

**Testimony in Support of House Bill 1043**

Family Investment Program – Eligibility, Work Experience, Community Service, and Reports – Alterations

Hearing of the House Appropriations Committee, March 10, 2022  
Maryland General Assembly  
The Honorable Maggie McIntosh, Chair

Chairwoman and Members of the House Appropriations Committee:

**The University of Baltimore Civil Advocacy Clinic Strongly Supports HB 1043**

Thank you for the opportunity to testify in support of House Bill 1043. My name is Alexis Viegas. I am a third-year law student at the University of Baltimore School of Law, where I am a Rule 19 Student Attorney in the Civil Advocacy Clinic. The Clinic represents low-income clients on a pro-bono basis, most of whom would not have access to legal representation without our services. HB 1043 would greatly benefit many of the clients whom the Clinic represents by providing recipients of Temporary Cash Assistance (TCA) critical flexibility and independence to ensure better long-term outcomes for their families. For these reasons and more, the Clinic strongly supports HB 1043 in its entirety. This testimony focuses on two important aspects of the bill that we have researched: the proposed changes to minimum work hours for parents, and the improvements to the work experience (WEX) program that would increase the likelihood of long-term, paid employment.

**HB 1043 is a critical step toward improving family success for TCA recipients.**

- TCA provides temporary cash payments to minor children and parents of minor children who are living in deep poverty.<sup>1</sup>
- TCA is intended to be a temporary safety net for poor families, with opportunities for parents receiving assistance to work toward long-term employability, increased wages, and successful family outcomes<sup>2</sup>. TCA is also frequently an option of last resort with applicants often applying for TCA following major life changes such as divorce, loss of employment, homelessness, or domestic violence.<sup>3</sup>
- Recipients who are able must work to receive TCA. Yet, many TCA recipients do not see a significant increase in employability or wages over the long-term, and often return to deep poverty when their benefits end.<sup>4</sup>
- HB 1043 is an effort to make the TCA program more effective by focusing on each parent's individual goals, needs, and life experiences when providing work opportunities and supportive services.
- By ensuring a work schedule conducive to the demands of child rearing, providing opportunities for growth through meaningful work experiences, and connecting parents to jobs that lead to long-term employment opportunities, HB 1043 will ensure that recipients of TCA exit the program with a greater chance at long-term economic success and stability.

**Maryland expects parents to work 40 hours a week, even though that is not required by federal law and is not standard across a majority of states.**

- A federal law called Temporary Assistance to Needy Families (TANF) governs the TCA program. It provides states the flexibility to determine who is eligible to work, what activities constitute work, and who may be exempted from these requirements.<sup>5</sup>
- TANF states that single parents with children under six years old must work an average 20 hours per week; parents in two-parent work eligible households must average 35 hours per week, together; and all other parents must average 30 hours per week.<sup>6</sup>
- By contrast, Maryland requires all work-eligible individuals to work up to 40 hours per week, including single parents with children.<sup>7</sup> This exceeds the requirements of federal law.<sup>8</sup> Only four other states have this same requirement.<sup>9</sup>
- More than thirty states have codified the federal minimum hourly requirements into law.<sup>10</sup> These states include D.C., Delaware, Pennsylvania, and West Virginia.<sup>11</sup>

- HB 1043 would not only ensure that the program reflects federal law but would also place Maryland in the majority of states which provide for an hourly threshold that allows families the flexibility necessary to address their numerous parental responsibilities while juggling work, child care, and transportation.

**HB 1043 moves families toward full-time, paid work.**

- TCA recipients who can work must participate in a federally defined work activity.<sup>12</sup> One permissible activity is known as “work experience,” or WEX, which places parents in unpaid positions, which often include low-skilled labor or non-growth industries.<sup>13</sup>
- Under current Maryland law, WEX is not voluntary, it does not support the career goals of the parent, provide opportunities for skill development, or require that WEX placements lead to actual employment. As a result, parents who participate in WEX have lower earnings after leaving TCA.<sup>14</sup> Research shows that unpaid work experiences result in poorer outcomes as compared to paid work.<sup>15</sup>
- Maryland is a significant outlier in its use of WEX as a work option for parents. For most states, the majority of their working participants are in paid positions.<sup>16</sup> Maryland, however, places more than 25% of participants into unpaid WEX positions.<sup>17</sup> While all neighboring states use WEX at a rate of less than 2%, Maryland significantly exceeds this rate, and in-fact ranks fifth in the nation in terms of overall WEX placements.<sup>18</sup>
- HB 1043 limits the use of WEX by: providing parents a choice of whether to participate in unpaid work experiences; requiring the Department to locate experiences that meet the goals and needs of the parent; limiting WEX to a period of not more than 90 days every three years; requiring vendors (the companies that find the placements) to provide substantive learning experiences for parents; and, requiring vendors to employ a percentage of participants at the end of the WEX term.
- By limiting the use of WEX and placing requirements on WEX vendors, the State will be able to focus on placing parents in work experiences that lead to actual employment and transferrable skills.

**HB 1043 will provide positive and impactful changes to the TCA program, with no impact on the State’s ability to meet federal requirements**

- To maintain federal funding, the TCA program must have a certain percentage of participants engaged in work<sup>19</sup>.
- Maryland has always exceeded the federally required percentage and will continue to exceed the requirement under HB 1043.<sup>20</sup>
- In the unlikely event of any significant decrease in work participation rates, the bill gives the Department of Human Services an escape valve to ensure federal compliance.

**TCA is a program for parents and children living in poverty, and HB 1043 will ensure that the TCA program is sensitive to their needs, goals, and lived experiences.**

- Parents experiencing poverty face numerous barriers to finding stable work at a living wage.<sup>21</sup>
- HB 1043 accommodates parents’ needs and goals in consideration of the challenges they may face.
  - Bringing the minimum hours requirement into alignment with federal law allows parents the flexibility they need to work and care for their children. Many TCA families utilize public transit, may have limited access to childcare, and may lack family or community support, necessitating work hour flexibility that recognizes these realities.
  - Reforming WEX will provide parents with greater flexibility to find meaningful opportunities and lead to long-term employment which can increase economic success after leaving the TCA program.

The TCA program’s statutory purpose, “is to support family efforts to achieve and maintain self-sufficiency through services and financial aid geared to individual family needs.”<sup>22</sup> HB 1043 will allow the State to meet this purpose by increasing flexibility for families, providing experiences that are in line with individual family needs, and will ensure parents are provided meaningful learning experiences that increase their long-term economic success and sustainability. For these reasons, the Clinic strongly urges a **FAVORABLE report on HB 1043.**

**For More Information Call:**

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<sup>1</sup> See Generally MD HUMAN SVS. § 5-308; COMAR 07.03.03.06-07; COMAR 07.03.03.11-13.

<sup>2</sup> MD CODE HUMAN SVS. § 5-302; § 5-309.

<sup>3</sup> *TANF and Domestic Violence*, CTR. ON BUDGET & POL'Y PRIOR. (Oct. 26, 2021), <https://www.cbpp.org/research/family-income-support/tanf-and-domestic-violence-cash-assistance-matters-to-survivors>.

<sup>4</sup> Lauren A. Hall & Letitia Logan Passarella, *Life After Welfare: 2021 Annual Update*, U. MD. SCH. OF SOC. WORK, 23-24, 28 (2021).

<sup>5</sup> 45 CFR § 261.10(a)(2).

<sup>6</sup> 45 CFR § 261.31(c); 45 CFR § 261.34(c); 45 CFR § 261.32(a); 42 U.S.C. § 1607(c)(1)(C)(1)-(2).

<sup>7</sup> MD CODE HUMAN SVS. §5-301(h); MD. DEPT. OF HUMAN SVS, *The Work Book: Work Participation* § 102.1 (Jan. 2015), <https://dhs.maryland.gov/documents/Manuals/The%20Work%20Book/Work%20Book%20Work%20Participation%2001-15.pdf> (internal guidance to local departments).

<sup>8</sup> 45 CFR § 261.34(c).

<sup>9</sup> Shantz, Katie, Ilham Dehry, Sarah Knowles, Sarah Minton, & Linda Giannarelli, *Welfare Rules Databook: State TANF Policies as of July 2019*, U.S. DEPT. OF HLTH & HUM. SVS. 147-157 (2020),

[https://wr.d.urban.org/wrd/Data/databooks/2019%20Welfare%20Rules%20Databook%20\(final%2010%2019%202020\).pdf](https://wr.d.urban.org/wrd/Data/databooks/2019%20Welfare%20Rules%20Databook%20(final%2010%2019%202020).pdf).

<sup>10</sup> *Id.*; FY2020 WPR – Table 6B, U.S. DEPT. OF HLTH. AND HUM. SVS. (JUL. 21, 2021),

<https://www.acf.hhs.gov/sites/default/files/documents/ofa/wpr2020table06b.pdf> .

<sup>11</sup> *Id.*

<sup>12</sup> MD CODE HUMAN SVS. § 5-301(h).

<sup>13</sup> See 45 CFR § 261.2(e).

<sup>14</sup> Alyssa Gross & Letitia Logan Passarella, *Participation in Federally Defined Work Activities Across Maryland*, U. MD. SCH. OF SOC. WORK, (Sept. 2019), [https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/work-supports-and-initiatives/work\\_activity\\_participation.pdf](https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/work-supports-and-initiatives/work_activity_participation.pdf).

<sup>15</sup> *Id.*; See e.g. Indivar Dutta-Gupta, Kali Grant, Matthew Eckel, & Peter Edelman, *Lessons Learned from 40 Years of Subsidized Employment Programs*, GEORGETOWN CTR. ON POVERTY & INEQUALITY (2016) <https://www.georgetownpoverty.org/issues/employment/lessons-learned-from-40-years-of-subsidized-employment-programs/>;

<sup>16</sup> Table 6B, *Supra*, N. 10.

<sup>17</sup> *Id.*

<sup>18</sup> *Id.*

<sup>19</sup> 45 CFR § 261.22(c)(2).

<sup>20</sup> See Generally Resource Library, U.S. DEPT. OF HLTH. AND HUM. SVS. <https://www.acf.hhs.gov/ofa/resource-library>.

<sup>21</sup> See Ilan Katz, Judy Corlyon, Vincent La Placa & Sarah Hunter, *The Relationship Between Parenting and Poverty*, THE JOSEPH ROWNTREE FOUND. (2007), <https://www.jrf.org.uk/sites/default/files/jrf/migrated/files/parenting-poverty.pdf>.

<sup>22</sup> MD CODE HUMAN SVS. § 5-302(b).