

Legal Assistance Resource Center

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Testimony before the Appropriations Committee on the Department of Labor Budget

by Jane McNichol, Executive Director
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Good evening. I am Jane McNichol, Executive Director of the Legal Assistance Resource Center of Connecticut, the advocacy and support center for legal services programs in the state. We represent the interests of very-low income residents of the state. LARCC also convenes the Welfare Working Group, a group of about 25 advocates on welfare issues. Since 1996, the Welfare Working Group has monitored the federal TANF program and the state's family welfare program and its impact on low-income families with children in the state.

I am here to express support for the continued funding recommended by Governor Malloy for the **Jobs First Employment Services line in the Department of Labor budget**. This is funding for the services and job supports for families in Connecticut's family welfare program who are striving to move from welfare to work.

This \$17.7 million funds assessments, case management, assistance in preparing for and finding a job, vocational education, adult basic education, subsidized employment and other support services. **The JFES program served over 16,000 parents last year.**

Importantly, **the activities of these 16,000 people and the case managers who work with them are responsible for ensuring that Connecticut continues to receive its full federal TANF block grant allotment of \$267 million a year.**

But despite our professed commitment to preparing all Connecticut residents for employment and despite the importance of that \$267 million to the state's budget, we continue to underfund the JFES program and to set up barriers to implementing a program that works well for parents trying to move off welfare.

Attached to my testimony is a summary of how we have spent the \$267 million in TANF block grant money that we have received annually since 1997, as well as the \$184 million in state funds that we must spend to draw down that \$267 million.

Most notable for purposes of this hearing, between 1997, when the TANF block grant became available, and 2010:

- spending on **cash assistance** fell from about **\$320 million to \$92.5 million**, a decrease of \$227.5 million;
- spending on the **Jobs First Employment Services program** increased slightly from **\$12 million to \$17.7 million**, an increase of only \$5.7 million;

The bulk of the money saved from falling welfare caseloads has gone to spending on “**Other**” **activities**, usually programs that were previously funded with state or other funds. Spending on “Other” activities has risen **from \$0 to \$174 million** since 1997.

We can and should do better for the JFES parents. Last summer, the Department of Labor convened a working group to recommend improvements in the JFES program. The working group identified a significant need among JFES participants – **49% of JFES participants lack a high school diploma or its equivalent**. Getting a job in this economy is hard; getting a job without a high school diploma is virtually impossible. But that is what we expect JFES participants to do.

The working group examined model programs from around the country and suggested a number of pilot programs to address the need of JFES participants for education, training and work experience. But the process begun by the working group seems to have stalled. It is not entirely clear from the outside why the process has stalled – but probably lack of money is one obstacle.

You are in a position to help move this important process forward as you make budget decisions in this session. The JFES program is part of Connecticut’s family welfare system. The cash assistance part of the program, known as TFA or Temporary Family Assistance, is run by the Department of Social Services.

While the JFES program is flat-funded in the DOL budget, the Governor proposes **to reduce the TFA cash assistance line item by \$9 million** because of caseload trends.

If we do not need as much money as anticipated for cash assistance, **we should reallocate some of that \$9 million to implement needed and carefully thought-out pilot programs** which will enable the JFES program to do its job – prepare adults in families receiving cash assistance to get meaningful work that will enable them to support their families and move from welfare to work successfully.

In conclusion, I urge you to support the \$17.7 million in the Jobs First Employment Services line of the Department of Labor budget and to supplement this funding with funds to pursue pilot programs to expand education and training opportunities for JFES participants.

Thank you for your work on these important issues.