

# NM Works Program Needs Attention

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The Temporary Assistance for Needy Families (TANF) provides a small amount of cash assistance and other work supports to poor families with children. The program is funded through a federal block grant, and New Mexico is required to make a contribution to programs that TANF participants benefit from. In New Mexico, the TANF program is called New Mexico Works.

NM Works serves approximately 35,000 individuals -- over 25,000 are children. In recent years, the program has undergone significant changes, including eligibility and benefit reductions, and changes to work participation requirements. The NM Works program is reaching very few families with children in deep poverty. Deep poverty refers to families with incomes below half the federal poverty level. These families live on an average of less than \$8.50 per person per day. **14% of New Mexico's children live in deep poverty, but just 4% of New Mexico's children receive cash assistance.**

## NM Must Restore the Benefit Amount

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Although the TANF program envisioned a benefit amount that covers all needs except medical care, in New Mexico, the standard of need is less than a quarter of the Federal Poverty Level, meaning that only families with incomes below 25% of the federal poverty level qualify for any help. This is because, in January 2011, a 15% cut was made to the eligibility and benefit level.

- ***NM is no longer facing budgetary constraints requiring the deduction.*** The Human Services Department cited “significant growth in TANF participation” as requiring the 15% benefit reduction in order to “meet its projected obligations for the state fiscal year 2011 to 2012.” NM works participation has declined by 23% since 2011 and continues to decrease. Thus a benefit reduction is no longer necessary.
- ***Cuts to SNAP benefits mean NM works participants will have an even harder time making ends meet.*** Even when receiving SNAP benefits in addition to NM works, families in NM cannot meet basic needs. In fact, a family receiving the maximum SNAP and NM works benefit still lives 60% below the poverty level. In November of 2013, already low SNAP benefits were cut for all recipients by 5.5%, leaving NM works recipients in deep poverty.
- ***NM is one of only 6 states to cut benefit levels since 2010.*** 31 states have higher benefit levels than New Mexico. Currently, a family of 3 with no income would receive \$380 per month in assistance. This is 13% lower than the national average of \$436 per month. When considering inflation, the value of TANF benefits has declined by 36% since 2000. The chaos and instability that frequently result from the level of destitution that accompanies these low benefit levels can interfere with self sufficiency goals.

# Changes To Work Requirements Are Affecting Enrollment

The 1996 welfare law set TANF work requirements that states must meet, including rules related to work requirements and time limits. States must require some recipients to engage in work and impose sanctions (by reducing or terminating benefits) if an individual refuses to participate in work activities to achieve a work participation rate. Under TANF, states have broad discretion to establish their own rules about who must work, how much work is required, and what activities count as work, keeping in mind the need to meet federal work participation rate requirements.

**The New Mexico Works Act mandates that certain populations are exempt from full work participation and can only be required to do activities related to their condition or special circumstance.**

In August of 2011, HSD awarded SL Start a contract to provide NM Works participants with workforce services. In April of 2012, HSD eliminated waivers from work requirements where certain barriers to employment exist, such as disability or for victims of domestic violence. Instead, some participants are permitted to be in “limited work participation status” where they may be allowed to work less than the required number of hours or take part in alternative activities.

- ⇒ ***HSD does not report or maintain records of the type of work activities or hours of work required of individuals receiving limited work participation.*** There is no way to know if the work requirements meet the specifications of the NM Works Act. Advocates and domestic violence case workers report significant difficulty establishing access to alternative work participation rules.
- ⇒ ***Sanctioning of NM Works participants is alarmingly high, indicating program requirements are not supporting participant’s needs.*** Individuals on limited work participation status are now subject to sanctioning and participants who cannot access limited work participation arrangements are sanctioned as standard participants. HSD provided NMCLP with the following snapshot of NM Works Participants subject to sanction in February of 2013, **showing 42% of NM works participants had their benefits reduced or terminated for failure to comply with program requirements.**

#3 SL Start comparison of regular cases to sanction cases as of February 2013.

Limited vs. Standard Statewide	Compliant	Non-Compliant	Total	% Non-Compliant
Total Statewide Limited Participation	1755	623	2378	26.20%
Total Statewide Standard Participation	4357	3960	8317	47.61%
Totals	6112	4583	10695	42.85%
Limited Participation %	22.23%			

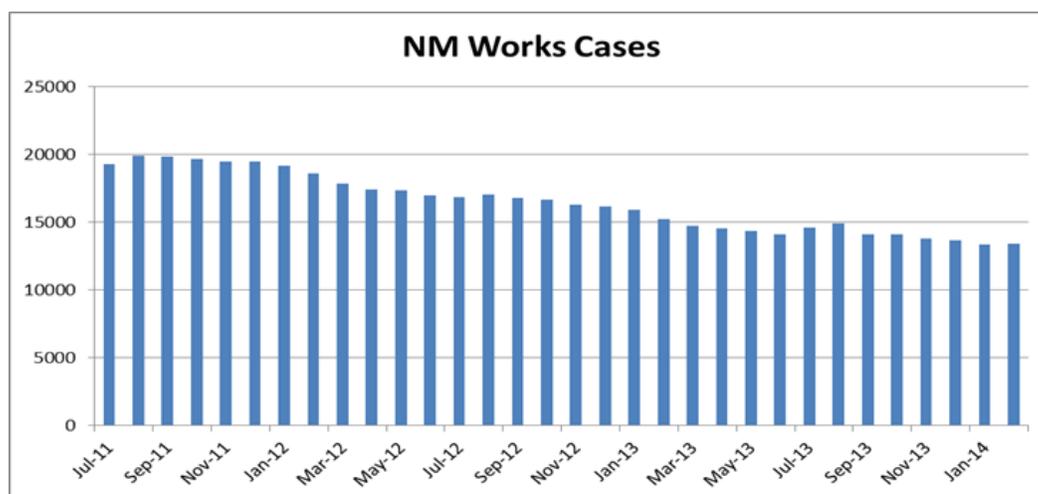
## **HSD must report on the activities of SL Start in administering work supports.**

- The number of standard participation and limited participation cases with a sanction per month.
- The number of participants on limited work participation status, including what activities participants engage in and for how many hours a week.
- How limited work participation requirements support self sufficiency?

# TANF Participation Continues to Decline Despite Extreme Poverty

29% of children in New Mexico live in poverty and 14% live in deep poverty or below 50% of the Federal Poverty Level. New Mexico has the highest rate of child food insecurity in the United States. The number of children living in poverty has only increased since 2011; yet families in poverty with children are less likely to be participating in the TANF program every month and year.

**TANF program participation has decreased by 35% since 2011.**



## Delays In Processing Are Affecting NM Works Recipients

Since the implementation of HSD’s new IT system, known as ASPEN, benefit processing has fallen dramatically. This impacts benefit receipt and processing for both TANF and SNAP (Food Stamps). Every TANF recipient is eligible for SNAP benefits. The table below summarizes application processing and case number data released by HSD. TANF application processing has fallen by 60% and SNAP application processing has fallen by 37%. Enrollment in both programs has fallen dramatically in the past six months, due to processing delays and automatic closure of unprocessed renewals.

	7/2013	8/2013	9/2013	10/2013	11/2013	12/2013	1/2014	2/2014	3/2014
<b>Open SNAP Cases</b>	199,900	200,378	198,905	197,596	195,399	193,622	190,767	189,700	188,114
<b>SNAP Apps Processed</b>	16,421	15,711	15,303	13,869	13,706	13,844	16,172	11,964	13,433
<b>Open TANF Cases</b>	14,619	14,920	14,118	14,082	13,767	13,683	13,365	13,428	13,255
<b>TANF apps Processed</b>	4,447	4,299	4,020	3,142	2,472	2,460	2,878	1,798	2,020