



Testimony of Heather Reynolds  
President/CEO  
Catholic Charities Fort Worth  
Fort Worth, Texas

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Chairman Boustany, Ranking Member Doggett, and members of the Subcommittee on Human Resources, thank you for the opportunity to speak to you today. My name is Heather Reynolds, and I am the President/CEO of Catholic Charities, Diocese of Fort Worth. It is my honor to be able to share my thoughts on reforms to the United States welfare system, specifically to the Temporary Assistance to Needy Families program, in order to help more poor Americans find work and escape poverty.

Over 100,000 people come to Catholic Charities Fort Worth every year for help. All of them are experiencing poverty of some kind, whether income poverty or asset poverty. Most of them are in poverty due to many interrelated and complex factors.

Understanding the factors that keep people in poverty is not easy. But 384 employees are back at Catholic Charities Fort Worth right now,

working to understand and serve our clients – they do this day after day after day. As a result of our experience, we know that individualized, holistic case management is the critical element in moving someone from a place of dependence on government or charity to a place of self-sufficiency.

According to the Census Bureau, more than 45 million people are living in poverty in our country. 14.7 million children live in households at or below the federal poverty line. Is this the best we can do for our fellow Americans? How does this fact fit in with our belief that all people deserve respect and dignity?

If we as Americans agree that each person should be able to achieve their full, God-given potential – and I think we all could agree on that – we need to ensure that every American can access safe housing, plentiful and nutritious food, honest work for a fair wage, and full participation in community life.

Right now, for far too many, these cornerstones of economic opportunity and personal self-sufficiency are unfortunately well out of reach. Many government programs intended to help them out of poverty only meet their basic needs, but never give them what they truly need to be self-sufficient. Does enrolling people in a program that only ensures their continued dependency respect their dignity? We must reform programs like TANF so the end goal is not just day-to-day survival, but a complete and permanent escape from poverty.

Simply put, pouring more money into TANF just doesn't make sense - using existing funds in smarter and better ways does. As a businesswoman running a \$30 million agency, I would never simply add more resources to an already well-funded, yet failing system or service. More money is not always the answer. In the case of TANF, overhaul is.

I firmly believe that government oversight, that tends to promote a one-size-fits-all solution from DC, is not the answer to private sector needs. The right non-profits can meet these needs best. We are proud to work in partnership with federal, state, and local governments, but the fact of the matter is that we are the ones in local communities, seeing the daily challenges facing the people we serve and accompany out of poverty. Outdated or excessive regulations, lack of local flexibility to structure programs in ways that work best for our clients, and a lack of accountability prevent us from being able to be as effective as we could be in providing the services that we know work to get people out of poverty, for good.

The welfare reform of the late 1990s was a good change – imposing time limits and work requirements was key to helping people move forward. But the reforms didn't go far enough. TANF alone will never eliminate poverty by itself, but it has the potential to be a tool – one of many – that helps propel a family from government and community assistance to self-sufficiency, through employment. However, TANF's current structure makes it too uncoordinated and siloed to make much of an impact on any of the complex challenges that families in poverty face.

My staff who work with TANF-eligible families report rigid rules that keep them from truly helping people in need. Oftentimes, qualifying individuals don't even bother to apply for TANF. They feel that the small payoff is not worth the hoops they have to jump through and regulations they need to comply with. In short, applying for TANF is a lot of work, with little benefit. Further, TANF benefits often come with an awful stigma, and recipients are made to feel ashamed for receiving them.

TANF, in its current form, doesn't truly provide a lasting hand-up to the people it purports to serve. More money is not the answer. Change is, and I have three suggestions for reforming this program.

First, if TANF at both the federal and state levels were structured more like some of our refugee programs, would its success also mirror their success? The federal Voluntary Agency Matching Grant Program for refugees, which we participate in at Catholic Charities Fort Worth, is a successful, federally-funded anti-poverty program in the U.S. In Fort Worth, our success rate of moving individuals from poverty to self-sufficiency is high because the **funding is flexible enough to allow us to pair intensive case management with ancillary services, in order to help more people find good jobs.**

Our refugees are extremely motivated to move into the workforce. More than 80% of our refugee clients are completely self-sufficient through employment by the time they have been in our community for six months. It is extremely rare for any of our refugee clients to access TANF – in fact, they usually don't even qualify since they begin working soon after their arrival, and receive the case management, financial assistance, and other services that are so crucial to their success.

Second, **we need individualization.** State TANF laws and policies need to be more flexible, so this benefit can be used in a way that will help individual families most. Let me give you an example. TANF clients enrolled in our Workforce Development programs receive vouchers that they can use for childcare while they attend employment-related classes and appointments. Unfortunately, the vouchers can only be used at certain childcare centers. These centers often have a wait list, are over an hour away, or are not near a bus stop. The inflexibility of

this benefit makes it extremely difficult for clients to actually access the help that the vouchers are supposed to provide.

Many of our clients can clearly articulate the help they need to bring them greater independence from the system. But the current Texas TANF structure requires them to follow a prescribed program that may not meet their needs or help them make any progress along the path to self-sufficiency. By failing to customize benefits to individual needs, we rob people of the right to be experts on their own lives, to manage their own situations, and to fully participate in the process of achieving their highest potential.

Let's give ownership of their situations back to these men and women who are so bravely and desperately trying to make a better life for their families. Let's listen to them tell us what will help them find good jobs and escape poverty, then help them develop and leverage their individual strengths to overcome their situations.

Third, rather than abruptly ending once a client starts working, **TANF benefits should be gradually reduced to offer continued support** until the person is earning a living wage. By actually raising the income limit for applicants, TANF can provide supplemental support while the client is working, helping them get completely out of poverty and eliminating the need for them to access government benefits again in the future.

The end goal of TANF and similar programs should be supporting people to secure living-wage work so they can live healthy, self-sufficient, fulfilling lives. Simply helping them survive is not enough.

Gallup recently released study findings related to managing human capital in the workforce. Most leaders view employee development as a process of finding out what's wrong with their people and then

attempting to fix it. But Gallup found that developing the already-innate strengths of individual employees leads to exponentially more employee potential. Gallup found that when employees know and use their strengths, they are far more productive, and their performance is "spectacular."

If government assistance could be structured in a similar way – shifting from a complicated set of criteria and processes in an attempt to “fix” people, to supporting them in developing their own strengths – what’s RIGHT with them – what would be the result? I think it would be more people, successfully employed, leaving behind reliance on government welfare or charitable assistance forever. We often say we hope to put ourselves out of business – making TANF more flexible, individualized, and responsive would be a step in that direction.

It is not OK for the greatest nation on earth to allow 46 million men, women, and children to struggle in poverty, day after day, year after year. It is an affront to the values that Americans everywhere hold dear. As children reciting the Pledge of Allegiance, we learned of the ideal America - “one nation, with liberty and justice for all.” But while so many live in need, we must do better. To accept the status quo would be to turn our back on the millions of Americans seeking self-sufficiency and the pursuit of happiness.

TANF needs to be restructured so it can be a truly useful tool. More flexible, individualized, and responsive benefits will allow us to work with our clients in the ways we know are best to get them out of poverty, for good. They deserve it. America deserves it.

Thank you for your time today, and thank you for serving people in need throughout our country. I would be happy to answer any questions you may have.