



May 15, 2019  
Representative Marvin Abney  
Chair, House Finance Committee

Re: H-5617

Chair Abney and Members of the Committee:

The Economic Progress Institute strongly supports passage of H-5617. The bill would make two important changes to the RI Works Program, our state's safety net and workforce development program for low income children and parents. Both changes would promote better educational outcomes and thus, better employment outcomes, for RI Works participants.

RI Works is funded through the federal Temporary Assistance to Needy Families (TANF) block grant. Rhode Island receives \$96 million annually in federal funds and must spend \$64 million annually in state funds as a "maintenance of effort" requirement.

The program provides minimal cash assistance to needy families with minor children and to their parents or caretaker relatives. Currently there are 4,100 families receiving assistance. The benefit for a family of 3 is \$554/month. Parents enrolled in the program have an employment plan to help them gain the skills necessary to work, hopefully with a pathway to a job that will pay a family-sustaining wage.

The changes proposed in H-5617 will (1) encourage 18 year olds to stay enrolled in high school and (2) improve parents' earning capacity by allowing participation in two-years of post-secondary education. These changes will benefit small numbers of RI Works participants, but have a potentially large impact on improving educational and employment outcomes. Federal funds can be used to pay for the benefits that young people and/or parents would be eligible to receive if these changes are enacted.

Change the definition of 'minor child' to allow all 18 year olds who are enrolled full-time in high school or vocational education to receive benefits.

Under current state law, when a child turns 18, s/he remains eligible for RI Works benefits only if s/he is enrolled in high school and will graduate before turning 19. This is more restrictive than the TANF definition which provides that an 18 year old is eligible for benefits as long as s/he is enrolled in high school or vocational training (45 CFR 260.30). H-5617 would repeal the "turning 19" requirement to conform to the federal definition. High school students who will not graduate before 19 because of their allowed date of enrollment in kindergarten, or because they have learning disabilities, or for other reasons, would be able to stay enrolled in RI Works. This will make the program more equitable as well as promoting student high school completion by providing the cash assistance that the youth and family rely on to help meet basic needs.

Allow parents who complete one year of study at CCRI to continue for a second year without needing to work

Under current state law, a parent is able to participate in post-secondary education for 12 months as her sole employment plan activity. After that, the parent must be working at least 20 hours per week in order to continue her education. H-5617 would change the 'work activity' requirement to allow a parent to continue her post-secondary education as her sole activity. This will improve the likelihood that the parent can complete her education. The majority of parents receiving RI Works benefits are engaged in activities to obtain basic education and work-readiness services and would not be ready for post-secondary education while they are receiving RI Works. But according to data from the Department of Human Services and Project REACH at CCRI which supports students who are parents, around 10 -15 parents would benefit from this change.

Supporting parents in obtaining a post-secondary degree will lead to better paying and more stable jobs for parents, as well as provide employers with the skilled workforce they are looking for. As shown in the graph, a worker with more education earns more and is less likely to be unemployed.

