E3SHB 1482 Legislative-Executive WorkFirst Poverty Reduction Oversight Task Force

11/26/2018| 1:00PM-4:00PM
John A. Cherberg Building - Conference Room B & C
304 15th Avenue SW, Olympia, WA 98504

Notes *(for review and confirmation at next quarterly meeting, Feb. 2019)*

I. Welcome and Introductions

Meeting convened by Cheryl Strange, DSHS Secretary

***Quorum met by members in attendance**:*

Jim Baumgart, Luba Bezborodnikova , Sen. Jeannie Darneille, Sen. Manka Dhingra, Erin Frasier, Rep. Mia Gregerson, James Harms, Diane Klontz, Nam Nguyen, Daisye Orr, Tim Probst, Maria Siguenza, David Stillman, Cheryl Strange, Sen. Hans Zeiger.

***Staff attendees**:*

Carol Albert, Kevin Black, Debbie Davis, Dawn Eychaner, Sarah Garcia, Lori Pfingst, Babs Roberts, Suzy Young

II. Task Force Business

Babs Roberts, Community Services Division Director (DSHS/ESA/CSD)
Lori Pfingst, Economic Services Administration Senior Director (DSHS/ESA)

a. **Co – leads: Selection and Decision**

- *Zeiger nominated (Dhingra motion, Gregerson 2nd). Vote results in no dissent, Zeiger confirmed as co-lead.*
- *DSHS nominated (Siguenza motion, Orr 2nd). Vote results in no dissent, DSHS confirmed as co-lead.*

b. **Meeting Schedule – how often?**

- *Former Legislative-Executive WorkFirst Oversight Task Force met quarterly.*
- *Consider capacity to accomplish work that needs to be done between meetings.*
- *Task Force's Report is due by December 1, 2019, quarterly schedule would allow at least three meetings leading up to the due date. Ad-hoc meetings can be added as needed to finalize report.*
- *Agreement on a quarterly meeting schedule. Next meeting will fall in February, during legislative session. Efforts will be made to schedule around legislators' availability to make the February meeting possible.*

c. **Open Public Meetings Act – update and information**

- *Reminders and check for understanding. Meeting minutes will be posted publicly along with meeting materials and supporting documentation.*

d. **Advisory Committee Proposal**

- *Summary of proposal explaining how the Governor's Poverty Reduction Workgroup could be the advisory group to the Legislative-Executive WorkFirst Poverty Reduction Oversight Task Force.*
- *Zeiger moved to vote on Governor's Poverty Reduction Workgroup becoming the advisory group to the Legislative-Executive WorkFirst Poverty Reduction Oversight Task Force. Probst 2nd. Vote results in no dissent, the proposal is confirmed.*
- *The groups can work together on filling in the gaps for missing representation, ensuring any specifically defined recruitment process is followed.*

III. TANF Spending

Babs Roberts

- *Clarified WorkFirst population versus overall TANF caseload. TANF cash assistance recipients required to participate in WorkFirst activities as a condition of eligibility versus those who are not.*
- *There is legislative oversight of the TANF spending plan. Current TANF spending plan is under review and in process of being finalized.*
- *Federal TANF block grant around $400 million for Washington. Off the top, about $23 million of the grant goes to tribes that operate a TANF program.*
- *The TANF spending plan also includes funds from the federal Child Care and Development block grant. Both TANF and Childcare Development block grants come with maintenance of effort (MOE) requirements for state spending. The federal regulations allow state MOE spending to be "double counted", meaning the same state MOE spending is credited towards both the TANF and Childcare Development MOE requirements.*
- *Since the recession, as part of the American Recovery and Reinvestment Act (2009), additional TANF dollars (TANF contingency funds) have been made available to "needy" states. Washington has had "needy" state status, based on food assistance enrollment levels, each year to the present.*
- *Overview of spending plan breakdown across categories: child care subsidy, cash grants, administrative expenses, WorkFirst services, tribal TANF, child welfare services. Childcare subsidy recipients have increased as number of TANF recipients have declined, suggesting more families engaged in work.*
- *Overview of the Federal Poverty Level percentages relative to assistance program eligibility limits using a family size of three as an example.*
- *Discussion on federal caps for spending on administrative costs in relation to overall program spending. Also noted were changes related to the Affordable Care Act that limited a funding stream that was previously braided into overall funding for eligibility staff. Question for follow up: how many full-time employees (FTEs) to determine financial eligibility for TANF?*

- *Discussion regarding TANF caseload changes in relation to the spending data. Caseload peaked in 2010-2011 and steadily declined after significant policy changes in 2011. Current caseload around 30,000 households. The caseload is split fairly evenly between "child-only" TANF cash grant recipients and recipients who must engage in WorkFirst. Historically "child-only" cases have not been this high of a percentage of the overall caseload.*
- *Interest in improving methods of measuring success and failure in the TANF program caseload. Specifically, identifying which TANF exits are due to eligibility-reducing policies versus those exiting into increased financial stability. There is a forthcoming legislative report which speaks to this issue and can be reviewed at the next meeting.*
- *Concern that the TANF program is being held to previous standards of success (specifically WorkFirst participation rates) with reduced-eligibility policies. Discussion on whether the very low income limits of the TANF program result in only enrolling families with the most barriers to participation.*

IV. Intergenerational Poverty
Lori Pfingst

- *To define poverty, DSHS/ESA has chosen to use 200% of the FPL because this is the **minimum** income it takes to make ends meet in Washington. Considering the variable cost of living across the state, this is a very conservative figure.*
- *Research has shown that even a short duration of childhood poverty creates a lifelong impact. The impacts are more than just financial and can include toxic stress, adverse childhood and community experiences, decreased ability to nurture.*
- *Adequate response to different degrees of poverty (poverty versus deep poverty, etc.) may require different approaches.*
- *Data shows that poverty is highest in children than any other age group (due to adult to child ratios). Request for a comparison of child poverty data with homelessness data and also to see the data reflected in numbers versus a percentage. Quoted about 500,000 children living under 200% of FPL.*
- *Data breakdowns of poverty across race and age groups. Interesting outcomes noted for the young adult (18-24) group and how time spent as a student presents in the data. Request for pregnancy rates for the 18-24 age group, Daisye Orr states Dept. of Health can provide this information.*
- *Overall, the data shows that poverty in Washington is very high. 1 in 3 children do not have their foundational needs met.*
- *"2GEN" (two-generation) approach, which began in the 1990's, is based around the idea that children do better when the entire family is doing well. It is best to de-silo services so the whole family can be served.*

Parent-focused services are not as beneficial. Head Start is a good example of a successful 2GEN program. Economic stability is tied to child and family well-being.

- *Utah was the first state to define intergenerational poverty versus situational poverty. Intergenerational poverty is long-term and continues into the next generation. Utah's model tracks this using data of those who are eligible and accessing public assistance benefits in their state as an adult that had also received benefits as a child. This approach is limiting as it does not capture the entire "universe" of poverty. Situational poverty is time-limited and does not pass into the next generation. Noted that these definitions oversimplify the complex issue of poverty.*
- *There has been seven years of data collected by Utah so far, reflecting a six-point reduction in poverty. Analysis to determine how much improvement is connected to Utah's implementation of 2GEN policies versus overall improvement in economy is ongoing. Utah's 7th annual report on intergenerational poverty can be provided as reference material.*
- *Washington's replication of the Utah model shows that 46% of children receiving food assistance in the year 2000 received food assistance in 2018. This percentage varies at the county level, for instance San Juan County is 32% compared to Yakima at 67%. May be able to triangulate this data with other sources of longitudinal data to gather additional information. Interest in information on how many people are eligible for benefits versus how many are actually receiving benefits.*
- *Noted that Zeiger has connected with policy-makers in Utah on the poverty issue. Discussion on how eligibility limits vary from state to state, so information from other states should be approached with Washington's policies in mind. Noted it would be possible to have other states present to the group in a future meeting, via partnership with the Aspen Institute. There are also needs assessments available from other states that could be shared.*
- *Interest in: further exploration of research regarding those who have made it out of poverty vs. those who haven't and what it takes to exit poverty; tracking "dual-status" (child welfare and juvenile justice participation) youth adverse childhood experiences with later self-sufficiency, education, adult/parent incarceration status; the gap between level of need to make ends meet versus program eligibility standard and benefit levels.*
- *Darneille notes an issue brought forth in another venue by United Way (Pierce County) regarding the value of the childcare subsidy benefit and measures that families take to avoid losing this benefit (for instance, working a specific number of hours to remain under income eligibility limits), which can keep families within a certain level of poverty. Noted the 200% poverty level definition aligns with the*

eligibility limit for new childcare subsidy applicants. Interest in exploring how to encourage the corporate world to help cover the expense of childcare for their workforce.

- *Discussion on the return on investment, every dollar invested in reducing child poverty yields $7.00 in return as reduced cost to society in the areas of health, crime, homelessness, and child maltreatment.*
- *Gregerson provided a reminder to approach the topic of crime and poverty mindfully to avoid reinforcing harmful misconceptions and stereotypes.*

V. Federal Landscape

Babs Roberts
Luba Bezborodnikova, Department of Children, Youth, and Families Assistant Secretary of Licensing

a. *TANF Reauthorization*

- *TANF block grant currently funded through 12/7/18. No cause for concern yet, it is typical to get this close to the end date before reauthorization. Due to the combination of state and federal funding, TANF can operate for a period of time without reauthorization. A rumored forthcoming bill draft that would authorize TANF through 2021 has not yet been introduced. TANF is supposed to be reauthorized every 5 years.*
- *Two TANF-related bills have been introduced at the federal level (HR 5861 and HR 7010).*
    - *HR 5861 (R) – Jobs and Opportunities with Benefits and Services (JOBS) for Success Act*
        - *Eliminates the WorkFirst Participation Rate as a measurement of successful TANF implementation, to be replaced with an outcome-based performance accountability system by 2020.*
        - *Participation and reporting remain a requirement. Adds universal participation requirement for all "work-eligible" adults. Definition of "work-eligible" has yet to be defined. States may have to negotiate with Health and Human Services (HHS) on the state plan to define exemptions.*
        - *Eliminates 3rd party MOE by 2023, preventing states from counting certain in-kind or cash expenditures by nongovernmental third parties towards MOE requirements. This may cause a funding impact to the state.*
        - *Eliminates the TANF contingency funds that Washington has qualified for annually, as a needy state, and transfers that funding to the Child Care and Development Fund. Washington would experience an overall decrease in federal funding due to this change.*
        - *Requires states to report the reason and an explanation for every adult not participating, which would be made available on a national website. This level of reporting may be*

difficult to meet on a tight timeline due to technology changes needed to support the change. Moves to full case data audits instead of samples, increasing fiscal reviews to identify errors and improper payments. Outcome measurements will not be set until 2020, states would negotiate their "rate" with HHS annually.

- *HR 7010 (D) – Rewriting to Improve and Secure an Exit (RISE) Out of Poverty Act*
  - *Contains recycled language near identical to two previous bills. Reauthorizes TANF with changes to the program and funding. HR 7010 originated from the minority party and is in competition with the majority party's HR 5861.*
  - *Makes reducing child poverty a core purpose of the TANF program by requiring TANF assistance to meet a family's basic economic needs. Requires states to consider the following expenses in determining the amount of assistance a family will receive: food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses. Fair market rent must be calculated based on* ***location****.*
  - *Requires states to guarantee child care services to TANF recipients who are employed or participating in a work activity. Former TANF recipients would be eligible to receive child care for 24 months after they exit TANF.*
  - *Proposes to adjust federal block grant based on inflation (per Consumer Price Index) and growth of population of children in each state (per Census data) since 1996. This would significantly increase TANF funding, but would also increase MOE commitment for states. MOE requirements would be based on inflation.*
  - *Stops the 60-month TANF time clock during recessions.*
  - *Prohibits states from imposing drug testing requirements tied to eligibility.*
  - *Increases the TANF contingency fund and makes it easier to qualify as a "needy" state.*
  - *Eases participation requirements for families. Removes time limits on participation in vocational education.*
  - *Provides a state option to extend TANF eligibility for children up to age 21.*
  - *Eases sanction policies.*

b. *Farm Bill*

- *Most recent farm bill (2014) expired on Sept. 30, 2018. HR 6157 (same bill that reauthorized TANF) allows SNAP to continue operating at current levels through December 7, 2018.*

- *More concerned with getting SNAP reauthorized as, unlike TANF, we are unable to issue benefits and pay staff without the reauthorization. Noted that the SNAP caseload is 535,000 households versus around 30,000 for TANF.*
- *Proposed changes from the previous farm bill include additional work requirements, more stringent exemption criteria, more responsibility on states for successful work program referrals/placements, increased documentation requirements showing steps taken to engage clients in work activities and any refusals to participate without good cause. These changes would pose a challenge to implement without decreasing the administrative efficiencies gained through policies of simplified reporting and broad-based categorical eligibility.*

c. *Public Charge*

- *Proposed change in definition broadens a "public charge" from someone who is **primarily dependent** on public benefits to someone who **receives one or more** public benefit. Being considered a public charge puts an individual's immigration status at risk.*
- *Creates new guidelines for the determination of whether someone is likely to become a public charge that are unfavorable towards low-and-moderate income people.*
- *Broadly expands the list of public benefit types that would be considered under the public charge rules.*

d. *Child Care and Development Fund*

- *Additional training requirements for Family, Friend, or Neighbor (FFN) providers may cause strain on childcare capacity and access. Noted that, in many cases, people who provide in-home daycare and FFN childcare providers are low-income also. Childcare subsidy rates are a problem, falling far behind private-pay rates.*
- *Higher standards and accountability measures for foster care services may also impact availability and accessibility of foster care services.*

e. *Census 2020*

- *2020 census is upcoming. Awareness/education phase begins July 2019. Changes to the way the census will be administered may have negative impacts. There are funding implications if census data is not accurately captured for the populations we serve.*
- *Shifting from door-to-door model to online-based response. Higher risk of people "falling through the cracks." Online model may be a barrier for rural population, homeless, limited English proficient, disabled, etc.*

- *Concerns that collection of citizenship data and general distrust towards government may decrease reporting.*
- *Interest in researching whether other states have identified strategies to mitigate potential census undercounting. We need to reduce barriers to census reporting to ensure a fair-share of funding that is desperately needed to help reduce poverty. Interest in a model similar to tax-preparation efforts to encourage census reporting. Discussion on how social media can help spread the word.*
- *Possibility of promoting legislation to ensure census data for incarcerated populations are captured accurately.*
- *OFM is the lead state agency for the census. Interest in gathering information on census efforts. Jim Baumgart will check with RaShelle Davis for an update. Maria Siguenza is also connected into this work and can facilitate a connection with Babs Roberts.*
- *Discussion of Earned Income Tax Credit (EITC) social media outreach efforts. Interest in IRS data showing those eligible for EITC who did not claim it. Noted a barrier to drilling this information down further is Washington's lack of state income tax to use as cross-reference.*

VI. Public Comment

- *No public comments.*

VII. Closing

- *Electronic copies of binder materials will be made available on the public website.*
- *Two vacancies in membership identified. Co-leads will work on getting these filled.*
- *Request for an update on the federal landscape at next meeting, consider as recurring agenda item.*

VIII. Follow Up

Item	***Owner***
Schedule and provide notice of next quarterly meeting (Feb. 2019).	*DSHS*
Post meeting minutes, slides, and materials on the website.	*DSHS*
Ensure both the Task Force Advisory Committee and the Task Force are fully staffed and meeting representation requirements.	*Co-leads*
Provide copy of legislative report: TANF Pre-2011 WorkFirst Policies.	*DSHS*
Provide copy of 7th annual Utah intergenerational poverty report.	*DSHS*
Share needs assessments from other states. Consider arranging presentation from other states regarding 2GEN work.	*DSHS*
Share research regarding what it takes to make it out of poverty, study of those who have successfully exited poverty versus those who have not.	

Share child poverty data comparison with homelessness data (in numbers instead of percentages).	
Share pregnancy rates data for the 18-24 age group.	*DOH*
Share data regarding the number of people eligible for benefits versus the number of people receiving benefits.	*DSHS*
Provide the number of FTEs it takes to provide financial eligibility determinations for TANF.	*DSHS*
Share information/update on state involvement with 2020 Census efforts.	*GOV/OFM*
Share update on federal landscape (public charge, farm bill, etc.) at next meeting.	*DSHS and State Agency Partners*