



Brief: Poverty & Self-Sufficiency

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Key Points:

- 1. Catholics seek to help, defend, and care for the poor through charity.
- 2. Social programs should help people rise from poverty to self-sufficiency.
- 3. We support SB 643/HB 1483 to pilot a program that will make work pay.

A Catholic perspective: From the beginnings of our faith, Christians have been called by God to show special attention to the plight of those who are poor, vulnerable, and on the margins of our society. Jesus himself said, "Amen, I say to you, whatever you did for one of these least brothers of mine, you did for me."^[1] Catholic social teaching calls this concern the "preferential option for the poor," according to which Catholics are called to help, defend, and care for the poor through works of charity.^[2]

Christians have sought to provide food, shelter, education, and other goods for our poorest brothers and sisters. In recent times, religious orders, hospitals, food pantries, Catholic Charities agencies, and our St. Vincent de Paul Society have had a major presence in this charitable work. The Church has also supported the poor by advocating in support of social and economic policies that support, for example, labor unions, living wages, and healthcare.

While recognizing the value of economic freedom and personal initiative, Church teaching notes that the State has a responsibility to intervene when justice requires "greater social coordination and regulation of economic actors and institutions."^[3] This balance between the work of the State and the work of the Church is harmonized by the principle of subsidiarity, which calls for the State to respect individuals and the community by deferring to the most appropriate decision-making level when it comes to the implementation of policies and programs.^[4]

These principles require programs and policies for the poor not only to give temporary relief, essential as that may be, but must also promote human dignity and long-term well-being. This comprehensive vision ensures that the poor are not treated as objects of the State's largesse, but as individuals with inherent dignity who can contribute in developing programs to improve their own and their family's lives. Pope Francis calls this helping the poor to become "protagonists of their own development."^[5]

Texas law and policy: Texans have inherited remarkable economic opportunity. Despite this, some Texans still suffer from want in our prosperous state.

Texas public benefit programs have time limits and requirements that prioritize preparation for employment over cash assistance. The TCCB advocates for anti-poverty and work support programs that assist participants in moving out of poverty. However, some programs may restrict economic mobility and neglect financial stability.

For example, in Texas, the Temporary Assistance for Needy Families (TANF) program is available to those who have very low income and are either under-employed (working for very low wages), unemployed, or about to become unemployed.^[6] Recipients also must be Texas residents, either pregnant or responsible for a child under 19 years of age, a U.S. national, citizen, legal alien, or permanent resident. Similarly, Supplemental Nutrition Assistance Program (SNAP) eligibility is limited to residents and those who either have a current bank balance under \$2,001 or those with a current bank balance under \$3,001 who share their household with a person or persons age 60 or over, or with a person with a disability.

Our Catholic Charities agencies witness clients turning down higher-paying jobs because the slight increased income would disqualify them from even greater benefits they still need to meet immediate and necessary expenses. Catholic Charities Fort Worth (CCFW) explains:

One of our clients worked hard for a promotion which required that she acquire her own transportation. She received the promotion and to provide transportation, CCFW arranged for a car to be leased to her. Yet when she notified the Health and Human Services Commission (HHSC) about the increase of assets and the car, *HHSC* sent her a letter—at the end of the month-that she would not receive SNAP benefits in the next month because of the car's value. Our client had a budget down to the penny and was just able to make ends meet. With the new job, she would have been able to save money to plan for emergencies, but instead of staying on track toward self-sufficiency, she was left scrambling to pay for daily needs.

Current law penalized CCFW's client for obtaining a better-paying job which should have been the next step toward self-sufficiency. The benefits system must be reformed to incentivize work while preventing a benefit cliff which results in families remaining in—or re-entering poverty.

Bill summary: SB 643 & HB 1483 create a

pilot program to test whether a slow reduction of benefits, paired with wrap-around case management aimed at securing a living wage job; emergency savings; and debt management plan, will help clients reach long-term self-sufficiency independent of public benefits. The pilot also includes an external program evaluation. This pilot will serve up to 500 recipients of TANF or SNAP for 24 to 60 months. Participants will move through four stages of services including crisis alleviation, stabilization, preparation for transition, and self-sufficiency. An eligible participant must:

- receive TANF or SNAP benefits,
- have a total household income that is less than a living wage based on the recipient's family makeup and geographical area of residence,^[7]
- be between the ages of 18 to 62,
- be able to be employed, and
- be actively securing employment.

The pilot program would help clients:

- connect to community resources, nonprofit partners, and strategic financial assistance;
- find housing, transportation, and childcare;
- secure living-wage work, reduce debt, and build savings; and
- obtain self-sufficiency without any reliance on public benefits.

Call to action: Please support the "Make Work Pay" bill in the Texas legislature: visit txcatholic.org/poverty to find and contact your lawmaker. Please also pray for Texas and for our legislators, that they may maintain laws which provide economic opportunity to all Texans.

The TCCB is a federation of all Roman Catholic dioceses and ordinariates in Texas. There are more than 8 million Catholics living in Texas. For more information, please write to us at info@ txcatholic.org or follow TXCatholic on <u>Facebook</u> and <u>Twitter</u>.

Endnotes

- 1. Mt. 25:40.
- 2. Catechism of the Catholic Church $\underline{#2448}$.
- 3. United States Conference of Catholic Bishops, *Economic Justice for All*, 1986. #323.

4. Pius XI, *Quadragesimo Anno [On Reconstruction of the Social Order]*, May 15, 1931. § 79.

5. Pope Francis, <u>25th Anniversary Address to the Populorum Progressio Foundation</u>, December 13, 2017.

6. The maximum annual income limit for a household with 1 adult and 2 children under TANF is \$2,256. See Your Texas Benefits, *TANF Cash Help*, Accessed Feb. 2019.

7. FPL is a measure of income used every year by HHS to determine eligibility for certain programs and benefits. SNAP benefits cap out at 130% of FPL, but it takes about 231% of FPL to reach a living wage. For example, the living wage for a family of 3 (1 adult and 2 children, which is often representative of clients Catholic Charities serve) in Tarrant County is \$57,267, assuming 2,087 hours worked annually (i.e. full-time employment). See MIT, *Living Wage Calculator for Tarrant County*.