

House Bill 1041
Department of Human Services - Family Investment Administration – Contract and Program Review

House Appropriations Committee
March 10, 2022

Support

Catholic Charities of Baltimore strongly supports HB 1041, which requires the Department of Human Services to hire an outside consultant to conduct a thorough review of the Temporary Cash Assistance Program to ensure the program is employing best practices that will achieve meaningful outcomes for families on TCA. HB 1041 also requires the Department to annually review all of their contracts with workforce vendors to examine if the programs are providing tangible, marketable skills that lead to quality employment opportunities.

Inspired by the gospel to love, serve and teach, Catholic Charities provides care and services to improve the lives of Marylanders in need. As the largest human service provider in Maryland working with tens of thousands of youth and families each year, we recognize the important role Maryland's safety-net programs play in helping children and their caretakers make ends meet and build economic security. Moreover, we recognize the dignity of the worker and part of that is ensuring parents are given serious opportunities to gain meaningful employment so that they can carve their own pathways off of TCA and out of poverty.

While TCA is a critical safety-net for families living in poverty, it is not a pathway to economic stability for the vast majority of recipients. In order to receive TCA, adults in the household are required to participate in federally defined work activities. Although the original intent for the work requirement might have been for recipients to obtain employment after a short spell of benefits, numerous studies show the workforce component of cash assistance does not result in long-term, stable employment.¹ Sadly, data from the Life After Welfare report shows that five years after receiving TCA, 80% of families still live in poverty and, most disturbingly, almost 68% of former recipients are living in deep poverty.²

HB 1041 requires DHS to hire an outside consultant to review Maryland's TCA program. If Maryland is going to reduce the number of households living in deep poverty – and truly create a bridge to economic security for families on TCA - a critical area to focus state resources on is improving workforce development programs. A thorough, independent review of our TCA program could help Maryland re-envision how we connect parents on TCA to sustainable employment opportunities. Instead of referring parents on TCA to a single work program with the lowest contract bidder, we can partner with innovative training and skill-building programs that provide meaningful opportunities to locate employment in high-wage, growing industries. Dedicating a small amount of resources to hire a consultant to examination of our state's TCA program is a good investment in the future of Maryland families, employers, and our economy as a whole.

On behalf of the individuals and families we work with, Catholic Charities of Baltimore appreciates your consideration, and urges the committee to issue a favorable report for HB 1043.

Submitted By: Regan K. Vaughan, Director of Advocacy

¹ Ideas 42. Work Requirements Don't Work. 2019. <http://www.ideas42.org/wp-content/uploads/2019/04/ideas42-Work-Requirements-Paper.pdf>

² University of Maryland School of Social Work. *Life After Welfare Series*.
<https://www.ssw.umaryland.edu/familywelfare/safety-net-research/life-after-welfare-series/?&>