There's More to Welfare Reform

By DOUGLAS J. BESHAROV

When the landmark 1996 welfare reform law came up for reauthorization in 2002, easy approval was expected. After all, the legislation was popular, it had originally passed with significant bipartisan support and, well, it was working, with the number of people on welfare down an astonishing 60 percent since states started putting reforms in place.

But instead of sailing through Congress, the reauthorization effort became trapped in a political tug of war between Republicans (who wanted tougher work requirements added to the law) and Democrats (who wanted increased federal money for child care). Instead of reauthorizing the law, Congress has simply extended it several times, and now it looks as if there will be yet another extension. That's a shame—because the legislation needs to be updated now.

Despite the law's success in getting people to join the work force, roughly two million families remain on welfare, many headed by single mothers who are unable to get—or keep—a job because of limited education and skills.

The Bush administration's reauthorization proposal focused on these mothers. Because few states had made a concerted effort to move them into programs that build specific job skills, the administration called for states to adopt tougher work and training requirements. Under the proposal, states would have to put 70 percent of their adult recipients in these designated activities for 40 hours a week.

The administration's proposal was not quite as tough as it seemed. It had a number of participation exemptions. What's more, as the bill moved through the legislative process, it was watered down in order to win support from moderates on both sides of the aisle.

But the administration was reluctant to broadcast the legislation's softer side—doing so might undermine its pro-work rhetoric. That silence played into the hands of Democrats. If the Republicans wanted welfare mothers to work more, they argued, there should be a parallel increase in child care financing.

The Democrats had a point. But their demand for as much as $10 billion in additional child care aid went far beyond the needs of welfare families. It would have covered families that had never been on welfare—and were in no danger of needing it. Over time, the Democrats lowered their demands; at this point, they would probably settle for about $6 billion over five years, which is
still more than what is needed to carry out the administration's plan.

For the past two years, the administration has rejected such large spending increases and, given the criticism President Bush is receiving for the growing federal deficit, it seems unlikely that he will give the Democrats what they want. The Democrats' position likewise seems to be hardening. They are now talking about waiting for a President John Kerry to reauthorize welfare reform.

The stalemate is doubly painful because there are clear grounds for compromise. Republican modifications have resulted in work requirements that, if clarified, would enjoy wide support. Democrats know that reauthorizing the legislation now will ensure that states get modest but still substantial increases in child care money. Another year's wait would keep the states at 2002 financing levels, something that has so far cost them $400 million.

Further delay would also forestall desperately needed changes to the legislation. States have to be encouraged to address the needs of the hardest-to-employ welfare recipients by toughening participation requirements. Judging by the experience of the states that have had the most success moving these mothers into employment, we should require 50 percent of a state's welfare recipients to spend 24 hours a week in required activities—perhaps 32 hours a week for mothers with no children under the age of 6. States should be given greater flexibility in how they reach this level, so long as at least 10 percent of their welfare recipients are in mandatory community service or on-the-job training programs. (A separate exemption of up to 15 percent would be needed for the disabled.)

To cover additional child care and administrative costs, a formula should be established that ties payments to the states to increases in participation. The question of whether there should be more federal aid for child care should be reviewed on its own merits, not under the guise of welfare reform.

This kind of bipartisan compromise is never easy in an election season. But two million American families are still trapped on welfare. Can we really afford to wait another year?

Douglas J. Besharov is a resident scholar at the American Enterprise Institute and a professor at the University of Maryland School of Public Affairs.