

Testimony
Human Services Committee
Representative Delzer, Chairman
January 9, 2008

Chairman Delzer, members of the Human Services Committee, I am Carol Cartledge, Director of Public Assistance of the Department of Human Services. I am here today regarding the committee's study of Temporary Assistance for Needy Families (TANF).

Unduplicated TANF Clients

- The unduplicated cases from July 2003 – June 2004 were 5,887 with the average number of clients per household of 2.1.
 - 5,079 adults
 - 10,793 other recipients
- The unduplicated cases from July 2004 – June 2005 were 5,524 with the average number of clients per household of 2.2.
 - 4,578 adults
 - 10,198 other recipients
- The unduplicated cases from July 2005 – June 2006 were 5,259 with the average number of clients per household of 2.2.
 - 4,379 adults
 - 9,664 other recipients

- The unduplicated cases from July 2006 – June 2007 were 5,112 with the average number of clients per household of 2.2.
 - 4,173 adults
 - 9,331 other recipients

Attachment A provides the unduplicated TANF case information by county for each of the years stated above.

History of TANF Benefits

The TANF benefit a family receives is based on household size, also known as a standard of need table, of eligible TANF family members. For example, today the TANF benefit for a family of three with one adult and two children is \$477. The TANF benefit July 1, 1997 for the same family size was \$440.00. An inflationary increased of 2.2% was provided August 1, 1998 and the same size family received \$450. July 1, 2001, the TANF benefits were adjusted because of recalculation of the TANF benefit to remove the bundled benefit calculation (bundled benefit included Food Stamp which ended July 1997, LIHEAP which ended October 1999, and TANF benefits in one benefit) in the computer system and the TANF benefit for a family of three increased to \$477 per month. January 2004, a dual standard of need policy was implemented which meant that families that received any kind of housing/rent assistance received \$50 less each month from TANF. This eliminated a “double benefit”. The benefit for a family of three today that receives housing/rent assistance receives \$427 or \$477 if the family does not receive housing/rent assistance. The only inflationary increased to the TANF benefit was in 1998. Inflationary increases

to the TANF benefit have not been explored since 1998 for the following reason:

- Historically AFDC and TANF families have not received an inflationary increase.
- TANF policy has and continues to explore supportive services that will assist TANF clients in becoming self-sufficient.

Attachment B provides a copy of the standard of need tables from the start of TANF through today.

Attachment C provides a comparison of other selected program inflationary increases.

Components of TANF Program

- Regular TANF benefit is intended to meet six basic items of need – Shelter; food; clothing; personal needs such as combs, toothbrushes, razor blades, sanitary supplies, and haircuts; household supplies such as cooking utensils, laundry, bedding, and towels; and fuel and utilities. The benefit is received monthly.
- Diversion Assistance provides short-term help to families to assist them in becoming or remaining self-sufficient. Diversion assistance is provided to qualified families for up to four months within a twelve-month period.
- TANF Kinship Care assistance expands the options for placement of children who are in the care, custody, and control of County Social

Services or Executive Director, Department of Human Services by providing enhanced funding and services to those found eligible for the program.

- Transitional child care assistance promotes job retention by providing an extended period of assistance to qualified TANF households to further assist working families remain self-sufficient from TANF.
 - The Department is on the agenda at 2:00 p.m. today to provide information on the establishment of transition assistance. With your permission Mr. Chairman, I would like to provide the information during this testimony.
 - Computer system changes were necessary to allow for the payments as required under Senate Bill No. 2186.
 - Computer programming changes were completed August 2007.
 - As of December 2007, 24 TANF families have utilized transitional child care assistance for \$8,850. TANF pays child care expenses retrospectively. Example December expenses are reimbursed in January or February when the TANF client provides the verification of the expense.
- Under TANF, adults receiving assistance are expected to engage in work activities and develop the capability to support themselves before their time-limited assistance runs out. States are required to assist recipients

in making the transition to employment. In North Dakota, this program is known as Job Opportunities and Basic Skills Program (JOBS). The program combines education, training, and employment components.

Effectiveness of Work Programs

History

- The Department of Human Services has contracted with Job Service North Dakota for employment and training services since welfare reform in the late 1990s for the Job Opportunities and Basic Skills Program.
- Job Service has done an excellent job in serving TANF clients.
- However, as North Dakota's TANF caseload has declined, many of the remaining TANF clients have greater challenges and are much harder to serve.
 - Clients face additional challenges to becoming work ready such as mental illness, substance abuse, obesity, and hygiene issues.
 - Many lack employment skills. For example, they may have no history of paid employment.
 - Many lack basic life skills. For example what to do if a child is sick and they cannot take the child to day care.

Department Solution

- As a three month pilot, the Department requested 25 challenging cases from Job Service to be served by Career Options.
 - Due to Career Options wrap around service approach on a case by case basis, over half of the 25 clients became employed.

- Success stories
 - Career Options, a part of Community Options, has expertise in successfully serving many hard-to-place individuals. The Department of Human Services' Vocational Rehabilitation and Disability programs have worked with Community Options since the late 1990s. The divisions typically purchase supported employment and job development services.
- To address the needs of the TANF population, the Department entered into contracts with Job Service North Dakota and Career Options.
 - Job Service will serve approximately 630 TANF adults in Cass County and Rolette County as well as TANF clients who are employed or in education/training activities across the state. In addition, Job Service will take the award winning Parental Responsibility Initiative for the Development of Employment (PRIDE) program statewide. PRIDE is a collaborative effort between Child Support Enforcement Division, Job Service, and the courts and addresses the unemployment and under-employment of noncustodial parents.
 - Cass County – There has been a collaborative effort between Cass County Social Services, Job Service North Dakota, and Southeast Human Service Center that has been very effective. The three entities work together to resolve barriers and move TANF clients towards self-sufficiency.

- Rolette County – Because of the unique nature of Rolette County (highest TANF caseload, highest unemployment rate, and low employment opportunities) and some encouraging pilot programs, the Department is continuing to collaborate with Job Service North Dakota, Turtle Mountain Community College, Rolette County Social Services, and the Turtle Mountain Band of Chippewa to provide services in Rolette County.
- Career Options will service approximately 750 TANF adults statewide that are not employed or in education.
 - Career Options is exploring innovative ways to resolve client barriers.
 - Car donations – one success story
 - Career clothing drive from retailers
 - Child Care shortage
 - DHS Research Unit is collaborating with all parties to identify and establish data needs to measure the program’s success.
 - Longitudinal study may be done that would follow the TANF participant as well as children for up to ten years.
 - Short term study such as client barriers and what is successful and generational clients, who are they and how to resolve.

This concludes my testimony. I would be happy to answer any questions.

Attachment A
Unduplicated TANF Count

Attachment B

TANF Standard of Need Benefit Tables

Attachment C

History of Inflationary Increases