



SENATE TAXATION

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## Assistance programs vie for money

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HELENA - Katrina Dalrymple, a single mother of three, graduated from the University of Montana, lost her part-time work-study job, approached the end of her student-family housing contract and fought off thyroid cancer at the same time she learned her monthly welfare stipend would be significantly reduced.

"I'm not sure I can describe the level of panic I felt when faced with the prospect of being homeless with my young children," 30-year-old Dalrymple told the Joint Appropriations on Health and Human Services Thursday during public comment.

The Missoula woman is part of the Temporary Assistance for Needy Families program. Her monthly TANF money went toward rent payments.

"I can pay for food with food stamps. I can pay for radiation treatment with Medicaid. But without TANF funds, I can't pay the rent," Dalrymple said. "If you don't have a place to shower and sleep, you don't have a job."

Dalrymple represents one side of a contentious debate between two programs fighting for a bigger piece of the same budget. Reducing monthly TANF benefits in 2003 led to an increase in rates for day-care workers serving TANF children.

The state health department asked the 2005 Legislature to maintain the same level of funding for both programs into the next biennium, which has people like Dalrymple questioning how she is going to pay the rent, and child-care providers worried that legislators will take away the money granted to them last session.

Increasing day-care rates was long overdue, said Berta Halverson, who runs a day care out of her home in East Helena.

"We don't make bunches and bunches of money," Halverson said. "It was the first time we received a pay raise in three years, and finally we are not scrapping to get by."

Halverson opened her day care after her husband was laid off at the Asarco smelter in East Helena. The family needed money, but Halverson continues to battle financial constraints. When low-income parents ask for leeway on their monthly child-care payments, the operators are forced to absorb those costs, she said.

"I have no health care," she said. "I apply for the same (TANF) benefits as the kids I care for. We are trying to provide quality child care, but we can only do it if you maintain the current funding"

In 2003, Montana's TANF program was paying poor families the third highest monthly stipend in the Western states, said Hank Hudson, administrator of the Community and Human Services Division. However, the state could not sustain this expenditure as program numbers increased.

"We would've run out of money," Hudson said.

The state therefore decreased benefits, causing a surprisingly drastic decrease in TANF participants, he said. For a three-person family, the monthly stipend dropped from \$505 to \$375. Most people felt the 30-hour minimum work week required and government intervention in their lives was not worth the decreased benefits, Hudson said.

Savings from the decrease in participants caused an unexpected \$20 million surplus in the TANF budget.

"It's a little bit puzzling and these are poor families and that is worrying," Hudson said. "In retrospect, we don't have the ability to anticipate the consequences of what we do."

The extra money went to retaining child-care workers and getting children off waiting lists for day cares, Hudson said.

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However, now the problem is program numbers are again starting to rise. If the state restores the monthly stipend amount, rates to day care workers would suffer, he said.

Monthly stipends increased \$30 at the beginning of the year and is currently average compared to other Western states, Hudson said.

"We would rather use the money to help people work and not have benefit level higher than the rest of the region," he said.

House Democratic Leader Dave Wanzonried, D-Missoula, testified in support of increased funding for both TANF programs.

"There is a lot of talk about strengthening our economy," he said. "Well, our economy will only be as strong as our weakest link. There are people out there that need our help. Those needs don't go away because we say we don't have enough money."

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