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Testimony Before the Council of the District of Columbia

Committee on Human Services

Public Hearing:

**B24-0857: Preserving Our Kids' Equity Through Trusts (POKETT)
Amendment Act of 2022**

September 22, 2022 1:00 p.m.

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Good morning Chairperson Nadeau and Members of the Committee on Human Services. My name is Marla Spindel, and I am the Executive Director of DC KinCare Alliance. Our mission is to support the legal, financial, and related service needs of relative caregivers who step up to raise children in their extended families in times of crisis when the children's parents are not able to care for them due to COVID-19, mental health and substance use disorders, incarceration, death, abuse and neglect, and/or deportation.

I am pleased to testify today in support of the "Preserving Our Kids' Equity Through Trusts (POKETT) Amendment Act of 2022," which among other things, will ensure that the purposes of the Grandparent Caregiver Program ("GCP") and Close Relative Caregiver Program ("CRCP") are fully achieved.

Specifically, the Act would ensure that relatives approved for the GCP and CRCP subsidies receive the full monthly amount retroactive back to the date of application. Currently, relatives who apply for the subsidy often have to wait three to six months before they receive a subsidy card that only includes an amount equal to at most one-month and often only a partial-month subsidy. Typically this waiting period is no fault of the relative, but is due to processing glitches, agency bureaucratic hurdles, and wait times for the bank to finally issue and send the card to the agency. This Act would help to make whole relatives who have waited patiently for the subsidy due to the agency's inability to process their applications in a timely manner.

To address some of these same issues regarding timeliness of application processing as well as reasonable notification to applicants if they are to be terminated from the program, we are asking the Committee to consider additional amendments that would be consistent with requirements for TANF, SNAP and other public assistance programs. Specifically, we recommend that the Act include the same 45-day application processing timeframe already applicable to other public assistance programs (*see* D.C. Code § 4-205.26), and the same 15-

day notice requirement for terminations from the program as is applicable to other public assistance programs (*see* D.C. Code § 4-205.55).

We further ask the Council to consider a technical amendment to the current DC law's GCP and CRCP eligibility requirements to ensure they are calculated appropriately and fairly. Under current law, the applicant is eligible for the programs if their "household income is under 200 percent of the federally-defined poverty level." D.C. Code §§ 4-251.03(a)(5) and 4-251.23(a)(5). The law does not specify whether this amount should be calculated on a daily, weekly, monthly, or yearly basis. While we understand the agency typically calculates household income annually, there is no such requirement in the law and, indeed, the subsidy agreements applicants are required to sign state that they have been determined eligible based on their weekly income being under 200 percent of FPL. Accordingly, gig workers, contractors or seasonal workers could be unfairly determined ineligible, even though their annual income would be below 200 percent of FPL. To ensure this does not occur, the DC Council should amend the law to add the word "annual" before the word "household." We also recommend that the current law include language similar to Bill 24-0489: "Expanding Fee Waivers for Low-Income Litigants Act of 2021" to ensure the agency makes all efforts to determine and/or resolve any doubt about eligibility in favor of the applicant.

Finally, to address inflation and the escalating costs of raising a child in DC, we would like the Council to consider a change to the eligibility limits as well as the subsidy amounts. With respect to the eligibility limits, we request that the Council implement a stepped approach to eligibility such that a caregiver would not be terminated from the program when they obtain a job or a better paying job that would push them just over the income limit. In this regard, we recommend a stepped income approach that allows for partial subsidy eligibility, such as the following: 200%-249% of FPL = $\frac{3}{4}$ subsidy; 250%-299% of FPL = $\frac{1}{2}$ subsidy; and 300%-349% of FPL = $\frac{1}{4}$ subsidy. We note that even at 300% of FPL,

a family in DC is still poor and has a difficult time making ends meet as FPL does not account for different cost of living standards in different jurisdictions. It is important to note that even though informal kinship caregivers are caring for many children who would otherwise enter the foster care system, they are not entitled to the foster care subsidy, which does not have any income eligibility requirements.

Regarding the GCP and CRCP subsidy rates, we remind the Council that the GCP rate was originally set at 95% of the foster care rate, but later reduced to only 66% in 2010 as a result of the 2008 recession and subsequent austerity budgets. Today, DC is in a position to be able to ensure the subsidy rates are commensurate with the foster care rate.

As DC relies more heavily on relatives to raise children outside of the foster care system, it should work to ensure the safety and stability of these kinship families. DC's relative caregivers are primarily women of color who live in Wards 7 and 8. Most live at the economic margins of our society, even before they are called upon to raise a relative child. Many report a significant disability. The children who come into their care arrive with nothing but the clothes on their back and the relative caregivers have to scramble to buy food, clothing, shoes, toiletries, bedding and even a bed. The up-front costs of having a child come into their homes unexpectedly are great and our kinship caregivers do not have savings or other resources available to cover these costs. Often, they wind up falling further into poverty, with no money to pay for rent, food, heat, water, or electricity.

We know that there are devastating impacts for children growing up in poverty.¹ Advancements in neuroscience have made it possible to demonstrate that poverty disrupts the developing brain architecture, which leads to significantly lower educational achievement, earnings, and overall health, as well as a disproportionately higher rate of developmental

¹ Toxic Stress Key Concepts," Harvard University Center on the Developing Child.
<http://developingchild.harvard.edu/science/key-concepts/toxic-stress/>.

delays and learning disabilities.² And, research has found that there is a “dose-response” pattern, such that outcomes are worse the longer children are exposed to poverty.³ These studies posit that interventions aimed at increasing the income of families with children can alter the link between childhood poverty and deficits in cognition and academic achievement. You can make this a reality by taking action to ensure the purposes of the GCP and CRCP subsidies are fully met.

Thank you for the opportunity to testify today. I am happy to answer any questions.

² Perry Firth, “Homelessness and Academic Achievement: The Impact of Childhood Stress on School Achievement,” Firesteel: The Network of Washington YWCAs Washington. (September 8, 2014). <http://firesteelwa.org/2014/09/homelessness-and-academic-achievement-the-impact-of-childhood-stress-on-school-performance/>

³ Hair NL, Hanson JL, Wolfe BL, Pollak SD. Association of Child Poverty, Brain Development, and Academic Achievement. *JAMA Pediatr.* 2015;169(9):822–829. doi:10.1001/jamapediatrics.2015.1475. <https://jamanetwork.com/journals/jamapediatrics/fullarticle/2381542>.