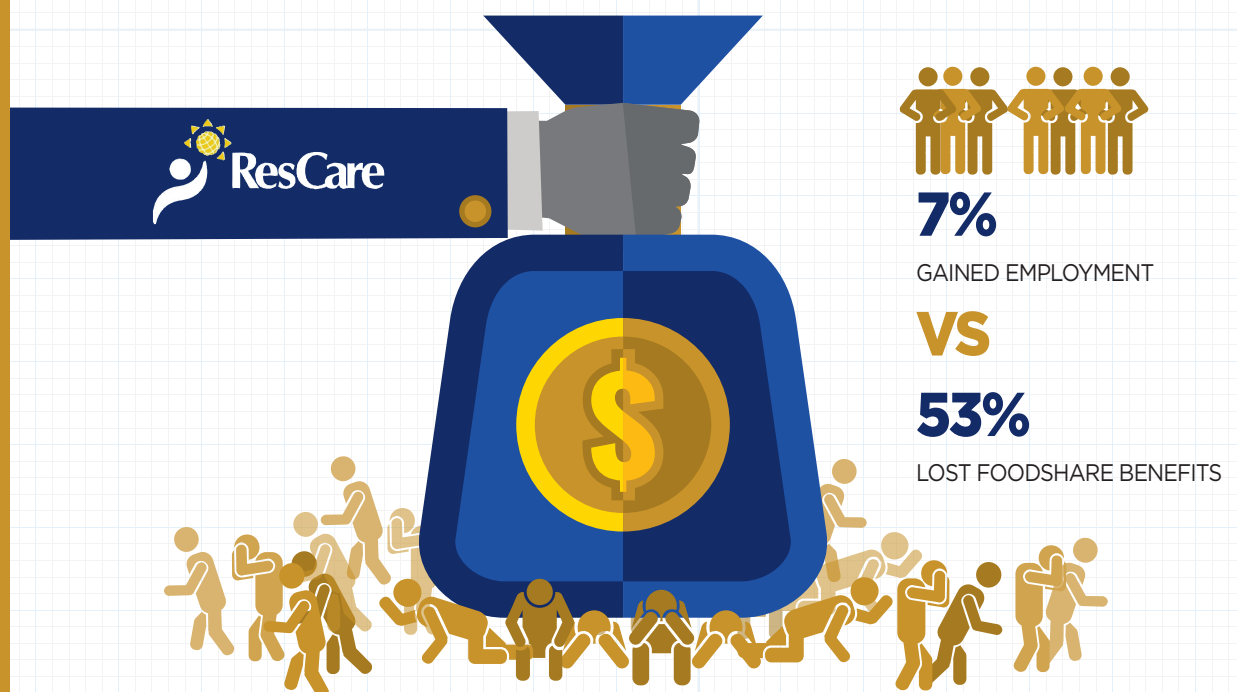


**FOODSHARE EMPLOYMENT
& TRAINING PROGRAM (FSET)**

Pushing People Into Dependency



In 2013, Governor Scott Walker announced Wisconsin's intention to require work for food assistance. "I want to provide a hand up, not a permanent handout, and I think the idea here is it's not enough to just say 'You should find a job.' We are willing to put our money where our mouth is and say we'll train you." With that, the legislature approved \$24.5 million in State tax funds for 2015-16 and garnered an additional \$27.4 million in federal funding to implement statewide work requirements for the poor.

On April 1, 2015, the State of Wisconsin unfurled an employment and training program aimed at getting able-bodied Wisconsinites who are enrolled in FoodShare back to work.

FoodShare is a federal entitlement program, and the first line of defense against hunger. People ages 18-49 relying on FoodShare as a financial support for food aid were targeted for compulsory participation in a program called the FoodShare Employment & Training Program (FSET).

Is the investment in this program reaping dividends? This report looks at whether mandating work creates jobs or results in employment. It revisits State projections for the number of people that would be involved in work requirements and provides preliminary outcome measures for the program. This analysis also looks at the impact FSET will have on hunger in Milwaukee.

“I CAN SEE THAT THE IDEA WITH A MANDATORY WORKFORCE ASSISTANCE PROGRAM IS TO GET PEOPLE OFF NEEDING ASSISTANCE AS QUICKLY AS POSSIBLE. BUT I ALSO WONDER IF THIS IS SOMETHING DESIGNED TO FORCE PEOPLE OFF ASSISTANCE AND DIMINISH THE EXPENSE OF THE BENEFIT?” - TONY, FSET PARTICIPANT

WHAT IS FSET?

How Does it Work?

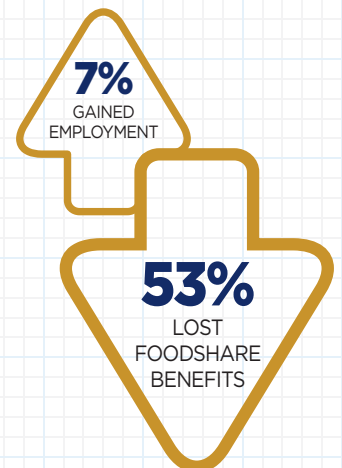
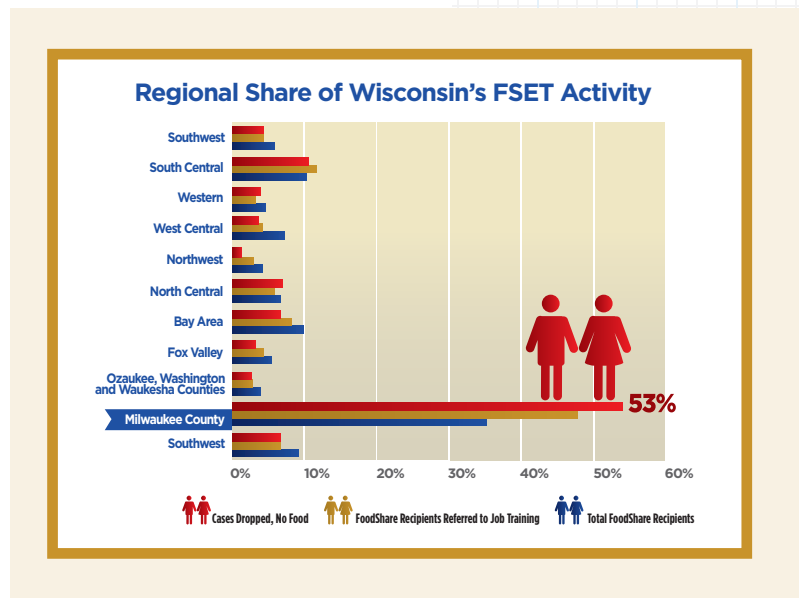
FoodShare Employment & Training (FSET) is a compulsory job training program for people enrolled in FoodShare. To continue receiving FoodShare benefits, able-bodied adults without a program exemption must work or participate in FSET training for 80 hours each month and verify that these requirements are met. Otherwise, their enrollment in FoodShare is limited to 90 days, after which they will be removed from the program for three years.

Participating in work requirements begins within the first month after applying for FoodShare. People already on FoodShare are required to enroll in mandatory work or training when their case is reviewed. Over the course of 12 months, beginning in July 2015, all able-bodied adults compelled to enroll in FSET that fail to meet program mandates are dropped from FoodShare for three years. Milwaukee has the highest regional share of FSET referrals in the state as well as the majority of case closures. This disproportionate harm is causing increased hunger in Milwaukee County.

Today's FSET Program in Milwaukee County is provided by ResCare, a for-profit organization new to Milwaukee. ResCare provides an in-person orientation to the program, an employability plan, generic printed job leads, a workshop entitled "Road Maps to Success" and a work experience program called "Gates."

ResCare keeps track of how many referred people meet work requirements. The first quarter of data on ResCare's work released by the Department of Health Services shows that 53% of the people in ResCare's service area have been sanctioned with a three-year case closure while 7% received a "placement" in either a full- or part-time job or a community service job.

Representatives from the USDA recently visited ResCare in Milwaukee to conduct a quality assurance visit, which resulted in placing the Department of Health Services—the administrative agent for FoodShare in Wisconsin—in corrective action. ResCare harmed job trainees by violating their civil rights and Americans with Disabilities rights.



FSET: BY THE NUMBERS

Why It's Not Working



40%

NUMBER OF FOODSHARE ADULTS THAT WORK BUT ARE STILL ELIGIBLE FOR FOODSHARE DUE TO LOW WAGES

■ MANDATING WORK DOES NOT RESULT IN EMPLOYMENT

FSET has mandated participation in an employability plan, in-person classes and work experience—none of which pay. ResCare has required work but not placed people in work. Only about 7% of those referred to the program have been placed in work. It is unclear if these placements are mandatory or paid work, and if any paid positions result in jobs that pay a wage sufficient to end FoodShare dependency.

■ MANDATING WORK DOES NOT CREATE JOBS

The core problem confronting Milwaukee is a lack of jobs, especially jobs that lift people out of dependency on FoodShare. Currently 40% of adult FoodShare participants work but are still eligible for FoodShare because their wages are low.

■ FSET IS REALLY COSTLY TO WISCONSIN TAXPAYERS

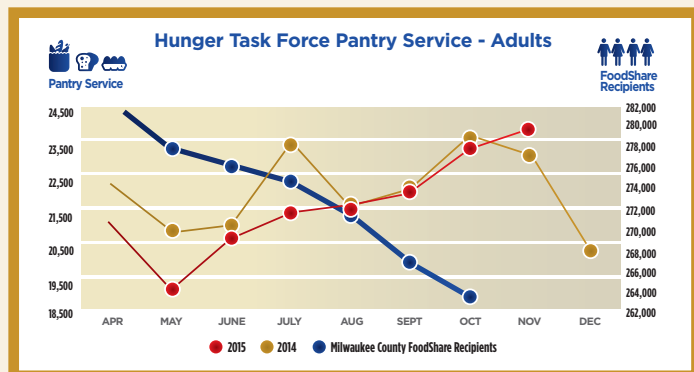
Over \$55 million in State funds and almost \$61 million in federal dollars are allocated to be spent on the State's FSET program over the next two years. With a 7% job placement rate, FSET is a very expensive investment with little proven benefit. The estimated cost per placement is between \$3,900 and \$5,800.

■ WELFARE REFORM IN WISCONSIN INCREASES HUNGER

An unforeseen impact of FSET case closures is an increased demand for emergency food from soup kitchens and food pantries. While the number of people on FoodShare is decreasing and unemployment figures are lower, demand for emergency food is increasing. An improving economy normally results in lower unemployment rates, decreased FoodShare enrollment and a reduction in need at emergency food pantries.

The number of adults served in pantries during August-October 2015 mirrors that of August-October 2014, with November 2015 exceeding the previous year, despite there being 23,000 fewer FoodShare recipients in Milwaukee County in October 2015. Around 70 - 80% of the FoodShare case closures from July-September 2015 are due to FSET noncompliance. Mandatory FSET participation may push people into even deeper dependency when they become reliant upon charity for the basic need of food.

On average, 2,700 Milwaukee County residents lose their FoodShare every month due to FSET case closure. At this rate, 32,000 people in Milwaukee will lose FoodShare by July 2016. Local pantries in Hunger Task Force's network already serve 35,000 people each month—doubling the need for charity could result in food shortages and a hunger crisis.



Is FSET Necessary?

FoodShare time limits for able-bodied adults are a federal requirement for areas of low unemployment and have been since welfare was reformed in 1996.

However, the FSET model in Wisconsin has poor outcomes, is costly to taxpayers and will increase hunger. It is the wrong model. FSET is generally voluntary and often relies upon local collaborations of technical colleges, employers and nonprofit partners to provide a pathway of training that leads to placement in a job that pays a sustaining wage.

A 2005 University of Wisconsin study reviews evidence that indicates “use of labor intermediaries for job placements, community colleges for training and a variety of efforts involving local employers are found to be the most promising approaches to improving job retention among low-income adults.”

FSET can be a voluntary program. States are allowed a voluntary option for areas of high unemployment and Milwaukee qualifies to operate a voluntary model free of time-limited benefits.



HUNGER TASK FORCE ANALYSIS:

After a review of FSET outcomes and the impact the program will have on hunger, Hunger Task Force offers the following recommendations:



End mandatory work requirements for Milwaukee County and establish voluntary training programs that provide true training and job placement.



Invest in the Wisconsin Technical College System and local companies to provide training and placement with employers in Milwaukee.



Terminate the ResCare contract for non-performance and restore FoodShare benefits to those that reapply to curb wide-scale hunger.



Invest in consumer education to inform unemployed people what their options are for employment and training.

HUNGER TASK FORCE BELIEVES THAT EVERY PERSON HAS A RIGHT TO ADEQUATE FOOD OBTAINED WITH DIGNITY. WE WORK TO PREVENT HUNGER AND MALNUTRITION BY PROVIDING FOOD TO PEOPLE IN NEED TODAY AND BY PROMOTING SOCIAL POLICIES TO ACHIEVE A HUNGER FREE COMMUNITY TOMORROW.

HUNGER TASK FORCE

FREE & LOCAL

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