Michigan's Best-

STATE EMPLOYEES LOCAL UAW 6000

UAW Local 6000 • P.O. Box 40720 • Lansing, Michigan 48901-7920 • (517) 484-6000

February 23, 1993

Bruce Reed
Deputy Policy Director
White House
Washington, D.C. 20500

Dear Mr. Reed:

Chuck Richards from the AFL-CIO Public Employee Department suggested that I contact you to relay our policy concerns in the area of Welfare Reform. UAW Local 6000 is the exclusive representative for 9,000 front line staff in the Michigan Department of Social Services (MDSS). My personal background includes 17 years with MDSS, including 7 years in Employment and Training Services.

It is from this expertise that we wish to share with you some critical policy concerns to aid you in the development of humane and realistic policies on welfare reform. These concerns are as follows:

1. The Michigan model should be rejected as a national model for welfare reform. While the program is certainly less punitive than programs initiated in other states, and while some portions of the program provide benefit to some groups, overall the program is seriously flawed and has created great human hardship and suffering.

   The social contract, which is the heart of the programs, imposes on all clients (regardless of physical health) an obligation to pursue work, training, or community volunteerism, but refuses to provide basic support services such as day care and transportation.

   Great pressure is being exerted on clients to comply with the program. As a result, many children in Michigan are being left in unregulated day care arrangements, or with no day care provider at all. We do not believe this to be good social policy.

   Additionally, MDSS provides no client assessment of employability, nor assistance in locating an appropriate program which will enhance the ability of the client to become self-supporting. As a result, thousands of clients are participating in activities which are of dubious value towards achieving a goal of self-support.

2. A two year limit on receipt of assistance is not workable, given the known characteristics of AFDC recipients.

A U.S. Department of Labor report *"The Learning Disabled in Employment and Training Programs"* estimates that 25-40 percent of all AFDC recipients may be learning disabled. Combining this fact with the low literacy skill level of many of these recipients, and the high skill level needed to compete in today's economy clearly a two year time limit would have serious negative impacts on this group.

As a result of the Family Support Act of 1988, states report much higher rates of participation in educational activities (see GAO Report 11/92 *"Welfare to Work"*). This is a result of a policy decision to target those recipients who are the hardest to serve, many with multiple barriers to employability. This is the very group which would be most adversely impacted by a two year time limit. Many of these families have already suffered serious crisis, including physical abuse, drug dependency and dislocation. It may not be feasible to expect rapid readjustment.

We support the recommendation of the Southport Institute for Policy Analysis is their report *"The Promise of Jobs."* The federal government should require states to allow JOBS participants who need educational services to remain in that activity, as long as the participant is making progress, until their education goals have been achieved.

Additionally, without a strong economy which provides meaningful, good paying jobs, time limits on receipt of assistance will only serve to punish children who are already the victims of poverty.

3. <u>The goals of welfare reform should be to move children and families out of poverty</u>. While some may argue this to be self-apparent, any welfare reform proposal not based on this fundamental belief may exacerbate conditions for poor children in this country.

   Welfare reform must not be utilized as a means to produce short term savings in governmental spending.

   Forcing families off of the welfare rolls may create an illusion of improvement; but pushing the nation's children deeper into poverty will only create higher costs elsewhere in the system. Our commitment must be to assist welfare recipients in securing meaningful, good paying jobs that will allow them to support their children without the need for governmental assistance.

   In September 1991, the Harvard Business Review ran an article entitled, *"Is American Business Working for the Poor?"* The authors concluded... **"simply cutting back on welfare or insisting that welfare recipients work in order to collect their benefits, as many states have done recently, won't help either. So long as work does not offer a clear alternative to poverty, lowering welfare benefits or demanding that recipients work will only make life more difficult for the poor without offering any real hope for the future."**

4. <u>Moving children and families out of poverty must address pay disparities</u> that continue to exist in this country.

   Studies have shown that two-thirds of all women with children will spend at least part of their lifetime as single mothers. While they are in this phase of their life 67 percent of them participate in the labor force. Sixty-five percent of mothers in dual-parent families are in the labor force and 53 percent of mothers with children under three years of age are working.

   The poverty line for a family of four in 1989 dollars amounted to $12,675 annually which equates to an hourly wage of $6.33 earned full time for the entire year. Forty-five percent of all women workers earned less than $6.33 per hour. Only 10 percent of all women workers earned a wage higher than $12.67 per hour.

Children bear the brunt of this wage discrimination. Forty percent of children living with one low-wage earner are in poverty and 18 percent of children living in families with two low-wage earners also live in poverty.

If we are to offer meaningful alternatives to the cycle of poverty, PAY EQUITY must be a central element of any welfare reform proposal.

As discussion continues on the shape of welfare reform policies, we are hopeful that you will give serious consideration to these issues. Please share this letter with appropriate persons involved in the formula of policy in this important area. Feel free to contact me if you have any questions about our concerns.

Sincerely,

Sheila Strunk

Sheila Strunk
Legislative Chair

SS:vc opeiu459afl-cio

cc: Patricia A. Hough, President, UAW Local 6000
Owen Bieber, President, UAW
Stan Marshall, VP, UAW T.O.P. Department
Joe Margone, Director, National C.A.P.
Dave Burtch, Director Servicing, UAW T.O.P.
Harless Scott, Director, Michigan C.A.P.
Chuck Richards, AFL-CIO, PED

NASACT
ASSOCIATION OF STATE AUDITORS, COMPTROLLERS AND TREASURERS

APWA
AMERICAN PUBLIC WELFARE ASSOCIATION

NATIONAL ASSOCIATION of COUNTIES

April 8, 1993

Ms. Regina Montoya
Assistant to the President
for Intergovernmental Affairs
White House
West Wing, Second Floor
Washington, D.C. 20500

Dear Ms. Montoya:

We are writing to ask that you meet with the state and local members of an intergovernmental task force that was recently established to develop comments on a proposed Federal Reserve Board regulation that will have major ramifications for the future of Electronic Benefit Transfer (EBT). EBT involves the payment of government benefits, such as Aid to Families with Dependent Children and Food Stamps, through Automatic Teller Machines or Point of Sale Terminals in retail establishments.

Our Associations are supportive of EBT programs. Recipients who have participated in EBT pilots have overwhelmingly reported that EBT offers advantages over paper-based systems. In the supplementary information of its regulation, the Federal Reserve lists these advantages as including faster access of benefits, greater convenience in terms of times and locations for obtaining benefits, greater security, lower costs (for example, by eliminating check-cashing fees), and, in the case of Food Stamps, greater privacy and dignity.

As is indicated by the attached resolution from our Associations, however, we believe that revisions to Regulation E that are being proposed by the Federal Reserve Board would result in state and local governments assuming such great liability for the costs resulting from lost or stolen access cards, that we could not afford to implement EBT. States that have already implemented their EBT systems are the most vulnerable and would have to decide whether to discontinue their project. For your information, we are enclosing a copy of the proposed regulation, which was published for comment in the Federal Register on February 17, 1993. The comment period closes on May 21, 1993.

The purpose of our meeting would be to explore whether your office might work with the federal agencies involved in the implementation of EBT, to determine if a unified federal agency position might be taken on key issues in Regulation E. Such a unified position was developed, incorporated in an EBT Steering Committee Position Paper, and submitted to the Federal Reserve on May 11, 1992. However, with the new Administration in place, no one is sure what position the federal agencies will take on Regulation E. If appropriate, it might be helpful to include Cathi Way, Special Assistant To the President for Domestic Policy in our meeting, because she would logically have an interest in the EBT issue.

Our Associations generally support the enclosed Steering Committee position, and we would hope that federal agencies would again endorse the position. We have taken the liberty of asking Helena Sims, the Washington Office Director of the National Association of State Auditors, Comptrollers and Treasurers to contact you shortly, and see if we might be able to meet with you. If, in the meantime, you have any questions, you can contact her at (202) 624-5451.

Sincerely,

Bill Kilmartin

William Kilmartin
Massachusetts
On Behalf of the
National Association
of State Auditors,
Comptrollers and
Treasurers

Karen Walker

Karen Walker
Maryland
On Behalf of the
American Public
Welfare Association

Tom Fashingbauer

Tom Fashingbauer
Ramsey County, Minnesota
On Behalf of the
National Association
of Counties

NATIONAL ASSOCIATION OF STATE AUDITORS, COMPTROLLERS AND TREASURERS
NASACT

National Association of State Auditors, Comptrollers and Treasurers

PRESIDENT
Michael L. Fitzgerald
State Treasurer
State Capitol Building
Des Moines, IA 50319
(515) 281-5368

RESOLUTION

RELATING TO THE TREATMENT OF EBT PROGRAMS UNDER REGULATION E

WHEREAS, Electronic Benefit Transfer (EBT) is an emerging technology with great potential for better serving the recipients of government benefits, and

WHEREAS, EBT pilot tests reveal that affected parties have an overwhelming preference for EBT over paper-based systems, and

WHEREAS, the Federal Reserve on February 17, 1993, published a proposal to revise Regulation E, which implements the Electronic Fund Transfer Act, to cover EBT programs established by federal, state and local agencies, and

WHEREAS, the proposal would subject governments operating EBT programs to the same liability rules as are applicable to financial institutions, thereby limiting the liability of recipients for unauthorized withdrawal from an account, and

WHEREAS, unlike financial institutions, governments cannot limit their liability for such losses by pre-screening the creditworthiness of recipients or recouping losses by charging interest to cardholders, and

WHEREAS, the proposed revision of Regulation E would expose states to such significant financial liability that they could not and would not proceed with the implementation of EBT systems, and

WHEREAS, NASACT does not believe that it is appropriate or equitable to advance EBT by requiring the states to assume liability that is currently shared with the federal government in a paper environment,

Relmond P. Van Daniker, Executive Director for NASACT, 2401 Regency Road, Suite 302, Lexington, Kentucky 40503
Telephone (606) 276-1147, FAX (606) 278-0507, and 444 N. Capitol Street, N.W.
Washington, DC 20001, Telephone (202) 642-5451, FAX (202) 624-5473

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee of the National Association of State Auditors, Comptrollers and Treasurers submits that states cannot assume liability as provided for in the proposed revision of Regulation E and that the proposal must be amended to limit state liability and produce a balance between cost and program benefits that would allow the implementation of quality Electronic Benefit Transfer programs.

Adopted: March 26, 1993

Relmond P. Van Daniker
Executiva Director

APWA

NATIONAL COUNCIL OF STATE HUMAN SERVICE ADMINISTRATORS

RESOLUTION SUPPORTING THE EBT STEERING COMMITTEE'S RECOMMENDATIONS

WHEREAS, The Federal Reserve Board issued a proposed regulation on February 17, 1993 fully applying Regulation E to Electronic Benefit Transfer (EBT), which would seriously hamper the growth of EBT by reducing cost savings and recipient access since states would be fully liable for lost or misused benefits; and

WHEREAS, We concur with the Board's desire to protect consumers, but this must be balanced with the public sector's need to prevent fraud and abuse; and

WHEREAS, On May 11, 1992 the Electronic Benefit Transfer (EBT) Steering Committee, including of APWA, the USDA Food and Nutrition Service (FNS), the HHS Administration for Children and Families (ACF), the Department of Labor, the Department of the Treasury, the Office of Management and Budget, and the Federal Reserve Board staff with input from APWA, submitted final recommendations to the Federal Reserve Board proposing modifications to Regulation E of the Electronic Fund Transfer Act of 1978 that are applicable to EBT projects; and

WHEREAS, The recommendations would provide protections to the users of electronic debit cards while limiting the liability of the state and federal government; and

WHEREAS, The steering committee's recommendations are the result of many meetings and ongoing collaborations among the federal agencies with input from state representatives including the National Association of State Auditors, Comptrollers, and Treasurers and APWA; and

WHEREAS, Several states are currently piloting major programs, while many states are studying implementing EBT programs; and

WHEREAS, Delivering the benefits through an ATM-like system would enhance the self-sufficiency of clients, offer greater security of benefits, and provide greater convenience to users; and

WHEREAS, Unlike the private sector, public sector agencies lack the flexibility to choose customers, cancel accounts and charge fees to cover losses; and

WHEREAS, The proposed regulation applying Regulation E to EBT would expose states to such significant financial liability that they may not be able to proceed with the implementation of EBT systems; and

WHEREAS, None of the federal programs will participate in the re-issuance of benefits; and

WHEREAS, The benefits of WIC, Food Stamps, and Medicaid are not cash but a payment transfer to service providers;

THEREFORE BF IT RESOLVED, that the National Council of State Human Service Administrators urges the Federal Reserve Board and Congress to use the recommendations of the EBT Steering Committee as the basis for their final regulation on EBT.

Adopted by the National Council of State Human Service Administrators March 24, 1993

HUMAN SERVICES AND EDUCATION STEERING COMMITTEE RESOLUTION ON CONTINUED SUPPORT OF ELECTRONIC BENEFIT TRANSFER (EBT)

WHEREAS, Electronic Benefit Transfer (EBT) Systems improve the quality and efficiency of the delivery system for cash and Food Stamps benefits for Public Assistance recipients and the business community; and

WHEREAS, Public Assistance clients realize greater security, reliability and convenience through the electronic benefits transfer system; and

WHEREAS, the consumer rights of welfare and Food Stamp recipients are appropriately protected under extensive federal rules in the authorizing statutes and program regulations; and

WHEREAS, the Federal Reserve Board at their meeting of January 6, 1993, ruled that Title IX (Electronic Fund Transfer Act-EFTA) of the Consumer Credit Protection Act know, as Regulation E should apply fully to government benefits, except for monthly reporting requirements; and

WHEREAS, under Regulation E county government would be responsible for all reported losses regardless of recipient negligence and thereby cause the Electronic Benefit Transfer System to become less cost effective:

THEREFORE BE IT RESOLVED, the National Association of Counties supports the continued use of the Electronic Transfer Benefit System to distribute government benefits; and

BE IT FURTHER RESOLVED, that the National Association of Counties calls on the Federal Reserve Board to permanently exempt government benefit electronic delivery systems from Regulation E; and

BE IT FURTHER RESOLVED, that the National Association of Counties Human Services and Education Steering Committee members call upon their Congressional delegations to co-sponsor legislation that will make permanent the 1987 exemption of Public Assistance benefit programs from Regulation E.

Adopted by Human Services and Education
Steering Committee
(unanimous)
February 27, 1993

Adopted by NACo Board of Directors
February 28, 1993

NATIONAL ASSOCIATION OF STATE BUDGET OFFICERS

RESOLUTION

FEDERAL RESERVE BANK PROPOSAL RELATING TO REGULATION E AND ELECTRONIC BENEFITS TRANSFER

WHEREAS, State budget officers have responsibility and authority in matters pertaining to fiscal management and overall budget oversight; and

WHEREAS, States desire to implement quality recipient services through electronic benefits transfers in order to provide a cost efficient system of service delivery and

WHEREAS, On Monday, February 8, 1993, the Federal Reserve Board issued for public comment a proposal to extend the provisions of its electronic fund transfer regulation (Regulation E) to Electronic Benefits Transfer programs; and

WHEREAS, The Federal Reserve Bank has published a notice of proposed rulemaking that would modify Regulation E as it pertains to EBT programs in such a way that limits recipient liability and increases state liability for lost or stolen EBT cards; and

WHEREAS, The Federal Reserve Bank regulation, if implemented in its current form, will create unforeseen financial burden upon state and local government; and

WHEREAS, This proposed modification to Regulation E would increase costs to states to such an extent that it will stymie states from developing innovative solutions to deliver services more efficiently.

NOW, THEREFORE, BE IT RESOLVED, THAT:

The National Association of State Budget Officers cannot support the autonomous assignment of liability regarding this issue.

The National Association of State Budget Officers urge the Federal Reserve Bank's Board of Governors to withdraw the proposed regulations.

AND BE IT FURTHER RESOLVED, THAT:

The National Association of State Budget Officers recommends that the recently constituted State/Federal EBT Task Force provide immediate comment with empirical evidence on the impact of the proposal upon state finances to the Federal Reserve Bank, in order for the Federal Reserve Bank to make an informed decision.

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ADDITIONAL OFFICES IN
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FAX: (301) 469-9243

March 9, 1993

Kathie Way
Old Executive Office Building
Room 218
Washington, D. C. 20500

Dear Ms. Way;

As per my conversation yesterday with someone from your office I am sending you a copy of a proposal for welfare reorganization. The enclosed plan was drafted by a number of colleagues and myself. As you can see from the enclosed resumes, all of us, with the exception of the economist, have had a good deal of experience working with recipients of public assistance. This plan was shown to a number of people outside our group for additional comments and suggestions. Many of these have been incorporated.

In addition to the proposal and resumes I have included copies of some documents published by government agencies.

The proposal has been sent to you double spaced and with numbered lines in order to facilitate reading and editing.

I would very much appreciate an opportunity to meet with you personally in order to further detail the rationale behind this plan. We truly believe that this proposal corrects much of what is wrong with the present welfare system and provides a new paradigm for creating an independent population.

Sincerely,

Irene S. Vogel, Ph.D.

cc: Greg Simon

IRENE S. VOGEL, PH.D., I.A.P.C.P.
Diplomate in Professional Psychotherapy, International Association for Professional Counseling and Psychotherapy, Inc.; Fellow The American Orthopsychiatric Association; Diplomate: American Association of Sex Educators, Counselors and Therapists. President, Association of Practicing Psychologists of Prince George's and Montgomery Counties, Inc., Member: American, MD, D.C., VA. Psychological Associations, American Association for Behavior Therapy, Association for the Advancement of Psychology, American and International Societies of Clinical Hypnosis, American Holistic Medical Association; Author and lecturer; Psychological expert on local, national and international TV and radio shows

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Advocacy Groups

WASHINGTON
STATE
INSTITUTE
FOR
PUBLIC
POLICY

February 10, 1993

Mr. Bruce Reed, Domestic Policy Advisor
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20006

SUBJECT: WELFARE REFORM

Dear Mr. Reed:

As the Administration reviews welfare reform proposals, we want you to know that Washington State has critically important information about welfare recipients that may be unavailable from administrative records in other states.

The **Family Income Study**, a five-year longitudinal study of households receiving or at risk of receiving public assistance, is able to provide objective information on the effectiveness of education and vocational training for various types of welfare recipients.

We are enclosing recent newsletters, issue papers, and the description of the Study for your information. If you are interested in more information about the Study or our findings, please call us at (206) 866-6000, extension 6380.

Sincerely,

Carol Webster Greg Weeks

Carol Webster, Ph.D. — Project Manager
Greg Weeks, Ph.D. — Research Director

Enclosures

The Evergreen State College
Seminar 3162, Mail Stop: TA-00
Olympia, Washington 98505
Telephone: (206) 866-6000, ext. 6380
Fax: (206) 866-6825

WASHINGTON
STATE
INSTITUTE
FOR
PUBLIC
POLICY

Family Income Study

Description

The Family Income Study, a longitudinal study of Washington households receiving public assistance or at risk of receiving assistance, is entering its final year. Sample households have been interviewed annually for four years. The fifth and final survey was completed in the fall of 1992.

Purposes of the Study

In 1987, the Washington State Legislature directed the Institute for Public Policy to conduct the study through legislation:

> "..a longitudinal study over time of a sample of public assistance recipients or persons at risk of becoming eligible for assistance, **to determine the causes of public dependency and the impact of changes in the economy or of public programs on dependency, work, or other relevant behaviors of the sample population.**" (RCW 74.21.140, Subsection IX.)

Topics Covered in the Study

- Family composition and demographics
- Fertility
- Mobility
- Education, employment and earnings
- Training and retraining
- Job search activities
- Patterns of welfare use
- Housing and food expenditures
- Health and health insurance
- Child care patterns
- Child school performance
- Juvenile court histories
- Alcohol and drug use
- Physical and sexual abuse
- Depression, self-esteem and social support

The Study Design

The Family Income Study interviewed over 2,100 households in the first year. The sample was drawn from the ten sites selected for the evaluation of the Family Independence Program (FIP) and eight other sites selected to represent the entire state. Approximately 1,300 households were receiving Aid to Families with Dependent Children (AFDC) and 800 families were at risk of being on public assistance when the sample was drawn in April 1988. More than 95 percent of eligible households were reinterviewed for the second and third years, and 95 percent were reinterviewed in the fourth year. The great majority of the sample is women and children. Another 600 low-income males were surveyed in 1990.

The Evergreen State College
Seminar 3162, Mail Stop: TA-00
Olympia, Washington 98505
Telephone: (206) 866-6000, ext. 6380
Fax: (206) 866-6825

Operation of the Study

The Washington State Institute for Public Policy is primarily responsible for the study. Interviews are conducted by the Social and Economic Sciences Research Center at Washington State University. Analysis of the data is done by Institute staff and faculty at Washington State University and other universities.

Recent Reports, Newsletters, and Papers

Public Assistance and Income: Changes Over Time, January 1993.

The Family Income Study: Recent Findings, December 1992.

Targeting Public Assistance, September 1992.

Child Care Use in Public Assistance Households, August 1992.

The Recession: Early Impacts on Washington, June 1992.

Does Public Assistance Encourage Women to Have More Children? January 1992 (issue brief).

Does Washington Attract Welfare Recipients from Other States? January 1992 (issue brief).

The Family Income Study: A Summary of What We've Learned, January 1992.

Staying Off Public Assistance: What Enables a Woman to Stay Off Assistance, Once She Has Left? January 1992.

Promoting Independence: Welfare Policy Options, January 1992 (conference summary).

Education and Training Experiences of AFDC and FIP Participants, October 1991.

Housing Costs for Women on Public Assistance, September 1991.

Hunger Among Public Assistance Households in Washington State, September 1991.

Leaving Public Assistance in Washington State, April 1991.

Recent Findings from the Family Income Study, March 1991 (newsletter).

Teenage Mothers: A Life of Poverty and Welfare? February 1991.

Training Needs of the Economically Disadvantaged and the Working Poor: A Chartbook, February 1991.

Training Needs of the Economically Disadvantaged and the Working Poor, January 1991.

Becoming Poor: The Dynamics of Female Poverty in Washington State, December 1990.

Washington State's Target Populations for the Federal Family Support Act, November 1990.

Women, Work, and Public Assistance, November 1990.

Family Income Study Research Staff

At the Institute:

Tom Sykes, Director
Carol Webster, Project Manager
Greg Weeks, Research Director
Shilin Hu, Research Associate
Sheila Donnelly, Project Assistant

At Washington State University:

John Tarnai, Acting Director, SESRC
Ernst Stromsdorfer, Research Scientist

To request reports or more information about the study, please call (206) 866-6000, ext. 6380.

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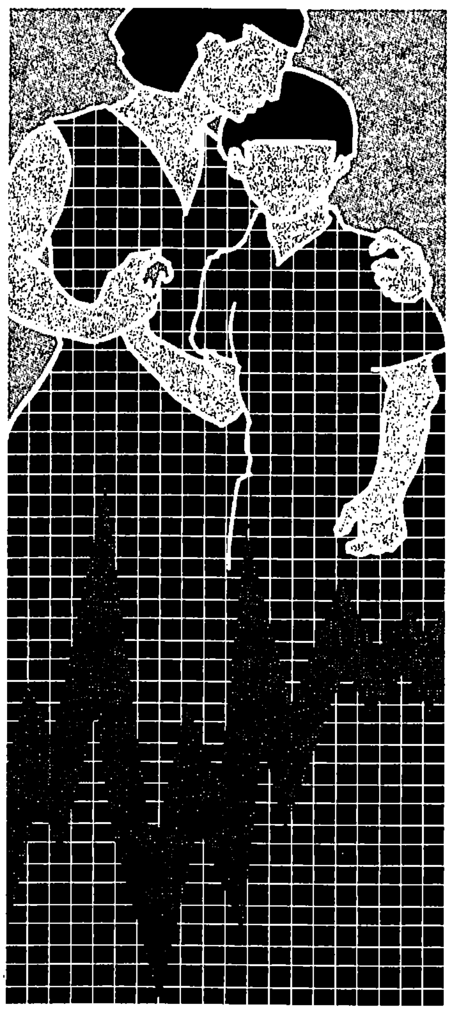
The Family Income Study



Washington State Institute for Public Policy
December 1992

Recent Findings

The Family Income Study is a longitudinal study of Washington households receiving public assistance or at risk of receiving assistance. The Study was created by the Washington State Legislature in 1987 and is conducted by the Washington State Institute for Public Policy in collaboration with the Social and Economic Sciences Research Center at Washington State University.

This newsletter answers these questions about welfare in Washington State:

- Who is on public assistance?
- How long do women stay on public assistance?
- How do women leave public assistance?
- How can we target services to recipients?
- Which women on welfare are more likely to work?
- Which welfare-to-work approaches are most successful?

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Washington State Institute for Public Policy

The Family Income Study: A Summary of What We've Learned

January 1992

Washington State Institute for Public Policy

TARGETING PUBLIC ASSISTANCE

Gregory C. Weeks

September 1992

Washington State
Institute for Public Policy

CHILD CARE USE
IN PUBLIC ASSISTANCE HOUSEHOLDS

Carol Webster

August 1992

Promoting Independence:
Welfare Policy Options

January 1992

CONFERENCE PARTICIPANTS:

Peter Callaghan
The Morning News Tribune

Phoebe Cottingham
The Rockefeller Foundation

Senator Marc Gaspard
Washington State Senate

Fred Gustafson
Maximus, Incorporated

Representative June Leonard
Washington State House of Representatives

Samuel Martinez
Washington State Migrant Council

Senator Pam Roach
Washington State Senate

Representative Beverly Stein
Oregon State House of Representatives

Sheri Steisel
National Conference of State Legislatures

Joe Taller
The Boeing Company

Russ Tershy
Center for Employment Training

Senator Peter von Reichbauer
Washington State Senate

John Wallace
Manpower Demonstration Research Corporation

Greg Weeks
Washington State Institute for Public Policy

Conference Summary

All states have now implemented the federal Family Support Act of 1988 (FSA). This federal welfare reform legislation established the Job Opportunity and Basic Skills program (JOBS), the education, training, and support services component of FSA. FSA/JOBS requires states to direct services to those most likely to become long-term welfare recipients.

Many states now face increasing welfare caseloads and decreasing state revenues. The federal government and the states share the cost of welfare, but states have fewer dollars available to take advantage of the total allocated federal funds under FSA/JOBS.

Moving recipients off welfare and into employment is a common policy goal. How to provide the most effective education and training programs is the question facing state policymakers today.

To address some of these issues, the **Washington State Institute for Public Policy** held a conference on November 13, 1991, entitled: ***Promoting Independence: Welfare Policy Options.*** Speakers discussed:

- Welfare reform trends.
- Washington State's welfare caseload trends.
- Findings and recent innovations in welfare-to-work programs.
- Results from Washington's Family Income Study.

The conference concluded with a five-member panel discussing their ideas for future policy in Washington State.

Highlights

- Integrating hands-on vocational training with basic education produces gains in employment and earnings.
- Only an independent, experimentally-designed evaluation of welfare programs can reveal the programs' actual effect.
- Low-cost and moderate-cost welfare-to-work programs can increase employment and earnings, but do not always reduce welfare costs.
- Expectations should be modest for the outcomes from welfare-to-work programs. Caseload reductions are unlikely, and dramatic increases in income are rare.
- Over half of the women who leave assistance in Washington State leave for labor market-related reasons.
- States have flexibility in designing their welfare-to-work programs under FSA/JOBS, but they should not expect further changes in the federal welfare program.
- Decreased state revenues mean fewer state dollars are available to be matched by the federal funds allocated for welfare reform. Thus, the scope of FSA/JOBS will be smaller than Congress originally envisioned.

Presented by the
Washington State Institute for Public Policy
and co-sponsored by the
Senate Commerce and Labor Committee
Senate Children and Family Services Committee
House Appropriations Committee

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Washington State
Institute for Public Policy

STAYING OFF PUBLIC ASSISTANCE:

WHAT ENABLES A WOMAN TO STAY OFF ASSISTANCE ONCE SHE HAS LEFT?

LISA CUBBINS

January 1992

Washington State
Institute for Public Policy

LEAVING PUBLIC ASSISTANCE IN WASHINGTON STATE

GREGORY C. WEEKS

April 1991

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TEENAGE MOTHERS:
A LIFE OF POVERTY AND WELFARE?

CAROL WEBSTER
and
FELIX D'ALLESANDRO

February 1991

Institute for
Liberty and
Community

John McClaughry
President

Concord, Vermont 05824 802-695-2555

AMERICAN LEGISLATIVE EXCHANGE COUNCIL
The State Factor

Volume 18, Number 6 June, 1992

OPPORTUNITY, NOT DEPENDENCY:

THE OREGON FULL EMPLOYMENT PROGRAM

By

Charles D. Hobbs
and
John McClaughry

ALEC * 214 Massachusetts Ave., NE * Suite 240 * Washington, DC 20002 * (202) 547-4646
Executive Director Samuel A. Brunelli Director of Public Affairs Noel R. Card

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