

Witness Statement of Nathan Montgomery Co-Founder & Executive Director of Salt & Light

Before the U.S. House of Representatives Committee on Ways and Means, Subcommittee on Work and Welfare

The Dignity of Work: How Work Lifts Individuals Out of Poverty

April 9, 2024

Chairman Smith, Subcommittee Chairman LaHood, Ranking Member Davis, and members of the subcommittee:

Thank you for the opportunity to testify on behalf of my community and those I have worked with over the past 20 years. It is truly an honor.

I am the cofounder and Executive Director for Salt & Light, located in Champaign-Urbana, IL. Since we first opened our doors in January 2004, I have been on a journey of personal growth and understanding of the complexities of poverty and the best practices for working with individuals to navigate a pathway out.

Historical Context

The ministry of Salt & Light was founded with a focus on sharing the "good news" of the gospel by helping those in need and we believed meeting material needs through a food pantry and clothing closet was a fulfillment of the mandate God places on every believer to love their neighbor.

While our desire to share our faith was God-breathed, I believe we were blind to our complete lack of awareness and understanding of poverty-alleviation principles, ideologies, and best practices, not to mention the organizations and churches who were already working to alleviate poverty in our community. We honestly desired to help people both materially and to develop transformational relationships with God, but our perspectives were simply too limited to know what we didn't know.

Very quickly Salt & Light became the largest "emergency food program" in Champaign County, and a leader in the community for providing access to basic resources. In addition to the weekly assistance provided through the food pantry and clothing closet, we partnered with area churches in large events designed to help families with school supplies in the fall, meals at Thanksgiving, and gifts at Christmas.

As Salt & Light's reach and influence grew, I began to grow disillusioned with what we were doing. We were sharing our faith with people, but most of the situations I encountered never seemed to change. I was now even seeing young adults standing in our food pantry line who, as children, stood in line with their parents—the generational cycle of poverty was playing out right before my eyes. The question I began asking myself was, "Were we contributing to it?"

It was at this time I was introduced to the book *When Helping Hurts*. This book began equipping me with an ideological and theological framework, articulating what I had seen and felt. I brought this book to our small staff and board, and we began a journey of wrestling with what it said.



Throughout this process, there were three critical questions we asked ourselves:

- 1. What do we mean when we say we 'help' those struggling in poverty? Based on the outcomes we had witnessed, we would have had to describe the help we provided as something only mildly alleviating some of the symptoms of the poverty our clients experienced, rarely, if ever, impacting or addressing the root causes.
- 2. **Is this how we want to help?** The short answer to this was no. The longer answer was no, because we believe in the capacity of the individuals we work with. We believe every person is born with skills, gifts, and abilities given to them by God, and we simply want to create space and opportunity for people to use them for the benefit of themselves, their families, and the community they are a part of. We want them to flourish.
- 3. What must change for us to be able to impact the root causes? We recognized many in our community certainly needed help acquiring basic resources like food and clothing, but we knew the way we had been "helping" to meet this need was not and could not address the root causes. The question wasn't whether people needed help, the question was how we should help.

As 2013 ended, I presented the board with a vision for how we might apply the ideologies and theologies in our context. After much conversation, planning, and prayer, the board eventually gave approval in June 2014 to move forward with the changes. Throughout the process we recognized how much we still didn't know, and our need to be willing and able to listen and learn along the way. The primary guiding principle during this time was **we knew we had to stop doing for and start doing with**. If we wanted to create a fertile environment for developing healthy relationships and individual growth and development for everyone involved, we had to be co-laborers. We believed this could be accomplished through a retail environment where individuals could acquire the resources their family needed, learn practical job skills, and generate revenue to fund the programming at the same time.

October 6, 2014, marked the end of an era and the beginning of a new one. After being closed for one month, Salt & Light reopened with a new logo, new mission statement, and a new model—transitioning all our former programming from the one-way giving model into the first iteration of the one we currently operate today.



Programmatic Shift

Salt & Light employs a unique and innovative approach for addressing chronic food insecurity and access to other basic needs, which builds on the strengths of families and individuals. We do this by providing opportunities for people to acquire the resources they need through their own skills, gifts, and abilities.

In our model participants earn store credit at minimum wage by volunteering in either of our locations for up to a maximum of four hours each week (\$56/week as of 2024). There are no income guidelines, requested documentation, or other requirements for participation. To open an account, participants complete a participant application and attend an orientation.

Even though we can create space and opportunity to work for individuals of almost any capacity, there are limited situations in which some are unable to. One of our roles is to work with participants to identify a solution. We also work with our community partners in addressing emergency situations as they arise.

Both of our locations operate a retail storefront offering thrift (second-hand) items, but only the Urbana location has a grocery department. It is comparable to an Aldi in the number and types of items it carries. Inventory is purchased from a variety of vendors just like any other independent grocery store.

Both stores are open to the public and are staffed by regular full and part-time employees and volunteers with participants working alongside. Accepted forms of payment include cash, credit and debit cards, and participant store credit. Urbana also accepts SNAP and WIC for qualifying grocery items.

100% of the net proceeds from the store supports the store credit participants earn and the other programs and services we offer.

Sustainable Solutions

When 2014 began we had not yet decided on a timeline for implementation of the new model, so started the year with a budget that included just under \$370,000 in expenses that were 100% funded through donations from individuals, churches, and businesses. We had a staff of three part-time and three full-time employees.

In June we decided to launch the new model at the beginning of the fourth quarter. Transitioning to a retail storefront with all the programmatic changes meant an increase in staffing to 14 employees (seven full-time and seven part-time), and an almost 200% increase to the budget. Because of the revenues generated by the retail operations, however, we only needed to raise 6% more in donations than we had previously.

This year our operating budget is \$3.6M and is about 85% funded through our retail operations (grocery and thrift sales and salvage revenue), with the remaining 15% coming from donations. We have 51 employees (27 full-time and 24 part-time) and 150 participant households who are earning store credit. We currently receive no state or federal funding for any of our programs or services.



Program Value

There are four distinct ways in which this model fulfills our mission and vision:

1. It provides access to resources without the loss of dignity.

The question is NOT whether people need help meeting their basic needs. The question is, "What is the most appropriate, healthy way to meet those needs while moving families and individuals along a continuum of positive change without the loss of dignity?" Our model is the answer to that question.

Many of the people we serve have stood in line for free food or clothing but have opted out of those one-way giving models because the loss of dignity is a cost too high to pay. When given the opportunity to acquire the things they need under their own power while experiencing community and having a sense of purpose, they come.

2. It provides a sense of purpose.

What are the things people often ask upon first meeting you? Your name, probably something about your family...and what you do. How do you think you might feel if you couldn't answer the last with some meaningful endeavor or identified yourself as unemployed, disabled, or nothing?

Our self-worth is often directly tied to our sense of purpose. Because of this, identifying a sense of purpose can be a dramatically empowering first step towards affecting lasting change in a person's life.

3. It provides an opportunity to learn transferable skills.

Our expectations of our participants are no less than in any other workplace—attendance and timeliness, work ethic, and teamwork to name a few of the tangible life skills we reinforce. We provide a work environment offering skill development to people who might not otherwise have the opportunity—people fresh out of jail, people with physical, cognitive, and emotional limitations, people suffering from chronic unemployment, and the list goes on. We are both a refuge and a bridge to greater opportunities.

4. It provides an environment that fosters relationships.

Often, those in poverty live in varying degrees of isolation with a minimally effective support system. This isolation only exacerbates their situation. Through volunteering they are introduced to more individuals, which naturally broadens their network of support. As an organization, we are intentionally relational. This is above and more important than the business of the day. By developing relationships, we build trust, and this trust provides opportunities to speak into each other's lives in a meaningful way.

In addition to our credit-earning program, we host several programs and services targeted at addressing those areas which are often most crucial in equipping individuals with the tools they need to affect lasting change in their lives. Some are facilitated by us, while others are in partnership with other organizations in the community. Some examples include free tax preparation through the VITA program, regularly hosting a mobile clinic that provides a spectrum of health care along with a drug interventionist, hosting high school students with developmental disabilities who volunteer and learn life skills, providing refurbished laptops along with basic computer instruction, and hosting the area's largest Narcotics Anonymous meetings.



Next Steps

We've seen tremendous personal growth and development in the lives of those we work with, sometimes leading to employment outside of Salt & Light. While intentional, it has happened more organically than the result of a clear structure or process. Because of this, we set out to take our programming to the next level by bringing all the disparate pieces of what we had been doing into one holistic program.

In developing these next steps, we recognized we serve two fundamentally different groups of people:

- 1. People with the capacity for self-sustaining employment outside of Salt & Light, and
- 2. People for whom that is not a realistic outcome.

The second group are generally seniors and folks with significant disabilities. This group will need help acquiring basic resources (food, clothing, housing, etc.) indefinitely, and we believe the way we do this benefits them and the community far more than a food pantry does.

For the first group, the question is how we empower them to recognize, grow, and engage their capacity.

Our program will operate on two different "tracks" to facilitate growth for the two groups:

- 1. A "long-term" or Enrichment Track, and
- 2. A "short-term" or Employment Track

The Employment Track consists of four specific resources designed to support participants on their journey to self-sustaining employment:

- 1. Affinity Groups consisting of volunteer "Allies" and participants for mutual support and accountability.
- 2. Classes with curriculums focused on soft skills necessary for acquiring and maintaining employment and financial education focused on transferring basic financial management skills.
- 3. Participants receive coaching while working as volunteers and after successfully completing the classroom instruction will be placed in part-time employment either at Salt & Light or through community partners as they continue to grow the skills they need to be successful.
- 4. Support in identifying, applying, and securing full-time employment. Throughout this process they will continue to meet with their affinity group, receive support in navigating their new workplace environment, and coaching to ensure their long-term success.

We recently hired a new staff member to oversee these programmatic changes and begin implementation.



TANF Experience

Over the years we've had several people come to us through the TANF program to fulfill the work requirements for cash assistance. Most of those people were ill-prepared and confused because of poor case-management experiences, and rarely lasted more than a couple of months. The one positive experience we have had was with Jake.

Jake was a 26-year-old guy who had been in and out of trouble for much of his life. When he and his girlfriend began volunteering at Salt & Light, he was still wearing an ankle bracelet from his latest interaction with the judicial system. Both Jake and Tonya came to us as part of the TANF program. They were required to volunteer up to 20 hours per week, earning minimum wage for each of those hours.

They both had a young child from prior relationships, and as they struggled to establish a healthy environment, Jake's battles with alcohol made an already difficult situation worse. Eventually, their relationship imploded, but Jake continued to serve.

Jake was a great volunteer. He was always smiling, friendly, and willing to do whatever we asked without hesitation. As our relationship with him deepened, we encouraged him to look for real employment. We continually affirmed who he was and what he was capable of, and how he had the capacity for so much more than what he was currently experiencing. It became clear, this was not something he had heard before. He grew up in an environment where his inherent value, worth, and capacity were never acknowledged, let alone celebrated.

One day, Jake came in and sheepishly told us he had gotten a job at a fast-food restaurant. He acted somewhat embarrassed because he felt like this was not a "good" job. We instantly celebrated it. We told him how proud he should be, and happy we were for him. We encouraged him that this was just the beginning, and that he could go anywhere from here.

Within a year, Jake became the general manager of his own location, he and his son were able to get their own house, and Jake was an even more present and involved father.

While I wouldn't attribute Jake's success to TANF, I will say were it not for the work requirements, we never would have met Jake, and I'm not sure his story would have gone in the direction it did.



Broken Systems

While I do not believe simply ensuring work requirements are fulfilled and loopholes are closed will provide the kind of transformation desired, I do believe not doing so is a disservice to the people we seek to help. Having reasonable and appropriate expectations based on the capacity of the individual is not punitive or onerous, it is loving and affirming. It has been said, "people rise or fall to the level of the expectations you have for them". To have no expectations is to communicate you do not believe they have anything to offer, anything to contribute—not only in their situation, but to the community they are a part of. I can think of nothing more diminishing and disempowering to the very spirit, the very dignity of a person.

Regardless of the changes made to TANF, I have little faith any substantive widespread transformation will occur in the lives of those struggling in poverty if the states are the administrators of this program or any other welfare program. The one-size fits all approach most state and federal programs take do not allow for the kind of flexibility needed to effectively work with families whose situations and obstacles vary from one neighbor to the next, let alone from one end of the state to the other.

In my opinion, the disparate welfare programs aimed at reducing poverty should be consolidated into one holistic program facilitated by non-governmental organizations. Most individuals who are struggling rarely face challenges in meeting just one area of basic need and the fact that pursuing the supports you need to move forward can be a full-time job is illogical and inhumane. This consolidation could also significantly reduce the cost of implementation by improving efficiencies and reducing administration—allowing for more of the dollars to go to the people who need the help.

From the federal perspective, I can understand where administration through the states may be more administratively efficient, but it is clearly programmatically ineffective. It is time we stop doing what is easy and start doing what is right.

Thank you, Chairman Smith, Subcommittee Chairman LaHood, Ranking Member Davis, and the members of the committee for the opportunity to testify.