

## **National Transitional Jobs Network**

NHP is an active member of the Transitional Jobs Network, a network of organizations dedicated to moving those facing barriers into the workforce. The programs help individuals overcome employment obstacles by using time-limited, wage-paying jobs (in the past called community service jobs) and combining real work, skill development, and supportive services.

The mission of the National Transitional Jobs Network is to support and expand the size, type, and number of Transitional Jobs programs nationwide and to support the quality of the service programs, building the capacity of existing TJ programs, and promoting a national dialogue on job advancement strategies.

## **The "Making Work Work" Project**

Most Americans would agree that an individual should be better off working than receiving welfare. Yet this is not always the case. While welfare reforms in the mid-1990s vastly improved the prospects that work would pay more than welfare, it didn't plug all the holes in the system.

Today, when a person leaves welfare for work, he or she is initially better off financially than relying solely on welfare. However, once in the workforce, higher taxes and reduced welfare benefits can quickly cut into any pay raises. More ominously, the raise could push the worker over a benefits "cliff" where a few additional dollars earned can result in the loss of hundreds of dollars in food aid, child care assistance, or health coverage.

This problem became evident during the early days of the New Hope Project, and in response, NHP created the Making Work Work Project. In this project, NHP brings all the lessons learned from the original demonstration to work for all low-income residents of the state. In addition, New Hope is partnering with Stephen Holt of Holt and Associates to study the interaction between public benefits, taxes, and earnings for low-wage workers.

### *Not Another Welfare Program*

The original New Hope demonstration program was unique on several levels, but perhaps most distinct was that New Hope was open to everyone, male and female, married or not, with or without children, so long as they were willing to work at least 30 hours per week. If they couldn't find a job, New Hope provided temporary community-service jobs that paid minimum wage. New Hope, in other words, was a social contract, not a welfare program.

### *Learning What Works*

In return, New Hope provided an earnings supplement that raised income above the poverty line, subsidized child care and health insurance, provided a community service job if needed, and offered respect and help from New Hope staff.

### *Proof That It Worked*

The designers also knew too well the history of many failed antipoverty policies. Therefore, they put their experiment to the test, hiring a group of leading researchers to evaluate its impact in the most scientific and rigorous way. The results are highly encouraging.

### *Promising Early Results*

Three years after the program ended:

"New Hope yielded academic gains equivalent to half of the average achievement gap between black and white school kindergarteners."

- ◆ Poverty rates among participating families had declined dramatically (compared with a control group).
- ◆ Employment and earnings increased among participants who were not initially working full-time.
- ◆ For those who had faced just one significant barrier to employment (such as a lack of access to child care or a spotty employment history), these gains lasted years.
- ◆ More medical needs were met.

#### *Children also benefited*

- ◆ School performance improved, especially for boys
- ◆ Behavior problems declined.
- ◆ Enrollment in child care centers increased
- ◆ Participation in out-of-school activities increased

#### *Long-Term Impact*

- ◆ Eight years later, while earnings had leveled off among participants, the program was still having an impact on the children of New Hope participants.
- ◆ Teens of the participants were working and earning more than a control group of teens,
- ◆ They had fewer behavioral problems,
- ◆ They had fewer school expulsions

The truly encouraging news is that these results were strongest for African American males. Given the continued disheartening news about young African American males—their high rates of imprisonment, their higher rates of joblessness, and their overall disconnection from jobs, families, and community life—these findings are significant.

## **W-2**

NHP is working closely with the Wisconsin legislature and other organizations to secure bipartisan support for including transitional jobs in the Wisconsin Works (W-2) welfare program (Wisconsin's version of Temporary Assistance for Needy Families program). We are also working with Milwaukee-area advocates, the Department of Workforce Development and state legislators to make improvements to the Emergency Assistance program and other aspects of W-2.

## **Expanding the federal Earned Income Tax Credit**

NHP advocates for expanding the federal Earned Income Tax Credit (EITC) to childless adults.

## **Efforts to increase the state minimum wage**

NHP supports efforts to increase and index the state minimum wage.

## **Health Insurance Affordability**

NHP also advocates for improvements in access to and affordability of health insurance for all individuals, with a special focus on the Wisconsin Health Plan.

### **Child Support Pass-through**

NHP also works to sustain and improve the Child Support Enforcement system at the federal, state and county level. Federal legislators, led by Senator Kohl, Cong. Moore and Ryan, have been working to restore the full pass-through of the child support paid to custodial parents who are, or have been, receiving W-2 cash assistance. Many low-income noncustodial fathers become discouraged when the state takes their child support payments to cover the costs of welfare and other state services for the mother. NHP supports efforts to allow a larger proportion of the child support payment to 'pass through' directly to the family. Wisconsin had been the only state that passed through 100% of the child support collected between 1997 and 2005 under a federal waiver, which expired December 31, 2005. We are also strongly supporting efforts to restore funding for enforcement.

### **Anti-Poverty Initiative**

NHP will offer recommendations to the Mayor's Anti-Poverty Initiative in Milwaukee. Final recommendations may include proposals to create transitional jobs, publicize work supports, increase the minimum wage, and work with employers to create better jobs.

### **Employment Program**

#### **THE TRANSITIONAL JOBS RE-ENTRY DEMONSTRATION**

Approximately 8,600 ex-offenders are released each year in Wisconsin, with an average of almost 3,600 offenders released to Milwaukee County.

Being shadowed by a prison record is a significant hurdle to steady employment. In July 2006 New Hope joined a collaborative helping to make the transition from prison to work easier. NHP will provide 200 participants with guaranteed access to employment through time-limited subsidized jobs, financial incentives, and individualized support in employment coaching and planning. The project will cover the employee wages for up to four months for employers who provide real work and supervision for participants to build up their recent work history and experience.

"Men coming out of prison face sizable barriers in securing employment. We have seen how transitional jobs can help ex-offenders overcome their sense of hopelessness and powerlessness in the face of a very challenging job market. We look forward to putting that belief to the test."  
—Julie Kerksick, Executive Director of The New Hope Project

If proved effective, the program will go a long way in helping the state lower its recidivism rate. In Wisconsin today, 39 percent of the formerly incarcerated land back in prison for a new offense.

"Reducing recidivism clearly is in the interest of our state, from a financial as well as a moral standpoint. It is our hope that this test will provide policy makers with hard data proving that the upfront investment in transitional jobs programs will pay off in terms of lower rates of recidivism."

—Julie Kerksick, Executive Director of The New Hope Project

To test how effective the program is, MDRC, a New York-based research and evaluation firm, in collaboration with the Urban Institute and the University of Michigan, will assign one group of men to the program and the other to a "control" group that does not get the services provided by the program.

Evaluators will examine long-term employment, income, and incarceration rates. The results of the study, due in 2009, should both establish whether transitional jobs are effective and also, by comparing different initiatives, identify models that work especially well and people who benefit most.

#### FATHER/CHILD RELATIONSHIP DESERVES SPECIAL ATTENTION

NHP partners with the Next Door Foundation (a faith-based organization in Milwaukee) in its Fatherhood Program, a nationally funded initiative to preserve and strengthen the relationships between fathers and children. Goals of the fatherhood program include:

- ◆ Enhance children's physical, social, emotional, and cognitive development
- ◆ Enable parents to be better caregivers and teachers for their children
- ◆ Help fathers set and meet goals of economic independence

Next Door Foundation sponsors field trips, visitation, and socialization through playgroups. They also provide a parent enrichment support group, peer to peer mentoring, and job training/placement/retention.

NHP also works closely with Legal Action in the Supporting Families program to provide advice and representation on issues related to child support, with the goal of helping non-custodial parents meet economic responsibilities for their children--which is also linked to greater emotional involvement in their children's lives.

#### WORKFORCE INVESTMENT ACT EMPLOYMENT AND TRAINING PROGRAMS

Through the state's Workforce Investment Act employment and training programs, NHP has helped 350 individuals, more than half of whom have found employment.

#### MILWAUKEE WORKERS' WEBSITE

NHP created the Milwaukee Workers' website to provide interactive assistance in job search and information about programs such as the Earned Income Credit and Food Stamps. The site has been superseded by the state's Access website and the City of Milwaukee's website.