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**Testimony of Robert J. Knodell  
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**Before the U.S. House of Representatives  
Committee on Ways and Means  
Subcommittee on Work and Welfare  
July 12, 2023**

**INTRODUCTION**

Thank you, Chairman Smith, Chairman LaHood, Ranking Member Davis, and Members of the Committee. I am honored to serve in the gubernatorial-appointed position of Director of the Missouri Department of Social Services. On behalf of our 5,700 hard-working team members and the over 2 million Missourians our Department serves, we appreciate the opportunity you've given me to speak to you today.

The State of Missouri is fortunate to currently have an unemployment rate of 2.5%, among the lowest of any of state. However, we have experienced a relatively steady decline in our labor force participation rate since the late 1990's, and—while we rank above the national average—our current rate as of May of this year is 63.4%, the lowest during any non-COVID pandemic month since 1985. Like most states, Missouri's population is aging—with more and more citizens approaching retirement—and, in numerous rural communities and inner cities, the population is not growing. This creates labor force challenges in communities for those looking to staff healthcare and nursing facilities, provide school bus drivers, hire childcare workers, and fill other critical jobs that make cities and towns great places to call home.

The Temporary Assistance for Needy Families, or TANF, program—if it achieves its full potential—dovetails with Missouri Governor Mike Parson's paramount priority of workforce development. Lifting citizens out of poverty by equipping them with the skills, education, and attainable expectations to become self-sufficient and family-supporting does wonders to strengthen families, improve communities, save, and indeed, grow tax dollars, and make the American Dream more obtainable for more people.

Now more than ever we need to look at ways to meaningfully assist our able-bodied neighbors who encounter barriers to self-sufficiency and, all too often, face a lifetime of dependency on public assistance to survive. These citizens need the American Dream, and the American Dream needs them. Our communities are counting on us to lift families up to be full participants—as creators and consumers—so that all communities can fully function and thrive in a way that fulfills our social contract.

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TANF block grants, if funded and administered with the necessary balance of flexibility and strict accountability, can deliver on that promise. Missouri serves hundreds of thousands of citizens through our block grant programs, providing the necessary skills, training, mentoring, nutrition, and removal of barriers to ensure a SUCCESSFUL path to employment. We all know the difference between someone who starts a job they are not prepared for as opposed to starting a job they are well-equipped and trained to succeed in. The former often returns to public assistance programs in short order, and the latter does not.

Missouri invests TANF dollars into the Jobs for America's Graduates (or JAG) program, boasting a 98% graduation rate, with 86% of graduates transitioning to either college, a job, or military service. We also operate four Excel Centers (adult high schools) and four satellite facilities, offering free high school education with flexible schedules and life coaching, within our state. 83% of graduates end up employed, and another 10% enroll in college or advanced skills training.

One shining example of what TANF dollars can do, when properly expended, is Denise Hayes. With the onset of the COVID-19 pandemic, Denise was at a crossroads. After eight years of working for a local Nursing Center, she was laid off, and with schools transitioning to remote education, she had a childcare barrier to consider. While staying home with her children, she attempted to find part-time employment, but opportunities were scarce due to her remote and rural location.

After 18-months of unemployment, and once her children returned to in-person schooling, Denise applied and was approved for Temporary Assistance (TA) benefits. As a TA participant, she qualified for the Missouri Work Assistance (MWA) program. Having previously worked in a nursing facility, she had some knowledge of the medical field and was interested in a Phlebotomy program at a local community college. MWA not only helped pay for Denise's training program, but they were also able to help with the gas expense, as she faced a 120-mile round trip in order to attend classes. When Denise got to the point in her program in which she needed scrubs, MWA was also able to help cover this expense.

Denise recently began work at River Oaks Nursing Center in Pemiscot County, and is preparing to take her state test for her Phlebotomy certification, after which she has plans to apply for those better jobs. As a Certified Phlebotomy Technician (CPT), she will have more stable and higher-paying job opportunities.

Denise is grateful for the financial assistance MWA provided during her journey. She also credits the MWA team with pushing her to practice "accountability," and motivating her to believe in herself. She says they continuously pushed her forward, and it truly made all the difference.

Missouri has also found great success with responsible parenthood initiatives, which provide a double benefit for TANF block grant dollars. These initiatives remove barriers to provide economic stability and self-sufficiency for non-custodial parents, who can also then provide stable and steady child support to their children. In our Fatherhood Initiatives Programs, 68% of the enrolled participant cases received a child support payment in the most recent month, as opposed to 45% for the general population child support enforcement cases in our state. These are only a few of the programs our state offers with TANF block grant dollars and our state maintenance of effort funding.

States continually seek maximum flexibility in all block grant programs, but headlines detailing scandalous misuse of TANF funds in certain other states have made the news recently. Blatant misuse of TANF dollars not only violates the law, but it violates the intent of this committee and the Congress, while robbing citizens of valuable benefits and their best pathways to seek the American Dream.

Missouri takes TANF block grant program integrity very seriously. Strict procurement and contracting requirements, eligibility verifications, invoice and payment controls, continuous program monitoring, and performance and outcome measurements are hallmarks of our program.

We measure performance and outcomes based on four categories: activity, quality, program impact, and program efficiency. These measures are tracked with metrics surrounding wages earned, benefit usage reduction, additional funding leveraged, and obtaining or continuing education or employment. These measurements are publicly published annually.

Lawmakers in the Missouri General Assembly are often eager to appropriate or earmark TANF dollars to meet community needs in their districts. Our experience tells us that these initiatives are almost always well-intended and worthwhile in their purpose, but they sometimes don't fit within the four purposes of TANF. We engage aggressively to educate legislators and steer them away from TANF when it isn't an appropriate funding source. Just two weeks ago, Governor Parson vetoed \$7.9 million in TANF funding, including some for purposes outside the scope of the program.

I will caution this committee that as federal pandemic relief dollars go away, and when and if state tax revenues tighten or decline, state agencies will be under increasing pressure to "color outside the lines" and push the boundaries when it comes to TANF spending in the absence of other funding sources. Program integrity measures from both the state and federal levels will be more important than ever.

When considering the future of the TANF program and its funding, the Missouri Department of Social Services urges this committee to consider three things:

1. **Common-sense work requirements** and objectives that strengthen the program as a pathway to enhance and sustain workforce participation, especially in distressed communities.
2. **Strategically enhancing and leveraging TANF dollars** within the four corners of the program guidelines to provide ancillary public policy benefits in areas such as up-skilling, parental responsibility, and provision for high-need areas such as child care.
3. **Enhanced program integrity measures** and clear guidance to states and program partners alike in terms of appropriate and inappropriate uses of TANF dollars.

## **CLOSING**

Once again, it is my privilege to share our perspectives with this Committee, and to express Missouri's sincere desire to work together with Congress to improve TANF as a ladder to prosperity for America's families, as opposed to a gateway to lifetime dependency. Thank you.