



Maine Equal Justice
People Policy Solutions

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Testimony of Christine Hastedt, Maine Equal Justice in Support of LD 78, An Act To Protect Children from Extreme Poverty by Preserving Children's Access to Temporary Assistance for Needy Families Benefits
April 1, 2021

Good afternoon Representative Meyer, Senator Claxton and members of the Committee on Health and Human Services. My name is Christine Hastedt and I am the Senior Policy Advisor at Maine Equal Justice (MEJ). We are a nonprofit civil legal aid organization working with and for people with low income to improve their economic security and wellbeing through policy change, education and legal representation. We strongly support LD 78 because it will protect access to food and shelter for the poorest Maine children, a goal I believe we all share.

Under Maine's current law, entire families, including children, are terminated from the Temporary Assistance for Needy Families Program (TANF) if the parent or caretaker is found to have breached program rules for a period of 90 days and for any subsequent failure.¹ To be clear these "breaches" are often simple misunderstandings, clerical errors, or circumstances where "good cause" to excuse the sanction may not have been appropriately recognized. We have helped hundreds of families regain needed assistance in situations like these. But many more did not get the help needed and lost all of their income.

Here are a couple of stories that illustrate what these experiences look like:

The first case is about a family that lived in a very rural part of the state and had no vehicle, so the mom was struggling to meet her work requirements. She'd also been hospitalized on multiple occasions and, missed a couple of appointments with her Fedcap worker during this period. Fedcap wanted specific paperwork from her medical provider verifying her hospitalization and health status. Her provider was very busy and there was a delay in providing this paperwork. As a result of this delay she was sanctioned and lost benefits for several weeks before we got involved and helped to resolve the issues. But by that time, she and her children had already gone several weeks without income.

In the next case, a mom and 3 small kids were sanctioned because her children had been sick and she'd missed a couple of routine appointments at the Fedcap office. To compensate, she was required to be present for 3 consecutive full days in-person at the Fedcap office in order to begin receiving benefits again. She had to leave early on one of those days attend a child support hearing to assist the Department in recovering child support payments from the absent parent. Since this interrupted her 3-consecutive day requirement she was made to reschedule

her three consecutive days all over again extending her family's loss of income even further. During all of this she enrolled in a training program but had to delay beginning that too because she couldn't get the childcare she needed until the family's sanction was lifted.

Harsh sanction policies have harsh consequences—TANF's failure to reach large majorities of children drives them into deeper poverty. Maine's so-called TANF to poverty ratio—that, is the percent of families under the poverty level that receive help from the TANF Program has dropped dramatically in recent years. Today, TANF serves only 1 in 5 of all children living in poverty, meaning that 4 out of 5 poor children do not get help from the TANF programⁱⁱ. By this measure we are below the national average in covering children, and the other New England States have coverage rates that, on average, are double ours. I'll also note that the majority of Maine TANF families include at least one child under 6.ⁱⁱⁱ While the full family sanction policy is not singularly responsible for this dramatic decline, it has been a major contributor.

What the evidence shows about full family sanctions. There is now a significant body of research that examines the impact of sanctions in the TANF program, and there is much to learn from it that work.

- **Error prone application.** As we have experienced here in Maine, studies find at sanction determinations are error prone, often involving the failure to apply work exemptions and "good cause". For example, a Tennessee study found that 30% of sanctions there were imposed in error.^{iv}
- **Disproportionate impact.** Persons with significant employment barriers are most likely to be sanctioned. Sanctioned individuals were more likely than other TANF families to have physical or mental health issues, low educational levels, experience domestic violence, are members of racial or ethnic minorities, or lack access to transportation, child care, or other essential work supports.^v
- **Increased material hardship.** By definition, TANF families have very little income, typically well below the poverty level, and few or no assets. When these limited resources are taken away, as is the case when a sanction is imposed, researchers have documented high levels of homelessness, utility terminations, and increased food insecurity.^{vi} Research has also found that TANF sanctions, with the inherent hardships they create, are associated with being investigated by the child protective system for neglect, but is not an indicator or actual neglect or abuse, leading the authors to recommend that a discussion on how to improve welfare sanction policy is clearly warranted.^{vii}
- **Rationale that sanctions will compel work is faulty.** Research has consistently shown that claims that eliminating TANF benefits through sanctions will force parents to get a job are unfounded. Numerous state studies show that families leaving TANF as a result of sanctions were actually employed in lower percentages than those leaving for all other reasons.^{viii} A recent study of sanctioned TANF families in Kansas showed that

these families have unsteady work experience with extremely low wages,^{ix} supporting earlier findings that this group of families experience disproportionate barriers to employment.

The experience of the families that we represent, and the research I have described demonstrate that Maine’s current sanction policy is no solution to improve employment prospects for families over the long term, and instead has caused significant hardship. But the good news is that there are successful strategies to increase economic security for families that face significant barriers to employment. Strategies that build on the strengths of families, address the structural barriers that hold them back and provide the opportunities that they seek are far more successful than driving families out of a system that may be their best chance at gaining the skills and opportunities to improve their futures.

Thank you for the opportunity to offer our strong support for LD 78 which hold the promise of raising many families with children out of poverty in both the short term, and the future.

ⁱ For context, the basic maximum monthly TANF grant for a typical family of 3 is \$620. Under the full family sanction policy, the whole family would lose all of this amount after 90 days, or for any subsequent sanction. If LD 78 is enacted the adult in the household would lose their share of TANF benefits, but the children would continue to receive a monthly TANF grant of \$493.

ⁱⁱ The poverty level for a typical TANF family of three is \$21,960. <https://aspe.hhs.gov/poverty-guidelines>

ⁱⁱⁱ https://www.acf.hhs.gov/sites/default/files/documents/ofa/fy19_characteristics_final.pdf

^{iv} Heidi Goldberg and Liz Schott, “A Compliance-oriented Approach to Sanctions in State and County TANF Programs,” Center on Budget and Policy Priorities, October 1, 2000.

^v LaDonna Pavetti, Michelle K. Derr, and Heather Hesketh, “Review of Sanction Policies and Research Studies,” Mathematica Policy Research, March 10, 2003.

^{vi} LaDonna Pavetti, “TANF Studies Show Work Requirement Proposal for Other Programs would Harm Millions, Do Little to Increase Work,” Center on Budget and Policy Priorities, November 13, 2018.

^{vii} Kristen S. Slack, Bong Joo Lee, and Lawrence M. Berger, “Do Welfare Sanctions Increase Child Protective System Involvement? A Cautious Answer; Social Service Review Volume 81, No. 2, June 2007.

^{viii} LaDonna Pavetti, “TANF Studies Show Work Requirement Proposal for Other Programs would Harm Millions, Do Little to Increase Work,” Center on Budget and Policy Priorities, November 13, 2018.

^{ix} Tazra Mitchell, LaDonna Pavetti, and YiXuan Huang, “Life After TANF in Kansas: For Most, Unsteady Work and Earnings Below Half the Poverty Line,” Center on Budget and Policy Priorities, updated February 20, 2018

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- Increased material hardship. By definition, TANF families have very little income, typically well below the poverty level, and few or no assets. When these limited resources are taken away, as is the case when a sanction is imposed, researchers have documented high levels of homelessness, utility terminations, and increased food insecurity. Research has also found that TANF sanctions, with the inherent hardships they create, are associated with being investigated by the child protective system for neglect, but is not an indicator of actual neglect or abuse, leading the authors to recommend that a discussion on how to improve welfare sanction policy is clearly warranted.

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