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Transitional Aid to Families with Dependent Children Work Participation Report

July 2021



Massachusetts Department of Transitional Assistance

DEPARTMENT OF TRANSITIONAL ASSISTANCE TRANSITIONAL AID TO FAMILIES WITH DEPENDENT CHILDREN WORK PARTICIPATION REPORT

JULY 2021

OVERVIEW

The Department of Transitional Assistance (DTA) is pleased to submit this report on the status of the Transitional Aid to Families with Dependent Children (TAFDC) work program requirements, as required by section 2(B) of Chapter 18 of the Massachusetts General Laws.

DEPARTMENT OF TRANSITIONAL ASSISTANCE MISSION

DTA's mission is to assist and empower low-income individuals and families to meet their basic needs, improve their quality of life, and achieve long-term economic self-sufficiency. DTA offers a comprehensive system of programs and supports to help individuals and families achieve greater economic mobility, including food and nutritional assistance, economic assistance, and employment supports. DTA serves one out of every eight people in the Commonwealth including working families, children, elders, and people with disabilities.

TAFDC PROGRAM OVERVIEW

TAFDC is a state and federally funded program that provides cash assistance and employment supports to families with children, and pregnant women, with little or no income or assets. TAFDC is operated under the federal Temporary Assistance for Needy Families (TANF) block grant.

The goal of TAFDC is to support families as they transition from economic crisis to stability. Since FY2016, DTA has been working reform agency policies to remove barriers to economic mobility and to help families find their own best path to success. The Department has pursued a three-pronged approach to disrupt multi-generational poverty and meet labor market demands through multi-year reforms that:

- Simplify and streamline program rules and requirements for working families,
- Better incentivize and support employment and employment related activities, and
- Ease the "cliff effect" during the transition to economic mobility.

As a result of the COVID-19 public health emergency DTA temporarily suspended the Work Program Requirements in March of 2020. DTA is currently in the process of reinstating these requirements as the economy, child care programs, and education and training programs return to pre-pandemic activity levels in alignment with the broader workforce system and economic recovery. Despite the temporary suspension of the requirements, DTA clients have continued to meaningfully engage in employment and employment-related activities throughout the pandemic, often through remote means. DTA's Full Engagement Workers facilitate monthly virtual orientations to inform TAFDC clients of available employment activities and connect clients to community providers and programs that meet their individual goals. The Department appreciates the flexibility and innovation demonstrated by the strong network of employment and training programs that once required all instruction to be in person, such as health administration and pharmacy technician programs, are now being offered in remote and hybrid options that allow more flexibility for clients with barriers such as transportation and child care to participate.

UPDATE ON TAFDC WORK PROGRAM REQUIREMENT

As of April 2021, 26,143 households composed of 61,244 recipients received TAFDC. Of this total, 10,779 heads of household met the criteria to be subject to the work program requirement. In accordance with 106 CMR 703.150, activities that are countable for work program requirements include:

- Unsubsidized employment
- Subsidized public/private sector employment
- Work experience
- On-the-job training
- Vocational educational training
- Job skills training directly related to employment
- Unpaid work study or internship program
- Education or training activity, including a certificate or degree program from a four-year degreegranting higher education institute, community college or a certificate program
- Community service or combination of hours in community service and another approved work activity

Exemptions to these requirements, pursuant to 106 CMR 703.100, include:

- Having a verified disability or medical condition that prevents you from working
- Having a child less than two years of age
- Being in your 33rd week of pregnancy
- Being a teen parent and attending school full time
- Being age 60 or over
- Caring for a disabled household member
- Being a non-parent relative care giver.

Generally, DTA clients participating in the employment services program report one or more significant challenges to securing and maintaining employment, such as:

- Lack of employment-related skills and training
- Lack of work experience
- Limited literacy/math skills
- Health Issue
- Lack of stable housing or homelessness
- Access to technology
- Reliable, affordable transportation
- Stable, quality child care

Families who are required to participate in the work program are only eligible to receive 24 months of TAFDC benefits in a five-year period. In accordance with 106 CMR 703.130, the Department may grant

an extension of benefits beyond the 24-month limit when the grantee is continuing to make progress in meeting their employment development plan. Extensions may also be approved when a grantee is participating in a work program activity and needs time to complete the activity.

In FY2021, the average length of stay for a TAFDC head of household was just over 3 years. This is a slight increase from FY2020. At the same time, as the average length of stay increased, the program's caseload declined. Prior to the public health emergency, the TAFDC caseload averaged 29,968 households. In May of 2021, the caseload was 25,295. Caseload data suggests that federal pandemic unemployment supplements to standard unemployment insurance (UI) payments increased economic stability for low-wage earners and "gig" employees who were on the TAFDC caseload prior to the pandemic.

Historically, case closures for unearned income, which includes UI benefits, accounted for an average of 5% of all case closures, prior to the pandemic. In May 2020, the closings for unearned income accounted for 64% of all case closures in the month. A year later in May 2021, case closings for unearned income were 32% of all case closures. Caseload data also indicates that families who remain on the TAFDC caseload likely face significant barriers to employment and will require substantial support to participate in the state's post-pandemic recovery.

TAFDC PATHWAYS TO WORK

DTA provides employment services for TAFDC clients through the Employment Services Program (ESP). The primary goals of DTA's employment programs are to assist TAFDC clients to prepare for and connect with career pathways and resolve barriers for sustained employment. DTA case managers connect TAFDC clients to employment and training programs by referring them to appropriate activities based on their skill level and economic mobility goals.

DTA's employment program options for TAFDC clients include:

- Competitive Integrated Employment Services (CIES)
- Employment Supports Services Program, via the Office for Refugees and Immigrants (ORI)
- Secure Jobs Program
- DTA Works Program
- Work Participant Program (WPP)
- Young Parents Program (YPP), and
- Empowering to Employ (ETE).

DTA also administers the <u>SNAP Path to Work</u> program, a partnership between federal, state, and local partners administered by DTA that provides the state's SNAP clients with the skills, training, experience, education, and employment supports needed to find and keep good paying jobs.

In FY21, DTA launched a rebrand of its employment services programs now known as the <u>TAFDC</u> <u>Pathways to Work Program</u>. Despite the temporary suspension of the work program requirements, TAFDC Pathways providers continued to support participants during the pandemic in progressing towards their goals and reaching milestones in their lives. Individuals able to participate are experiencing wage growth and obtaining jobs connected to emerging career pathways in the recovering economy. DTA improved its data collection of work program related information in FY21 in order to strengthen its analysis of enrollments and outcomes related to virtual services, hourly wage growth, and job retention at 30, 90, and 180 days.

Table 1 FY21 TAFDC Pathways to Work Enrollments & Outcomes			
Program	# Enrollments	# Outcomes	Notes
CIES	2,102	1,482	 215 30-day job retentions 128 90-day job retentions at <\$16.25/ hour 55 90-day job retentions at >= \$16.25/hour 149 180-day retentions
ORI ESP	218	102	102 total employments 81 30-day retentions 59 90-day retentions 43 placements (above \$13.25/hr)
Secure Jobs	208	204	204 total employments
DTA Works	17	0	0 total employments 0 completed internship
WPP	619	136	80 enrollments + 539 carry-ins 80 employment and 56 entered training
ҮРР	503	445	 236 virtual training outcomes 9 HiSETS and 11 bridge to college 55 EFL achievement, 29 occupational training 10 completely 12+ credits
ETE	89	19	19 total employments

Participants in work-related activities, including TAFDC Pathways programs and paid employment, are eligible to receive child care and transportation supports. Any TAFDC family who needs child care for employment or to participate in a work activity program is eligible for a referral from DTA.

POST- ECONOMIC WORKFORCE ENGAGEMENT

As the Commonwealth focuses on reopening the economy and addressing the economic impacts from the pandemic, the Department is committed to supporting the state's economic recovery and meaningful participation for DTA clients, including those with significant barriers. DTA will begin reinstating work program requirement in a phased approach during FY22. The Department's phased approach will support TAFDC families through robust engagement in our rebranded TAFDC Pathways to Work Program to assist them to achieve their career path and economic mobility goals.