



Advocacy Alert

OREGON FOOD BANK
OREGON HUNGER RELIEF TASK FORCE

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take five

(actions that take five minutes or less)

Action: Call or write your legislators to express concern about the proposed cuts in the Adult and Family Services (AFS) budget. *See box this page for details.*

Message: Reducing services and assistance to the most vulnerable families will:

- Hurt working families and their children; and
- Not save money in the long run. These cuts will eventually increase the need for assistance because families will be more likely to lose their jobs and/or their housing.

To find out who your legislator is and leave a message:

800-332-2313 (outside Salem)
503-986-1388 (in Salem)

Legislative Yellow Pages

State Legislative Information

effective January 8, 2001
1-800-332-2313 (outside Salem)
(503) 986-1388 (in Salem)

Governor Kitzhaber

(503) 378-3111

Federal Legislative Contacts

Rep. Wu (District 1)

(503) 326-2901

Rep. Walden (District 2)

(541) 776-4646

Rep. Blumenauer (District 3)

(503) 231-2300

Rep. DeFazio (District 4)

(541) 465-6732

Rep. Hooley (District 5)

(503) 588-9100

Senator Smith

(503) 326-3386

Senator Wyden

(503) 326-7525

University of Oregon releases study on the well-being of families leaving welfare

In January, researchers at the University of Oregon Center for the Study of Women in Society released results of their study of families who have left the Temporary Assistance for Needy Families (TANF, or cash assistance) Program or the Food Stamp Program from 1998 to 2000.

Advocates have long sought data that would confirm the anecdotal evidence that families who've left welfare are, in many cases, still struggling with poverty and economic instability.

According to the University of Oregon study: "Two years after leaving or being diverted from TANF or Food Stamps, a substantial proportion of respondents are employed. However, their earnings are low and families struggle mightily to make ends meet."

The people surveyed for the "leavers" study were nearly evenly divided between those with household incomes above and below the federal poverty level. Researchers found that safety net programs such as Food Stamps, the Oregon Health Plan, housing assistance, child care assistance, job retention payments, and federal and state earned income tax credits were critical for family well-being. Yet, because of income eligibility limits and unaffordable co-payments, these essential resources often disappear before a family's need for them diminishes.

Few families had access to ongoing assistance. The families who were tracked for 12 to 15 months after leaving or being diverted from TANF faced a number of challenges:

- 80% paid bills late
- 50% depended on money or gifts from family or friends to get by
- 47% had eaten at a food kitchen or received a food box
- 25% had skipped meals because of lack of money

Families continued to experience these hardships at 18 to 21 months after leaving or being diverted. Many families that reported doing well received substantial help from family or friends, lived in two-parent families, or had

a housing subsidy or lived rent-free. Not surprisingly, higher levels of education were associated with higher rates of employment and lower rates of poverty. In fact, 86% of respondents desired more education or job training.

The report addresses a number of public policy recommendations that could improve the well-being of families at the lower end of the income scale:

- Intensify state efforts to reduce poverty: provide more options and support for higher education and "hard skills" job training; raise the minimum wage and index it to inflation;

continued on page 2

Budget cuts threaten family well-being

Budgets presented by Governor Kitzhaber and the Co-Chairs of the Ways and Means Committee include cuts to the Adult and Family Services (AFS) budget that go against recommendations recently released in a report by the University of Oregon's Center for the Study of Women in Society. The study was commissioned by AFS to find out how families who've left welfare are faring. *See above.*

Proposed cuts to the AFS budget include:

- **Reducing Employment Related Day Care Program (ERDC).** Includes repealing recent reductions in client co-payments, eliminating the \$25 freeze on co-payments for the first two months after a client starts a job, lowering program eligibility from 185% to 160% of the federal poverty level, and lowering the age of eligible children from up to age 13 to up to age 12.
- **Reducing job retention/employment enhancement funds in the JOBS program.** Includes eliminating job retention payments.
- **Reducing TANF cash grants by \$5 per month.** (Grant levels have not been raised since 1991.)



Anti-hunger bills to watch this session

Three pieces of legislation supported by the Oregon Food Bank Statewide Network and the Oregon Hunger Relief Task Force have bill numbers and have been assigned to committee. At publication time, two tax credit bills had been scheduled for public hearings before the House School Funding and Tax Fairness/Revenue Committee. The bills to watch are:

House Bill 2716 - Makes the Working Family Child Care Tax Credit refundable. *Public hearing 3/1/01.*

House Bill 2718 - Expands the Crop Gleaning Tax Credit to include already-harvested crops. *Public hearing 2/23/01.*

Senate Bill 522 - State investment of \$250,000 (to be matched by federal funds) for statewide food stamp outreach campaign. *Referred to Ways and Means Committee.*

Fact sheets for each bill are available on the Oregon Food Bank website (address below).



The Advocacy Alert is published jointly by the Oregon Food Bank (OFB) Advocacy Department and the Oregon Hunger Relief Task Force (OHRTF).

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Advocacy Alert

Well-being after welfare *continued from page 1*

and make the state Earned Income and Child Care tax credits *refundable* so they reach the poorest of the working poor.

- Support a return to employment and alleviate poverty during the process: adjust income eligibility for safety net programs to ensure that more poor Oregonians can access the assistance they need; lower co-payments of the Oregon Health Plan (OHP) and the Employment Related Day Care (ERDC) program; and expand safety net programs to those pursuing higher education.
- Assist clients during crisis periods without requiring intensive work search until the family is stabilized and provide up-front assistance to keep them housed, fed, and safe.
- Enhance family well-being. For example, allow a parent to stay home with an

infant until the child is one year of age (vs. the current 3-month age limit).

- Enhance high-quality case management services by reducing case loads for case managers, providing more in-depth training for case workers, and fostering supportive and respectful approaches to all clients.

Copies of the University of Oregon study can be found at <http://csws.uoregon.edu>, or by calling 541-346-5286.

Department of Human Services faces major reorganization

A major plan to reorganize the state Department of Human Services (DHS) was recently presented to the State Legislature. Legislative committees will examine the proposal over the next few months before a final decision is made. Department administrators expect the plan to be approved and are beginning to set up implementation groups.

Currently DHS consists of six divisions (each with their own field offices) and three program offices. Under the proposed new structure, field services would be brought together into a single entity to provide a coordinated network of contact points for clients and families.

Supporting this field system will be three clusters, each developing policy and programs that support:

- Seniors and People with Disabilities
- Adults, Families and Children (which combines services of Adult and Family Services and Services to Children and Families); and
- Health.

Advocates applaud any efforts to streamline services and allow for easier access by people needing assistance. Concerns have been raised, however, around a number of critical issues:

Identifying Outcomes.

The plan lacks specific outcomes to be achieved by the reorganization, and lacks placement of those outcomes up front in the planning and implementation process.

Integrating Outcomes.

Inconsistencies exist in the integration of divisions and programs that traditionally have had different outcomes for clients. For example, Services to Children and Families tries to get a multitude of services to families to keep them intact. Adult and Family Services has functioned more as an employment agency, with the goal of caseload reduction and moving people off assistance.

Training and Technology. There is a need for significant training of case workers to handle the integrated service delivery model, as well as a major revamping of outdated computer systems to handle the integration.

Tight Budget. There are major questions about how continued state general fund budget pressures (leading to cuts and eligibility restrictions) will impact the goals of one-stop shopping and easier access to services. In addition, DHS plans to save \$4 million from the reorganization effort.

Transition. There is a concern that confusion will ensue as these efforts move forward. How will DHS protect client access during the implementation phase as case workers struggle to learn new jobs, perhaps without adequate resources to perform at higher levels?

A copy of the first version of the reorganization plan is available on the DHS website, along with other details about the implementation process: www.hr.state.or.us. The monthly stakeholder group meeting is open to the public and additional project teams are forming. To find out more about how you can get involved, contact Lennie Bjornsen at (503) 945-5753 or lennie.bjornsen@state.or.us.