

Testimony Supporting:

Committee Bill 5907, *An Act Concerning the Temporary Family Assistance Program*

Testimony of Douglas Hall, Ph.D, and Sharon Langer, JD,¹

To the Committee on Human Services

March 10, 2008

Senator Harris, Representative Villano, and Members of the Committee:

We are testifying today on behalf of Connecticut Voices for Children a statewide, independent, research-based organization dedicated to speaking up for children and youth in the policy making process that has such a great impact on their lives.

Connecticut Voices for Children strongly supports Committee Bill 5907, *An Act Concerning the Temporary Family Assistance Program*. The Temporary Family Assistance Program is the Connecticut program corresponding to the Federal Temporary Assistance for Needy Families (TANF) program. Our testimony focuses on three important features of this bill:

1. It provides critical *transitional support* to families no longer eligible for Temporary Family Assistance (TFA) support. Provision of such funds addresses a fundamental flaw in the structure of TFA, moderating the so-called ‘cliffs’ that occur when a family’s income rises above the payment standard. Figures 1 and 2 below demonstrate how such cliffs operate, showing the impact of losing TFA payments on a two-parent family of four.

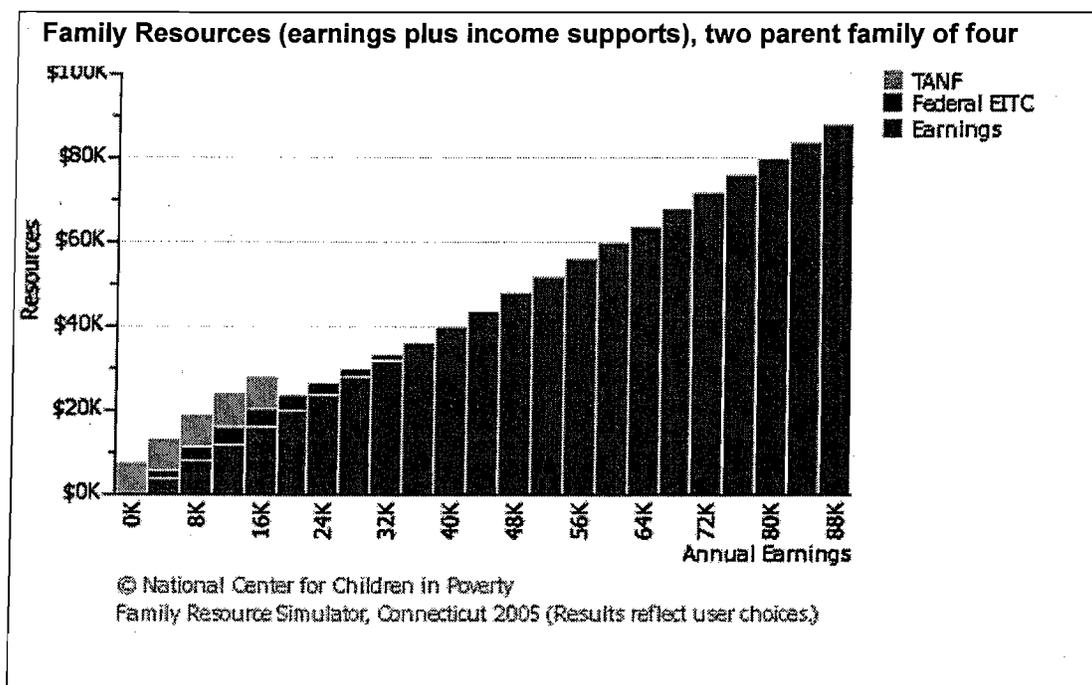


Figure 1 [Note that “Resources” combines the dollar value of earned income and income supports.]

¹ Dr. Hall is the Associate Research Director and Sharon Langer is a Senior Policy Fellow at Connecticut Voices for Children.

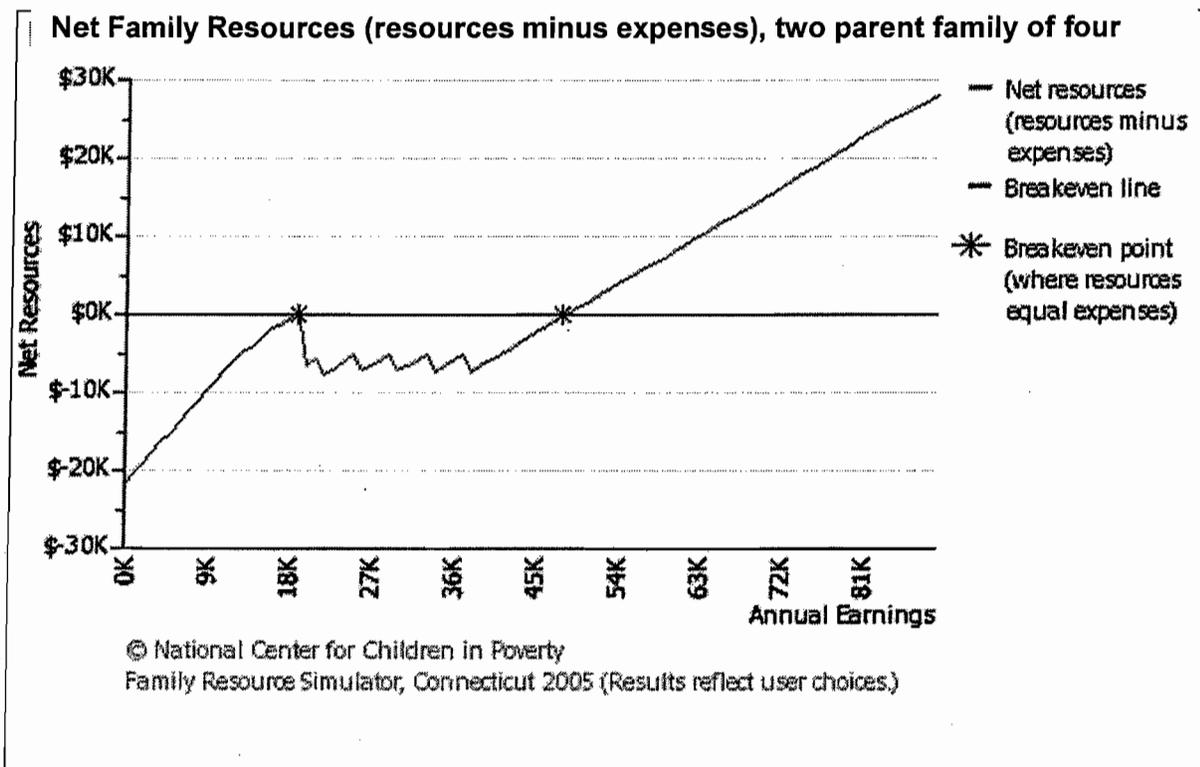


Figure 2

Figure 1 shows the phaseout for both TANF/TFA payments and the federal EITC. The contrast between these two programs is striking. While the federal EITC phases out gradually, the TANF/TFA payments disappear abruptly, leaving families less well off despite higher earned income. The family shown is just barely able to make ends meet with their modest earned annual earned income of just over \$18,000 supplemented by TFA payments and associated child care subsidy. As seen in Figure 2, upon termination of TFA, that same family would need to more than double their earned income, to approximately \$50,000, in order to make ends meet. State programs should be structured in such a way that those participating are moved closer to self-sufficiency as they progress through the program. The current structure of TFA payments offers families ‘a hand up’, but then dangles them over the economic precipice and lets them fall to their economic demise.

2. It adds to the list of reasons an additional six month extension can be provided, accommodating the life disruption caused when a family is either homeless or in risk of experiencing homelessness;
3. It increases the level of child-support disregard from \$50 to \$100 for a single child, and up to \$150 for a family with more than one child;

Each of these three components increases the effectiveness of the TFA program, supplementing its intended purpose of offering families temporary assistance that allows them to get back on solid economic ground.

For this reason, Connecticut Voices for Children supports Committee Bill 5907. We look forward to working with this committee to ensure that in these precarious economic times, Connecticut provides its residents with necessary safety nets that keep our families and communities strong.

Thank you for considering our testimony.