MICHIGAN LEAGUE FOR PUBLIC POLICY

Testimony Presented to the House Families, Children and Seniors Standing Committee

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Good afternoon. My name is Jane Zehnder-Merrell, Kids Count Director at the Michigan League for Public Policy, a nonpartisan policy institute dedicated to economic opportunity for all. We oppose Senate Bill 275.

Part of our organization's mission is to advocate for well-designed programs that help Michigan families and individuals to leave poverty and provide a safety net until that happens. As such, we do not want to see it made more difficult for poor families to receive cash assistance to help them meet their basic needs. At the same time, we also recognize that substance abuse can pose a barrier to leaving poverty and that treatment can help remove this barrier.

This bill, which proposes to limit access to the cash assistance grant if a parent tests positive for substance abuse, flies in the face of scientific and medical knowledge. Like any other chronic disease, substance abuse can involve multiple relapses, which then must be addressed with another round of treatment. According to the National Institute on Drug Abuse, there are biological and behavioral components that need to be addressed during treatment, even with long-term recovery being the goal.

For that reason, the "second chance" provisions in the current versions of SB 275 and HB 4118 simply do not recognize the nature of the disease and will result in keeping even more families out of the cash assistance program that helps keep children housed and their parents employed. The numbers of young children, ages 0-8, in the program have been cut in half since 2009, while unemployment levels have essentially stalled and wages for low-income families have eroded. Research has demonstrated the negative long-term impact on children living in economically insecure families. Please make no mistake, the impact of this policy on children will be severe, and two-thirds of this caseload are children.

The League also has the following concerns with the bill:

- The bill requires that applicants and recipients who test positive pay for the drug test. Because the amount of the cash assistance benefit is very modest (only $492 for a three-person household with no other income), paying for the test out of the monthly benefit would be a hardship for an already vulnerable family. We ask that this committee consider amending this bill to have the cost of the test paid for by the state if the individual who tests positive participates in treatment.

- With any public assistance drug testing program, cost is a concern. The Department of Human Services has said that the annual cost of a three-county pilot would be $600,000, and the Senate Fiscal Agency estimates that taking such a program statewide could cost as much as $3.4 million. Since the goal for this or any drug testing program should be successful treatment rather than caseload reduction, this program should not be touted as saving the state money—and in other states drug testing has cost more money than it has saved. If the goal of the drug testing program is to help low-income parents overcome the barrier of substance abuse and addiction, then the conversation should be around whether that is an appropriate expenditure and investment by the state.

Thank you for allowing us to testify today. We will be happy to answer any questions you may have.