

**Economic Justice and Social Welfare Network
Policy & Advocacy Committee
(formerly Welfare Reform Network)**

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My name is Jill Poklemba, and I am the Senior Policy Analyst for Income Security and Workforce Development at the Federation of Protestant Welfare Agencies (FPWA). FPWA hosts the Economic Justice and Social Welfare Network (EWN) (formerly Welfare Reform Network) and its Policy & Advocacy Committee (PAC). EWN is a coalition of organizations and individuals that advocate for human income security policies and a social welfare system that assures all people a reasonable standard of living without stigma. PAC was developed to set welfare reform priorities on the City and State levels and to take action to advance policies that will improve the well-being of families in poverty. PAC meets regularly to develop strategies to improve policies impacting families in poverty, particularly those that can expand access to education and career opportunities for welfare recipients.

Since we have eagerly awaited the opportunity to influence the work and focus of the Economic Security Cabinet, we thank you for convening these Town Hall meetings throughout the state. In addition, we are very glad to see progress being made by the Cabinet in setting specific targets to expand access to public benefits and education and training programs, which are essential to helping individuals in poverty make progress on a career path.

Our testimony will focus on the key priorities that PAC is focusing on now:

1. Access to basic education
2. Access to higher education and vocational training
3. Improved barrier removal services for sanctioned clients
4. Sanction prevention and improved access for all people eligible for public benefits

1. Access to basic education

We are very pleased that the Office of Temporary and Disability Assistance (OTDA) indicated that it will revise regulations to expand access to basic education programs for public assistance recipients. It is very important that this includes access to Adult Basic Education (ABE), English as a Second Language (ESL), and GED preparation classes. Furthermore, we are strongly supportive of inter-agency collaborations between OTDA and the State Education Department (SED)'s Adult Education office in facilitating broader access to these programs as part of a comprehensive strategy to expand career opportunities for low-wage workers. Access to ABE, ESL, and GED preparation classes are an essential component of any Career Pathway for low-skilled youth and adults. However, due to limited funding and capacity, many New Yorkers in need of these services are not receiving them. In addition, welfare recipients often face additional barriers to participation imposed by the social welfare system.

Earlier this year, PAC conducted an informal online survey of adult literacy providers in New York City, which revealed some alarming information. Nearly 80% of the respondents indicated that lack of child care was a significant barrier to participation for their students receiving public assistance. In addition, half of the respondents indicated that receiving approval from the Human Resources Administration (HRA) and fulfilling other mandatory work requirements was an impediment to participation. Since access to basic literacy is a critical step for low-wage workers to make career gains, we believe this is an urgent dilemma that must be addressed. Several respondents commented that students demonstrating success in one program are sometimes forced to attend a different program selected by HRA. In addition, other students are forced to choose between working and continuing their education. Unfortunately, the choice to pursue education often means losing access to public benefits. It is this unfair “catch-22” that makes it so difficult for people to make real progress in moving out of poverty, despite diligent efforts to do so. The Cabinet must recognize how frustrating this is for people working hard to provide for their families, while also trying to gain skills needed to access higher wage employment.

Recommendation: The Cabinet should develop a “Continuum of Learning, Skills Enhancement, and Career Advancement” flow chart. This chart would map out a path that leads from the lowest skill level, through basic education, GED preparation, and then onto vocational training and higher education. Using this map, individuals receiving public assistance and other low-wage workers receiving workforce development services could more easily design a career plan with assistance from government programs and community-based organizations. Based on an initial comprehensive assessment of current skills and work experience, each individual would identify his or her starting point on the flow chart, which would provide multiple pathways to career advancement. For example, some people with a stronger skill set could set a goal of entering a 2-year college program in a high-demand sector, such as health care or renewable technologies. Others with a moderate skill set could set a goal of obtaining a unionized position within a particular trade through an apprenticeship program after completing a GED. Still, others at lower skill levels could enter a contextualized adult literacy program where a GED is not required to make progress in gaining job skills, along with basic English speaking and writing skills that could increase their earning potential. Regardless of each individual’s current skill level, this map would offer a career pathway as a route out of poverty.

2. Access to higher education and vocational training

We also strongly support collaborations between State agencies to expand access to higher education and vocational training for low-wage workers, particularly OTDA, SUNY/CUNY systems, the Higher Education Services Corporation (HESC), and SED. By conducting additional outreach to

welfare recipients and other non-traditional students, particularly low-income single parents, SUNY/CUNY administrators can play a crucial role in expanding educational opportunities for these individuals. In addition, these efforts and policy decisions should be integrated with the workforce development recommendations included in the final report released in June 2008 by the Commission on Higher Education (CHE) and the agencies involved in the State's economic development planning. The Department of Labor (DOL) and the State Workforce Investment Board (WIB) are also key players to ensure that the Economic Security Cabinet's work incorporates the structures already in place, such as One Stop Centers, Educational Opportunity Centers (EOCs), and vocational certificate or GED-to-college transition programs offered through SUNY/CUNY schools, that provide workers and job seekers the opportunity to acquire new skills needed for career advancement. The CHE final report indicates that there is no single lead agency in the State to steer workforce development planning and sets forth a clear Policy Recommendation to assign responsibility for coordinating statewide workforce planning to a single entity.¹ In linking all of these agencies together, the Cabinet is in a perfect position to embrace this leadership role.

We are very happy that OTDA is requiring all local social services districts to increase the numbers of welfare recipients engaged in education and training by 20% by January 2009. However, we are concerned that certain counties, particularly New York City, are not taking aggressive steps to increase the numbers engaged in vocational educational training and job skills training related to employment. Under federal law, the State can place up to 30% of the TANF caseload in vocational educational training at any given time, which allows recipients to participate in higher education as a full-time core work activity for up to 12 months. Yet, in New York State, only 9% of the population is engaged in this activity based on September 2007 statistics received from OTDA.

According to more recent OTDA information, in areas outside New York City, there has been an increase of 201 participants engaged in vocational education from September 2007 to March 2008. While this is good progress, we are still concerned that this is only a small improvement in expanding access to education and training to the overall population of welfare recipients. We are still waiting for the data from HRA that shows the specific numbers engaged in this activity in New York City. However, we are particularly concerned that HRA's approach will not make a significant difference in expanding access to education and training opportunities. Based on the HRA Local Employment Plan for 2008-09 that was approved by OTDA, the agency plans to adjust its reporting of participants already participating in education or training, rather than expanding opportunities to those not currently engaged. HRA also indicates that it will increase the use of ITA vouchers and increase

¹ NYS Higher Education Commission (June 2008). "Final Report of Findings and Recommendations." Available at: http://www.hecommission.state.ny.us/report/CHE_Final-Report_200806.pdf.

participation by sanctioned individuals. While this would be an excellent accomplishment, HRA has only issued about 100 ITA vouchers to welfare recipients so far in 2008. In addition, there are only 1,786 HRA clients engaged in education and training programs in New York City as of June 28, 2008.² Given that the City welfare caseload currently totals over 344,000 individuals as of May 2008,³ this represents less than 1% of the total population receiving public assistance.

We strongly encourage OTDA to provide incentives for local districts to expand access to college programs for welfare recipients. Programs such as the Renaissance Scholar Nursing Program created in Albany County give recipients the opportunity to participate in a full-time higher education program while receiving public assistance benefits. Students can earn a degree as a Registered Nurse (RN), Licensed Practical Nurse (LPN), Medical Assistant or Occupational Therapist. The value of these programs is in their ability to significantly expand career opportunities for people in poverty, so that they are able to earn a sustainable wage. Therefore, it is essential that the State take full advantage of the changes made to the Final TANF Rule that, beginning October 1, 2008, will give States the new flexibility to count participation in programs that lead to a baccalaureate or advanced degree (as opposed to only two-year degree programs) and homework time as allowable work activities.⁴

Recommendation: The Cabinet should significantly expand access to higher education and vocational training programs for all public assistance recipients and low-income individuals and ensure that these individuals can maintain participation and progress in these programs after leaving welfare for work and education.

3. Improved barrier removal services for sanctioned clients

In addition to expanding education and training programs for low-wage workers, all of the agencies that comprise the Cabinet's membership should carefully evaluate the barriers that currently prevent certain individuals in poverty from successfully making progress on a career path. Some of the most common barriers include lack of child care, unstable housing, food insecurity, inadequate health care, disability, and mental health or domestic violence issues. For individuals receiving public assistance, participation in education and training is limited to those programs that can be counted as an allowable work activity and approved by the local social services district. In combination with the

² NYC Human Resources Administration (HRA), Cash Assistance – June 28, 2008 – Weekly Report, Weekly Caseload Engagement Status. Available at: <http://www.nyc.gov/html/hra/downloads/pdf/citywide.pdf>.

³ NYC HRA Cash Assistance Recipients in NYC. Available at: http://www.nyc.gov/html/hra/downloads/pdf/total_pann.pdf.

⁴ Lower-Basch, Elizabeth (February 1, 2008). "Summary of TANF Final Rule," Center for Law & Social Policy. Available at: http://www.clasp.org/publications/summary_of_tanf_final_rule.pdf.

other barriers mentioned, this can make it even more difficult for welfare recipients to comply with mandatory work requirements, thus resulting in a sanction being imposed. Once a family is in sanctioned status, the household is forced even deeper into poverty. These families must focus on their immediate basic needs and are often on the brink of homelessness. Therefore, they cannot make progress on a career path while in the midst of financial crisis.

The Intensive Case Services (ICS) program was created in 2006 to help sanctioned families address the issues that are impeding them from participating in work activities. Specifically, this program was intended to identify barriers such as undiagnosed disability, unstable housing, domestic violence, or limited literacy skills that make it nearly impossible for many public assistance recipients to participate. In identifying these barriers, local districts could facilitate participation by offering comprehensive, supportive services to address unmet needs, improve communication, and resolve other problems that make it difficult for clients to comply with work requirements.

Unfortunately, in New York City, the implementation of ICS has led to a substantial closure of the welfare cases of sanctioned households:⁵

- 720 participants – Were closed for: unable to locate, failure to respond, request by participant, or other reason (69% of total served; 29% of total targeted)
- 320 participants – In comparison, only 320 participants were “successfully engaged” out of the 4,787 targeted participants contacted (13% of total served; 31% of total targeted)

This trend seems to be mirrored statewide as well with large percentages of case closures. Also, according to OTDA data, the number of TANF and SNA-MOE sanctioned households in NYS dropped from 26,637 in March 2007 to 4,742 in March 2008.

EWN PAC is very concerned about how ICS has been implemented and the overall method of providing services to sanctioned clients. We believe that many of these clients have not deliberately failed to comply with work requirements. Rather, many families face significant barriers, such as lack of child care, diagnosed or undiagnosed disability, or competing demands of work, school and family. Often, there is a failure of communication between HRA and clients and administrative errors. Therefore, we are urging OTDA to ensure that the local districts, including HRA, do more to ensure that families are not cut off from all assistance (using ICS as a back-door method to obtaining full-family sanctions).

⁵ SFY 2007-08 OTDA Performance and Accountability Matrix, Intensive Case Services (ICS), New York City. Available at: http://www.otda.state.ny.us/main/pma/programs/ICS_2007-2008.asp.

There are some local districts making good progress in this area. For example, Tioga County has made strong gains in reducing the numbers of sanctioned clients by taking a positive, supportive approach to understanding the barriers that clients face and linking them to services they need to overcome them. Caseworkers uncovered many barriers previously undetected. With this deeper understanding of families' needs, they expanded their programs to address these needs. For example, they created a Disability Case Manager position, strengthened partnerships with domestic violence service providers, created a Community Service Worker position to interact with landlords, and entered into a contract with Tioga Literacy Volunteers. Each of these new measures gave the agency the ability to empower families to achieve success.

Recommendation: The Cabinet should create a Best Practices Guide featuring local districts that have implemented effective programs to expand access to education and training programs, re-engage sanctioned clients, and prevent clients from being sanctioned. Then, this Guide could be distributed to local districts and other non-profit service providers with the Cabinet's strong encouragement (not a mandate) to begin implementing similar programs that are proving effective in other localities. While each region throughout the state is unique, the Cabinet should still encourage best local practices to be adapted and replicated in other areas.

4. Sanction prevention and access to public benefits

We are very pleased that the agencies of the Cabinet are working together to maximize access to public benefits. While some progress has been made in simplifying the application process and conducting additional outreach for families eligible for Food Stamps, we are still concerned that poverty-stricken families are not accessing the public assistance benefits that they need. By June 30, 2008, the NYC welfare caseload had fallen to 341,329 recipients. With the poverty rate of 19.2% in NYC, there are over 1.5 million people living here in poverty.⁶ This means that there are potentially 1.1 million people in poverty who are NOT part of the social "safety net." One driving force behind the continued decline in the caseload is not success in linking clients to a job paying family-sustaining wages, but rather, it is the persistent focus by HRA and some other local districts on making the system excessively burdensome, inaccessible, and punitive.

In addition, we are disappointed that HRA has not invested any of its ICS funding to prevent families from being sanctioned, despite the fact that this was part of the intended purpose set forth by the State Legislature for these funds. It is essential that local districts identify barriers in advance of

⁶ Income, Earnings and Poverty Data from the 2006 American Community Survey, U.S. Census Bureau. Available at: http://factfinder.census.gov/home/saff/main.html?_lang=en.

imposing a sanction, so that the sanction can be prevented if possible. With more thorough screening and assessments, along with a positive, supportive social work approach, this can be accomplished. HRA has taken some steps more recently to use social workers to support a small percentage of clients who have already been sanctioned. Not surprisingly, they have already made a significant, positive difference in helping clients with multiple barriers. For example, social workers have helped clients find special needs child care placements, which has been especially helpful for those with physical or mental health issues. In addition, social workers have been able to intervene on behalf of clients to help them obtain needed medical prescriptions which has helped them meet other program requirements. We are glad that HRA is interested in expanding the social work component for sanctioned clients and ensure that services are put in place before a durational sanction is imposed. By adding the social work component, many previously sanctioned clients are now successfully engaged in a transitional jobs program or employed, with their full benefits restored. This type of change towards a supportive, individualized social work approach should be reinforced by OTDA and the Cabinet members so HRA and other local districts continue to move in this direction.

Recommendation: The Cabinet should provide incentives for local districts to hire social workers to work with clients at risk of being sanctioned *before* imposing a sanction. The Cabinet should also take aggressive steps to ensure that eligible families in financial crisis have access to public assistance. The consequences of eliminating any form of social safety net in New York State would be disastrous for our society. Most importantly, Article XVII our State Constitution states that “the aid, care, and support of the needy are public concerns and shall be provided by the state.”

In addition to these core EWN PAC recommendations, we also support specific proposals put forth by the following campaigns and organizations:

5. Campaign for Tomorrow’s Workforce (CTW)

We urge the Economic Security Cabinet to create a “Tomorrow’s Workforce Initiative,” aimed specifically at the over 220,000 young adults in our State who are out of school, out of work, and have low skill levels. This initiative would support the comprehensive and integrated approach to delivering the education, work readiness and skill development, and supportive services that benefit young adults, and scale up over time to reach all of the State’s disconnected youth. Making this large scale investment would more than pay for itself in contributing to the creation of a skilled workforce that meets the labor needs of this State, and offers economic security for its residents.

6. Citizens Committee for Children of NYC, Inc.

Increase Incentives for Households to Save – Reduce or Eliminate Asset Limits:

Asset limits placed on cash assistance and health insurance programs deter savings by low-income families. Currently, New York State's asset limit for its cash assistance programs is \$2,000 – one of the lowest in the country. Because so many beneficiaries of these programs are working, we believe that they should be allowed and encouraged to develop a “rainy day fund” for unexpected expenses such as car repairs and emergency child care (among other emergency needs) that might otherwise cause a job loss. In addition, they should be encouraged to begin saving for longer-term objectives such as their children's education and their own retirement. At present, New York's asset limits incentivize the opposite behavior - “spending down” assets to maintain eligibility for benefits instead of encouraging savings sufficient to meet a family's short and long-term needs. We urge New York State to eliminate or increase the asset limits on TANF and health care benefits.

Expand Early Care and Education Opportunities:

It is widely known that quality child care is a critical component of preparing young children for social and academic success and enables parents to return to work, remain in the work force and improve their economic security. In New York City alone, where there are approximately 345,000 children ages 0-6 from income-eligible families who earn less than 200% of the federal poverty level, less than 30% of these children are being served by the subsidized child care system. In addition, these numbers do not capture the child care needs of families earning between 200% and 275% of the Federal Poverty Level, who also would greatly benefit from subsidized child care in New York. While reaching thousands more children eligible for subsidized child care would be ideal, the static funding of state and federal support for the Child Care Block Grant results in fewer and fewer children being served each year because the cost of providing child care continues to increase. We urge the state to increase state general fund monies allocated to the Child Care Block Grant to ensure that localities

can keep up with increased cost of care to maintain level of service and expand capacity to serve more children, particularly infants and toddlers.