



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Department of
Workforce Services

JON S. PIERPONT
Executive Director

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U.S. Senate Committee on Finance Written Testimony
Welfare and Poverty in America

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United States Senate Committee on Finance
October 29, 2015 10:00 a.m.
Written Testimony of Jon S. Pierpont
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Chairman Hatch, Senator Wyden, and members of the United States Senate Committee on Finance, thank you for the opportunity to address you.

I want to start with a brief story. A few months ago, I had the opportunity to visit with a mother from northern Utah. She told me about her efforts to find a stable job with an income sufficient to provide for her two young sons. This mother grew up in poverty and experienced the challenges that accompany that circumstance. These challenges remain with her as an adult, and unfortunately, are likely to continue with her children, which is not unusual for children growing up in economic hardship.

I was moved by her strong desire and motivation for finding a path out of poverty and providing increased stability and opportunity for her kids. But it was something she said later that reveals why Utah's efforts to decrease the number of children experiencing intergenerational poverty is so important. She said, "There are a lot of brilliant minds lost in poverty."

This young mother's motivation is not unique. Thousands of Utah families strive daily for the opportunity to provide a better life for their children. And, to be sure, Utah's incredibly strong economy is helping to provide that opportunity.

More and more Utahns are employed and businesses continue to grow and innovate in our state. This has led to an economy recognized as one of the strongest in the nation. Our unemployment rate is 3.6 percent, and our job growth is a robust 3.9 percent, with job opportunities for Utahns of all levels of skill and training.

While our state's economic success is laudable, we recognize that many Utah families still face barriers to self-reliance.

Ironically, it is exactly this economic growth that is allowing Utah to focus more on the families struggling to break free from the cycle of poverty, passed from one generation to the next. In Utah, we refer to this cycle of poverty as "intergenerational poverty."



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In 2012, the Utah Legislature seized the opportunity to address the needs of families struggling to emerge from intergenerational poverty. At that time, there was a strong belief that families in the cycle of poverty were utilizing public assistance at higher rates, experiencing higher rates of substance abuse, were more likely to be incarcerated, and that the children were not able to take advantage of the opportunities necessary to achieve their hopes and dreams, as they became adults.

As a result, the Legislature adopted the Intergenerational Poverty Mitigation Act requiring our Department, the Department of Workforce Services, to study and evaluate administrative data to determine whether the anecdotal evidence aligned with the reality for families utilizing public assistance. It required our Department to release the data in an annual report, with a focus on understanding the challenges and barriers children in poverty face.

The Act also required our Department to analyze the data by distinguishing between two types of poverty: “situational poverty” and “intergenerational poverty,” recognizing that for the majority of people, experiences with economic hardship leading to utilization of public assistance are brief and temporary caused perhaps by losing a job, experiencing a health crisis, or going through a divorce, but for others, no amount of support leads to self-reliance. Differentiating between types of poverty is a productive approach to understanding it, allowing us to shed light on the adequacy of programs and resources utilized to address the issue for both groups.

The Act compelled us to compile and evaluate the data and since 2012, we have released four annual reports. The level of research and analysis is unprecedented. We have gathered data across multiple state agencies to determine how issues such as childhood abuse and neglect and academic performance correlate with intergenerational poverty.

Initially, the ability to share data across agencies presented significant challenges and took about two years to overcome. Our partners in this effort worked hard to develop Memorandums of Understanding with our agency, ensure privacy was protected, and identify the same individuals across multiple state programs. The result is a report that evaluates data within four areas of child well-being, identified through research, as critical areas for children in establishing the foundation for a successful adulthood. Those areas of well-being include family economic stability, early childhood development, education, and health.

We have learned that families experiencing intergenerational poverty have more sporadic employment, earn wages insufficient to meet basic needs of their children, lack access to healthcare, and lag significantly behind the rest of Utah’s children in educational outcomes.

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The data also reveals that nearly one in four Utah adults receiving public assistance received it as children, 31 percent of Utah's children are at risk of remaining in poverty as adults, and approximately 25 percent are victims of child abuse and neglect, as were their parents.

I mentioned the research first to demonstrate its importance. Gathering all the data, organizing the key metrics, and developing a way to quantify the families experiencing this kind of poverty are all vital steps. Good policy cannot move forward without good data.

Once our Department released the data and defined the problem, the Legislature refined the Act to form goals that will reduce intergenerational poverty and welfare dependency among Utah children.

The Legislature created the Intergenerational Welfare Reform Commission, which is responsible for establishing a five- and ten-year plan designed to meet the Act's goal. It placed the five executive directors from the state agencies serving the needs of Utah's vulnerable families on the Commission so that those agencies could improve coordination of services and programs, share data and evaluate internal policies. Three of the members serve in the Governor's cabinet and include myself from the Department of Workforce Services and my counterparts from the Department of Health, and Department of Human Services. Also on the Commission are the State Superintendent of Public Instruction and the Juvenile Court Administrator.

The Act did not anticipate that its goal would be achieved by Government alone. It compels the Commission to engage a diverse network of stakeholders in these efforts including academic experts, business leaders, religious organizations, non-profits, and community-based organizations.

With our solid research foundation, the Commission is moving forward with this next crucial step: aligning all state agency programs that serve impoverished families. By sharing data across agencies, we are breaking down the silos that so often arise in government. When the same family uses services from more than one state agency, that's an opportunity to streamline the manner in which they interact with state government. By focusing on these families, we are working together to support their efforts as they work to build a brighter future for their children.

It is important to note what Utah's intergenerational poverty effort is not. The initiative is leading the way not by outlining numerous new services or massive additional programs that incur more government spending, but by more effectively using the services and programs already in place.

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This coordination will yield greater effect at removing barriers for families working toward economic independence, without burdening taxpayers with additional costs.

One example of program alignment is the development of our two-generation demonstration project, “Next Generation Kids.” As part of our research, we evaluated families participating in our TANF cash assistance program, the Family Employment Program. Interestingly, our program includes the word “family,” yet it focuses exclusively on the adult. We have found that adults often cannot truly be successful when the needs of their children are not being met. As a result, we have modified our program so that while we are engaging with parents to get them employed or increase their job skills, we are also ensuring that those parents are meeting the basic needs of their children. We are doing this while continuing to meet all federal requirements.

Not only is the project focusing on the family, it is also physically located in a school serving large numbers of children experiencing intergenerational poverty. By being placed in the school and developing a relationship with the school district, our staff is now able to communicate with teachers, principals and superintendents about a child’s academic performance and incorporate educational outcomes in a family’s case management plan.

As mentioned earlier, this two-generation approach to case management is not designed to grow government. Rather, our caseworkers are connecting families to the extensive resources available through other government entities, religious organizations, non-profits, and other community groups. They are assisting in the coordination of services and simplifying service delivery with the eventual goal of developing a single, case management plan for a family where today, several may exist.

Although “Next Generation Kids” has only been existence for one year, it is improving the lives of families like the young mother I referenced earlier. The program is connecting parents to job training, helping them obtain GEDs, and connecting them to employment while their children are now enrolled in high-quality preschool, participating in afterschool programs, and improving school behavior.

This test program is just part of the body of information we are continuously receiving and applying to our broader programs. We have identified the government programs related to the four focus areas of child well-being and we are identifying any crossover, as well as gaps.

Utah is committed to this effort. We are taking the research into the local communities across our state, empowering local leaders with the information, and providing tools to take the first steps in addressing intergenerational poverty in our neighborhoods and schools.



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I am encouraged by Utah's economic growth and the opportunity it presents to all Utah families.

I am moved by the research clearly showing the impact of this unique form of poverty, and why we must implement a unique approach to address it. And I am motivated by the dedication and innovation taking place within our state, as agencies coordinate existing resources to better serve the entire family.

Utah believes strongly in the potential of individuals like the young mother I met. She is one of those brilliant minds lost in poverty. Those brilliant minds represent human capital. Capital that, if we tap into it, will empower these families to succeed, equip their children to escape poverty, and in turn allow our economy to flourish like never before.

There is clearly a significant amount of work to be done to fully understand and address this issue. But the combination of a number of factors have created the perfect opportunity to truly make a difference for families experiencing intergenerational poverty — and it is an opportunity we must not, and will not, let slip by.

We will continue to learn and apply new information to our methods. And we hope that any successes we share can be a resource for other states heeding the call to empower families everywhere to achieve their greatest potential in our new economy.

To view Utah's Intergenerational Poverty Annual Reports and the Five-and Ten-Year Plan, visit <http://www.jobs.utah.gov/edo/intergenerational/index.html>.

Thank you.