

Testimony Submitted for the Record

On behalf of

Catholic Charities USA,

before the

House Committee on Ways and Means

***“Moving America’s Families Forward: Setting Priorities for
Reducing Poverty and Expanding Opportunity”***

May 24, 2016

Introduction

Catholic Charities USA (CCUSA) is grateful for this opportunity to provide testimony for the hearing “Moving America’s Families Forward: Setting Priorities for Reducing Poverty and Expanding Opportunity” with the House Ways and Means Committee.

As a Catholic community, we believe that each person has an inherent dignity and that caring for one’s neighbor honors God. These views are rooted in our faith and tradition, and they animate our work which includes promoting the common welfare, advocating for justice in social structures, and serving all people in need regardless of background or religion. The CCUSA network, through its 177 agencies and affiliates, served more than 8.7 million people in need in 2014 (our most recent figures). These agencies provide help and create hope through their services offered at more than 2,630 sites in 49 states, the District of Columbia, and five US territories.

Our network provides services that address a full spectrum of individual and community needs, ranging from clothing and shelter to the development of life skills like financial literacy and healthy living habits. Each Catholic Charities agency is unique – offering a set of services and programs that are tailored to the needs of its local community. Across the network, more than 334,000 staff, volunteers, and board members carry out ministries that include at least 30 domains of service grouped into five primary pillars of need: education, family economic security, health, housing, and hunger. Cutting across these domains of well-being, we also focus on a number of vulnerable populations such as children, seniors, pregnant women, victims of domestic violence, prisoners and ex-offenders, refugees and immigrants, and all those who are marginalized within society.

In 2014 Catholic Charities agencies helped prepare and place more than 18,000 people in full-time jobs, 72% of whom earned above minimum wage. At the same time, the agencies also helped more than 58,000 low-income workers access the Earned Income Tax Credit, returning approximately \$140 million to working families.¹ In addition, CCUSA was able to leverage an additional \$1.70 in private funds beyond every government dollar they receive and provided an additional \$193 million in volunteer services.² These are just some of the most tangible examples of savings that Catholic Charities services provide to society at large, but the return to families and communities in terms of preventing homelessness, educating children, counseling the mentally ill, and providing nutritious food should not be underestimated.

Reducing Poverty and Expanding Opportunity:

To properly orient our national efforts to address poverty and expand opportunity we must first ground such efforts in the fundamental need to place people front and center in our efforts to address poverty. Catholic social teaching places the human person at the center of development. This means that we first seek to understand that all persons are deserving of honor and respect, who have inherent rights and

¹ Based on national average EITC return value of \$2,400. Internal Revenue Service (14 January 2014), <https://www.eitc.irs.gov/EITC-Central/eitcstats>.

² Using rate of \$23.56 per volunteer hour, based on latest figure from 2015 Bureau of Labor Statistics data, indexed by Independent Sector (April 2016), https://www.independentsector.org/volunteer_time.

responsibilities. At the same time, we also understand that each individual is part of a community of persons, which has its own rights and responsibilities. Such a human centered approach to poverty is fundamentally necessary as it allows us to reject those solutions which serve to destroy human life and dignity but is also necessary so that we properly prioritize and weigh solutions being proposed. If the fundamental goal of an effort is simply to find ways to save money, then it is likely to fail to address poverty. Likewise, if the fundamental goal is merely to protect the status quo, such efforts will also fail. Instead the focus needs to remain on the dignity of the human person and how can we best achieve a society in which every human person can live in accordance with their dignity and realize their full potential.

Here are some of the ways in which we believe a human centered anti-poverty effort can better inform poverty programs and policies:

- 1) Engage with local social service providers and beneficiaries:** In federal poverty discussions solutions for addressing poverty are too often driven by and limited to the political, financial and academic interests and experiences rather than the day to day experiences of those serving communities in need and those individuals and families living in poverty. A purely top-down solution-oriented anti-poverty program too often fails to engage those living the reality of poverty and fail to take into account the innovative solutions and problem solving that are the daily experience of social service providers and people living in poverty. Through localized engagement, policies can better respond to specific challenges as well as better humanize the response. Encountering the poor where they are is not only a moral imperative but also good policy. Such engagement allows policy makers to not only better understand the problems and the solutions needed but also allows policy makers to address these concerns in a more respectful manner.
- 2) Create greater flexibility for client-centered service delivery:** One of the biggest challenges facing our national anti-poverty efforts is ensuring funds and programs align with the widely diverse needs of different individuals and communities.

The first step in providing greater responsiveness to our systems is to distinguish between programs which serve as a “net” for fundamental human needs during times of short and long-term economic crises versus those designed to return and improve individuals and families ability to support themselves. Social safety nets such as SNAP provide important countercyclical and responsive resources for individuals to meet their fundamental nutrition needs without the uncertainty that accompanies annual appropriations processes. However, there is still opportunity to improve the effectiveness of other safety net programs to help individuals achieve greater economic security.

A key means for achieving success in addressing poverty programs is to reform anti-poverty programs to break down the fiscal silos which drive services and move towards a more client and human-focused means of service by providing individuals and families with a case management system of service delivery. Case management allows trained professional social workers to meet the individuals in need where they are and find holistic solutions. Such a service delivery model has the flexibility to tailor services to the needs of the individual rather

than being forced to provide services based on what is being funded. It also has the ability to recognize the assets that each person possesses and leverage those assets in order to allow the individual to better support themselves and their community. Catholic Charities agencies are actively engaged in providing and testing case management social service programs at the local level. Using or leveraging private resources, these agencies are able to holistically address the needs of a person in poverty rather than letting financial programming drive services.

- 3) Measuring and paying for successful outcomes:** One of the key aspects of improving the response to poverty is to identify programs that work and scale-up these programs to meet the needs of the larger community. Current pay-for-performance programs present opportunities, yet more work needs to be done to better understand how accurate a performance measurement is to a specific social service program. In this effort, CCUSA partners with the University of Notre Dame's Wilson Sheehan Lab for Economic Opportunities (LEO) to match top researchers with passionate leaders in social service agencies to conduct impact evaluations that identify the innovative, effective and scalable programs and policies that help people move permanently out of poverty. LEO is currently working with Catholic Charities programs to help structure impact evaluations on topics including WIC, homeless prevention, and medical respite for homeless individuals, comprehensive case management, senior housing, and community college persistence. The CCUSA network offers the infrastructure to take successful programs to scale through our national scope. The recent passage of the Evidence-Based Policymaking Commission Act is a first step in what we hope to be a fundamental shift in our Nation's ability to measure and respond to poverty.

- 4) Improving the public private partnership in providing care for those in need:** Catholic Charities and other faith-based organizations play a vital role in supporting our nation's collective efforts to serve those in need. This partnership allows the government not only to support community-driven efforts which understand local needs and concerns but also allows faith-based organizations to leverage volunteer and charity in support of government programs. Support of the charitable tax deduction and respecting the unique contribution and mission that drives faith-based and other charitable organizations efforts allows civil society to play a robust role in identifying needs and meeting those needs in a responsible, caring and effective manner.

Conclusion

While this testimony focuses on the more holistic means for addressing poverty and expanding opportunity, there are a number of bipartisan and effective ideas which would make an immediate contribution to improving our efforts to address poverty. Expansion of the Earned Income Tax Credit to childless workers is one example of a bipartisan reform that could make a substantial contribution to addressing poverty. Likewise, providing flexible grants to help families on the brink of financial crisis avoid falling deeper into poverty by allowing flexible use of funds to address things that are often a one-time payment – such as a broken car or disconnected telephone. Also, finding new and innovative ways to promote financial literacy and asset development, addressing the marriage penalty, improving the effectiveness of mental health programs and access to affordable health care and identifying and addressing the systemic causes of poverty will all make important contributions to addressing poverty and expanding opportunity.

CCUSA brings a unique perspective to these challenges as our agencies see the daily face of poverty and have worked tirelessly to expand opportunities and ideas for addressing poverty . We therefore urge members to put aside divisions and focus on ways we can all work together to address the needs of the poor and vulnerable. Let us ensure that all people are able to live in accordance with their inherent dignity.