Relative to the general population, long-term welfare recipients are far more likely to face many of these barriers. In addition, these same barriers have also been identified among some groups of former welfare recipients, including those with a history of unstable employment who remain off welfare, as well as families who recycle between welfare and work.

The range of barriers the hard-to-employ face suggests that "one size fits all" program strategies are not likely to be effective and that programs must be able to tailor services to meet the varied needs of their clients. Building and maintaining the capacity to address a range of different service needs—while staying focused on the employment goal—is a major challenge for programs for hard-to-employ populations.

#### Recent research indicates that individuals facing serious barriers to employment have not increasingly dominated the shrinking caseload since welfare reform.

Studies on welfare time limits by MDRC and others have found that recipients who reach time limits are not necessarily the most disadvantaged. Why is the remaining welfare caseload not necessarily more disadvantaged than it was in the past? More generous welfare earnings disregard policies have enabled recipients who take jobs to remain on the rolls, mixing work and welfare for extended periods, and the coupling of time-limits and tougher sanction policies have pushed some hard-to-employ recipients to leave the rolls. Several studies have found that sanctioned recipients who leave welfare are much more likely than other leavers or current recipients to face a variety of barriers to employment (Goldberg and Schott, 2000). Former recipients who have left welfare but have not entered the workforce area particularly vulnerable group that requires assistance.

#### Barriers of low educational levels and mental and physical health problems have particularly high prevalence rates among welfare recipients.

Three surveys of current and former welfare recipients conducted in  $1999^{\,2}$  found that 40 percent to 50 percent had less than a high school education, 20 percent to

<sup>&</sup>lt;sup>1</sup>Estimates of prevalence rates vary significantly from study to study depending upon data sources, methodology, and the like. In addition, these studies identify only correlations between barriers and difficulty sustaining employment. They do not tell us that the barrier is necessarily the cause of the employment problem

the cause of the employment problem.

<sup>2</sup> The National Survey of American Families contains detailed national and state estimates; the Women's Employment Study collected extensive information on welfare recipients in a urban

40 percent had physical health limitations, and 30 percent to 40 percent had a serious mental health problem (primarily depression). The incidence of substance abuse problems was also significant but prevalence rates were lower in these samples—between 6 percent and 8 percent. (These rates may be understated since it is very difficult to obtain reliable information on drug use through self-report surveys.)

Each of these barriers poses challenges for program design. For example, while we know that there is an economic return to each additional year of education a student completes, the solution to low education levels is more complicated than just enrolling individuals in education programs. Adult education and GED classes can have very high dropout rates (50 percent or more), in some cases because the programs themselves are of low quality and ineffective, and in other cases because traditional approaches are not appropriate for .some part of the population in need. In addition, as welfare-to-work programs have acquired more experience in identifying basic skill deficiencies, there is increasing recognition that many who are testing at low skill levels have some type of learning disability. Adult learning disabilities often go undiagnosed and basic education programs are only beginning to focus on identifying learning disabilities and providing services for this population.

identifying learning disabilities and providing services for this population.

The problem of depression among the hard-to-employ poses different kinds of challenges. From the medical field, there is clear evidence that medication, psychotherapy, and combinations of the two are very effective in treating depression, and as symptoms abate unemployment declines. However, identifying depression and getting people to participate in treatment services poses a significant problem. Perceived stigma, lack of knowledge, or fear prevent people from recognizing mental health problems or seeking treatment. Studies have shown that large proportions of people who start mental health treatment drop out quickly or do not follow treatment protocols. These problems are particularly common among low-income populations.

#### • Many individuals face multiple barriers to employment.

A 1999 national survey found that 78 percent of welfare recipients experience one barrier to employment, 44 percent experience two or more barriers, and 17 percent experienced three or more barriers. The more barriers someone faced, the less likely they were to become employed. Moreover, certain barriers tend to co-occur. For example, the New Jersey Substance Abuse Research Demonstration (SARD) project, which targeted TANF recipients with a substance abuse problem, found that 49 percent of the sample had severe or moderate depression, 44 percent had a chronic health problem, and 32 percent had been victims of sexual abuse (Morgenstern, 2001). Many programs for the hard-to-employ have traditionally been highly specialized and have not been well-suited to addressing the needs of people with dual diagnoses or multiple problems. More integrated strategies have, however, begun to emerge in recent years.

#### The severity and persistence of a condition are also critical factors in determining how a barrier will effect employment.

Many studies have shown that the presence of barriers, alone or in combination is strongly correlated with poor employment prospects. A study by Stouffer and Jayakody in 19981998 found that welfare recipients with a psychiatric disorder were 25 percent less likely to be working than those without a disorder. The substance abuse literature has also extensively documented the connection between substance abuse and negative employment outcomes. In addition, welfare recipients experiencing multiple health and behavioral barriers to employment, or experiencing one of these issues in conjunction with situational barriers, are even less likely to work. Only three percent of recipients with three or more barriers were working compared to 22 percent with one, and 50 percent with no barrier MDRC's Urban Change study of welfare reform in four large cities surveyed current or former welfare recipients in high poverty neighborhoods. (Zedlewski, 1999).

A barrier's severity can also be an important predictor of employment outcomes. Having a disability does not significantly affect the likelihood of leaving welfare while having a severe disability does. Outcome studies in the mental health and substance abuse fields, for example, have found that severity is an important matching variable when determining the intensity and type of services required. Also, many barriers are dynamic—for example, behavioral and health disorders abate, recur, and newly emerge. The dynamic nature of these kinds of barriers and the need for ongoing problem management strategies suggest that programs are not likely to succeed as one-time, short-term interventions. Strategies are needed for

continuous monitoring and assessment, gradually reducing program intensity over time but reconnecting a person to treatment during a crisis or relapse.

#### Parents' barriers can have significant effects on children.

Numerous studies also point to negative impacts on children of being raised by a parent with health and behavioral problems. For instance, there is a great deal of evidence regarding the harmful effects of maternal depression on children. Increased rates of clinical diagnoses, impairments in psychological functioning, difficulties meeting social and academic standards, and poorer physical health have been found among the children of depressed mothers. Studies also show that these children exhibit higher rates of withdrawn (internalizing) and aggressive (externalizing) behavior. Researchers have also shed light on the impact of parental substance abuse on child outcomes—between 60 percent and 80 percent of parents who are involved with the child welfare system have substance abuse problems (Young and Gardner, 1998). It has also been shown that children of chemically dependent parents are more likely to develop such problems later in their own life.

What have we learned from evaluations about how to improve employment outcomes for the hard-to-employ?

While relatively little is known about the effectiveness of service strategies targeted specifically to hard-to-employ TANF and former TANF recipients, a key assumption of those advocating for more specialized programs has been that standard employment services are insufficient for the hard-to-employ The research supports this assumption.

#### Traditional welfare-to-work programs help some of the hard-to-employ but leave many behind.

MDRC has examined the results of 20 welfare-to-work programs for a variety of subgroups and concluded that the programs increased earnings about as much for the most disadvantaged recipients (defined as long-term welfare recipients with no high school degree or recent work history) as for less disadvantaged groups. However, individuals (including nonworkers) in the most disadvantaged subgroup earned less than 51,000 per year on average, about one-sixth as much as those in the least disadvantaged group, indicating that the programs left many in the most disadvantaged group far from self sufficiency. Moreover, these programs typically did not serve people with serious physical or mental health problems. The most effective programs used a mix of job search, education, and training activities and maintained a strong emphasis on employment. Results from time-limit evaluations and "make work pay" programs tell a similar story, but even the most effective programs leave many behind. These results suggest that it may make good operational sense initially to use the outcomes of someone's participation in the regular work program to determine who may need more intensive services. In fact, many TANF programs screen in this way.

#### • There is some evidence that more targeted strategies can be successful.

Evidence from several random assignment studies of supported employment for various disadvantaged hard-to-employ groups suggests that targeted strategies can increase work effort and incomes. The National Supported Work Demonstration tested a work experience model for four hard-to-employ groups, including very long term AFDC recipients. Participants were typically assigned to work crews and work-place demands were gradually increased over time. Revenues from the goods and services produced by participants helped finance the programs, as did welfare grant diversion. The supported work model had its largest impacts on the AFDC target group and impacts were particularly large for the most disadvantaged participants. Supported work was expensive—about \$19,000 per program group member in current dollars—but the value of output produced by participants was also quite substantial.

Other evidence suggests that individually tailored supported-employment models can be highly effective. Extensive literature in the disability field documents the success of supported-employment models that focus on moving individuals with severe and persistent disabilities into permanent unsubsidized employment. While supported-employment programs for disabled individuals typically have not served single mothers, who are likely to have different support needs, the success of these models suggests that they may be quite adaptable to TANF clients.

In the medical field a number of controlled studies have identified efficacious mental health and substance abuse treatments for the disorders prevalent among hard-to-employ TANF recipients. Still, we know very little about the effectiveness of these interventions when they operate on a large scale as part of a multi-component welfare reform program. An exception is the SARD random assignment study

currently underway in New Jersey, which uses an intensive case management model to help TANF recipients with substance abuse problems stay engaged in treatment and move into employment. Early results are promising, indicating that the program has led to significant increases in treatment participation rates.

What kinds of service strategies are being implemented by states and localities under TANF, and what lessons are we beginning to learn from practitioners?

Since the passage of TANF, states and localities have devoted considerable energy and creativity to designing new program approaches and service strategies for the hard-to-employ. Some of the approaches build on the lessons from past welfare-to-work programs; others draw on practice from other fields such as rehabilitation and disability. While programs vary along many dimensions, most involve two core components—employment services and treatment services—that are organized and given emphasis in accordance with the population they target, the kind of barriers involved, and the program's philosophy.

- Work focused programs. These programs primarily emphasize helping hard-to-employ people prepare for and get jobs. Although debate continues about the extent to which upfront training or education should be emphasized in these programs, the trend has been towards structured, supported employment that focuses on quick employment. But there are different versions of supported employment, ranging from specially created worksites in the public or nonprofit sectors (based on the design of the Supported Work Demonstration), to placement in unsubsidized competitive employment with job coaching and different kinds of work supports. Many states, including Kansas, New York, Arkansas, Georgia, Minnesota, and Washington, are implementing promising supportive employment models for TANF recipients with diagnosed disabilities or work limitations. These programs often involve partnerships between the state TANF agencies and the vocational rehabilitation and Workforce Investment Act systems.
- Treatment focused programs. At the other end of the continuum are programs specifically designed to treat a particular barrier or condition, typically a behavioral health problem or a basic skills deficit. For example, individuals identified with depression would receive therapy, medication, or a combination of the two. Specialized treatment programs have been the dominant model in the substance abuse and mental health fields. However, as these programs have begun to partner more with the welfare and workforce reform systems they have begun to shift to more mixed strategies.
- Mixed strategies. These programs emerge from the recognition that moving hard-to-employ individuals into employment often requires some mix of work and treatment focused services. Programs characterized by a work orientation often take steps to ensure participants receive treatment for conditions that affect their employability. Modified versions of work first retain a focus on quick employment but incorporate treatment, education, and other activities with job preparation and job search. Whenever possible in these programs, employment-related and barrier-related activities are pursued simultaneously. But even when treatment is the sole initial focus, it is viewed as a first step toward the employment goal. Oregon and Utah are two states which have implemented modified work first programs by including treatment activities in the employment development plan, allowing treatment services to count as TANF participation, co-locating mental health and substance abuse counselors in TANF offices, and emphasizing short-term treatment and counseling, or treatment provided concurrently with employment activities.

  A growing number of treatment focused programs have begun to pilot more "inte-

A growing number of treatment focused programs have begun to pilot more "integrated models" in which a vocational component is built into a substance abuse program. The national CASA WORKS demonstration and the Los Angeles Tri-Cities Mental Health programs are good examples of the integrated approach. The balance between treatment and employment services plays out differently for different conditions. Still, some barriers, such as physical disabilities, may not be amenable to treatment. And some conditions, like a bout of major depression or an incapacitating addiction, may be so severe that treatment alone should be the first course of action, at least until the client has been stabilized.

#### Lessons from Practitioners

As I have traveled around the country I have been struck by how far programs have come in the last 5 years. These are some of the key lessons I have picked up from program staff at all levels in many different kinds of organizations:

· Helping individuals with barriers succeed in employment will require both support services and treatment strategies to deal with barriers, as well as labor market strategies that identify or create employment opportunities.

The path from welfare to work is not linear. Some problems must be addressed before individuals begin work, others can be addressed while they are working,

and others may not emerge until after they have begun to work.

Because participants often face multiple barriers, programs must be prepared to use multiple strategies at different intensities and in different combinations.

At the same time, programs cannot and need not address all of an individual's problems in order to "clear the path" to employment
Serving individuals with serious barriers requires new investments in staffing, staff training and service delivery. A tough work message, the threat of sanctions and time limits, and job search assistance are not going to be enough.

- Programs need additional support services beyond those traditionally provided by welfare-to-work programs. Mental health counseling, shelters for victims of domestic violence, and substance abuse treatment are examples, and all require the formation of new partnerships across multiple agencies and community organizations.
- Reliable screening and assessment tools and protocols can help staff identify health and behavioral health barriers, but they must be easy to use and will not capture everyone in need of assistance.
- Helping to engage participants in treatment and services and linking them to employment has become a critical role for case managers. To do it well requires intensive and persistent outreach and small caseloads.

#### What are the implications for TANF reauthorization?

The Administration's proposal to increase the participation rate to 70 percent and increase the number of required hours of participation to 40 per week has far-reaching implications for states trying to engage hard-to-employ welfare recipients. To satisfy a work-only participation standard of 24 hours per week states will probably have to develop a large numbers of work experience or community service jobs—a potentially costly undertaking that is unlikely to help the hard-to-employ and would absorb much of the time and effort needed to strengthen programs for this population. The kinds of work experience slots that would be affordable at scale for most states will clearly not offer the structured work sites, close supervision, peer group support, and gradually increasing job demands that were hallmarks of the successful Supported Work Demonstration. Nor will they have the positive features of the successful supportive employment approaches favored in the disability world, which are tailored to participants preferences and interests, provide workplace accommodations, job coaching, and other ongoing work supports.

In addition to these broader implications, the Administration's plan specifically al-

lows engagement in treatment programs to count towards the participation standard but only for three months out of every twenty-four. This provision does recognize the importance of treatment services in promoting employment for some TANF participants. By allowing engagement in these activities to count toward participation rates, states will have some incentive to work with the hard-to-employ. However, the research indicates that a three-month limitation on treatment participation will be too restrictive, and for some hard-to-employ recipients is unlikely to

yield positive results.

Several studies from the substance abuse field provide support for this conclusion. A national study of substance abuse treatment called DATOS followed 3, 000 patients in different treatment modalities. The study concluded that a three-month treatment episode was a minimum amount of treatment for patients to derive meaningful and sustained benefits. However, patients who stayed up to six months in treatment had significantly better outcomes than those receiving three or less months of treatment. In addition, studies of relapse indicate that the highest risk period for relapse decreases significantly after about six months. Moreover, Lisa Metsch and co-authors found that the odds of working were greatly increased for each month of treatment received—recipients remaining in treatment for more than one year were almost twice as likely to work than those who only remained for three months. In addition to these results, anecdotal evidence suggests that in drug treatment programs serving substance-abusing women with children, the first three months is often spent dealing with addiction issues and detoxification. This suggests that more than three months is necessary to give these women the resiliency skills they will need to prepare them for being in recovery, holding a job, and being a par-

As noted above, programs are now focusing more on providing integrated and concurrent treatment and employment services. When treatment alone is considered appropriate as an initial activity, the most common approach is to try to keep the length of stay as brief as possible before employment activities commence. The decision, however, about when treatment should end and employment should begin is best based on the progress of the individual client rather than on any arbitrary timeframe. If a threshold must be imposed, six months would be more reasonable. It makes sense to keep people in treatment at least this long to ensure that they do not lose their jobs and cycle back onto welfare. Employers would also prefer to wait until people are most likely to remain drug free before hiring them.

#### A Possible Alternative

An alternative approach might establish a goal of universal engagement for the welfare caseload, but with broader definitions of allowable activities and flexible hours requirements for a core group of recipients deemed hard-to-employ. States could define who meets the "hard-to-employ standard," with guidance from the federal government. Criteria might include: lack of success in regular welfare-to-work programs after a designated number of months, a pattern of recycling between welfare and work or documented employment retention problems, or inability to become employed as a time-limit approaches. The hard-to-employ group could also be defined as those who are diagnosed with a learning disability, mental illness, or a substance abuse problem.

Mr. Chairman and members of the committee, thank you very much for the opportunity to testify on this important issue.

#### PREPARED STATEMENT OF MICHELLE LAUREANO

I started on public assistance in April of 1992. At the time, an unplanned pregnancy and a poor relationship with the child's father caused my housing situation to be unstable. Before long, I secured a studio apartment in Paterson for \$500 a month. In obtaining the new apartment, the only way I was able to maintain the rent was by living with the child's father (despite our problems). Not long after we moved into the new place, things started to change. It began as vicious and debilitating pattern of verbal abuse and progressed to physical abuse within one month. The situation in my home life persisted for about 4 years until I had been beaten to the point of needing emergency medical care. It was only at that point I received the treatment I so desperately needed. I was provided counseling and inpatient services at two battered women's shelters in Newark. However, by that time the damage had been done both physically and mentally. While at the shelter I was diagnosed with significant depressive symptoms. I suffered from a sleep disturbance, had not appetite, a shattered self-esteem, socially isolated myself, lost trust in people, and lost a dramatic amount of weight. In fact, I got down to 82 lbs and my medical condition was further compromised by having anemia.

medical condition was further compromised by having anemia.

By 1996 I found myself a single mother of 4 children. During the next few years I maintained full-time employment in a leadership role in a warehouse. I, subsequently, got laid off but during that period serious obstacles began to present themselves with regard to my home life. I was a single mother of 4 children trying to provide for a family while receiving public assistance in the amount of \$322 a month. I was denied child support and thrust into a desperate financial situation.

The rent alone was \$450 a month not including food, clothing, power bill, and certain basic needs that all children have. So it becomes easy to see what an impossible financial bind I was in. Fortunately, I received assistance from family on occasion. However, although it was greatly appreciated, it was never consistent or provided enough income to pay the bills.

The children also provided me moments of deep concern with regard to their multiple service needs. Three of my children are diagnosed with Attention Deficit/Hyperactivity Disorder. They have frequent behavioral problems in school which the staff seems ill equip to address. The result is that they call me to the school often times during the behavioral episodes to deal with the situation and request the children be removed from school. This deprives my child of his right to an education and solves nothing. Furthermore, I am removed from precious activity hours that are designed to prepare me to once again enter the workforce. My efforts to engage the child study teams in their respective schools have met with huge roadblocks. I am told that a lack of funding reduces the staffing at the schools causing from 1–2 years to secure the needed child study team evaluation. The long wait seems to be a direct result of only having 2 days per week available for the team to meet. At home I need to be ever aware of what the children are doing because of their

At home I need to be ever aware of what the children are doing because of their severely impulsive nature. As a result of their condition (and sometimes aggressive acts toward other children) finding daycare has been almost impossible to accom-

plish. Plus in the home parenting has been more than a fulltime job. I have to settle conflict, administer medication for their ADHD, and somehow claim even a few minutes a day for myself. When permitted the time to really focus on my goal of obtainutes a day for myself. When permitted the time to really focus on my goal of obtaining a good job other things seem to get in the way. Transportation has been a problem in getting back and forth to worksites, interviews and children's schools. One big obstacle has been the lack of a high school diploma. The only jobs I found for people without a GED are low paying jobs at about \$5.50 an hour which really would not improve my financial situation and end my medical coverage. Right now I am working hard to finish up my GED. I am placed at a goal directed worksite that is providing me with the skills I need for the job I am interested in. These placements have been arranged through the Mental Health Initiative of which I am a client. As I stabilize the problems I have snoke about here today I am motivated a client. As I stabilize the problems I have spoke about here today I am motivated for the future employment and what is to come. I seek a full-time job that provides personal fulfillment and economic stability. I want to get off the welfare system and live a happy and healthy life with my children (just like everyone else).

#### PREPARED STATEMENT OF NATASHA K. METCALF

Chairman Breaux and Members of the Subcommittee. I want to thank you for inviting me to testify today about Tennessee's efforts to assist hard to employ Tem-

porary Assistance to Needy Families (TANF) participants.

Tennessee implemented Families First, our TANF program, pursuant to a waiver. Families First is the product of a compromise between Governor Sundquist and the Tennessee General Assembly after many hearings on what would work best in our state. Because our waiver gives us the flexibility to address several unique issues including the needs of hard to employ participants, we would like to retain it until

it expires in 2007.

Tennessee has made great strides in enrolling participants in education, training and work preparation activities before sending them into the workforce. Caseloads have dropped from 91,499 to 63,832 and over 200,000 families have been served. However, we realized that some participants were faced with other barriers that inhibited their ability to progress. No matter how much education, training and work preparation we provide, until they overcome these barriers they are unable to achieve their greatest success in moving toward self-sufficiency.

In response to these concerns, Tennessee allocated \$9.2 million in TANF funds to implement Family Services Counseling in February 2000. This statewide counseling initiative addresses domestic violence, substance abuse, mental health, learning disabilities and children's health and behavioral problems. This counseling model is significant because it is fully integrated with TANF, employment focused and short term. Counseling services are available to adults and children while they are on the

Families First program and for up to one year after their case loads.

Extensive outreach is conducted to inform participants of the availability of these counseling services. Participants who are being sanctioned for failing to comply with their individual responsibility plan are also given the option to seek counseling. Referrals can be made by the case manager, the participant or a service provider.

A standard assessment is completed to identify the barriers that need to be ad-

dressed. Based on the participant's counseling or treatment needs, the counselor can recommend revisions to their individual responsibility plan. Because confidentiality is important, the counselor can arrange to meet the participant outside the office. Our waiver allows us to stop the time clock for the month that a participant is assessed. The clock may be stopped for additional months based on the severity of the barrier.

Most of the 100 masters degreed counselors are co-located in local Department of Human Services offices across the state. Co-location builds relationships with case managers and helps them gain a better understanding of the barriers our participants face.

Almost 4500 participants were assessed during FY 2001 with the following barriers:

-Mental Health

-Children's Health or Behavior

17%—Domestic Violence 16%—Learning Disabilities 9%—Substance Abuse

Many participants are assessed with multiple barriers.

Gaps in the availability of treatment services continue to present challenges especially in rural areas. For example, most alcohol and drug residential treatment programs are not designed to serve mothers with children. To bridge this gap we fund programs in Nashville, Knoxville, Chattanooga and Memphis that are designed to exclusively serve drug addicted mothers in a residential setting with their children. A University of Tennessee (UT) study shows positive employment outcomes from

A University of Tennessee (UT) study shows positive employment outcomes from this initiative. Fourteen percent (14%) of the participants were employed prior to counseling. After completing counseling, forty-nine percent (49%) were employed. In addition, those who were employed during counseling experienced an increase in

Forty-five percent of our caseload does not have a high school diploma or GED. To address this issue, our waiver also allows us to exempt participants who are below the ninth (9th) grade reading level from time limits and additional work requirements as long as they are enrolled in twenty (20) hours of Adult Education classes and progressing. A UT study found that it took TANF students forty one percent (41%) longer than non-TANF students to move from below the 6th grade level to getting a GED. With the use of cash bonuses, we experienced a 133% increase in those earning a GED and a 355% increase in those moving above the 9th grade reading level.

We appreciate the bipartisan recognition of the need for services to address barriers faced by TANF participants. The Administration's proposal allows states to count families engaged in substance abuse treatment or rehabilitation activities toward work participation requirements for three (3) consecutive months in a twenty-four (24) month period. The proposal also allows participants to engage in rehabilitation activities for 16 hours of the 40-hour work requirement. These proposed changes recognize the flexibility states need to succeed with the hard to employ participants in our caseloads.

In order to build on the successes of welfare reform, we must do more than exempt those who are hard to employ from time limits. We must address the barriers they face so they too can achieve self-sufficiency. Tennessee's waiver allows us the flexibility to achieve this goal.

Thank you again for inviting me to testify today and I will be happy to answer any questions.

#### PREPARED STATEMENT OF STEPHANIE SMITH

Goodwill (GW) is a 501(c)(3) not-for-profit community based organization, serving individuals with barriers to employment. GW's mission is to provide employment, training, and support services to increase the employability, retention and earnings of individuals with barriers to employment. As a community leader, GW provides workforce development through innovative, quality programs designed to reduce poverty in our community. GW is dedicated to the ideal of strengthening our families and community through the Power of Work!

To implement this mission, GW is consistently striving to meet the changing workforce development needs of our community. Just four years ago our GW was serving approximately 100 individuals with disabilities per year. Since then, as a result of welfare reform, in addition to serving individuals with disabilities we expanded our mission to serve individuals with other barriers to employment. These barriers include welfare dependency, limited academics, little, if any, work experience, substance abuse, and lack of English proficiency. Often times, these individuals have childcare, transportation, housing, financial, and domestic abuse issues, which create additional barriers. During 2001, our GW served over 1,000 individuals—80% of which were single mothers receiving TANF.

Our GW serves an area that is economically depressed—we are within 60 miles of the Mexican border, the per capita income in Tucson is 15% below the national average, and 39% of the residents in South Tucson, an area very near our main training facility, are living below the poverty level.

We knew, based on our experience and expertise, that in order to effectively assist individuals with these barriers, we needed to develop a variety of vocational training programs. Some of the programs needed to provide the industry specific job skills, or hard skills that are needed in our community. Other programs were specifically designed to address the life or soft skills that often prevent otherwise qualified individuals from successfully maintaining employment. Area employers have often indicated to GW that many entry-level employees lose their jobs because of a lack of work ethic and decision-making skills that prevent them from solving their childcare, transportation, and personal issues.

Some of these programs addressing the Soft and Life skills include:

**Everyday Business Etiquette** is a 2-week long workshop providing Pre-Employment and Life Skills Training for welfare-to-work individuals. This program was specifically designed to provide individuals with little, if any, work experience with

the skills needed to successfully interact in today's workplace and business community. This workshop covers topics such as listening skills, interpersonal skills, and how to be a team player.

Career Preparation Services is a comprehensive three-week workshop designed to provide low-income individuals, welfare-to-work individuals, and individuals with barriers to employment the skills needed to successfully obtain and maintain employment. The workshop includes training plus job placement assistance and job retention services for the first 90-days of employment. This workshop covers work ethics and dependability, adapting to change, interview techniques, and how

Goodwill provides Job Development and Placement for low-income individuals, welfare-to-work individuals, and individuals with disabilities or other barriers to employment. Services are provided on an individualized, one-on-one basis that assists the individual to enter/re-enter the job market or seek career advancement and includes career planning, completion of job applications and resumes, work appropriate business attire, and interview techniques. This program also provides 90-days of job retention services allowing the individual to fully adjust to the new work envi-

Programs addressing industry specific skills include: **Teleservice Training.** The Tucson area has become a hub for the Teleservice Industry with 40 companies employing 16,000 individuals. Teleservice employers told us that they are unable to hire all of the employees they need, due to a lack of qualifield applicants. To address this issue, Goodwill provides Teleservice Training for low-income individuals, welfare-to-work individuals, Incumbent workers, and indiow-ncome individuals, wettare-to-work individuals, Incumbent workers, and individuals with barriers to employment. Goodwill's training program provides seven weeks of classroom instruction that is specifically designed to provide individuals with the entry-level skills needed for employment in Tucson's dynamic Teleservice Industry earning \$8.00-\$9.00 per hour, with benefits. The program includes job placement assistance and job retention services for 90-days after placement. Goodwill's Teleservice Training provides keyboarding skills, general computer and windows 98 training and telephone effortette.

dows 98 training, and telephone etiquette.

I want to highlight specifically, a program that Goodwill Industries implemented on a national basis. This program was designed to serve "hard to serve" Welfare to work individuals through individualized job placement assistance and intensive job retention services. By definition, "hard to serve" individuals are those with academic levels below 5th grade, substance abuse issues, or a demonstrated inability to maintain employment. As all of our programs, this program recognizes that the "one size fits all" approach to workforce development services is likely to fail. GW recognizes

that employment issues vary in different communities.

Nationally, over the last 100 years, Goodwill Industries has helped nearly 6 million people earn a living and support their families. Goodwill is a unique community organization that utilizes a business model approach allowing us to be good stewards of the resources that are given to us, in order to provide effective workforce development programs. Capitalization money would allow Goodwills to use the resources and revenues from their retail operations to fund these and additional programs. Congress partnered with Goodwills in Florida and Louisiana by authorizing a capitalization demonstration project in the 1996 Welfare Reform Authorization bill. These projects were tremendously successful in meeting their targets in placing the hardest to serve. The capitalization strategy is a viable tool that Congress could use to allow business model non-profits to meet these needs in a broader and more immediate fashion.

#### COMMUNICATIONS

#### STATEMENT OF THE CHILD WELFARE LEAGUE OF AMERICA

The Child Welfare League of America welcomes this opportunity to submit testimony in behalf of our more than 1,175 public and private nonprofit child-serving member agencies nationwide regarding barriers to employment that affect the hardest-to-employ individuals, as part of the reauthorization of the Temporary Assistance for Needy Families program (TANF). We applaud the Subcommittee for recognizing the importance of eliminating barriers to employment in the context of TANF reauthorization.

If we are serious about helping families move from TANF to self-sufficiency, we must address the barriers they face and provide them with the supports they need. This year presents the first real opportunity for Congress, the Administration, and the nation to review and evaluate the significant decision made in 1996 to replace Aid to Families with Dependent Children. We have an opportunity to evaluate what has worked and to improve the program, eliminate barriers to employment, and positively impact the lives of millions of low-income children and their families.

#### TANF and Barriers to Employment

Families receiving TANF assistance face a number of barriers. As a result, some recipients are unable to move from welfare to personal responsibility and work. These barriers may include substance abuse, mental illness, domestic violence, or disabilities. For those families who come to the attention of the child welfare system—a good portion of them TANF recipients—alcohol and other drug (AOD) use is a major contributing factor for remaining unemployed for long periods of time. Families with substance abuse problems need appropriate and comprehensive treatment to overcome obstacles and move to self-sufficiency.

Estimates of the prevalence of substance abuse among TANF recipients range from 16% to 37%. In a survey of CWLA member agencies, caseworkers reported that up to 80% of the families that come to the attention of the child welfare system have an AOD problem. The U.S. Department of Health and Human Services estimated in August 2000 that at least 460,000 families on welfare—about 1.2 million parents and children—were affected by substance abuse. Several studies have suggested a high prevalence of substance abuse among women receiving TANF, with rates as high as 39%. The 1991 National Household Survey on Drug Abuse found that alcohol and drug use was more prevalent among the welfare population than the general public. TANF caseworkers, in particular, identify substance abuse as the most inflexible of the barriers facing people who are trying to make the transition from welfare to permanent employment. All of the studies make clear that substance abuse is a problem for many families receiving TANF and that it poses a barrier to employment and self-sufficiency.

In keeping with the philosophy of removing obstacles to work to achieve the overall goals of personal responsibility and self-sufficiency, CWLA supports changes and improvements in screening and assessment, sanctions, and work requirements for those needing substance abuse treatment and applying for TANF benefits.

#### Family Screening and Assessment

Families seeking cash assistance often face many other stressors in their lives that can become barriers to completing TANF successfully and that can jeopardize child safety and well-being. These include the need for adequate housing and transportation, substance abuse and behavioral health treatment, and assistance in addressing domestic violence. The purpose of a family assessment is to learn about and engage a family in identifying their needs, strengths, and current resources. Family screening and assessment is a key ingredient in helping families achieve

self-sufficiency. It is also a vital tool for helping families improve their parenting abilities and ensuring child safety and well-being.

Many jurisdictions have initiated screening and assessment for families who are

eligible for TANF. Some conduct an assessment with all new families requesting assistance. A personal responsibility plan, based on the assessment findings, sets forth the services the family will receive to address barriers and includes recommenda-tions such as substance abuse or behavioral health assessments. Assessments may be conducted "midcourse" to determine client progress and make any necessary corrections to the service plan. Some jurisdictions also require a full assessment with

the family prior to imposing sanctions.

These steps can prevent problems for families down the road—both the failure to meet work requirements and the increased risk of child abuse or neglect. For those families already involved with the child welfare system, joint TANF-child welfare assessments provide an opportunity to implement a coordinated service and work plan with the family. This ensures the family will receive a single plan for accom-

plain with the fainty. This cliented are fainty goals.

CWLA recommends that all families seeking TANF assistance participate in an initial screening by a trained caseworker to identify and screen for barriers to work, such as substance abuse. This initial screening should identify potential barriers that might interfere with the family's ability to work requisite hours and otherwise comply with program requirements. If the screening identifies potential barriers for the parents or safety risks for the children, the caseworker should conduct a full family assessment and, where necessary, refer the family member for a professional evaluation to assess substance abuse, behavioral health, or other concerns beyond the worker's expertise.

TANF workers should be trained to screen for barriers to work, including substance abuse, physical and behavioral health, and domestic violence, and for risks to child safety. Workers should also receive training in family assessment, enabling them to assess the needs, strengths, and resources of families as a tool for developing a plan that will lead to successful work and promote a safe environment for the children. Finally, for families already involved with the child welfare system, workers should be encouraged to conduct joint assessments and planning with child welfare so that both systems support families in their efforts to succeed in the workplace and as parents.

#### Substance Abuse and Sanctions

Families in need of services, such as substance abuse treatment, must receive the assistance they need to overcome barriers to employment. CWLA recommends that states conduct a presanction review before sanctioning parents who are considered noncompliant. Parents should not be subjected to sanctions and case closures because of the state's limited substance abuse treatment capacity. If substance abuse treatment services, as specified in the individual responsibility plan, are not available to the parent, states should refrain from sanctions or case closures.

#### Substance Abuse and Work Requirements

Under TANF, substance abuse treatment is considered work activity and job preparation. Comprehensive, family-focused treatment programs, either residential or outpatient, require that parents engage in intensive therapy sessions, group counseling, parenting classes, and education or job training services. A 1998 Legal Action Center study, Helping Women with Alcohol and Drug Problems Move from Welfare to Work, looked at 20 women's treatment programs and found that 60% included work and vocational training as part of treatment, whereas 75% required work and vocational training during the substance abuse treatment process.

The Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act, and state laws require welfare programs to provide meaningful access and accommodation to people with disabilities. ADA covers parents in drug treatment programs. Reasonable accommodation and individualized assessment are key entitlements accorded to people covered by ADA. Substance abuse treatment as a work activity can constitute reasonable accommodation for parents. CWLA asks the Subcommittee to provide substance abuse treatment as a work activity as a reasonable accommodation for parents. Successful transition from treatment to work is necessary to ensure that states provide reasonable accommodation for people in treatment.

Improving Access to Comprehensive Treatment for Families

With the reauthorization of TANF, Congress is taking a long, hard look at the characteristics shared by those who remain on TANF. The hardest-to-employ will be those who have been unable to gain work. Clearly, behavioral changes will be critical to move those who have not been able to find and keep jobs because of existing barriers, particularly those confronting substance abuse.

As we have pointed out, AOD use and abuse is a major barrier to economic self-sufficiency. If left untreated, it can interfere with the ability to find and keep employment. The Substance Abuse and Mental Health Services Administration, Center for Substance Abuse Treatment's report, A Look at State Welfare Reform Efforts to Address Substance Abuse, states that substance abuse treatment is effective in reducing illicit drug use, improving physical and mental health, and reducing criminal activity. Most importantly for the welfare population, substance abuse treatment also results in improved financial self-sufficiency. Studies of the effects of substance abuse treatment programs "have consistently shown that employment rates improve among individuals who participate in substance abuse treatment." The National Treatment Improvement Evaluation Study (NTIES) indicated that employment increased 19% following treatment.

Substance abuse treatment programs can be instrumental in moving individuals off welfare. After participation in treatment, substance abuse clients show a significant decline in receipt of TANF. Among women in the NTIES study, welfare receipt decreased 11%. In another study of substance abuse treatment in California, Alcohol and Other Drug Treatment for Parents and Welfare Recipients: Outcomes, Costs, and Benefits, found a 22% decrease in welfare receipt after treatment. It also reported that

- the number of women with children who received welfare income decreased by 39% among cocaine users, 48% among amphetamine users, 14% among heroin users, and 26% among alcohol users;
- the benefit of substance abuse treatment exceeded the cost by 2 to 1 for women with children who were on welfare;
- the estimated cost saving was \$7.00 for every \$1.00 spent on treatment, due largely to reductions in drug-related crime.

The National Center on Addiction and Substance Abuse at Columbia University study, Shoveling Up: The Impact of Substance Abuse on State Budgets, revealed that, in 1998, states spent conservatively \$81.3 billion dollars on substance abuse and addiction—13.1% of the \$620 billion in total state spending. Of each such dollar, 96¢ paid for the consequences of substance abuse and addiction, and only 4¢ for prevention and treatment.

A recent National Institute on Drug Abuse report indicated that when savings related to health care costs are added to the savings due to crime, total savings could exceed costs by a ratio of 12 to 1. The value of providing treatment services to individuals with AOD problems cannot be ignored. A recent analysis indicated that every American pays more than \$1,000 each year to cover the costs of untreated substance abuse. It would cost each American \$45 per year to provide comprehensive treatment services—less than 5% of the current per-person toll for lack of treatment.

The importance of substance abuse treatment in promoting economic self-sufficiency is clear. For welfare reform to succeed, substance abuse treatment must become a component of welfare-to-work strategies. CWLA is encouraged by the Administration's proposal, contained in the House TANF reauthorization bill (H.R. 4090), which gives work credit to families engaged in short-term substance abuse treatment. Although we feel that three months is not nearly long enough to effectively address a substance abuse problem, the recognition of treatment as a work activity is extremely important.

CWLA recommends that reasonable accommodation be given to treatment as a work activity to take into account the parent's particular circumstances and needs as part of the individual responsibility plan. Aside from the needed improvements of screening and assessment, sanctions, and work requirements, substance abuse treatment services must be available for this to work. If treatment capacity is not accessible for those individuals most in need, family assessment and reasonable accommodation will not be successful.

Given what we know about treatment options that work, it is critical that collaborations be developed. A new collaborative infrastructure between TANF agencies, AOD agencies, and, we would argue, child welfare agencies, must be encouraged to effectively meet the needs of TANF families, many of whom are also families that come to the attention of child welfare.

Legislation currently before the Senate Finance Committee, S. 484, the Child Protection/Alcohol and Drug Partnership Act, would provide comprehensive substance abuse treatment for the most vulnerable families—those who come to the attention of child welfare. Introduced by Senators Olympia Snowe (R–ME) and Jay Rockefeller (D–WV), and cosponsored by a number of members of the Senate Finance Committee, S. 484 would provide what is needed—comprehensive substance abuse treatment that includes job preparation.

CWLA believes we have a real opportunity with the reauthorization of TANF to change behavior—a goal in both welfare reform and treatment for substance abuse. We encourage the Subcommittee to consider these recommendations.

The reauthorization of TANF affects millions of children and families. Now is the time for Congress to provide the resources, flexibility, and direction needed to help adults receiving TANF, particularly those dealing with substance abuse and who remain hardest-to-employ, with the tools they need to move from poverty to self-sufficiency and to better help their children. CWLA looks forward to working with members of this Subcommittee to ensure the needs of these hardest-to-employ families are part of any final TANF reauthorization considered this year.

#### STATEMENT OF THE CONSORTIUM FOR CITIZENS WITH DISABILITIES

The Consortium for Citizens with Disabilities (CCD) is a coalition of approximately 100 national consumer, advocacy, provider and professional organizations headquartered in Washington, DC. We work together to advocate for national public policy that ensures the self determination, independence, empowerment, integration and inclusion of children and adults with disabilities in all aspects of society. The CCD advocates on behalf of people of all ages with physical and mental disabilities and their families through organized Task Forces on such issues as housing, health care, education, and welfare reform. The CCD TANF Task Force seeks to ensure that families that include persons with disabilities are afforded equal opportunities and appropriate accommodations under the Temporary Assistance for Needy Families block grant.

Included in this written statement is the governing document for our task force. *Principles Guiding the Reauthorization of TANF* spells out the key principles that we believe should underlie improvements in TANF reauthorization from a disability perspective. The recommendations included in this statement also appear in a second governing document for the task force; these recommendations describe the steps we believe are needed to implement those principles in ways that will help

steps we believe are needed to implement those principles in ways that will help parents with disabilities and parents caring for children with disabilities to be able to maximize their potential through the TANF program.

We start from the premise that all people with disabilities must have the opportunity to maximize their potential—including to be able to work—and that it is the legal obligation of the government—federal, state and local—to ensure that people with disabilities have equal and meaningful access to all programs receiving federal funds. This is the pregion of the Americans with Disabilities and Section 504. funds. This is the promise of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, both of which Congress specifically incorporated into the TANF statute in 1996 at Section 408(c), 42 U.S.C. δ608(c).

It is still common for policymakers not to realize that many people with disabilities are in the families being served by TANF programs. Early in the process of welfare reform, the thinking among many state level policymakers was, if the person was really disabled then she would be receiving Supplemental Security Income. And, for some parents and children on TANF, it is true that they should be receiving SSI and may need their state's help in securing these benefits. But, the SSI eligibility criteria require a severe disability and we are finding that there are many who do not meet the SSI test but who clearly are disabled for TANF purposes. The studies now show that many parents on TANF have disabilities and other health conditions that inhibit their ability to work, but who with appropriate supports and services, could be working. Last fall, the General Accounting Office found that 44 percent of parents receiving TANF had at least one physical or mental health impairment, three times higher than the rate of such impairments among adults not receiving TANF benefits. This confirmed earlier findings from the Urban Institute and others.2

<sup>&</sup>lt;sup>1</sup>U.S. General Accounting Office, Welfare Reform: More Coordinated Federal Effort Could Help States and Localities Move TANF Recipients with Impairments Toward Employment, October

States and Localities Move TANF Recipients with Impairments Iowara Employment, October 2001, available at http://www.gao.gov.

2Sheila R. Zedlewski, Work Activity and Obstacles to Work Among TANF Recipients, Urban Institute, Series B, No. B–2, September 1999, http://www.urban.org/UploadedPDF/anf b2.pdf. For a discussion of numerous studies that have reported on the status of parents with disabilities in state TANF programs, see Eileen P. Sweeney, Recent Studies Indicate that Many Parents Who are Current or Former Welfare Recipients Have Disabilities or Other Medical Conditions, Center on Budget and Policy Priorities, February 2000, http://www.cbpp.org/2-29-00.htm. See also, Heidi Goldberg, Improving TANF Program Outcomes for Families with Barriers to Employ-

The studies show that parents on TANF have mental impairments such as severe depression, general anxiety disorder, post-traumatic stress disorder, learning disabilities, mental retardation, and physical impairments. These impairments can make it difficult for a parent to work or to understand and comply with state rules. Many families have multiple barriers to work, one or more of which is a disability or health condition.<sup>3</sup> In many instances, parents would like to work but will need intensive supports and services if they are to succeed. Some examples of these supports include training designed to take into account the person's disability, counseling, substance abuse treatment, on-the-job supports, child care and transportation. For some, full-time work may be the long-term goal, but there will need to be numerous smaller steps taken over time before such a goal can be reached. For others, part-time work in a supportive setting may be the ultimate goal.

There also are children with disabilities in TANF families. Some of these children

receive SSI—the Urban Institute has reported that about four percent of children in TANF families receive SSI children's disability benefits <sup>4</sup>—while far more have health conditions that do not rise to the SSI level of severity but who nevertheless require constant parental care and attention. For example, the Manpower Demonstration Research Corporation, studying TANF recipient families in four urban counties—Los Angeles, CA, Philadelphia, PA, Miami-Dade, FL, and Cuyahoga Country, OH (Cleveland)—found that one-fourth of non-employed mothers receiving TANF had a child with an illness or disability that limited the mathematical country of the country of had a child with an illness or disability that limited the mothers' ability to work

or attend school.5

Our sense it that the picture over the past 5 years as it applies to people with disabilities is mixed. Some parents with disabilities are now working but many others have been inappropriately sanctioned and lost TANF or have not received the services and supports they will need—often on a long-term basis—in order to take the steps that will ultimately allow them to work or achieve a greater degree of independence. Even among those who are working, we are concerned that some may be struggling to hang on to jobs and need additional supports and services to suc-

We were very pleased last year when the Office for Civil Rights at HHS issued guidance to states and counties explaining how the ADA and Section 504 apply in the TANF program.<sup>6</sup> This important step has helped to alert states and counties to their obligations to assist people with disabilities and to focus their attention on the types of policy changes that will be needed to ensure that people with disabilities

are fully protected and served in their programs.

There is some evidence that some states are taking steps to assist people with disabilities in their TANF programs—and some of this evidence pre-dates the OCR guidance. But, the research reflects that these efforts are still very much in their infancy and that parents with disabilities and parents caring for children with disabilities continue to be at a disadvantage in most state TANF programs. We know, for example, that significant numbers of parents with disabilities are among those who have been sanctioned off of state TANF programs—often because their disability prevented them from complying. MDRC found that, "[w]elfare recipients with multiple health problems and with certain health problems (notably, physical abuse, risk of depression, having a chronically ill or disabled child) were more likely than other recipients to have been sanctioned in the prior year." And, among those who had left welfare, "[w]elfare leavers with multiple health problems were more likely than other women who had left welfare to say that they had been terminated by the welfare agency rather than that they left on their own accord.<sup>7</sup>

We also know of numerous disturbing examples of families with a member with disabilities where the system has failed them—as well as some for whom the system

ment, Center on Budget and Policy Priorities, January 2002, http://www.cbpp.org/1-22-

Dauger and Folicy Thorntons, Sandary 2002, map.//twww.copp.org/1222-02tan/3.htm.
 Sandra Danziger, Mary Corcoran, Sheldon Danziger, et al., Barriers to Employment of Welfare Recipients, University of Michigan Poverty Research and Training Center, February 2000, http://www.ssw.umich.edu/poverty/pubs.html.
 Zedlewski, 1999.

<sup>&</sup>lt;sup>4</sup>Zedlewski, 1999.
<sup>5</sup>Denise Polit, Andrew London, and John Martinez, The Health of Poor Urban Women: Findings from the Project on Devolution and Urban Change, Manpower Demonstration Research Corporation, May 2001, http://www.mdrc.org/Reports2001/UC-HealthrReport-FullRpt2001.pdf. See also, Barbara W. LeRoy, Donna M. Johnson, Sharonlyn Harrison, Open Road or Blind Alley? Welfare Reform, Mothers and Children with Disabilities, Skillman Center for Children, Wayne State University, Occasional Paper Series 2000, No. 4, November 2000, http://www.skillmancenter.culma.wayne.edu/OP%202000-4.pdf.
<sup>6</sup>Office for Civil Rights, U.S. Department of Health and Human Services, Prohibition Against Discrimination on the Basis of Disability in the Administration of TANF (Temporary Assistance for Needy Families), 2001, http://www.hhs.gov/ocr/prohibition.html.
<sup>7</sup>Polit, London, and Martinez, May 2001.

has worked. Consider, for example, these two parents' stories, included by the Colorado Governor's Task Force on Welfare Reform in their report, Moving Forward with Welfare Reform:8

#### Client A:

"A client was tested and had an IQ of 67. She was sent to Vocational Rehab and then instructed to seek work. She received child care for two occasions and then was sanctioned in Colorado Works. Her family became homeless in November 1998 and the children were placed in foster care in December 1998."

#### Client B:

"A client has an IQ of 67 and is a victim of domestic violence. There is suspicion of brain damage as a result of abuse. She cannot communicate well, she is conscientious but has few skills. She has an anxiety disorder which cannot be treated because of her heart problem. She sees a physician weekly to manage blood thinning medications. She had surgery for a valve replacement one year ago. She was assigned to a community college program which reported that she would be doing fine but then the next day she couldn't remember what she had learned. It takes the parent approximately one month to learn a bus route. The county required that she find a job in six months. Later that expectation was lowered to ten hours of time within her supported living program."

The description of the steps the state took to help Client B provides a sense of the types of steps that states will need to take in order to help some parents with disabilities to maximize their potential. Unfortunately, no steps-not even ongoing child care for her children—were taken to assist Client A, with the tragic consequence that she was sanctioned, lost her home, and then lost custody of her children. It should not be acceptable to the Congress that even one parent with disabilities or one parent caring for a child with disabilities faces these types of consequences in TANF. Unfortunately, the research suggests that problems like this are all to frequently occurring across the country, at great personal expense to parents and children.

The CCD TANF Task Force recommends that Congress take the following steps to ensure that parents with disabilities and parents caring for children with disabilities are able not only to fully benefit from the TANF program but also not harmed by policies that do not take into account the impact of their disabilities on their ability to comply with program rules:

## Screening and Assessment

- Ensure that TANF beneficiaries have access to screening carried out by trained personnel who use appropriate tools to identify barriers to employment, including cognitive and learning disabilities, physical impairments, mental health and substance abuse disorders.
- Ensure TANF beneficiaries that are identified as having such barriers to em-
- ployment have access to comprehensive assessments by qualified professionals. Ensure all screening and assessments are voluntary on the part of TANF beneficiaries; TANF beneficiaries should not be subject to a sanction or closure for
- failing to participate in a screening or assessment.

   Ensure that case workers inform TANF beneficiaries of the purpose of screening and assessment including the possibility that modification of requirements may be made to accommodate identified disabilities.
- · Ensure results of screening and assessments are maintained in accordance with professional standards of confidentiality.

States should consider other documentation of the existence of a disability in a family.

# Services

- · Ensure qualified professionals are responsible for the development of tailored Individual Responsibility Plans for families that have been identified as including a person with a disability. Such plans should include a list of services the state must provide to ensure people with disabilities have the access to services, supports and treatment that will allow them to address their barriers to work and be successful in the workplace, consistent with their abilities and capabilities.
- Encourage agencies administering TANF to facilitate inter-agency collaboration and explore co-location of services to facilitate access to the services, support

<sup>&</sup>lt;sup>8</sup> Governor's Task Force on Welfare Reform Report, Colorado, September 2000.

- and treatment that TANF beneficiaries require to address their barriers to work.
- Repeal the provision in current law that prohibits those convicted of a drug felony from receiving TANF assistance.
- Require states to ensure that an adequate network of service providers with specialized experience and expertise are available and accessible to meet the needs of TANF beneficiaries with disabilities.

# Work Requirements/Work Participation

- Provide flexibility to states and qualified professionals to ensure reasonable accommodation for individuals with disabilities by allowing activities that address employment barriers to count towards meeting work participation requirements.
- Activities should include substance abuse treatment, mental health counseling, education, vocational training, provision of child-care, and other activities considered appropriate by the state.
- Modify work participation requirements to address and accommodate the impact that variations in types and severity of disabilities have on work and support needs, including the reality that some persons with disabilities currently may not be capable of meeting the generally applicable work requirements and for some persons with disabilities the ability to work varies over time because of the episodic nature of disability. Flexibility must be provided to take into account that some individuals with disabilities are currently not capable of working. Others are capable of working only on a part time or limited basis that may not meet the generally applicable work requirements. Still other are capable of meeting the generally applicable work requirements but not within the timeframes, or given the nature of the services, supports, and treatments available. Others may not be capable of meeting generally applicable work requirements because the individual is a parent of a child with a disability and the individual is unable to obtain appropriate child care services.
- is unable to obtain appropriate child care services.

   Ensure that states receive appropriate credit for providing reasonable accommodations to people with disabilities and ensure that states are not penalized for failing to meet work participation rates due to (1) the state making reasonable modification for persons with disabilities, (2) the state making reasonable modification for a parent with a child with a disability, and (3) the reality that certain individuals currently are not capable of meeting the generally applicable work participation requirements.

## Time limits

- Ensure that a state makes reasonable accommodations for individuals with disabilities regarding TANF time limits. More specifically, the provision in the statute concerning time limits should be modified to require a state to disregard months of assistance received by an individual identified as having a significant barrier to employment during any period in which the state did not provide necessary services and supports to the individual. Significant barriers include physical or mental impairments (including substance abuse disorders) that substantially impair an individual's ability to engage in generally required levels of work and a parent of a child with a disability if the child's need for parental care results in the parent being unable to engage in the generally required level of work.
- In addition, the state should be required to disregard months of assistance during which an individual is unable to engage in the generally required levels of work.

## Sanctions and Closures

- Remedy the disproportionate sanctioning of people with disabilities and prohibit states from sanctioning individuals with identified disabilities who have not been accommodated. In other words, states should be prohibited from sanctioning an individual if the state fails to offer appropriate screenings and assessment or fails to provide an individual with necessary services and supports that the state knew or should have known were needed to work or comply with other requirements in the individual's plan.
- Require states to adopt procedures to ensure outreach and assistance are provided before and after the implementation of a sanction or a closure to help a family become compliant and prevent people with disabilities from losing access to the services, support and treatment they may require to successfully transition to work.
- Require states to restore benefits immediately to a family who has been sanctioned as soon as they become compliant with agency requirements.

# Ensuring Continued Success For People in Transition to Work

Require states to ensure people with disabilities have access to transitional benefits, work supports, and other on-the-job support services and training to enhance the likelihood they will remain stably employed. Medicaid coverage should continue for a minimum of 12 months for TANF leavers and states should have the flexibility to extend this further.

Require states to plan for the successful work placement and responsible termination of TANF benefits for families that include a person with a disability by ensuring families have access to on-the-job support services and training and/

or other community-based services to help them succeed.

## Civil Rights

The statute should be amended to require that a state describe the "methods
of administration" it plans to adopt to ensure compliance with the civil rights
statutes, including the ADA, so as to ensure consistency among job training programs in the state. The Department of Labor regulations implementing section
188 of the Workforce Investment Act already require the adoptions of methods
of administration.

#### Client Assistance / Ombudsman

Require agencies administering TANF programs to have a designated, independent entity that can serve as a client assistance advocate or "ombudsman" to serve those families that include an adult or child with a disability.

#### Participation in Program Design

- Require states to have client representatives (including adults with disabilities and parents of children with disabilities) participate in developing the state TANF plan.
- Require states to establish Advisory Panels, whose membership includes former
  and current TANF beneficiaries with disabilities, which are responsible for
  monitoring how the state can improve how it serves people with barriers to
  work, including people with disabilities.

# Qualified Service Providers & Technical Assistance

- Require states to define 'qualified service providers' within the TANF block grant program and set minimum education, training, and/or certification or licensure standards.
- Require that state and local agencies develop a plan to provide on-going training to service providers to improve the delivery of services to people with disabilities.
- Direct the Department of Health and Human Services (DHHS) to provide ongoing training and technical assistance to state and local agencies to improve the delivery of services to TANF beneficiaries with disabilities, including grants to states and counties interested in supporting initiatives to achieve systemic improvements in addressing the needs of persons with diagnosed and undiagnosed disabilities.

## Research

- Provide resources to DHHS for research that will examine families' services and support needs and whether they are receiving those services to ensure people with disabilities are being appropriately served under the TANF block grant program. This should provide states and counties with examples of effective best practices in services, assessment tools, and programs designed to address the needs of parents with barriers; including disabilities, and parents caring for a child with a disability.
- Provide additional resources to DHHS for competitively awarded demonstration projects to test the effectiveness of strategies to help TANF beneficiaries with disabilities.

## Funding

It is essential that the basic TANF block grant be maintained and adjusted for
inflation. Failure to do this will mean erosion in the value of the block grant
and reduction in what states can do with the funds. The services and supports
that parents with disabilities need to successfully move to work are often longterm and intensive. Without an increase in the block grant, it will be difficult
for states to meet the needs of these parents and families.

Finally, in closing, we are very concerned that proposals to increase the number of work activity hours per week required of parents and to increase states' work participation rates will increase the negative outcomes for people with disabilities in

TANF-funded programs. By reducing state flexibility and forcing states to redirect dollars away from services into work experience positions, states will find it harder to assist parents with barriers, including parents with disabilities. For far too many parents with disabilities—and parents caring for a child with disabilities—a requirement of 24 hours per week of work supplemented by 16 hours of more flexible activities will present an insurmountable obstacle to moving ahead.and, we fear, will lead to even more sanctioning of some of the most needy and vulnerable families.

Thank you again for this opportunity to testify. We will be happy to be helpful to you and your staff as you mark up the TANF reauthorization bill.

## PRINCIPLES GUIDING

#### THE REAUTHORIZATION OF TANF

#### I. Foundation Statement

1. TANF must be consistent with the principles and goals of national disability policy as articulated in the Americans with Disabilities Act (ADA)—

· Equality of opportunity (i.e., individualization, genuine, effective, and meaningful opportunity, and administration of the program in the most integrated set-

ting appropriate);
• Full participation in decision making (self determination and empowerment by individuals with disabilities and their representatives at the individual and policv level)

• Independent living (legitimate outcome, skills development, and ongoing services, supports, treatment and cash assistance); and

• Economic stability (legitimate outcome, employment-related services, real pay of real work, cash assistance and work incentives).
The ADA and Section 504 of the Rehabilitation Act are specifically incorporated

by reference in TANF.

2. Modifications to TANF must reflect research. According to research and studies, families that include an adult or child with a disability comprise a substantial proportion of the families remaining on TANF cash assistance. While some families have exited TANF and entered the workforce, others remaining to the configuration of the case of the configuration of the case of the configuration of the configuration of the case of the ca access to the assistance they require to be successful. Alarmingly, studies confirm that adults with disabilities are disproportionately represented among the former TANF recipients who have lost assistance due to a sanction.

## II. Assessments, Services and Supports

1. Appropriate screening and comprehensive assessments must be provided by state and local agencies in order to make accurate and thorough decisions about the needs for services, supports and program modifications. Assessments may be particularly helpful to identify those TANF recipients who have never been diagnosed as having a disability and TANF recipients who might be eligible for Supplemental

Security Income and Social Security Disability Insurance.

2. Services, supports and treatment under TANF funded programs shall be provided in accordance with the abilities and capabilities of the individual and the needs of the family, including a parent who has a child with a disability. States must modify program requirements to accommodate persons with disabilities and must commit resources, effort, and time necessary to enable individuals with disabilities to meet those requirements.

3. Services, supports and treatment must address the multiplicity of barriers facing persons with disabilities, including the lack of appropriate and affordable health care and substance abuse treatment, child care, education, assistive technology, accessible transportation, accessible housing and ongoing employment supports.

4. The need for services, supports and treatment must be based on facts and ob-

jective evidence. In addition, individualized plans must be developed that reflect identified needs as determined by the individual, their representatives and qualified personnel.

5. States should be required to offer screening and assessment to individuals and to explain fully the advantages of participation (e.g. availability of reasonable modifications in policies and requirements) and the disadvantages of not participating (e.g. work requirements, time limits and other requirements will be imposed without modifications and, if the individual cannot comply, may lead to sanction or case closure), but an individual must be free to decline to participate.

## III. Work Requirements, Time Limits and Sanctions

1. TANF policies, practices, and procedures must address and accommodate the impacts and variations in types and severity of disabilities have on work and support needs, including the reality that for some persons with disabilities, the ability to work varies over time because of the episodic nature of disability. In addition, it must be recognized that some individuals with disabilities, with appropriate services, supports and treatment:

Can meet the work participation requirements;

- Are capable of meeting the work participation requirements but not within the state and federal timeframes or not given the nature of the services, supports and treatment the state is willing to provide;
- Are capable for working but only on a part time or limited basis that may not meet the work participation requirements;

Are incapable of meeting the work participation requirements.

2. Work participation should reflect the following policies:

- If a person is doing the best he or she can, whatever tasks the individual is doing should be counted;
- If a person and a state agree to what is appropriate for the individual, it should be counted;
- Persons should have the opportunity to participate at levels consistent with
- their abilities, capabilities and family needs.
  3. An individual should not be subject to sanctions or case closure if the person's alleged non compliance or behavior is a manifestation of his or her disability, is related to the state's failure to offer screening and comprehensive assessments, or to provide necessary individualized services, supports and treatments.
- 4. In calculating time limits, States should be required to disregard months of assistance received by an individual with significant barriers to employment during any period in which the state did not provide necessary services, supports and treatments or reasonable modifications to the individual or the individual is unable to meet the full work requirements because of the nature or severity of his or her disability or the failure of the system to provide reasonable modifications.

# IV. State and Federal Systemic Changes

1. State and local agencies must use relevant, qualified personnel to conduct screening, assessments and eligibility determinations. Further, service providers with whom public agencies contract to provide services and supports must use qualified personnel who can ensure that the services and supports meet the unique needs of persons with disabilities.

2. Services and supports may be provided directly by the state or local welfare agency or through contract or arrangement with other public and private agencies. Whether or not TANF agencies contract out services, they remain responsible for ensuring that persons with disabilities receive services, supports, treatment and modifications they need.

3. To ensure consistency among job-training programs in a state, employment-related services and supports provided under TANF should be subject to the same plans (methods of administration) for complying with civil rights requirements as other job training programs such as programs under the Workforce Investment Act.
4. TANF must ensure meaningful input for persons with disabilities and their

representatives and other stakeholders with respect to the design, implementation, and evaluation of TANF programs.

5. Persons with disabilities applying for or receiving services under TANF should have assistance available (e.g., client assistance programs) to ensure that they understand and can exercise their rights and fulfill their responsibilities.

6. Systems for collecting data should enable agencies and other stakeholders to ascertain the extent to which public agencies are meeting the needs of persons with disabilities.

7. The Federal government should support state initiatives to achieve systemic improvements in the capacity of programs to address the unique needs of persons with disabilities (e.g., collaboration among agencies, identification of available funding sources, model screening and assessment instruments and procedures, and personnel preparation).

8. The Federal government should maintain a strong and effective program to monitor and enforce civil rights laws, including the ADA and Section 504, in state TANF programs.

9. The federal government must provide sufficient funds to support state efforts under TANF, including cost of living increases.

STATEMENT OF THE MEXICAN AMERICAN LEGAL DEFENSE AND EDUCATIONAL FUND [SUBMITTED BY JIMENA VASQUEZ, LEGISLATIVE ANALYST]

The Mexican American Legal Defense and Educational Fund (MALDEF) appreciates the opportunity to submit written testimony regarding the reauthorization of Temporary Assistance for Needy Families (TANF) and helping hard to employ families. MALDEF is a national nonprofit organization dedicated to promoting the rights of the over 35 million Latinos in the United States. MALDEF works to remove obstacles which prevent this diverse community from realizing its dreams. MALDEF's public resource equity program seeks to ensure that Latinos have equal access to public programs and their needs are considered in the administration and delivery of public services.

Latinos have moved off the welfare rolls at a slower rate than their white and black counterparts have, in part, due to language barriers. Being Limited English Proficient (LEP) has been a huge difficulty for Latino families moving from welfare to work. This is evident from the fact that despite huge declines in caseloads, Latinos currently make up a larger proportion of the welfare rolls than they did prior to welfare reform. In fact, Latinos currently make up 25% of the welfare rolls. The LEP barrier has been a unique obstacle to helping Latinas find employment

and achieve self-sufficiency.

Title VI of the Civil Rights Act of 1964 requires welfare agencies to take reasonable steps to ensure LEP persons access to federally funded services and benefits. Despite this legal requirement, many states do not offer LEP persons access to job training or English as a Second Language (ESL) classes to the same degree as they offer job training and instruction to English speakers. The President's Executive Order 13166 issued in 2000 and corresponding guidelines issued by the Department of justice made compliance with Title VI clearer. Yet, over the past three years, the Office of Civil Rights (OCR) of the U.S. Department of Health and Human Services (DHHS) documented major violations of these Title VI requirements in various states. Contributing to the difficulty that LEP persons have in receiving public services is that many states are dealing with LEP issues for the first time. The past decade witnessed a tremendous increase in the Latino population, increasing Latino presence in virtually every state. Latino communities that were once considered to live exclusively in states like California, Texas, and Florida, have emerged in unexpected places like Arkansas, Georgia and North Carolina. However, Latino families who have moved to these states have met a welfare-to-work system unprepared to handle their needs.

In this testimony MALDEF wishes to shed light on the problems LEP persons who receive TANF services are facing in securing and maintaining employment, some successful programs that have been created to serve LEP families and recommendations to help the LEP hard-to-employ population.

## Hard-to-Employ LEP Families

Determining the size of the LEP population that is eligible for welfare benefits is difficult to measure because there is limited data collected concerning primary language spoken. However, one measure of the size of the LEP population may be drawn from the Census data. According to the Census 2000 Supplemental Survey, 17% of US residents age five and over speak a language other than English at home. Consequently, one can estimate that about 17% of persons seeking TANF may be LEP. However, 17% does not take into account that those who are LEP may be disproportionately poorer than the nonLEP population and thus make up a larger proportion of the population eligible for TANF. No matter what the numbers, language has been an insidious barrier to receipt of services, employment and advancement.

Many non-English speaking welfare recipients are hard-to-employ because they do not receive education or training that would help them find and retain employment. Many jobs require English proficiency and, without the requisite skills, welfare recipients are unable to obtain employment, or get the least promising assignments and the lowest paying jobs. Under TANF many states offer ESL classes to improve the English proficiency of LEP persons but these courses last only a few months. Many, if not most, LEP persons cannot learn English in that limited amount of time. After the classroom period, states force LEP persons to find work or engage in work-related activity. Those Latinos that do find employment end up earning much less than whites, due partly to lack of English skills. Latino welfare leavers on average earn \$6.71 per hour compared to nonHispanic white welfare leavers who earn \$7.31 per hour. Lack of language appropriate services denies LEP persons the opportunity to become self-sufficient, thus increasing their dependence on welfare benefits and time spent on the welfare rolls.

While many states have made efforts to hire bilingual social workers and translate documents into Spanish, many welfare services such as job training or job placement programs remain inaccessible to LEP individuals. ESL programs that integrate job training, such as vocational English as a Second Language (VESL), increase employment skills and address the unique barriers LEP persons face in securing employment. VESL focuses on the English skills specific to a particular occupation or vocational area. It provides adult immigrants with English-skills on an as needed basis in cooperation with a vocational training program. Although English in VESL classes is far from comprehensive, it will allow an LEP to get a job, survive on the job and thrive on the job.

## Model Plans Serving LEP Families

Several states have taken innovative approaches to helping LEP communities that could serve as models for other states. For example, a welfare initiative in California developed a service model focused specifically on the needs of LEP welfare recipients. The welfare program collaborates with community organizations to provide services to LEP communities. The community organizations conduct outreach, assess job readiness and employment skills of the recipients, and offer intensive ESL and technology classes as well as job coaching for LEP persons. One interesting component of the program is the integration of career path preparation with English language skills. This allows recipients to enroll into vocationally specific English language training programs so that they leave welfare with basic English skills and other job skills. The program begins with basic ESL and then expands to career path classes that teach vocational skills based on the interests expressed by learners and the availability of local employment. Currently, Oakland participants can receive training as bilingual certified nurse assistants, computer network cablers,

childcare assistants, hospitality workers and retail workers.<sup>2</sup>
Similarly, Washington State provides employment services and language training through a program called the LEP Pathway. Once assessed, participants in the program are provided ESL instruction and engage in employment or work preparation activities in a bilingual setting. Since 1999, the LEP Pathway has provided ESL training to over 3000 Washington residents and has helped almost half of them to secure employment.3

These programs recognize the multiple barriers LEPs face in moving from welfare to work and the need to address these specific issues for LEPs to achieve self-sufficiency. Exemplar programs like these designed to help families become self-sufficient best meet the needs of the LEP population.

## Recommendation for TANF Reauthorization

Congress should include measures in TANF legislation to help LEP persons move from welfare to work. Building on already ongoing state innovations, additional states should integrate English language programs with employment preparation. Currently, most states fail to ensure that job training and adult education programs are accessible to LEPs, and thus LEPs are limited in employment opportunities. This violates civil rights laws and runs counter to the goal of moving recipients into work. Congress should also explicitly list English as a Second Language (ESL) as a work activity in TANF that counts toward work participation rates. Currently many elements of ESL (job training and education, job readiness assistance and vocational education) are subject to federal limitations that limit the extent to which these activities count toward work participation rates. These restrictions limit states' ability to place LEP persons in all types of intensive or vocational ESL courses. These restrictions need to be lifted so that more LEP persons can access welfare services. MALDEF specifically recommends the following to the Senate Finance Committee:

A. Strengthen State Plans. Congress should require states to include a strategy for serving LEP families in their state plans. This addition would encourage states

to consider and address the unique barriers faced by LEP persons.

B. Count ESL and VESL as a Work Activity. Vocational ESL and traditional ESL, which prepare welfare recipients to obtain employment, should be counted as an employment activity. Federal restrictions on participation in job skills training and education, job readiness assistance, and vocational education programs should be eliminated to increase LEP persons access to ESL classes.

<sup>&</sup>lt;sup>1</sup>Keith Buchannon, "Vocational English as a Second Language Programs," ERIC Clearing-

<sup>&</sup>lt;sup>4</sup>Neith Buchannon, Vocational Enginsh as a Second Language Programs, ERIC Clearinghouse on Languages and Linguistics (1990).

<sup>2</sup> Oakland Neighborhood CIRCLES (Comprehensive Limited Resources for CalWorks Limited English Speakers), A Welfare to Work Strategy for Limited English Speakers (2000).

<sup>3</sup> Washington Department of Social And Health Services, Services for Limited English Speakers (2004).

C. Collect Data on Primary Language. Congress should require that states collect information on client's primary language and include it in their data collection reporting. Currently, no data is collected on primary language which impedes the ability to monitor and enforce Title VI of the Civil Rights Act.

D. Provide Support to States. Congress should establish a grant to assist states in their efforts to hire bilingual/bicultural staff, translate documents, and provide ESL classes to better serve LEPs. Many states, especially those with emerging Latino populations, face significant challenges in meeting their obligation under Title VI. If states are to comply, they must be provided with funding to enable them to ensure that LEP persons have equal access to programs and services.

The reauthorization of TANF this year provides Congress an opportunity to improve our nation's safety net by helping low-income families, 23% of whom are Latino, move out of poverty. For the poverty-stricken Latinos receiving TANF and related services, welfare is not a handout but rather the rungs for women and their children to climb out of poverty through their own efforts. The failure to provide language services to LEP persons deprives LEP persons of the ladder of opportunities, limiting their employment opportunities and posing severe barriers to ending welfare dependency. To assist LEP welfare recipients move into the workplace, programs need to integrate language instruction with employment preparation and maximize the opportunities for welfare recipients to find employment and achieve economic self-sufficiency. LEP families must be given the same opportunities as other TANF recipients to become self-sufficient.

#### STATEMENT OF THE REBECCA PROJECT FOR HUMAN RIGHTS

The Rebecca Project for Human Rights is a legal and advocacy project for lowincome mothers who are also in recovery from substance abuse The project is rooted in the lived experiences of the mothers and seeks to create opportunities for their voice, agency, and leadership in the political defense and protection of low-income parents who are seeking to heal themselves and their children from drug addiction. Towards that end, the Rebecca Project works to create just policies on the national level for parents struggling with poverty and addiction and to include the parents' voices in the articulation of policy goals and needs. The testimony we submit today is the voice of one of our mothers who wishes to maintain anonymity and yet seeks to speak to her process of healing and self-sufficiency as a TANF mother in treatment from substance abuse. Her words represent the words and experiences of so many parents who are trying to heal from poverty and substance abuse (please also find as part of our testimony policy recommendations for the reauthorization of TANF):

It is my personal experience that 3 to 6 months of substance abuse treatment is not enough time to ensure a successful recovery. The challenges that an addict faces who is a parent are often compounded. I needed help with transportation and childcare. I needed parenting classes, group and individual therapy. My children who had also survived my addiction needed preventive and early intervention programs. As a family we needed family therapy and resources for adequate housing. These are the kinds of services, supports, and resources that help to build a stable foundation upon which to build a life of recovery. A comprehensive family treatment program was what we needed. I had experienced 90-day single adult treatment programs and they did not work for me.

Many parents who are substance abusers are also dealing with depression, post-traumatic stress disorder, or other mental disorders. We are self-medicating these very real mental conditions. I was chronically clinically depressed when I entered treatment for substance abuse. I had begun to self medicate very heavily, first smoking marijuana and then my disease progressed to crack

cocaine addiction.

Stopping the use of drugs was hard enough but the real work was in staying stopped. Before any improvement was possible I had to learn how to stay stopped. Like learning most things, learning how to stay stopped was a process that required time. I did not have any real insight as to why I repeatedly returned to active addiction.

A hallmark of substance abuse is an overwhelming feeling of hopelessness. I was a parent who had begun to lose all hope that I would ever improve my family's condition. This feeling of hopelessness had fueled my progressive addiction. When I got to a long-term comprehensive treatment program and gained access to the services, supports, and resources that my family needed I gained hope that if I stayed clean our lives could improve. This hope fueled my recovery.

Once clean however, I needed time to learn other coping skills and time to repair the damage active addiction had caused my family. I was still a single parent raising four children with all of the stressors and need for support and services that accompanies the role of being a single parent.

At the comprehensive family treatment program I attended there are four phases. Each phase was critical to making me a whole, healed, and self-sufficient parent.

#### Phase one was three months long.

The emphasis in phase was to not use no matter what. For an addict who had used mind-altering chemicals for twenty years this was not an easy task it took all of my consorted energy and time. I attended treatment five days a week six hours a day. It was recommended that I join a twelve-step program and attend meetings daily. I did. "Phase one" gave me the foundation needed to do the work ahead.

#### Phase two was 6 months long.

The meat of the mental and emotional work was done during this phase. In phase two I took parenting classes that helped to improve my relationship with my children. I received individual therapy that helped me get to the root causes of why I self-medicated for years. My school aged children received therapeutic help. Their behavior and performance in school improved. My infant was placed in an early intervention program where he was assessed by a developmental, pediatric psychiatrist. He received intensive therapeutic services. I had life changing breakthroughs in that phase that totally shifted the way I view my responsibility as a parent and responsibility for myself. The shift in my thinking in this phase was pivotal in my determination to successfully transition from TANF. The time spent in "phase two" was invaluable.

## Phase three was three months long.

I now attended treatment 4 days a week six hours a day. I volunteered at my son's school on my one day off from treatment. In phase three I took life skills classes. I also attended job preparation classes that taught basic job interviewing skills and resume writing. I took tests that assessed my individual interest and skills that helped give me some direction for a career goal.

## Phase four was three months long.

I was now in after care. In phase four of the program I entered a three month computer and office skills course that gave me marketable skills. The computer and office skills course was five days a week, six hours a day. My success in this course was possible because of the transitional support I received from TANF and the ability to do this job training in the context of substance abuse treatment support.

I am three years and ten months clean now. In treatment, I became stable, responsible, and employable. I have transitioned from welfare to work. I give back to the treatment program that I completed by doing weekly empowerment workshops giving other parents voice and hope. I am a leader in my community and my children are stable and proud of me. I have succeeded because I had the time to unlearn my addiction and to find healing for myself and my family. I succeeded because I was in a comprehensive family treatment program that took the time to really address my addiction and the underlining reasons of why I used. Mothers like me want the chance—and need the time—to reclaim our lives from addiction, achieve sobriety, and move to a place of self-sufficiency.

# Recommendations for TANF and Substance Abuse

#### I. SCREENING

<u>Recommendation</u>: Establish comprehensive trainings for TANF caseworkers to identify and screen for barriers to work such as substance abuse disorders.

 TANF caseworkers generally lack the training to understand and provide for parents with substance abuse disorders. Many parents are consequently denied information and access to treatment programs and services.

#### II. ASSESSMENT

<u>Recommendation</u>: Provide parents with access to qualified professionals responsible for conducting assessments for substance abuse disorder and developing a treatment plan to be incorporated in the Individual Responsibility Plan (IRP). Qualified professionals are certified or licensed drug counselors.

- Parents with substance abuse disorders represent a significant proportion of TANF clients subject to sanctions and case closures. The presence of qualified professionals to make assessments and provide for appropriate substance abuse treatment plans as part of the 1RPs will ensure that parents with substance abuse disorders receive the support to <u>successfully</u> transition to work.
- Oregon, Tennessee, Kansas, and New Jersey have already placed certified drug and alcohol counselors in local welfare offices to engage clients and conduct assessments.
- Research conducted by Mathematic Policy Research, Inc. on the successes of Oregon's co-location of qualified substance abuse professionals in the welfare offices demonstrated that the interface between the two systems was effective and "lets welfare offices stretch their limited case management resources."

## III. TREATMENT SERVICES

<u>Recommendation</u>: Ensure states provide substance abuse treatment services in the IRP for parents assessed with substance abuse disorders. Those services must be accessible, appropriate, comprehensive, and assist with successful transition to work.

Placing parents in 30-90 day treatment programs is a set-up for failure.
 Parents with substance abuse disorders require comprehensive treatment where they may address the underlying causes of their addiction and also receive services for their children. Research repeatedly demonstrates that successful and sustained recovery for parents hinges

on the provision of treatment services that are comprehensive and family-oriented.

#### IV. SANCTIONS AND CLOSURES:

<u>Recommendation 1:</u> Require states to conduct pre-sanction reviews before seeking to sanction parents considered non-compliant.

<u>Recommendation 2</u>: Ensure that states refrain from sanctions or case closures if the substance abuse treatment services specified in the IRP are not made available to the parent.

Parents should not be subject to sanctions and case closures on account
of the state's limited treatment capacity. Parents in need of treatment
must be assisted rather than marginalized or inappropriately sanctioned
because substance abuse treatment services and programs are not
available to them.

## V. WORK REQUIREMENTS

<u>Recommendation</u>: Provide for substance abuse treatment as a work activity as a reasonable accommodation for parents in treatment for the duration of the substance abuse treatment program.

- The Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act and state laws require welfare programs to provide meaningful access and accommodation to people with disabilities. Parents in drug treatment programs are covered by the ADA.<sup>1</sup>
- Reasonable accommodation and individualized assessment are key entitlements accorded to persons covered by the ADA. Substance abuse treatment as a work activity can constitute reasonable accommodation for parents.
- Treatment is work: co.nprehensive, family-focused treatment programs--residential and outpaLent--require that parents engage in intensive therapy sessions, group counseling, parenting classes, and education/job training services.
- Treatment is job preparation: in a 1998 study of 20 women's treatment programs, 60 percent included work and vocational training as a part of treatment while 75 percent of the programs required work and vocational training during the substance abuse treatment process.

## VI. TIME LIMITS

<u>Recommendation</u>: Ensure that states will provide reasonable accommodation for persons in treatment whose successful transition from welfare to work would be hindered by the TANF time limit.

<sup>&</sup>lt;sup>1</sup> See 42 U.S.C.A. Sec.12210(b)(1)-(2) (West 2000).

- Parents in treatment are entitled to the ADA rights and protections. A
  TANF parent in treatment is entitled under reasonable accommodation to
  complete treatment without the threat of losing benefits.
- Making the time limit reasonably accommodate a parent in treatment allows her to complete treatment and successfully transition into work without the fear of losing her financial stability.

#### VII. DRUG FELONY BAN

#### Recommendation 1: Repeal the drug felony ban

<u>Recommendation 2</u>: Require that the drug felony ban not apply to individuals in substance abuse treatment programs and that completion of substance abuse treatment permanently lifts the drug felony ban.

- Over 92, 000 mothers and their children are currently affected by the ban.
- 30 states and the District of Columbia have opted out or modified the drug felony ban.
- The continued administration of the drug felony ban denies mothers and their children basic access to food and housing and increases the potential for family dissolution.
- The drug felony ban disregards and significantly diminishes mothers' efforts to achieve substance abuse treatment and to seek financial stability for their families.

# VIII. Improving Access to Comprehensive Treatment for Families

Recommendation 1: Examine the potential to amend the Child Protection/Alcohol and Drug Partnership Act (S.484/H.R.1909) to allow states greater flexibility to create and expand comprehensive, family substance abuse treatment programs for families who are TANF eligible and/or those who come to the attention of child welfare agencies.

<u>Recommendation 2</u>: Create a new fiscal incentive through a substance abuse treatment bonus for states to expand substance abuse treatment capacity for TANF families.

<u>Recommendation 3</u>: Establish new demonstration grants for states to develop comprehensive treatment and job preparation programs for TANF parents who are struggling with substance abuse issues

 An estimated 40-80 percent of families in the child welfare system suffer from addiction to alcohol and/or drug addiction.

- Over two-thirds of parents involved in the child welfare system require substance abuse treatment, yet existing treatment meets less than one third of that need.<sup>2</sup>
- In general, low-income parents with substance abuse disorders struggle to enter treatment programs--and often to no avail--because of the extreme dearth of family, comprehensive substance abuse treatment programs.
- Federal funding for treatment programs targeting pregnant and postpartum women and their children is now only 10 percent of the funding that was provided in 1995. Overall SAMHSA funding designated for women and children has declined by 38 percent since 1994.3
- When treatment is available parents are more likely to be employed and moving towards self-sufficiency: the National Treatment Improvement Evaluation Study (NTIES) demonstrated that mothers in Federally funded treatment programs moved toward economic stability and away from reliance on public assistance.4

Prepared: April 25, 2002

 $\bigcirc$ 

Id.
 Center for Substance Abuse Treatment, Women In Treatment—National Treatment Improvement Evaluation Study. Washington, DC (1997).