### LOUISIANA'S COMEBACK AGENDA



# Jobs and Opportunity for All



Louisiana's collection of safety-net programs needs a paradigm shift so its low-income, work capable citizens can move out of dependency on government and find hope and lasting self-sufficiency. This starts with connecting people with a job, which is the best path to prosperity. Work brings dignity, hope, and purpose through the life-long benefits of earning a living, gaining skills, and building social capital.

## **PROBLEMS**

Poverty has long been a public policy concern. In Louisiana, more and more money has been poured into government assistance programs, but today more than 800,000 Louisianans receive government aid and the state consistently ranks among the poorest in the country. The latest Census figure for Louisiana's poverty rate in 2021 is 19.6 percent, which is the highest in the country. One of every five Louisianans receive payments from the supplemental nutrition assistance program (SNAP), also known as food stamps. The impact of poverty on Louisiana's people is significant and long-lasting, and its effects on our state are detrimental. Better public policy supporting work, flourishing civil society, and streamlining safety net programs can help provide long-lasting, self-sufficiency with less safety net support needed.

## **SOLUTIONS**

#### 1. Streamline safety-net programs with a "no wrong door" approach.

Coordinating and consolidating several large government programs would make them more efficient, effective, and easily accessible to those who need them. Louisiana should look to Utah's model as an example.

This kind of integration ensures that people in need can easily navigate the otherwise tangled web of safety nets and receive multiple sources of help, no matter where they enter the system. Utah integrated federal and state funds for these services. The result has been improved service quality, increased administrative efficiencies, and cost savings, all of which have helped those in need to get back on their feet more quickly.

#### 2. Regularly audit programs for efficiencies and outcomes.

Government assistance programs should be easy for people to navigate, produce better outcomes, and empower individuals to return to the workforce. To better understand the extent to which programs are achieving these goals, lawmakers should call for regular performance audits. These types of audits go deeper than regular financial audits by looking at the investment of taxpayer money in these programs and examining outcomes.

Performance audits provide recommendations for improving outcomes and lowering costs by identifying waste, duplication of efforts, and opportunities for consolidation or outsourcing. Regular, independent performance audits will determine whether programs are effectively serving their intended purpose – and help make improvements if they aren't. Policymakers and the public would benefit from independent reviews like this on a recurring basis to identify program strengths and weaknesses and take swift action if necessary.

#### 3. Pilot an empowerment accounts program.

Current safety-net programs too often discourage recipients from achieving long-term self-sufficiency. They often feature benefits cliffs that cut off safety-net payments when a recipient earns more income—payments which can often be more than the income the recipient earned, leaving them in a worse position. A new holistic approach called empowerment accounts would avoid such cliffs and help recipients achieve true self-sufficiency using existing resources.

Louisiana could start an empowerment account pilot program for a maximum of 1,000 eligible families. Rather than participating in current programs, participants would receive safety-net funding on a debit card. To qualify, they would need to be working, training, or enrolled in an education program. They would meet regularly with a community navigator at a non-profit entity who would help connect them to services, improve their financial literacy, and set savings goals so that the recipient would be better prepared to meet their needs after the program.

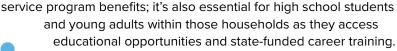
#### 4. Remove barriers to work.

In the most recent report on occupational licensing issued by the Institute for Justice, Louisiana remains the most licensed state in the country, requiring a license for 77 of the 102 lower- and middle-income professions studied. Over the last five years, Louisiana's rank on the most burdensome list moved up one spot to 45th; however, the overall rank of sixth worst in the nation remains the same. Louisianans lose an average of 175 days in preparation, education, and training to obtain an occupational license, and spend an average of \$333 on the license itself.

Some progress has been made. Legislation passed in 2022 requires occupational licensing regulations to meet a health, safety, welfare, or fiduciary standard, and allows individuals to challenge licensing regulations that fail to meet this standard. Other new laws are increasing overall transparency about the occupational licensing process and helping ex-offenders get licensed, back to work, and back on their feet. These are steps in the right direction, but more is needed to address the numerous restrictions that remain and can only be lifted by lawmakers making significant reform a priority. Refer to the Legal and Regulatory chapter for more on this.

#### 5. Provide early opportunities for work to enable long-term self-sufficiency.

For low-income individuals and their families to break out of poverty, a first job is an absolute necessity. Without it, low-income individuals cannot build work-based skills that lead to promotions and wages that can support them and their household. This is not only important for adults receiving social



Training, education, and monetary benefits are simply not enough. Schools, training providers, and social safetynet programs must prioritize and embed work-based learning, apprenticeships, and other supports that enable individuals to practice and refine essential workplace skills, earn wages, and launch a strong, upwardly-mobile career. At every juncture, state policymakers must align educational and workforce programs to ensure clear, open, and intentional pathways for individuals to succeed.

