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Testimony - December 2005

New York State's Welfare-to-Work Programs

In this written testimony submitted for a Dec. 15 hearing of the New York State Assembly's Social Services Committee, CUF Project Director David Fischer assesses an important recent shift in state welfare-to-work programs.

by David Jason Fischer

I'm David Fischer, project director for workforce and social policy of the Center for an Urban Future, a Manhattan-based non-partisan public policy think tank that conducts research on important issues concerning economic development, workforce development and social policy for New York City. Thank you for the opportunity to testify on the important subject of New York's Welfare-to-Work programs. Though I am unable to join you in person today, I wanted to share some thoughts about the state's recent decision to transfer responsibility for Welfare-to-Work programs from the state Department of Labor (DOL) to the Office of Temporary and Disability Assistance (OTDA). I am limiting my observations to this issue, leaving aside the implementation of other programs and the impact of the newly created Flexible Fund for Family Services.

As a New York City-based researcher with a focus in workforce development, I was initially ambivalent about the proposal to empower OTDA, the state agency most closely identified with public assistance, with authority over Welfare-to-Work programming. It is generally accepted within the workforce field that the more closely a program is associated with welfare, the more hesitant for-profit employers will be to engage with that program and hire its participants. Balancing against this concern, however, was a simple administrative reality: an agency serving clients through their period of receiving public assistance is best-positioned to provide effective case management for those clients as they attempt to leave the welfare rolls and transition into employment. This is of even greater importance when considering the more significant barriers to work—lower skills, physical and mental health issues, and the like—that constrain many of those remaining on public assistance nearly a decade after welfare reform was first embraced at the national level.

Particularly since the welfare caseload shrunk in the late 1990s, OTDA has focused sharply on how to help clients remove these barriers if possible, and manage them if not. The transfer of responsibility for those clients from one agency to another, at the crucially important moment when a client begins to seek employment in earnest, increases the risk that some important

piece of information—-a detail of case history, personal observations on the part of a front-line worker—-will slip through the cracks. The integration of staff transferred from the state DOL into OTDA offices in social service districts across the state should allow those staff members to work with veteran OTDA personnel in holistically serving the client.

This integration also should serve the state well as Congress prepares to reauthorize welfare reform. The revised Temporary Assistance to Needy Families (TANF) legislation is likely to include higher participation rates without a corresponding increase in resources. OTDA is responsible for keeping the state in compliance with the federal law, and the agency is well positioned to meet the new standards. The agency has demonstrated a commitment to ensuring that low-income working families take advantage of all benefits available to them, notably the Earned Income Tax Credit and the Food Stamp program.

Finally, OTDA has shown an impressive and all-too-rare willingness to engage with stakeholders across ideological and political lines. Agency staff repeatedly has reached out to anti-poverty advocates and researchers for give-and-take in the realm of ideas and to explore areas of common interest in hopes of advancing shared policy goals. This openness to outside views, as well as the commitment of state officials in both the executive and the legislature, has helped make New York a national leader in providing income supports to low-wage workers.

While stakeholders might be on different sides of questions such as how to mix education and skills training with worksearch and work-experience activities, or even on the value of the “Work First” approach itself, nothing pertaining to the institutional or statutory character of the agency weighs on such disagreements. The track record of OTDA in being open to other viewpoints and resultant changes in policy speaks to its suitability for implementing Welfare-to-Work programming.

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