

Ways & Means Chairman Smith, Work & Welfare Subcommittee Chairman LaHood, Ranking Member Davis – I am incredibly grateful for the opportunity to speak to this committee. It is with a humble heart and mind, as a public servant, that I appear before this esteemed gathering.

I started my career as a classroom teacher, and that experience bridged me quickly to child welfare and human services policy. In my classroom, I witnessed a microcosm of family struggles. There were kids who came to my classroom hungry. Some fell asleep in class because they stayed up late to care for younger siblings while parents worked at night. There were parents who struggled to pay for school supplies but who were not able to come meet me during open house because they were working several jobs just to make it financially. I also have stood in line to apply for benefits as a single mother of two young children – with a job that didn't pay enough or have benefits that would allow me to support my family. I could have been a TANF recipient at several points in my life.

In addition to teaching, I have worked in state government in Florida, Kentucky, and now Arkansas in child welfare, early childhood and school readiness, education policy, and public assistance policy, including SNAP, Medicaid, childcare assistance, and TANF. I have spent some time in the non-profit and corporate worlds as well, so some might look at my work experience to date and think I just can't keep a job.

My whole life's work has provided me perspective as a state and federal grant manager, a state and federal grant recipient, an employer seeking to participate in TANF and other workforce programs as a partner, and a potential benefits seeker. I now have experience in several states working with the very program I believe can be leveraged to promote thriving families and communities. In Florida, where I served as the statewide Child Welfare Services Manager, TANF helped fund childcare, foster care, and some of our prevention services. It was the same in Kentucky, where I served as Deputy Secretary of the human services cabinet. I have said if I was ever asked to lead human services, restructuring and maximizing how we use TANF funding would be a priority for me. Be careful what you ask for. Thanks to Arkansas Governor Sarah Huckabee Sanders' trust in me and our amazing Department of Human Services team, and with the support and leadership of our partners in the Arkansas Legislature, we now have an opportunity to completely revisit how TANF is being used in Arkansas to support and strengthen families and communities.

We are only here to talk about TANF today, but I would be remiss if I didn't mention that the myriad of federal programs intended to increase capacity to reduce dependency – by their very nature of being in different departments, cabinets, agencies, funding streams, and politically favored status – create more barriers in and of themselves. From a holistic perspective, we need to recognize at the federal level that our children and families don't come to us in pieces – so why do we plan and budget for them as if they do? For today, in this committee and in Arkansas, we can begin to serve people holistically by starting with TANF.

As this committee well knows, these are the purposes of the Temporary Assistance for Needy Families as outlined in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), the law that created TANF, replacing the Aid to Families with Dependent Children (AFDC) and related programs.

- Provide assistance to needy families so that children can be cared for in their own homes or in the homes of relatives;
- End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;
- Prevent and reduce the incidence of out-of-wedlock pregnancies, and;
- Encourage the formation and maintenance of two-parent families.

In Arkansas, we are taking a holistic approach to our TANF work by focusing on families, community empowerment and also the ABC workforce development concept: we want people to have A job, then a BETTER job, and ultimately, a CAREER. Specifically, steps we already have taken include:

- Integrating our TANF case management workforce with our eligibility specialists so families in need of support can access TANF workforce supports, food assistance, childcare, and health care in one location. This is family-centric.
- Mobilizing these same services to serve communities and families for whom transportation is an issue. This is family-centric.
- Meeting with employers, community organizations, philanthropic entities, and human services staff to determine family needs, employment opportunities, gaps in services, and how best to address. This is results driven.

We plan to adopt a TANF strategic investment strategy similar to what Oklahoma has done, under the leadership of Human Services Secretary Justin Brown. This strategy expands relationships with nonprofits and the philanthropic organizations that support them by incorporating government grant opportunities, helping communities make the most of the money the state and federal governments send their way. By aligning on the mutually beneficial goal of economically stronger families and communities, specifically two-parent households not dependent on public assistance, these relationships between public and private partners and funding streams will not only foster shared success, but also shared understanding of and action to resolve barriers to economically thriving families and communities.

Further, on February 9 of this year, Governor Sanders established the Arkansas Workforce Cabinet and Chief Workforce Officer in [Executive Order 23-16](#). The Arkansas Workforce Cabinet is comprised of all six state agencies that provide or coordinate career and technical education and workforce development. They are:

- Department of Commerce;
- Department of Corrections;

- Department of Education;
- Department of Human Services;
- Department of Labor and Licensing, and;
- Department of Veterans Affairs.

Led by the Chief Workforce Officer, we - the Secretaries of these Departments – meet monthly, along with the Secretary of the Transformation and Shared Services, to prepare and recommend a data-driven strategic plan that will ensure a talent-driven education and workforce system. We must address current and future needs for Arkansas employers and individuals, strengthen Arkansas’ operational efficiency by integrating state and federal resources, simplify the processes and remove unnecessary barriers for Arkansans to access workforce education and training, and provide strategic alignment for state agencies and organizations driving workforce, education, and economic development. Our workforce participation rate is 57%, one of the lowest in the nation, and we are ranked 45 out of 50 states for workforce participation.¹ Nearly 21% of Arkansas children under the age of 18 live in poverty, and that number increases to 24% for children under age five. 25% of Arkansas children live in families that receive public assistance.²

These are frequently quoted data points, but they don’t tell us the underlying story of what needy families are experiencing. These are families who likely don’t own their homes, who may have a high housing cost burden, who may be in crowded housing. These are families who may have little or no confidence in their ability to pay their next rent or mortgage payment on time, if at all. We appreciate the need for a public assistance safety net, but we must work to connect families with meaningful paths out of reliance on public support.

In Arkansas, we are doing this through strategic cross-cabinet collaboration, working to align resources that help people first find A job, then a BETTER job, and finally, a CAREER. Meaningful work encourages individuals and families to overcome hardships, increases intergenerational economic mobility, and supports better physical and mental health.³ The Arkansas Workforce Cabinet will align priorities in our PreK – 12 curriculum, career and technical paths, college and university offerings, labor and licensing policy, economic development initiatives, reentry opportunity initiatives, and workforce support services based on what our employers and communities tell us they need. This will provide opportunities for meaningful work and corresponding economic expansion. TANF will be an important tool for the Workforce Cabinet in our efforts to increase Arkansas’s workforce participation rate and decrease dependency on public assistance.

This cross-cabinet collaboration also will serve as an advisory group, in coordination with local communities and businesses, to help determine best use of funding for fatherhood initiatives and workforce/education/training programs and seek to expand both; Arkansas historically has

¹ <https://www.usnews.com/news/best-states/rankings/economy/employment/labor-force-participation>

² <https://datacenter.aecf.org/data?location=AR#AR/2/16/17,18,19,20,22,21,2720/char/0>

³ <https://www.heritage.org/welfare/report/why-work-matters-and-how-the-safety-net-should-encourage-it>

spent about 20% on each in TANF funding. We already have established a partnership between our Department of Corrections, Office of Skills Development, Department of Human Services, and a CDL training company to explore providing training to reentry individuals on community release and potentially those inside our prisons who are close to their release date. We also are in discussions with pregnancy support groups and fatherhood-focused organizations about ways to partner with youth in our juvenile justice system.

The Arkansas Workforce Cabinet is not the only new approach we are taking with TANF. The Arkansas Legislature was also instrumental in changing how we use our TANF dollars by passing legislation during the 2023 session to transfer the program from the Department of Commerce, Division of Workforce Services, to the Department of Human Services (DHS). Legislative leadership recognized that, in order to promote family economic stability and maximize the effectiveness of workforce development funding and initiatives, DHS could offer coordinated services, including prevention and family preservation services, that holistically meet the four purposes of TANF and provide assistance in removing barriers to work. In addition, when the 2005 Arkansas Legislature transferred TANF from DHS to Commerce, DHS retained responsibility for determining eligibility for TANF assistance, thus bifurcating functions between state agencies. This transfer will reduce our cost of program management and streamline delivery of eligibility, case management, program services, and administrative operations, thereby optimizing TANF resources available to help Arkansans return to work and support their families.

The Legislature sets time limits for the length of time families participating in TANF can receive cash assistance, and in the 2023 session, reduced this time limit to 12 months. Further, they provide the statutory parameters for Arkansas DHS to spend its non-cash assistance TANF funding. Our strategic shift in TANF to more non-cash assistance supports aligns with our legislature's goal of reducing dependence on cash benefits and improving accountability in the TANF program.

With its transfer to DHS, we plan to integrate TANF internal controls for reconciliation of cash draws to expenditures and grant reporting processes with our existing finance and accounting unit that oversees draws for all other federally funded assistance programs. We also have established a TANF policy unit with existing staff who transferred from Commerce/DWS to review all proposed projects to confirm whether they meet a TANF purpose. Subgrantees who are approved to receive funding will be jointly monitored for compliance by the DHS finance and accounting team and the TANF policy unit. Through such joint monitoring, efforts, we plan to increase oversight of TANF funds to include thorough scrutiny prior to the execution of agreements with subgrantees to identify potential risks that need to be proactively addressed, and institute a more rigorous examination of documentation submitted for payment.

Arkansas is looking to be transformative while improving accountability for TANF expenditures and outcomes. To this end, I have three recommendations for Congress around TANF policy. First, continue to support states' abilities to contract with private, faith-based, and community organizations if appropriate oversight is demonstrated. Such oversight should include

establishing contracts with TANF service providers that incorporate active contract management, applying data-driven performance management with concrete outcomes or deliverables. The Arkansas Act 1705 of 2005 created the Community Investment Initiative, which authorized the use of TANF funds to contract with private or community organizations, including faith-based organizations, to offer services and support to parents, children, and youth in their communities, and we are taking steps to strengthen our contracts and increase the rigor of performance management interactions with these TANF providers. Second, consider allowing states to reinstate high performance bonuses, ideally through existing funds contributed from state TANF reserves, with payments not to the state for high performance, but to employers with high rates of hiring and retaining individuals transitioning off of TANF and to families who transition off of TANF support and show income growth in their two years post-TANF support. Third, review definitions and requirements for TANF that conflict with or are duplicative of other benefits programs such as SNAP and Medicaid, and seek to consolidate such policy to be consistent across all programs. That would be a tremendous start in serving our families holistically, not in pieces.

In closing, I would like to express my sincere appreciation to Chairman Smith, Chairman LaHood, Ranking Member Davis, and all of the members of the committee. I look forward to your leadership on TANF policies that allow us in the states to be transformative in partnership with the families and communities we serve, increasing their capacity to reduce dependency, and thereby strengthening our great country.