

616 H Street, NW · Suite 300 Washington, DC 20001 T 202.467.4900 · F 202.467.4949 www.childrenslawcenter.org

## Testimony before the District of Columbia Council Committee on Human Services October 3, 2013

## Bill 20-414, Temporary Assistance for Needy Families Cost-of-Living Adjustment Amendment Act of 2013

Lauren Onkeles-Klein Senior Supervising Attorney Children's Law Center Good morning Chairman Graham and councilmembers Barry, Orange and Bonds. My name is Lauren Onkeles-Klein. I am a Senior Supervising Attorney for Children's Law Center (CLC)<sup>1</sup> and a resident of the District of Columbia. I am testifying today on behalf of CLC, the largest non-profit legal services organization in the District and the only such organization devoted to a full spectrum of children's legal services. Every year, we provide services to more than 2,000 low income children and families, focusing on children who have been abused and neglected and children with special health and educational needs. Many of these children are living in homes that are currently receiving Temporary Assistance for Needy Families (TANF) through the Department of Human Services (DHS).

Before specifically addressing cost of living adjustments for families who rely on TANF, I want to thank this committee for its leadership on issues that are often critical for low-income District families. I also want to thank the committee for allowing me to testify about TANF and the need to ensure we do not push families reliant on this temporary measure deeper into poverty and further from the goals of self-sufficiency and stability.

The barriers faced by families living in poverty in the District are enormous. The impact of these barriers, and the stress and trauma that accompany them, are very real. Everyone at this hearing has likely heard CLC staff emphasizing the devastating impact traumatic events, including trauma directly related to poverty, can have on a child.<sup>2</sup>

1

Unfortunately, as we have learned, those effects are not only devastating in the moment; traumatic events can impact a child for the rest of his or her life.<sup>3</sup>

Children in families whose only source of income is TANF are at almost devastating levels of poverty.<sup>4</sup> And because DC's TANF rates have not been regularly increased to reflect changes to the cost of living, the actual financial benefit DC families receive from TANF today has declined almost 30% since 1996.<sup>5</sup> That means families, who now face hard and fast timelines for finding and maintaining work, must do so with what is, in essence, 30% less money than similarly situated families just 17 years ago.

We know that cuts to welfare benefits can have a significant and often overwhelming impact on children.<sup>6</sup> Cuts to benefits have also been shown to negatively impact the rates of abuse and neglect faced by children in families with this additional stressor.<sup>7</sup> However, there are indications that the converse is also true. Raising TANF benefit levels can lower the rates of abuse and neglect referrals and out of home placements for children.<sup>8</sup>

We recognize and support the District and DHS's move to reform and redesign our city's TANF program so that it is more responsive to the residents who utilize it. Increasing funding for DHS generally, and ensuring that there are more supports to help parents find work, and to not penalize parents who, for example, are studying in

2

approved programs or caring for a sick relative are all critical components of a comprehensive plan to support families rising out of poverty.

However, another critical piece of the puzzle for these families is to ensure we are not lowering their benefits year to year by allowing the regular and predictable rate of inflation to chip away at their already meager support. Though others will be providing information about how federal changes to the SNAP program may impact some of our most vulnerable residents, and about how important it is to support families who are now facing deadline on the number of months they can utilize TANF supports, we wanted to be sure to focus attention on those for whom our TANF policies can have the biggest impact – the children in TANF households.

Doing what we can to help families come out of poverty is one of the most effective series of public policy decisions we can make in terms of the long-term impact on indicators of community health and well-being like educational attainment and health and longevity. In fact, a parent's poverty has been shown to correlate to negative health, education and developmental outcomes for not only their children, but their grandchildren, as well.<sup>9</sup>

That is why we support tying TANF recipients' benefits to a cost of living adjustment, or COLA. Ensuring that we are doing what we can to move these families out of a cycle of poverty and toward stability is not simply something we do for the

3

families in this moment. As the benefits to our community accrue for generations, it is

something we do for our community as a whole.

Thank you again for the opportunity to testify. I am happy to answer any questions.

<sup>&</sup>lt;sup>1</sup> Children's Law Center works to give every child in the District of Columbia a solid foundation of family, health and education. We are the largest provider of free legal services in the District and the only to focus on children. Our 80-person staff partners with local pro bono attorneys to serve more than 2,000 at-risk children each year. We use this expertise to advocate for changes in the District's laws, policies and programs. Learn more at www.childrenslawcenter.org.

<sup>&</sup>lt;sup>2</sup> *See*, In Brief: The Impact of Early Adversity on Children's Development; Harvard University Center on the Developing Child;

http://developingchild.harvard.edu/resources/briefs/inbrief\_series/inbrief\_the\_impact\_of\_early\_adversity (an overview of research discussing the impact of stress and significant early adversity in areas like poverty and exposure to violence, on developing brains). *See also*, Melchior M, Moffitt TE, Milne BJ, Poulton R, Caspi A. Why do children from socioeconomically disadvantaged families suffer from poor health when they reach adulthood? A life course study. Am J Epidemiol. 2007;166(8):966-974. *See also*, Duncan GJ, Ziol-Guest KM, Kalil A. Early-childhood poverty and adult attainment, behavior, and health. Child Dev. 2010;81(1):306-325.

<sup>&</sup>lt;sup>3</sup> *See*, Collins, K., Connors, K., Donohue, A., Gardner, S., Goldblatt, E., Hayward, A., Kiser, L., Strieder, F. Thompson, E. (2010). Understanding the impact of trauma and urban poverty on family systems: Risks, resilience, and interventions. Baltimore, MD: Family Informed Trauma Treatment Center.

http://nctsn.org/nccts/nav.do?pid=ctr\_rsch\_prod\_ar or http://fittcenter.umaryland.edu/WhitePaper.aspx. Additionally, the National Institutes of Health has funded a research study that suggests "stress hormones inhibit brain function and stifle achievement," *see*, Stresses of Poverty May Impair Learning Ability in Young Children. Press Release, August 28, 2012 at

http://www.nih.gov/news/health/aug2012/nichd-28.htm. *See also*, Maholmes, V. and King, R. (2012) The Oxford Handbook of Poverty and Child Development at p.13 (citing Chen, E., Matthews, K.A., & Boyce, W.T. (2002). Socioeconomic differences in children's health: How and why do these relationships change with age? Psychological Bulletin, 128 (2) 295-329, a study that found poverty in early childhood matter more in adult health outcomes regardless of whether there is poverty in adulthood).

<sup>&</sup>lt;sup>4</sup> A family of three receiving full TANF benefits will receive \$428 per month, or \$5,136 a year. The federal poverty guideline for 2013 defines poverty as for a family of three as less than \$19,530 a year. http://aspe.hhs.gov/poverty/13poverty.cfm#guidelines.

<sup>&</sup>lt;sup>5</sup> *See*, Finch, I. & Schott, L., The Value of TANF Cash Benefits, Center of Budget and Policy Priorities, (March 28, 2013) p. 10. <u>http://www.cbpp.org/files/3-28-13tanf.pdf</u>.

<sup>&</sup>lt;sup>6</sup> *See*, Children's Sentinel Nutrition Assessment Program, The Impact of Welfare Sanctions on the Health of Infants and Toddlers, 4 (July 2002). Infants and toddlers (up to the 3 years) in families who benefits had been terminated or reduced had a 30% higher risk of having been hospitalized, a 90% higher risk of being admitted to the hospital when visiting an emergency room and a 50% higher risk of being food

insecure than children in families whose benefits had not been decreased. *See also*, West Coast Poverty Center, Review of Research on TANF Sanctions, Report to Washington State WorkFirst Subcabinet,(2006). <sup>7</sup> The largest and most comprehensive study, which reviews data from all states from 1990-1998: Paxson, C. & Waldfogel J. (2003) Welfare Reforms, Family Resources, and Child Maltreatment, Journal of Policy Analysis and Management, Vol. 22, No. 1. Two other studies (of Michigan and Illinois) found a link between family sanctions and increased contact with child protective services or the increased odds of having a child maltreatment allegation. Although one study (Milwaukee) found no link between family sanctions and child welfare involvement. West Coast Poverty Center , Review of Research on TANF Sanctions, Report to Washington State WorkFirst SubCabinet, 37 (2006). *Also see*, Government of the District of Columbia, Child and Family Services Agency, Implementing the Adoption and Safe Families Amendment Act of 2000 in the District of Columbia (2009 Annual Report), 31 (demonstrating the link in DC between the housing instability that can be caused by cuts to benefits and involvement in the abuse and neglect system).

<sup>8</sup> The results of increased benefit amount on rates of abuse and neglect within low income families can be striking. *See*, Paxson, C. & Waldfogel, J. (2000) Welfare Reforms, Family Resources and Child Maltreatment. The Incentives of Government Programs and the Wellbeing of Families, at p.16 (showing that a 10% rise in welfare benefits was predicted to reduce abuse and neglect reports by over 30% and reduce out of home placements by almost 8%.

<sup>9</sup> See, Maholmes, V. and King, R. (2012) The Oxford Handbook of Poverty and Child Development at p.40-46 (discussing a longitudinal study of families that has tracked grandparents, children and grandchildren in relation to the impact of poverty through generations, finding that economic hardship with the oldest generation not only impacts the second' generation's treatment and investment in the third generation, but independently impacts other indicators in the third generation, as well). Additionally, higher education is associated with lower rates of involvement in the criminal justice system. *See*, Locher, L. & Moretti, E., "The effect of education on crime: Evidence from prison inmates, arrests, and self-reports." American Economic Review. 94, no. 1 (2004) *and generally*, Ashton, P., The Education of DC: How Washington's investments in education can help increase public safety, Justice Policy Institute (February 15, 2012) found at,

http://www.justicepolicy.org/uploads/justicepolicy/documents/education of dc - final.pdf.