April 5, 2017



Senator Elizabeth Steiner Hayward, Co-Chair Representative Dan Rayfield, Co-Chair Members of the Joint Ways and Means SubCommittee on Human Services 900 Court St. NE Salem, Oregon 97301

Co-Chairs Steiner Hayward and Rayfield:

Subject: Temporary Assistance for Needy Families Program (TANF)

The Oregon TANF Alliance advocates for policy changes and resources to ensure the program helps parents succeed in the home and in the job market so that their children can have a bright future. Many families in the program come from difficult backgrounds. They are often dealing with the repercussions of past and present traumas. These families experience higher levels of stress that contribute to household instability. Instability at home poses risks to the financial and physical well-being of parents and their children. Without addressing these stressors, many of these kids would spend their childhood in foster care. TANF is a family crisis intervention program, successful only if the right policies and resources are in place. The Alliance exists to serve the families and children in severe need of assistance.

As noted recently during the DHS Self-Sufficiency presentation before your committee, Oregon's poverty rate is higher than the national average despite the economic recovery. The number of households receiving SNAP has remained at nearly the same level recorded during the recession. And with the TANF cash assistance provided to these families still based on 1996 dollars, making cuts in 2017-19 dollars would have a devastating effect on families and their children. With eligibility based on 40-percent of the federal poverty level, a family of three can have income no higher than \$8,168; all but ensuring that they will stay on the program longer and, as noted by the DHS, that they will be less likely to achieve success in the absence of legislative action.

For these reasons, the Oregon TANF Alliance is:

- Opposed in particular to any cuts to the 60-month lifetime limit; and
- Proposing adjustment of the cash assistance level to inflation to help families afford basic needs for health and well-being.

More Oregonians rely on TANF for their basic needs than live in West Linn, Woodburn, Roseburg, Ashland, or Pendleton. A total of 26,776 single and two parent families met the TANF eligibility criteria in 2015.¹ For these families, TANF is not just a safety net; it is a lifesaver.

TANF helps families – often women and children escaping abuse — avoid homelessness and get back on their feet. But, without more support, TANF will provide even fewer of these families with even less support.

¹ "2015-17 Legislatively Adopted Budget," Legislative Fiscal Office, October 2015, available at: https://www.oregonlegislature.gov/lfo/Documents/2015-17%20LAB%20Detailed%20Analysis.pdf

The TANF income limit and maximum grant amount have not kept pace with the substantial increase in the cost of living across Oregon. As of 2015, a single mother of two could make no more than \$616 per month to qualify for TANF. The grant amount is similarly too low to meet the needs of families facing financial hardship. The TANF grant amount reached 69 percent of the federal poverty line in the 1970s. Today, the grant amount barely tops 30 percent of the poverty line. A family with two children currently receives a maximum of \$506 per month.² These families live in every corner of Oregon and share a common desire: the empowerment that comes from no longer worrying about where you and your loved ones will find food, shelter, and support.

TANF can shield children from the harshest effects of poverty. The basic necessities provided by TANF are essential to Oregon's children. Growing up in poverty often leads to kids missing out on reaching their full physical and cognitive potential.³ And, while some sectors of Oregon's economy have fully recovered from the Great Recession, the gains have yet to lift Oregon's children out of poverty. 20.3 percent of Oregon children lived in poverty in 2015, over 2 percent higher than the rate in 2008.⁴

Oregon cannot cut its way out of child poverty. Oregon children need our support, not cuts to services that undermine their security and future success. Thank you for your work and dedication to lift up Oregon's children.

Sincerely,

Kevin Frazier

² Oregon Center for Public Policy, March 2017, available at:

https://olis.leg.state.or.us/liz/2017R1/Downloads/CommitteeMeetingDocument/104378

³ "2016 County Data Book," Children First for Oregon, 2016, available at: http://www.cffo.org/wp-content/uploads/2016/11/2016-County-Data-Book.pdf

⁴ ibid.