



March 15, 2022

To the members of House Public & Behavioral Health & Human Services,

On behalf of Children's Hospital Colorado, I am writing today to urge your support of HB22-1259 to update the state's Temporary Assistance for Needy Families (TANF) program, also known as Colorado Works. The improvements made to TANF through HB22-1259 represent a targeted approach that Colorado can take to reduce extreme childhood poverty which can have a lifelong impact. Children's Hospital Colorado is proud to partner with the community to advocate for the health and well-being of kids and families. Our work goes beyond our hospital walls and into the communities we support. In addition to our patient care, Children's Hospital Colorado supports families by providing care coordination, advocacy and facilitating access to community programs and resources.

As you may know, families enrolled in TANF are eligible to receive basic cash assistance to help pay for basic needs, such as diapers, nutritious food, bus passes, rent, utilities and school supplies. A 2019 report on reducing child poverty concluded that income support for families experiencing poverty can improve children's health and academic achievement, which in turn can lead to better health and higher earnings in adulthood.<sup>1</sup>

Economic security programs can blunt the negative effects of poverty and bring low-income children closer to equal opportunity. Research also indicates that economic security programs not only open doors of opportunity for participating low-income children but also lift their future health, productivity, and ability to contribute to their communities and the economy.<sup>2</sup>

One of the main problems though is that basic cash assistance payments through TANF have not kept up with inflation or the high cost of living in Colorado. Basic cash assistance payments are actually worth less than the payments were at the start of the TANF program in 1996 - currently the basic cash assistance payments are \$508 per month for a family of three. In order for TANF to help families achieve economic security, Colorado should increase TANF payments to keep up with the rising cost of living and ensure the program adequately serves its families, which HB22-1259 seeks to do.

The TANF program can also be difficult for parents to navigate, and families can be better supported by addressing policies like the "cliff effect," and work requirements. The work requirements of the program can also be more responsive to family needs and should be eased when families are facing uniquely challenging circumstances, including a family member being hospitalized or taking care of a newborn. HB22-1259 will work to reduce the "cliff effect" that will help families stay employed and promote a smoother off-ramp towards long-term economic security.

Lastly, HB22-1259 recognizes that more can be done to related to equitable outreach and engagement with eligible families, including communication in multiple languages and direct engagement with enrolled families during decision-making processes.

In closing, Children's Hospital Colorado urges your support for HB22-1259. If passed, we believe the law will have a positive impact in helping Colorado children and families meet their most basic needs in life and foster healthier futures.

Sincerely,

Zach Zaslow  
Director of Government Affairs and Medicaid Strategy  
Children's Hospital Colorado

<sup>1</sup>National Academies of Science, Engineering, and Medicine, "The Consequences of Child Poverty," *A Roadmap to Reducing Child Poverty*, 2019, <https://www.ncbi.nlm.nih.gov/books/NBK547371/>.

<sup>2</sup>Greg J. Duncan and Katherine Magnuson, "The Long Reach of Early Childhood Poverty," *Pathways*, Winter 2011, [http://www.stanford.edu/group/scspi/\\_media/pdf/pathways/winter\\_2011/PathwaysWinter11\\_Duncan.pdf](http://www.stanford.edu/group/scspi/_media/pdf/pathways/winter_2011/PathwaysWinter11_Duncan.pdf).

Senate Finance

05/04/2022 01:30 PM

HB22-1259 Modifications To Colorado Works Program

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Chaer Robert For Colorado Center on Law and Policy	<p>I'm Chaer Robert, Legislative Director for CCLP.</p> <p>We support HB1259 as written. And we support HB 1259 as amended to ensure fiscal sustainability.</p> <p>Here's what we like best:</p> <ol style="list-style-type: none"><li>1. The bill would increase the monthly TANF grant. The current maximum MONTHLY grant for a parent and child is only \$400 per MONTH. The current maximum MONTHLY grant for a parent with two children is \$508 per month. This is equivalent to 28% of the Federal Poverty Level. As the bill will be amended, the monthly grant would increase to 30.5% of federal poverty level – e.g. \$559 per MONTH for a family of three -and be adjusted annually for inflation.</li><li>2. The bill, as amended, calls for the CDHS board to review the standard of need- or eligibility limit- and the Earned Income Disregard. This can help a family transition from welfare to work. Work has costs- transportation, childcare related costs, appropriate clothing, supplies and tools, etc. Under current rules, a parent with one child loses TANF eligibility when they take a 20 hour per week job at minimum wage. A parent with two or three kids loses eligibility when they take a job at minimum wage for 30 hours per week.</li><li>3. Sanctions would be dialed back. A 25% sanction for the first infraction- like missing an appointment- translates into a family of two slipping from \$400 per month to \$300 per month. Sanctions are effective at dropping people from the TANF roles- particularly those with the greatest challenges, but not for increasing compliance and improving employment outcomes.</li><li>4. The bill funds outreach work to let struggling families know the program exists. It promotes communication with participants on what the program offers and what it expects. It also builds in more guidance and feedback from participants to help improve effectiveness.</li></ol> <p>Some of Colorado' most vulnerable families receive TANF. At its best, TANF can help stabilize families and help them set a course for a more economically promising future.</p> <p>Please support HB1259.</p>

<p>Zarah Levy For Colorado Latino Leadership Advocacy and Research Organization</p>	<p>My name is Zarah Levy, and I am the Policy Advocacy Manager for CLLARO. The Colorado Latino Leadership, Advocacy, and Research Organization is a statewide nonprofit . We were founded as LARASA in 1964 and for the past 57 years, we have been dedicated to helping Latinos in Colorado achieve their fullest potential. We believe that our mission will be furthered by the passage of House Bill 1259 and the expansion of TANF in Colorado. We know both from data and from our direct service work that Latino families in the state have been disproportionately impacted by the pandemic. In 2020, data showed that Latino families suffered food insecurity at nearly twice the state average. One in four children in Colorado lives in a mixed status household and many families also experienced a chilling effect due to federal changes to Public Charge. Many families declined benefits that they or their children were fully eligible for out of fear, including immigrant families who are eligible for and would be greatly helped by the Colorado Works program. This bill provides investments in outreach and communication about TANF to immigrant families that will have a warming impact and can ensure that children and their parents will access this vital support.</p> <p>While the outreach investments led us to support this bill, we also applaud the efforts to adjust to the fast increasing cost of living in our state by raising the Basic Cash Assistance by 10% and ensuring cost of living adjustments in future years. Further, the alignment of eligibility and redetermination timelines will help ease the burden on families who often struggle to understand forms and are remiss to submit personal information. The families that are accessing these programs are hardworking and want to do the best for their families. Between pandemic recovery and rising prices our Latino families continue to struggle despite that hard work. My own family received financial assistance when I was a child and that bit of help during a rough time made all of the difference in my life. We urge you to support this bill and the long overdue changes to TANF that can help families.</p> <p>Thank you for your time and please reach out with any questions.</p> <p>Zarah Levy Policy and Advocacy Manager, CLLARO zarah.levy@cclaro.org 1-323-578-0176</p>
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**TANF Coalition**

Improving Colorado Works for Families

## Support HB22-1259

Reps. Duran & Jodeh | Sen. Moreno

Temporary Assistance for Needy Families (TANF), known here as Colorado Works, provides financial support to families far below the federal poverty level. A parent with two children must make **less than \$421 a month** to qualify for TANF basic cash assistance. Families in extreme poverty were struggling to make ends meet before the pandemic and are likely still the furthest from economic recovery.

**For a family of three, living in extreme poverty means getting by on only \$10 per person per day**

To help lift families out of extreme poverty, Colorado should:

- ◆ Increase TANF basic cash assistance and ensure that it keeps up with the rising cost of living
- ◆ Make improvements to how TANF serves families
- ◆ Reduce the “cliff effect” and create a smoother off-ramp to economic security
- ◆ Improve engagement and outreach with families

### Increase cash assistance and ensure that it keeps up with the rising cost of living

- Basic Cash Assistance (BCA) is the most targeted approach Colorado can take to reducing extreme childhood poverty, which has a lifelong impact on child well-being.
- BCA in Colorado is only \$508 a month for a family of three, leaving that family living at about 28% of the poverty level. Twenty-four states have BCA payments higher than Colorado.
- As amended, HB1259 will raise the monthly BCA by 10% and ensure an annual cost-of-living-adjustment so that payments keep up with the rising cost of living in Colorado in future years.

**BECAUSE THE TANF BASIC CASH ASSISTANCE PAYMENT IS NOT TIED TO INFLATION, IT IS WORTH LESS TODAY THAN IN 1996.**

**MONTHLY TANF BCA BENEFIT LEVELS FOR A SINGLE-PARENT FAMILY OF 3 IN 2018 DOLLARS**



Source: Center on Budget and Policy Priorities.

## **Make improvements to how TANF serves families**

- Reduce punitive sanctions to minimize barriers for families seeking economic security
- Improve work requirements to be more responsive to the needs of families in circumstances of hardship
- Ease the drug felony restrictions from participation in the TANF program

## **Reduce the “cliff effect” and allow a smoother off-ramp to economic security**

- Improve income calculations and disregards as parents find employment and move toward economic security
- Improve time limit extensions for participation in TANF to be more responsive to the needs of families
- Align eligibility and redetermination timelines with other programs to ease burdens on families and counties

## **Improve engagement and outreach with families**

- Elevate family voices in the spaces where decisions about TANF policies are made and implemented
- Make investments to improve outreach and communication about TANF to eligible families, including immigrant families
- Require consistent communication with enrolled families about program options and services, including child care, work and education, and other supports

## **Supporters:**

ACCESS Housing of Adams County Inc.  
All Families Deserve a Chance Coalition  
Almost Home, Inc.  
Anne Litwinski-Advocate  
Ayla Bussel-Advocate  
Bayaud Enterprises, Inc.  
Brace Gibson, J.D.  
Center for Work Education and Employment (CWEE)  
Children’s Hospital Colorado  
Clayton Early Learning  
Colorado Center on Law & Policy  
Colorado Coalition for the Homeless  
Colorado Children’s Campaign  
Colorado Fiscal Institute  
Colorado Latino Leadership Advocacy and Research Organization (CLLARO)  
Colorado Poverty Law Project  
Colorado School Medicaid Consortium  
Colorado Social Legislation Committee (CSLC)  
CommunityWorks Inc.  
Denver’s Early Childhood Council  
Ealasha Vaughner-Advocate  
Early Childhood Council of Larimer County  
The Early Childhood Partnership of Adams County  
ECHO & Family Center Early Childhood Council  
Elephant Circle  
Emergency Family Assistance Association  
Florence Crittenton Services  
Focus Points Family Resource Center

FrontLine Farming  
The Gathering Place  
Healthy Child Care Colorado  
Healthy Together  
Heather Hageman-Advocate  
Human Services Network of Colorado  
Hunger Free Colorado  
Illuminate Colorado  
Jennifer Jepsen-Advocate  
Kaylie Weese-Advocate  
Laurie Harvey-Advocate  
Lisa Saenz-Advocate  
Little Giants Learning Center  
Lutheran Advocacy Ministry Colorado  
Maria Droste Counseling Services  
Metro Caring  
National Association of Social Workers, Colorado Chapter  
Parent Possible  
Raise Colorado  
Rocky Mountain Children’s Discovery Center  
Rocky Mountain Partnership  
Rose Community Foundation  
Skills2Compete – Colorado  
Spring Institute for Intercultural Learning  
Ty Johnson-Family Advocate  
WeeCycle  
Westminster Public Schools McKinney Vento  
The Women’s Foundation of Colorado

## **HB1259 - Senate Finance Committee - Amendment Summary**

Amendment L.011 will do the following:

- Include information about supportive services provided to families in the annual SMART Act report
- Include the amount a county spends on BCA and a county's reserve balance to be included in the consideration of county allocations of TANF funds each year
- Specify that the Works Allocation Committee (WAC) will review the TANF reserve balances quarterly and submit reports to the JBC on the reserve balances
- States that the WAC will establish a mitigation fund for counties whose TANF reserve balances fall below 15% of the block grant amount

This amendment further addresses county requests to monitor reserve balances and fiscal impact of the policy changes.



## Changes Made for Counties HB1259: TANF

### Changes Made Prior to Introduction:

Please note that numerous edits were made to the bill prior to introduction, and the sponsors even delayed introduction by several weeks to ensure that as many edits were made as possible.

- Section 1, Leg. Dec. Updated and clarified language at the counties' request.
- Section 2, Purposes of TANF. Added language around "economic mobility" at counties' request.
- Section 3, Redetermination timelines. Significantly softened the language around aligning eligibility and redetermination timelines and criteria at the counties' request. Language is now permissive.
- Section 6, Standard of Need. We added language for an annual review of the standard of need and an updating of the standard if deemed necessary. This was added after our first call with the counties in which they stated both earned income disregard and standard of need should be looked at to actually improve the "cliff effect."
- Section 6, Earned Income Disregard. Compromised to a 6-month period for income being disregarded when it was originally 12-months after county feedback. This is a codification of the time period that is already in rule, and it just increases the amount from 66% to 100%.
  - This language was struck with L.002 at the counties' request.
- Section 6, Phased-In BCA Increase. The original bill had the BCA increase happening all at once. After talking with the counties, we instead changed it to a five-year phase-in.
  - This language was changed even further with L.002 to a more modest increase of a 20% bump followed by an annual COLA.
- Section 6, Sustainability of Reserves. Page 12, Lines 7-16 is a copy and paste of language proposed by the counties and says that the JBC shall annually review both the state and county reserves for sustainability.
- Section 6, Redetermination Timelines. Again, significantly softened the language around aligning eligibility and redetermination timelines and criteria at the counties' request. Language is now permissive.
- Section 7, Exit Interviews. Page 13, Line 10. Copy and paste of language from counties around interviews being conducted with CDHS guidance.
  - This language was made even more permissive with L.004.
- Section 7, Exit Interviews. Page 13, Lines 17-19 is a copy and paste of language from the counties around informing CDHS of any additional rule changes that are needed to improve participant experience.
- Section 7, County Workload. Page 13, Line 15 to Page 14, Line 7 copy and paste of language from the counties and says that CDHS shall monitor workload increases and make recommendations for any additional funded needed to support the counties.
- Section 7, SMART Act. Page 14, Line 20. States that all reporting needs to protect participants personally identifying information. This change was made after our first call with counties.
- Section 9, Caseworkers Strongly Encouraged. Page 17, Line 18. The language was edited prior to introduction from requiring counties to give everyone a caseworker to "strongly encourage" everyone to have a caseworker. Again, we were surprised to hear from several former TANF participants that they were never assigned anyone to help them through the program.
  - This language was struck entirely with L.006.

### Amendments to Further Address County Concerns:

#### Amendment L.001:

- Aligns statute with what is currently in the TANF rules for length of participation in the program and will ensure statewide consistency in meeting families' needs in the program. (Section 4)
  - Further addresses County concerns around extensions, even though extensions are very rare. Most families are enrolled in TANF for less than a year.
- Aligns statute with what is currently in the TANF rules for work requirements and ensure that participants are not penalized if they cannot work due to "good cause" including the birth of a new child for a single parent (Section 5)
  - Addresses County concerns around work requirements to more align with rule.

#### Amendment L.002 (Section 6):

- Strikes the income disregard language that would have required 100% of income not be counted for the first 6 months a participant is enrolled in TANF.
  - Addresses County concerns that this policy is not fiscal sustainable.
- Changes the increase in basic cash assistance to a 20% increase starting in fiscal year 2022-23 and an annual cost of living adjustment starting in fiscal year 2023-24 of the greater of 2% or the three-year rolling average of the Social Security Administration's COLA.
  - Addresses County concerns around fiscal sustainability. Greatly reduces the overall fiscal impact and impact on county reserves.

**Amendment L.003 (Section 6):**

- Specifies that starting in 2023-24 and each year after that, the BCA increase and COLA will be paid for using one-third TANF funds, one-third General Fund and one-third Unclaimed Property Trust Fund.
  - Addresses County concerns around fiscal sustainability. Greatly reduces impact on county reserves.
- Specifies that there will be equitable funding of the TANF portion from state and county reserves, and that if county reserves will fall below 15% of their block grant and the state reserve will fall below 25% of the block grant, then additional General Fund or UPTF must be appropriated to cover the BCA increase until the reserves are again in excess of those amounts.
  - This is the County-requested "backstop" language to ensure that both their local reserves and the state reserves remain solvent.
  - A reminder that counties currently have more than \$61m sitting in reserves and are projected to underspend TANF this year by more than \$20m.

**Amendment L.004 (Section 7):**

- Strongly encourages rather than requires counties to attempt to contact participants for an exit interview, in order to minimize county workload implications.
  - Addresses County concerns related to increased workload. We believe that it is good government for counties to contact participants as they leave the program. The counties requested 50 FTE to "attempt to contact" participants.

**Amendment L.005 (New Section 9):**

- Adds language to specify that counties can request funds from the county block grant support fund in the event of an emergency or natural disaster if they are projected to overspend their reserves
  - This is a County request to clarify in statute that these funds can be used for this purpose

**Amendment L.006 (New Section):**

- Streamlines requirements for outreach and engagement and ensure that communications with clients are linguistically accessible
- No longer encourages a caseworker for each participant, in order to minimize county and state workload implications
  - Addresses County concerns around workload increases.

**To be offered in Senate Finance Amendment L.011 (New Section):**

- Includes information about supportive services provided to families in the annual SMART Act report
- Includes the amount a county spends on BCA and a county's reserve balance to be included in the consideration of county allocations of TANF funds each year
- Specifies that the Works Allocation Committee (WAC) will review the TANF reserve balances quarterly and submit reports to the JBC on the reserve balances
- States that the WAC will establish a mitigation fund for counties whose TANF reserve balances fall below 15% of the block grant amount
- This amendment further addresses county requests to monitor reserve balances and fiscal impact of the policy changes.



Madame Chair and Members of the Committee,

My name is Jillian Adams Fabricius, Director of Strategic Initiatives with Illuminate Colorado, a statewide nonprofit working to strengthen families, organizations, and communities to prevent child maltreatment. I am testifying today **to ask you for a yes vote on HB22-1259 Modifications to Colorado Works Program.**

All parents and caregivers need support sometimes, we can all help by ensuring children have positive experiences and families have the resources they need, when they need them.

We support HB22-1259 for two main reasons:

1. **HB22-1259 would build two of the five crucial research-informed protective factors** for preventing child maltreatment- parental resilience and concrete support in times of need<sup>i</sup>. Research has shown the five “protective factors” have the power to prevent and reduce the likelihood of child abuse and neglect. HB22-1259 would do just that by offering Colorado families access to concrete support and services that address a family’s needs and help minimize stress caused by challenges (Concrete Support in Times of Need) and support in managing stress and functioning well when faced with challenges & adversity (Parental Resilience).
2. **HB22-1259 would strengthen household financial security**, which is a well-documented child maltreatment prevention strategy.<sup>ii</sup> Research suggests that more generous benefits are associated with a decrease in child neglect and out-of-home care<sup>iii</sup>--suggesting HB22-1259 could help keep kids and families out of our much more expensive government systems. In short, HB22-1259 would support families to overcome and bounce back from life's challenges enabling children to achieve their potential and grow up to be good neighbors and productive community members.

When families have access to meet their basic needs, we strengthen the foundations of families and communities to thrive. **We urge you to support this proven child maltreatment prevention strategy and strengthen the economic and overall well-being of Colorado families by voting ‘yes’ on HB22-1259.**

Sincerely,

Jillian Adams Fabricius, Director of Strategic Initiatives

[jfabricius@illuminatecolorado.org](mailto:jfabricius@illuminatecolorado.org)

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<sup>i</sup> Center for the Study of Social Policy. (n.d.) About Strengthening Families and the protective factors framework. Retrieved From: <https://cssp.org/our-work/projects/protective-factors-framework/>

<sup>ii</sup> Forston B. L., Klevens, J., Merrick, M. T., Gilbert, L. K., & Alexander, S. P. (2016). Preventing child abuse and neglect: A technical package for policy, norm, and programmatic activities. Retrieved from <https://www.cdc.gov/violenceprevention/pdf/can-prevention-technical-package.pdf>

<sup>iii</sup> Paxson, Christina and Jane Waldfogel. (1999). “Work, Welfare, and Child Maltreatment.” National Bureau of Economic Research Cambridge, MA: NBER.



## **In Support of HB22-1259 “Modifications to Colorado Works Program”**

Esteemed members of the Senate Finance Committee:

My name is Joël McClurg, with the [Colorado Blueprint to End Hunger](#). The Blueprint is a collective impact organization composed of stakeholders and community members focused on alleviating hunger. The Blueprint convenes a collective Policy Committee that has voted in support of HB22-1259 for “Modifications to the Colorado Works Program”.

As an organization focused on helping Colorado families with low or no incomes, there is a lot to like in this bill: increases to Colorado Works Basic Cash Assistance that better keeps up with the rapidly increasing cost of living in our state, reducing the ‘cliff effect’ for economic security programming, improving engagement and outreach with participating families, and streamlining the program to be increasingly responsive to the needs of Coloradans and expand its impact for the households who participate.

In particular, I would like to speak to the streamlining that adds a simplified income conversion to statute. Currently, most economic security programs in Colorado use a confusing conversion that multiplies weekly income by 4.3 or bi-weekly income by 2.15 to achieve a monthly average income. This standard applies to many households in Colorado who earn weekly or bi-weekly pay for work.

The proposed language in would allow a simplified conversion to a flat 4x multiplier for weekly income and 2x multiplier for bi-weekly income. This is more straightforward and easier to understand for program applicants. In addition, more households in extreme poverty could potentially be eligible for the program, since it would bring some households under the countable monthly income threshold for the program by counting 7.5% less of their income. This isn’t a large amount of countable income (a household making \$100 per week would only have \$30 less countable income per month) but it can still make a significant difference for these households experiencing extreme poverty who are just above current income thresholds. Therefore, this change would attenuate the benefits “cliff” where households are just over income cutoffs.

We have seen this change implemented successfully in other states, and the training need for county offices could be grouped into the other program changes in the bill for a minimal training impact.

This small change could have massive and measurable positive impacts for recipient households and their local community economies while creating greater simplicity in government program guidelines. It is for this reason, among others, that we enthusiastically support HB22-1259.

Thank you so much in advance for your time and consideration.

Thank you, Madam Chair and members of the committee. My name is Ealasha Vaughner. I am a single working mother of two beautiful daughters. I am also a Parent & Community Ambassador for Clayton Early Learning and I advocate in many other organizations as well. I am asking for your support on HB22-1259

As a single mom of two beautiful daughters, I have had to go through various obstacles throughout my motherhood which eventually resulted in me reaching out and applying to receive assistance through the TANF program. While I am thankful for what I have received as a TANF recipient, I have seen firsthand how limited this program is for families who receive TANF. The program falls short in many ways as is.

Freshly graduated from a University, a new mom, and a new wife. My life quickly flipped upside down. During this time I was a stay-at-home mom. My daughter refused to eat anything except breastmilk, and she wouldn't take a bottle. It was so bad to the point her doctor recommended I stay home until we could wean her off of breast milk. That's when I knew I had my hands full. Being a stay-at-home mom was one of the hardest things I have ever done. I am what you called a workaholic, my work gives me peace. It was difficult for me to be a stay-at-home mom. But, I knew it was the best thing I could do for my daughter at the time, I had saved up a good amount of money before going on maternity leave, and being newly married I thought I had the support I needed to get through that time. Not so much...Not only did I lose my dad the year prior, but my now-former husband also was not supportive.

Within that small amount of time, he lost his job, stole the money I worked so hard to save and the rent money, totaled our car, and left. As a result, my daughter and I ended up without care and homeless. I didn't know what to do so I went to the library and started researching resources in Colorado. This is when I was first introduced to TANF and started receiving resources. HB22-1259 is important to me because without the assistance of TANF my oldest daughter and I wouldn't have overcome the experiences of homelessness and hunger as quickly as we did. I was homeless, receiving TANF.

With any good thing, development is always a necessity. If HB22-1259 is passed it would allow the TANF program to improve by reducing the cliff effect, something my family experienced, ensure that recipients all get the same opportunities by making sure all caseworkers are trained well and could increase the cash assistance amount while supporting outreach for families. All of these components would have drastically improved my family's experience on TANF.

Thank you for your time. Please support [HB22-1259]

Hello Chairwoman Gonzales, Committee Members, and bill sponsors. My name is Brizai Gomez Cortes, I am with Metro Caring, Colorado's leading food justice organization that works to meet people's immediate need for nutritious food while working to address hunger at its root.

At Metro Caring, we believe that every person deserves access to healthy, nutritious food. We recognize that Coloradans are not going hungry because there's a scarcity of food but because they cannot afford to pay for the totality of groceries, rent, and other necessities.

HB-1259 would increase basic cash assistance to families living below the poverty line and add an annual cost of living adjustment as we see a rapid increase cost of living in our state. Families in extreme poverty struggle to make ends meet and nutritious food does not often get to the table. This bill would help incense access to healthy food and other basic needs that could improve financial situations and mental health.

Our mission to end hunger at its root includes addressing extreme poverty. The pandemic exposed and exacerbated the wealth gap in our communities. Families that were already living in extreme poverty faced the worst of the economic losses (such as lay-offs, shortened hours, and the loss of tip income) of these last two years. It is more challenging than ever for people experiencing extreme poverty to reach economic stability. We urge you to support this vital bill as our economy is recovering and our communities continue to struggle. Support HB22-1259.

Dear Members of the Senate Finance Committee:

On behalf of Rose Community Foundation, I write to express our support for House Bill 22-1259 (Modifications to the Colorado Works Program) and respectfully encourage members of the Senate Business Committee to vote in favor.

As a community foundation representing the seven-county Greater Denver region, we work closely with a wide range of incredible nonprofits that are on the ground serving those in our communities who are furthest from opportunity. Because of these organizations' longstanding relationships with and work on behalf of populations most excluded or disadvantaged by existing systems and policies, Rose Community Foundation greatly values their perspectives around emerging needs and policy solutions designed to close gaps in opportunity and improve outcomes for *all* Coloradans.

We support HB22-1259 because over a dozen of our nonprofit partners have stated loudly and clearly that 1) TANF basic cash assistance is the most targeted approach Colorado can take to reduce extreme poverty, but 2) Colorado's program does not reflect our state's economic evolution since TANF was created in 1996 and is not currently equipped to meet the growing needs of Coloradans for whom the program is intended to serve.

Colorado is growing at a rapid rate, which on the whole brings tremendous opportunity and contributes to innovation and diversification that strengthens and improves our communities. But we have also seen that too often the benefits of this growth and prosperity are not evenly accessible to people in our region, and that rapid growth can even exacerbate longstanding challenges for those furthest from opportunity. The COVID-19 pandemic has highlighted and widened many of these inequities.

And yet, our state's TANF basic cash assistance program is, in many ways, stuck in the 1990s. Colorado's TANF statute has not been meaningfully updated in 15 years and is not designed to adequately support today's families who are living in poverty. TANF payments and eligibility have not evolved along with dramatic cost-of-living increases over the past several decades. As a result, the ratio of people living in poverty to people receiving TANF payments has nearly tripled in Colorado over the past 25 years. This is unacceptable and a clear sign that the system requires restructuring.

The median rent for a two-bedroom apartment in Denver was \$2,090 per month in 2021. The rent affordable to a family receiving Colorado's current maximum TANF benefit is \$152 per month, according to the Center on Budget and Policy Priorities. The amount of money a family needs to live in our community today is very different than it was 25 years ago, and our poverty-reduction tools must reflect that reality. HB22-1259's plan to increase TANF cash assistance and ensure that it keeps up with the rising cost of living is a critical step toward helping our state's poorest families achieve some degree of basic financial stability, now and into the future.

Improving TANF basic cash assistance will immediately strengthen the wellbeing of Colorado children and families who are currently facing the greatest barriers. Rose Community Foundation proudly joins our partners in the nonprofit and philanthropic sectors, along with service providers and directly impacted individuals, who aspire for a modernized Colorado Works program that effectively carries out its goal of "helping low-income families achieve economic self-sufficiency." As our state emerges from the COVID-19 pandemic, this bill represents a key opportunity to ensure an equitable recovery, properly invest in Colorado's children and families, and reimagine a more economically inclusive future for our state.

Lindy Eichenbaum Lent  
President and CEO, Rose Community Foundation



HB22-1259 Written Testimony  
Katy Hamilton, CEO  
05/04/2022

When welfare reform passed in 1996 the intent was narrow: get a job, any job, then get promoted until you make a family-sustaining wage. A lot has changed in the past 26 years including our understanding of the complex barriers to employment facing Colorado Works participants amid a rapidly changing nature of work. Indeed, the path to self-sufficiency is not as narrow or simple as career advancement. HB22-1259 makes meaningful changes to the Colorado Works program. By combining increased financial support with ongoing training, employment and retention services, families are more likely to attach and advance in quality employment pathways leading to long-term self-sufficiency.

Additional basic cash assistance enables Colorado Works participants to invest time in the training, education, and effective job search that will launch sustainable careers. When training is abandoned before its completed, labor market outcomes are the same as if no training had happened at all. Increasing families' stability in the near term improves the likelihood they will complete training programs making them more competitive for family-supporting jobs.

Once a family starts earning wages, gradually withdrawing support instead of cutting it off immediately allows for ongoing coaching and upskilling during the vulnerable transition to employment. Many low-income parents lose employment within the first 90 days and extending job retention support into those first few months of employment is effective. Extending support also allows for workers to prepare for their next job – with continued coaching, they can plan for and begin upskilling.

At the same time, extending financial support for a little while longer helps a family manage the new costs of employment such as uniform or tool purchases, new transportation costs, or increased childcare costs. It can also help families get caught up financially after a difficult period and soften the impact of lost benefits. All of this adds up to making work pay better than receiving public benefits.

To achieve personal and professional transformation, families need to be stable enough to focus on completing the job search or training necessary to secure family-sustaining employment. HB22-1259 will encourage more completion of essential workforce programs leading to stronger long-term outcomes.

*Since 1982, CWEe has supported low-income career seekers, most of them single parents, to train for and launch careers so they can support their families and achieve their personal and professional goals.*