



Testimony

HB 1886 Need to Study Safety Nets in Texas

*Testimony submitted in support of HB 1886
to the Texas House Committee on Human Services*

by Vance Ginn, PhD

Chairman Frank and Members of the Committee:

My name is Vance Ginn, and I am chief economist at the Texas Public Policy Foundation. Thank you for the opportunity to testify in support of [HB 1886](#).

Institutions Matter

There is a need to improve Texas's [inclusive institutional framework](#) for increased job creation and community and family involvement that supports the dignity of work, permanent self-sufficiency, and paths to prosperity. This is part of our [Opportunity Project](#). But even in a robust economic situation, some individuals are likely to fall through the cracks of the system, which necessitates improved workforce development and reduced governmental barriers to entrepreneurship, while others have already fallen through the cracks. Therefore, family, communities, churches, nonprofits, and other institutions are important to help people get back on their feet and flourish. But, currently, not everyone has access to these institutions, so there is a limited role for government to temporarily assist those in need.

Results—Not Just Good Intentions—Needed

While many of the [safety net programs](#) were created with the best of intentions, they do not result in temporary assistance but rather a lifetime of government dependence that weighs on those on the program and on taxpayers, thereby creating even fewer opportunities for Texans to thrive. We ought to work to break this vicious cycle of people being stuck in the net rather than bouncing back like on a trampoline from some support by redistributing taxpayer dollars through government programs.

Tradeoffs Matter

Every dollar taken out of the private sector for government spending reduces opportunities for some to succeed. We should ensure that every taxpayer dollar is used wisely and not going to excessive bureaucracy, increased complexity, and wasteful endeavors that do not achieve the intended goal of the program, which should be to temporarily support people until they can earn permanent self-sufficiency.

HB 1886 Provides Needed Transparency and Information

This bill provides a study to help increase transparency of Texas's safety net programs so that there are opportunities to better use scarce taxpayer dollars to streamline and direct resources to those these programs intend to help. The study would address TANF, SNAP, WIC, Medicaid, CHIP, Child Care and Early Learning Services Program, and Comprehensive Energy Assistance Program. Ultimately, the goal of this type of study and other efforts, such as [independent efficiency audits](#), is to reveal paths to remove obstacles in assisting those in need efficiently instead of supporting excessive bureaucracy, individuals who are not eligible, or wasteful endeavors. A report will ultimately be provided online so the public has access to it.

House Bill 1886 Will Help Improve the Situation

By providing Texans and the Legislature with more information on these programs, this study can help us better understand how the Legislature can use taxpayer money for safety net programs and identify areas to improve outcomes for beneficiaries. The study would be conducted for the purposes of “streamlining program eligibility requirements, resources,

and benefits” along with “improving outcomes for recipients under the programs.” In other words, the study will help us understand how we can use scarce taxpayer dollars on these safety net programs more efficiently so the dollars go to those the program intends to help, improving their outcomes and supporting a path to permanent self-sufficiency off these programs.

The study will examine several key variables that reflect the taxpayer dollars spent on these programs and the outcomes of those expenditures. This will help provide a targeted, timely, and temporary assistance approach to those in need; keep the state’s budget growth within the [average taxpayer’s ability to pay](#) for it; and reduce taxes and regulations as in our [Responsible Recovery Agenda](#).

Example: Temporary Assistance for Needy Families

- States are often abusing the [federal block grant program](#) by using taxpayer dollars in ways not intended and that do not go to achieving the [program’s four goals](#).
- A [recent report by Stateline](#) found that states direct just 11% of TANF funding to work-related activities.
- According to the [Center on Budget and Policy Priorities](#), [Texas](#) spent about \$993 million in state and federal funds on [TANF](#) in FY19, with only about half going directly to the four goals, including only 4% on basic assistance, ranking Texas 49th in the nation.

I appreciate your work and look forward to helping provide paths that improve Texans’ lives and livelihoods by expanding opportunities to increase self-sufficiency, dignity, and prosperity through pro-growth economic policy that reduces government barriers. ★

ABOUT THE AUTHOR



Vance Ginn, PhD, is chief economist at the Texas Public Policy Foundation. He is the former associate director of economic policy for the Office of Management and Budget at the Executive Office of the President, a former college lecturer, and an expert on economic and fiscal issues with research that seeks opportunities to let people prosper in Texas, D.C., and beyond. He earned his doctorate in economics at Texas Tech University.

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The public is demanding a different direction for their government, and the Texas Public Policy Foundation is providing the ideas that enable policymakers to chart that new course.

