

House Family, Children and Human Affairs Committee
Testimony – Oppose HB 1351
Welfare Matter; Drug Testing
Derek Thomas, 1/22/2013

Good morning Madam Chair, members of the committee. My name is Derek Thomas and I am a senior policy analyst for the Indiana Institute for Working for Working Families. The Institute combines research and analysis of federal and state legislation, public policies, and programs that affect low-income working Hoosiers in order to help them achieve and maintain economic self-sufficiency.

While there are signs of a growing economy, it has not been working for low- to moderate-income families for more than a decade. During this “lost decade”, Hoosiers experienced increases in poverty at greater clips than nearly all U.S. states, and their wages were also among the hardest hit. Yet, here’s how TANF responded:

- From 2007 through 2011, during the height of the Great Recession, the number of unemployed Hoosiers increased by 92.1% while TANF caseloads fell 51% – from 40,985 families to 20,046 families. The national caseload increased by 10%.¹
- As of March 2013, there were just 26,364 individuals (12,837 families, 23,128 children and 3,236 adults) participating in TANF.
- That’s equal to just 2.9% of nearly 1,000,000 Hoosiers in poverty, and barely 1% of the 2.24 million Hoosiers that are low-income.
- At a paltry \$288 a month for a family of three, the value of TANF has eroded by 31% since 1996 (after adjusting for inflation), and even by 17% since 2005 - just before the recession began.

While barriers to self-sufficiency do include substance abuse and addiction, there are more effective solutions within TANF itself². To avoid a further weakening of TANF, the Institute opposes House Bill 1351. Alternative changes to TANF program could instead provide opportunities for more Hoosiers to escape poverty, but also save taxpayer dollars.³

¹ Center on Budget and Policy Priorities. Indiana | *TANF Caseload Fact Sheet*: <http://bit.ly/1faz075>

² Center for Law and Social Policy. *Helping TANF Recipients Overcome Addiction: Alternatives to Suspicionless Drug Testing*. Elizabeth Kenefick and Elizabeth Lower-Basch: <http://bit.ly/1aJLP5t>

³ TANF Asset Limit Policy – November 2013 Policy Brief: <http://bit.ly/KGCF35>