

TANF is NOT a “Blueprint” for *Serious* Policymakers: An Explanation for Nic Horton

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In “How Work Overcomes the Welfare Trap,” Nic Horton of the Foundation for Government Accountability (FGA) argues that the 1996 welfare reform was a “remarkable” success and that it should be used as a “blueprint” for reforming the rest of the safety net.² While many conservatives hold this same position, I argue that TANF is a massive policy failure and should not be held out as an example of “conservatism” or a model for other welfare programs. I favor an alternative approach based on a model developed in the Reagan Administration, which provided states flexibility, but had strong accountability provisions to ensure that states actually help needy families. This model was continued by President Bush and President Clinton until 1996 when TANF replaced it with a blank check to states. TANF has become a form of revenue sharing – welfare for state politicians’ wish lists rather than needy families. It is time for conservatives to develop a new approach to welfare reform – one that adequately protects our nation’s neediest families and gives them real opportunities to achieve self-sufficiency.

For the past two years, I have been writing papers as a citizen to highlight TANF’s many problems. My hope is that conservatives will adopt more “rigor” in their assessment of the 1996 law and use evidence rather than ideology in developing reform proposals. This response addresses a number of the claims made by Horton about TANF and work requirements generally, followed by a “PC Response.” (“PC” is short for “Peter the Citizen.”)

Horton: “A key ingredient of any welfare program is work. Without work requirements in place for nondisabled, nonelderly enrollees, any welfare program naturally operates as a welfare trap. Staying in such welfare programs, languishing in dependence, enrollees miss an incalculable amount of opportunity to improve their lives.”

PC Response: I believe work requirements can be a valuable tool, but such requirements should be realistic, reasonable, and based on research – both about the nature of the problem and the solution. The provision of welfare can discourage some recipients from taking steps toward self-sufficiency and “trap” them on the rolls and in poverty. The extent to which this is the case is an empirical question. Despite the fact that many researchers have studied the patterns of welfare use, or “welfare dynamics,” both within and across generations for well over three decades,³ Horton provides no citations to any research that would support his claim about welfare programs operating as a “trap.”

In fact, the only citation to any empirical “evidence” is to a report that Horton co-authored with a colleague about the putative success of a “work requirement” in Kansas for able-bodied adults without dependents in the Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps.⁴ That FGA study of the Kansas “work requirement” is seriously flawed – it lacks a credible counterfactual for making *causal* claims about the effects of SNAP’s “work requirement” and the authors make numerous misleading and speculative statements (see my

critique: “The FGA’s ‘First of Its Kind Study’ Should Have Been the Last: An Evaluation Note for Pre-Post Conservatives,” July 4, 2017, available at: <https://petergermanis.com/wp-content/uploads/2021/02/The-FGA-FF.pdf>).

That report did cite evidence about welfare use over time, but its claim was highly misleading. Horton and his colleague asserted:

...food stamps have also become the gateway to long-term government dependency. According to the latest data, the typical enrollee now stays on food stamps for an average of more than eight years.

To support their claim, they cited a study sponsored by the U.S. Department of Agriculture (USDA) that examined the dynamics of SNAP participation from 2008 to 2012.⁵ That study does show that the average enrollee, *at a point in time*, received SNAP benefits for eight years. However, Horton and his co-author left out several important facts.

First, the finding is based on *all* SNAP recipients, including the elderly, disabled, and others who may not be able to work. The result is not generalizable to able-bodied adults without dependents – the focus of their study. That same USDA study shows that nearly half of completed spells among nonelderly/nondisabled childless adults are two years or less – a far cry from the eight-year spell length cited in the FGA report.⁶ Second, the survey covered the 2008 to 2012 period – five to nine years ago – when the nation was in the midst of a severe economic downturn and jobs were not readily available.

Third, the findings in the USDA study examined “completed spell lengths” for “SNAP participants in spells underway in December 2008.” In other words, the study identified all those receiving SNAP in a specific month and then reported the total length of the spell, including periods prior to the start of the survey up to the point they leave (or when the survey ends). As anyone who has studied the welfare dynamics literature knows, this approach significantly exaggerates the duration of SNAP receipt of the “typical enrollee” over the course of a year (or longer period), because a snapshot in time disproportionately reflects long-term welfare users. This is clearly explained in the USDA report:

... in the cross-sectional sample, we miss many short spells that occur within the same panel period – they are likely to end before or to begin after our sample month. Longer spells, however, are more likely to include our sample month. For this reason, the longer spells are more heavily represented in the cross-sectional sample than in the entry cohort sample.⁷

The USDA study also includes spell lengths for those who are “new entrants.” Nearly 80 percent of nonelderly/nondisabled childless adults who started a spell exited the program within two years; indeed, over a third exited within 4 months. The median spell length was 8 months.⁸ Understanding these and other data issues is essential in specifying the size and scope of a policy problem. In the FGA report on Kansas, Horton and his colleague presented a grossly misleading exaggeration of the extent of long-term dependency of the “typical enrollee” as it pertains to a

study about the SNAP “work requirement” for adults without dependent children. In Horton’s current statement, no evidence is cited at all.

Horton: “This is the cruelty of welfare, and it is why conservatives care so deeply about rescuing as many individuals from it as possible.”

PC Response: If conservatives really cared about “rescuing” the poor, they would conduct *credible* evaluations of policy initiatives. Instead, Horton and many conservatives rely on simplistic pre-post data comparisons to make causal claims about the effects of “welfare reform” or specific components like work requirements and time limits. Perhaps even worse, as in the case of many reports prepared by the FGA, there is no attempt to follow up with those who do not appear to be working to see how they are faring after the imposition of a work requirement or time limit that terminates their benefits. Anyone who cared “so deeply” would really do a better job of looking at how a policy impacts all those affected by it and the details of how it was implemented.

A far better approach is to look to President Reagan’s waiver-based approach to real welfare reform. In 1987, he started encouraging states to use existing authority to conduct welfare reform experiments – through waivers of AFDC’s rigid rules (and, to a lesser extent, food stamp and Medicaid rules due to more limited waiver authorities for those programs). This approach had strict accountability provisions, most notably cost neutrality (not block grants) and a requirement for a rigorous evaluation, including both an impact evaluation and a process evaluation to assess the manner of implementation.

During the early years of this waiver process, there was an ongoing debate about what constitutes a “rigorous” evaluation and a range of approaches was considered, including statistical models and various comparison group designs.⁹ A simple pre-post model, like the one used in various FGA reports, was rejected outright, because it was deemed to be unreliable. The early experiences in several states using comparison groups and statistical models suggested that even these approaches were imperfect, even though in practice they captured many more factors than a simple pre-post study. In the end, we looked to the “gold standard” of evaluation – random assignment. The findings from random assignment experiments are considered the most credible, because the experimental and control groups are alike and subject to the same external conditions, with the only difference being the intervention itself.

President Reagan’s evidence-based approach was continued by President Bush and President Clinton. It provided rigorous evidence, including many examples of state experiments that increased employment and earnings, and also reduced welfare dependency and poverty.¹⁰ The next step would have been to refine this process and expand waiver authorities in other programs.¹¹ TANF ended this approach to welfare reform and now there is little credible evidence about the effects of state welfare reform efforts. We have to start over, but this evidence-based model is the responsible conservative approach – the real “cruelty” was replacing it with a blank check to states with no accountability. This has allowed TANF, in many states, to become welfare for state politicians.

Horton: “It is also why work requirements, combined with time limits, are so important. Individuals cannot escape poverty without work; they cannot live the American Dream without work.”

PC Response: Rigorous evaluations of mandatory welfare-to-work programs suggest that they had modest effects on employment and earnings, which faded over time. Most of the experiments had little impact on poverty rates and some increased deep poverty rates.¹² Most of these evaluations were of programs that operated in the 1990s and while informative, they are not representative of the likely effects of TANF’s requirements. Gordon Berlin, president of MDRC, the research organization that evaluated dozens of welfare-to-work programs over the last four decades explains:

None of the welfare-to-work programs evaluated by MDRC to date – even the most effective ones – would have met the standards currently in place (that is, had states received no credit for caseload reductions), primarily because too few people participated in them for at least the minimum number of hours per week.¹³

It certainly is the case that states should be engaging more welfare families in work activities, but TANF’s work requirements are unreasonable, dysfunctional, and not about work. Their main function has been to impose barriers and cut caseloads through a process known as “bureaucratic disentanglement.” Even with sharply reduced caseloads, states have resorted to loopholes and gimmicks to satisfy federal work requirements that are unrealistic. Such gimmickry does nothing to help the poor get connected to work opportunities. For several critiques of TANF’s work requirements, see:

- “TANF Work Requirements: An Epic Fail,” in *TANF is Broken! It’s Time to Reform Welfare Reform* (And Fix the Problems, Not Treat their Symptoms), July 25, 2015 draft, available at: <https://petergermanis.com/wp-content/uploads/2020/09/TANF-is-Broken.072515.pdf>.
- “The Failure of TANF Work Requirements: A *Much Needed* Tutorial for the Heritage Foundation and the American Enterprise Institute,” August 12, 2016, available at: <https://petergermanis.com/wp-content/uploads/2021/02/The-Failure-of-TANF-Work-Requirements.pdf>.
- “The Failure of TANF Work Requirements in 2015: The Need for ‘A *Much Better* Way,’” December 20, 2016, available at: <https://petergermanis.com/wp-content/uploads/2021/02/The-Failure-of-TANF-Work-Requirements-1.pdf>.
- “The Failure of TANF Work Requirements in Wisconsin: A Note for Speaker Ryan,” August 22, 2016, available at: <https://petergermanis.com/wp-content/uploads/2021/02/The-Failure-of-TANF-Work-Requirements.Wisconsin.pdf>.

To understand TANF’s impacts on employment and poverty, one has to step back and view TANF for what it is – a form of revenue sharing that gave states the flexibility to divert spending to a wide variety of activities unrelated to core welfare reform purposes. In TANF’s early years, states were flush with money, because the block grant was based on spending levels during earlier years when caseloads were at historic highs. Given the strong economy, the expansion in aid to the working poor, and the state experimentation started under waivers, it’s not hard to see

why poverty declined and employment rates for single mothers rose through 2000. Over time, however, the block grant lost its value and the economy soured. This is when TANF's failures became more apparent to all but conservative ideologues. A recent assessment of "welfare reform," by Gordon Berlin, president of MDRC, explains:

Initially, welfare caseloads fell rapidly and employment rates among single parents reached new highs. TANF's work requirements and time limits provided a push off welfare just as the booming 1990s economy was pulling nearly every able-bodied welfare recipient into low-wage work – work that was supplemented by the recently enhanced Earned Income Tax Credit (EITC). But by the early 2000s, caseload declines leveled off and single parents' employment rates began to decline. Poverty rates began to rise, especially the rate of deep poverty (the fraction of families with incomes below 50 percent of the federal poverty level). When the Great Recession hit, employment rates plummeted and poverty rose substantially. In contrast to previous recessions, welfare caseloads did not rise in most states, in part because states had committed TANF funds to other needs and in part because they were no longer required to assist every eligible family.

Today's welfare program serves fewer than 30 percent of those eligible; TANF's predecessor served close to 80 percent. In real dollars, spending on cash assistance has declined from roughly \$30 billion in 1996 to roughly \$8 billion today, with some states spending less than 20 percent of their TANF funds on cash assistance, work, or child care. Yet the fraction of children living in deep poverty has risen by 50 percent. Welfare dependency fell, but deep poverty rose.¹⁴

Real welfare reform requires adequate funding, realistic work requirements, and rigorous evaluation so that we can learn what works and what doesn't and build on an evidence base. It should be about giving needy families a hand up, but instead, under TANF has abandoned them.

Horton also mentions time limits, but again does not cite any credible evidence regarding their impact with or without work requirements. The 1996 law was written before any evaluation results were available to inform policymakers and there is nothing that has been studied to date – using a credible methodology – that provides evidence about their impact on employment, earnings, poverty, and other outcomes. (There are a number of evaluations of multi-faceted programs that included time limits, but it is not possible to disentangle the effects of the time limit from other policy changes.)

While there is no credible evidence regarding the impact of TANF time limits, this hasn't prevented the FGA for making reckless conclusions about the provision. For example, Jared Meyer recently interviewed Mary Mayhew, the outgoing Commissioner of Maine's Department of Health and Human Services. He began his article by stating:

On May 25, the Maine Department of Health and Human Services released a report on how individuals who transitioned off Temporary Assistance for Needy Families (TANF) fared in the years that followed. This report follows Governor Paul LePage's 2012 decision to enforce existing time limits for this supposedly temporary program's

eligibility. Despite claims that moving people off government assistance would result in widespread hardship, the data show that promoting work over welfare helped people substantially increase their incomes, which saved taxpayer dollars and preserved public resources for the truly needy.¹⁵

The term “transitioned off” is really “cut-off”; it refers to the state’s 2012 decision to begin enforcing the federal five-year time limit on the receipt of cash assistance. As with other FGA reports on welfare reform and work requirements, Meyer confuses data collection with evaluation. The original report upon which Meyer bases his conclusion cautions that one cannot attribute changes in employment outcomes to the time limit policy:

The results presented in this report describe the employment outcomes for individuals that exited Maine’s TANF program for time limits in the second quarter of 2012. This information provides important feedback to administrators and program managers regarding the employment status of former program participants. **Further analysis is required to identify and attribute causation to the underlying changes in outcomes reported in this study** (*emphasis added*).¹⁶

Nevertheless, Meyer and others at the FGA make irresponsible statements about causality. As I explained to Meyer in my critique of his interview and his interpretation of Maine’s data:

Even without a rigorous evaluation, the report’s findings can be used to paint a very different picture. Figure 4 of the report indicates that the employment rate grew from about 18 percent in the baseline period to 34 percent in the last quarter of follow up (quarter 1 of 2016). Even if one claims the entire increase of 16 percentage points as the impact, this still means 66 percent did not have an earnings record in that final quarter. With the loss of cash assistance, many of these leavers undoubtedly have less income. The report also notes that “64 percent of the TANF leavers had a wage record in Maine’s UI wage system at some point over the period of analysis, which began in the second quarter of 2011 (four quarters prior to the policy change) and ran through the first quarter of 2016.” This means that 36 percent had no wage record over the entire study period! Where is the analysis of what happened to the incomes of those without jobs?

For a more detailed critique, see:

“Maine DOES NOT Show How to Make Welfare Work: A Response to Jared Meyer and Mary Mayhew,” June 4, 2017, available at: <https://petergermanis.com/wp-content/uploads/2021/02/Meyer.pdf>.

Horton: “As part of the great welfare reform of the 1990s, Congress transformed what was then one of the nation’s largest welfare programs. That effort, embodied in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, aimed to refocus the decades-old Aid to Families with Dependent Children (AFDC) cash assistance program. Under its new name, the Temporary Assistance for Needy Families (TANF) program was given new goals: Keep families together, reduce out-of-wedlock pregnancies, encourage the formation of two-parent families, and reduce dependence. One of the primary ways TANF seeks to accomplish all

of these goals is by promoting work: transforming welfare from a way of life into a temporary safety net or trampoline back into independence.”

PC Response: The claim that TANF is “reform” and that it “transformed” welfare into a “trampoline back into independence” is wrong. In fact, TANF is perhaps the most dysfunctional social “program” ever created. The word “program” is in quotation marks, because TANF is not a program in the traditional sense of the word, but just a form of revenue sharing. While the law sent a symbolic message about the importance of work requirements and time limits, in practice, neither of these elements have been implemented in the way Congress intended. TANF is not “welfare reform” at all, but a flexible funding stream that has failed to provide an adequate safety net or an effective welfare-to-work program. In many states, it has become a slush fund used to supplant state spending and fill budget holes – something Horton completely ignores. As described in many of my critiques (see citations above), its work requirements are the epitome of dysfunctional conservatism.

It is time for conservatives to develop an alternative approach to welfare reform – one that adequately protects our nation’s neediest families and gives them real opportunities to achieve self-sufficiency. That approach is the evidence-based, “Reagan model,” where states are given flexibility to test new approaches, but are required to evaluate them *rigorously* (unlike the FGA’s pre-post approach), so that we can find out what works and what doesn’t.

Horton: “Congress gave states quite a bit of leeway when it comes to defining what counts as work under TANF. As a result, work requirements standards – and even those who are considered to be “work eligible” – vary greatly by state. In general, however, single-parent families with a child under the age of six are required to work, search for work, or participate in work training for 20 hours per week within two years of joining TANF. Other families with work-eligible adults must participate in these work-related activities for 30 hours per week.”

PC Response: This description is oversimplified¹⁷ and misses the big picture – the fact that TANF’s work requirements really are not about “work.” In fact, TANF gutted the first real work requirements in a welfare program. The Family Support Act of 1988 required states to engage, by fiscal year (FY) 1995, 20 percent of their nonexempt caseloads in a work, education, or training activity for an average of 20 hours per week. This was a modest work requirement, but it was a much higher standard than most states have been expected to achieve under TANF. Not only did TANF’s caseload reduction credit drive the target work rate to 0 percent for 20 to 30 states throughout TANF’s first 15 years, the law itself created numerous loopholes states could use to avoid work requirements. A partial checklist of how TANF gutted work requirements includes the caseload reduction credit and loopholes like separate state programs (now solely state funded programs), token payments to employed families with full-time workers but who otherwise have no connection to the cash assistance caseload, allowing waiver inconsistencies to carry over from the prior AFDC program, failing to actually define work activities, and excluding able-bodied non-recipient adults even when their children received aid.¹⁸

The most disappointing way many states have met work requirements is by slashing TANF caseloads even as the number of families with children in poverty has risen. For example, Texas (home to Ways and Means Chairman Kevin Brady) has about 10 percent of the nation’s poor

families with children. In FY 2015, the state spent just 14 percent of its TANF/MOE funds on core welfare reform activities (i.e., basic assistance, work activities, and child care); and only 4 out of every 100 poor families with children in 2015 received cash assistance, down from 47 out of 100 when TANF was enacted.¹⁹ TANF's work requirements are largely irrelevant when virtually no one receives cash assistance! Texas is not alone – in FY 2015, an astounding 28 states spent less than 20 percent of their TANF-MOE funds on basic assistance.²⁰ (There are no work requirements for the activities funded with the 80-plus percent of TANF dollars in these states.) In 14 states, the TANF-to-poverty ratio is 10 or lower.²¹

Welfare reform should be about giving needy families a hand up, but instead, under TANF, it has abandoned them. The FGA does not seem to care about this, as long as the caseload keeps going down.

Horton: “TANF also instituted lifetime limits (five years) for beneficiaries. These limits, combined with work requirements, have helped to accomplish TANF’s stated goal that welfare does not become a way of life but instead serves as a temporary safety net.”

PC Response: Horton provides no evidence to support the claims that either work requirements or time limits “worked” – unless the only metric one is concerned about is caseload decline. As noted above, his only citation to any empirical work is to the FGA’s report on Kansas’ “work requirement” for able-bodied adults receiving SNAP. That report is seriously flawed and even without its many problems would be no basis for making a statement about TANF’s effects.

Conservatives like to say their policies are based on evidence. For example, when Speaker Ryan was Chairman of the House Budget Committee, his report, *Expanding Opportunity in America: A Discussion Draft from the House Budget Committee*, claimed that the welfare reforms of the 1990s were based on “learning from decades of experimentation.”²² This is not true – while many states were conducting “welfare reform” demonstrations, the results from most of those experiments did not become available until years after the law was enacted. Even then, these experiments could not provide evidence that a block grant structure with excessive state flexibility is a good model – the TANF experience is clear that it is not.

TANF’s central features – most notably the work requirements and time limits – have little basis in research. With respect to work requirements, there was no evidence that a 50 percent requirement was feasible or desirable, that the 20- or 30-hour per week requirements were appropriate, or that the restrictions on countable work activities would result in more effective programming. With respect to TANF’s time limit, there was no evidence that would suggest five years was the optimal duration or that it should apply to all families. States were just beginning to experiment with time limits; the more prudent course of action would have been to let the experiments run their course and design a policy on actual evidence.

Horton: “The results were remarkable. In 1995, just a year before welfare reform was passed, more than 13.4 million individuals were dependent on cash assistance through AFDC. After the program was transformed and reoriented toward reducing dependence, enrollment began to plummet.

By 1998, enrollment had dropped to just over 8.3 million;

In 2006, just 10 years after welfare reform was signed into law, enrollment had dropped to 4.6 million; and

In 2016, as the country celebrated the 20th anniversary of the historic welfare overhaul, enrollment sat at just 3.9 million individuals, roughly 727,000 fewer than had been enrolled just 10 years earlier. This represents a staggering 71 percent drop in TANF dependence since the year before welfare reform, reaching levels unseen since 1962.”

PC Response: Horton’s view of “success” is limited to one outcome – TANF caseloads. TANF would be a success if it reduced caseloads by reducing poverty and thus the need for welfare. Between 1996 and 2015, the number of poor families with children grew – from 6.4 million to 6.5 million and the number of families in deep poverty grew from 2.6 million to 3 million.²³ Between 1996 and 2013, the number of families with incomes low enough to qualify for TANF stayed the same – despite the fact that those rules became more restrictive. If TANF’s results were so “remarkable,” these numbers would be lower.

Table 1 shows the change in the average monthly number of families eligible for cash assistance (based on each state’s eligibility rules) compared to the average monthly number receiving assistance for selected years from 1996 through 2013. In 1996 (before TANF), about 5.6 million families were eligible to receive benefits, and about 4.4 million (79 percent) did so. In 2013 the number eligible for TANF was the same (5.6 million), but the number receiving benefits had dropped over 60 percent to 1.7 million (or 31 percent of eligible families). Using the conventional conservative (and FGA) pre-post method for assessing impact (not my preferred approach but one that seems to resonate with conservatives), a reasonable question is: If TANF is such a success and if families had really been “helped” (or motivated to get jobs), why isn’t the number of families with incomes below TANF’s eligibility thresholds lower today?²⁴

Year	TANF			
	Eligible (millions)	Participating (millions)	Eligible, Not Participating (millions)	Participation Rate (%)
1996	5.6	4.4	1.2	78.9
2000	4.4	2.3	2.1	51.8
2004	5.1	2.2	2.9	42.0
2008	5.2	1.7	3.5	33.0
2013	5.6	1.7	3.9	30.7

Source: U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, *Welfare Indicators and Risk Factors: Fourteenth Report to Congress*, August 22, 2016.

The more important statistic that can be derived from this table is the increase in the number of families that were eligible to receive TANF, but that did not. This number grew from 1.2 million in 1996 to 3.9 million in 2013. This is an increase of 2.7 million very poor families that were

eligible for assistance but did not receive it. For these families, TANF is not a “trampoline” but a safety net with huge holes in it.

What about Kansas, where Horton and his FGA colleagues claim miraculous success? Between 1996 and 2015:

- The number of poor families with children increased 22 percent, from 50,100 to 61,300.
- The number of families with children in deep poverty (i.e., below 50 percent of the poverty line) increased over 50 percent, from 14,400 to 21,100.²⁵

Despite the increase in poverty, the TANF caseload plummeted 77 percent, from 25,900 to 6,000. As a result, the TANF-to-poverty ratio fell from 52 to 10 – one of the lowest in the nation.²⁶ Meanwhile, the state spent just 2 percent of its TANF/MOE funds on work activities and just 10 percent on work supports and child care.²⁷ In Kansas, most of TANF/MOE spending has been diverted away from core welfare reform activities – despite the increase in poverty.

REQUEST FOR NIC HORTON: Please reconcile these statistics with your earlier statement, “This is the cruelty of welfare, and it is why conservatives care so deeply about rescuing as many individuals from it as possible.” How exactly has Kansas rescued very poor families with children?

Some conservatives like to argue that poverty rates are lower when adjusting for in-kind benefits and refundable tax credits. This is true, but it is due to a massive increase in federal spending on programs other than TANF since 1996. This suggests liberal approaches to welfare reform are effective. It also misses distributional effects and ignores issues like the fact that the receipt of refundable tax credits may not coincide with periods of greatest need. And, while other means-tested programs have been created or expanded to offset the loss in cash assistance, these expansions have generally benefited the working poor, leaving those who don’t work or can’t work with less assistance and less help. Of particular note are refundable tax credits (e.g., the Earned Income Tax Credit and the Additional Child Tax Credit) and expansions in health insurance coverage (e.g., the creation of the Children’s Health Insurance Program and Medicaid expansions). For more detail, see:

- “TANF is a Massive Policy Failure, But Other ‘Liberal’ Welfare Policies Reduced Poverty: A Response to Scott Winship,” August 22, 2016, available at: <https://petergermanis.com/wp-content/uploads/2021/02/Winship-Poverty-After-WR.pdf>.
- “TANF is a Step Backward for the Poor and for Conservatism: An Explanation for Shawn Fremstad,” December 21, 2016, available at: <https://petergermanis.com/wp-content/uploads/2021/02/Fremstad.pdf>.
- “Losing Ground on TANF: AEI’s *The Reach of the Cash-Based Safety Net* Misses the Big Picture,” March 1, 2017, available at: <https://petergermanis.com/wp-content/uploads/2021/02/Losing-Ground-on-TANF.pdf>.

And, none of the conservative arguments about TANF’s effects on poverty address its dysfunctional requirements, which alone would be reason enough to conclude that TANF is a

massive policy failure and not a model for reforming other safety net programs. For more detail, see:

- “TANF has been a massive policy failure – Let’s start over: A Response to Robert Doar,” October 22, 2015, available at: <https://petergermanis.com/wp-content/uploads/2021/02/A-Response-to-Doar.102215.pdf>.

Horton: “Unlike pre-reform recipients, individuals who enroll in the TANF program today know that their time is limited. They know, in most cases, that they are expected to work and that dependence on cash assistance is not a lifestyle they can maintain over the long term. This is good news for their well-being, because research has shown that the less time individuals spend on welfare, the quicker they will go back to work. And when they do, their incomes will more than double on average, more than offsetting lost welfare benefits and leaving them better off than they were before.”

PC Response: As “evidence” of his claim, Horton cites his own FGA study, “The Power of Work: How Kansas’ Welfare Reform Is Lifting Americans Out of Poverty.” To call the FGA study of Kansas’ “work requirement” for able-bodied adults without dependents “research” would be laughable, but for the fact that some policymakers seem to take their “findings” seriously. The “study” has no meaningful counterfactual and even for a pre-post study makes highly inappropriate and misleading comparisons. For a detailed critique, see:

“The FGA’s ‘First of Its Kind Study’ Should Have Been the Last: An Evaluation Note for Pre-Post Conservatives,” July 4, 2017, available at: <https://petergermanis.com/wp-content/uploads/2021/02/The-FGA-FF.pdf>.

Conclusion

Horton: “As enrollment in other welfare programs like food stamps and Medicaid – programs in which work requirements and time limits are largely absent – continues to soar, the decline in TANF enrollment should serve as a blueprint for policymakers who are serious about reducing dependence.”

PC Response: If TANF is a blueprint for anything, it is how NOT to reform other welfare programs – unless the sole purpose is to slash caseloads and spending without regard to the well-being of needy families and individuals.

¹ The views in this document reflect my own as a citizen and do not reflect the views of any organization I am now or have ever been affiliated with. By way of background, I consider myself a conservative and have worked on welfare issues for the Heritage Foundation, the American Enterprise Institute, and the White House under both President Reagan and President George H.W. Bush. This paper assumes the reader has a basic understanding of the TANF program, but for those readers who want more context and background, see Peter Germanis, *TANF is Broken! It's Time to Reform "Welfare Reform" (And Fix the Problems, Not Treat their Symptoms)*, July 25, 2015 draft, available at: <https://petergermanis.com/wp-content/uploads/2020/09/TANF-is-Broken.072515.pdf>.

² Nic Horton, "How Work Overcomes the Welfare Trap," July 20, 2017, available at: <http://www.heritage.org/2017-index-culture-and-opportunity/how-work-overcomes-the-welfare-trap>.

³ For a recent overview, see Greg J. Duncan, "Welfare Dynamics and the 1996 Welfare Reform," *Notre Dame Journal of Law, Ethics & Public Policy*, vol. 11, no. 2, February 2014, pp. 605-632.

⁴ SNAP limits able-bodied adults aged 18 to 49 without dependents to three months of benefits in any 36-month period, unless they are employed or in a work or training program for at least 20 hours a week. States do not have to offer these individuals a work or training program slot, and most do not, so this provision is more appropriately seen as a time limit rather than a "work requirement." Hence, the use of quotation marks.

⁵ Joshua Leftin, Nancy Wemmerus, James Mabli, Thomas Godfrey, and Stephen Tordella, *Dynamics of Supplemental Nutrition Assistance Program Participation from 2008 to 2012* (Arlington, VA: Decision Demographics, December 2014), available at: <https://fns-prod.azureedge.net/sites/default/files/ops/Dynamics2008-2012.pdf>.

⁶ Joshua Leftin, Nancy Wemmerus, James Mabli, Thomas Godfrey, and Stephen Tordella, *Dynamics of Supplemental Nutrition Assistance Program Participation from 2008 to 2012* (Arlington, VA: Decision Demographics, December 2014), p.91, available at: <https://fns-prod.azureedge.net/sites/default/files/ops/Dynamics2008-2012.pdf>.

⁷ Joshua Leftin, Nancy Wemmerus, James Mabli, Thomas Godfrey, and Stephen Tordella, *Dynamics of Supplemental Nutrition Assistance Program Participation from 2008 to 2012* (Arlington, VA: Decision Demographics, December 2014), p. 76, available at: <https://fns-prod.azureedge.net/sites/default/files/ops/Dynamics2008-2012.pdf>.

⁸ Joshua Leftin, Nancy Wemmerus, James Mabli, Thomas Godfrey, and Stephen Tordella, *Dynamics of Supplemental Nutrition Assistance Program Participation from 2008 to 2012* (Arlington, VA: Decision Demographics, December 2014), p. 71, available at: <https://fns-prod.azureedge.net/sites/default/files/ops/Dynamics2008-2012.pdf>.

⁹ See Judith M. Gueron and Howard Rolston, *Fighting for Reliable Evidence* (New York, NY: Russell Sage Foundation, June 2013) and Michael E. Fishman and Daniel H. Weinberg, "The Role of Evaluation in State Welfare Reform Waiver Demonstrations," in *Evaluating Welfare and Training Programs*, edited by Charles Manski and Irv Garfinkel, (Harvard University Press, January 1992), pp. 115-142.

¹⁰ Jeffrey Grogger, Lynn A. Karoly, and Jacob Alex Klerman, *Consequences of Welfare Reform: A Research Synthesis* (Santa Monica, CA: July 2002),

http://www.acf.hhs.gov/programs/opre/welfare_employ/res_synthsis/reports/consequences_of_wr/rand_report.pdf.

¹¹ For a discussion of some of these issues, see Michael L. Wiseman and Mark Greenberg, "Fixing Welfare Waiver Policy," *Public Welfare*, Winter 1995, pp. 10-17. These are two separate articles, but share the same title.

¹² For an excellent summary, see LaDonna Pavetti, "Work Requirements Don't Cut Poverty, Evidence Shows," Center on Budget and Policy Priorities, June 7, 2016, available at: <https://www.cbpp.org/research/poverty-and-inequality/work-requirements-dont-cut-poverty-evidence-shows>.

¹³ Gordon L. Berlin, "What Works in Welfare Reform: Evidence and Lessons to Guide TANF Reauthorization," MDRC, June 2002, pp. 36-37, available at: http://www.mdrc.org/sites/default/files/TANFGuide_Full.pdf.

¹⁴ Gordon Berlin, "Balancing Welfare Support for Poor Families and Children with Promoting Self-Sufficiency Through Work," MDRC, July 2017, available at: <http://www.mdrc.org/publication/balancing-welfare-support-poor-families-and-children-promoting-self-sufficiency-through>.

¹⁵ Jared Meyer, Maine Shows How To Make Welfare Work, June 1, 2017, available at:

<https://www.forbes.com/sites/jaredmeyer/2017/06/01/maine-shows-how-to-make-welfare-work/#3cb78cae5ee1>

¹⁶ State of Maine, Governor's Office of Policy and Management, "Wage and Employment Outcomes of TANF Participants Closed for Time Limits," May 25, 2017, available at:

<http://www.maine.gov/economist/docs/TANF%20Report%20Final%205-25-17.pdf>.

¹⁷ When Congress wrote the TANF statute, it “defined” work activities simply by listing 12 activities, leaving it to individual states to define work activities. Some states defined them broadly to include bed rest and personal care activities as part of recovery from a medical problem, physical rehabilitation including massage and exercise, personal journaling and motivational reading, participation in a smoking cessation program, and other activities typically not considered “work activities.” In the Deficit Reduction Act of 2005, Congress directed the U.S. Department of Health and Human Services to actually define work activities, instead of just listing them. Today, there are uniform definitions across all states, at least in terms of what activities can be counted toward TANF’s work participation rates. Horton is incorrect in suggesting that families are “required to work ... within two years of joining TANF.” It is true that section 402 of the Social Security Act includes such a provision, there is no penalty associated with failing to comply with this requirement and it is unrelated to the work requirements states must meet as defined in section 407 of the Act.

¹⁸ The waiver inconsistencies loophole expired and Congress required the U.S. Department of Health and Human Services to define work activities and who is required to participate in work activities in the Deficit Reduction Act of 2005, thus closing some of the loopholes, but others have become more prominent.

¹⁹ Center on Budget and Policy Priorities, “State Fact Sheets: How States Have Spent Funds Under the TANF Block Grant,” January 5, 2016, available at: <http://www.cbpp.org/research/family-income-support/state-fact-sheets-how-states-have-spent-funds-under-the-tanf-block>. Center on Budget and Policies Priorities, “Texas’ TANF Cash Assistance Is Disappearing for Poor Families,” available at: https://www.cbpp.org/sites/default/files/atoms/files/tanf_trends_tx.pdf.

²⁰ Center on Budget and Policy Priorities, “State Fact Sheets: How States Have Spent Funds Under the TANF Block Grant,” January 5, 2016, available at: <http://www.cbpp.org/research/family-income-support/state-fact-sheets-how-states-have-spent-funds-under-the-tanf-block>.

²¹ Center on Budget and Policy Priorities, “Kansas’ TANF Cash Assistance Is Disappearing for Poor Families,” available at: https://www.cbpp.org/sites/default/files/atoms/files/tanf_trends_ks.pdf.

²² House Budget Committee, *Expanding Opportunity in America: A Discussion Draft from the House Budget Committee*, July 24, 2014, available at: http://budget.house.gov/uploadedfiles/expanding_opportunity_in_america.pdf.

²³ Ife Floyd, LaDonna Pavetti, and Liz Schott, “TANF Reaching Few Poor Families,” Center on Budget and Policy Priorities, March 30, 2017, available at: <https://www.cbpp.org/research/family-income-support/tanf-reaching-few-poor-families>.

²⁴ It is true that the number of families with children grew by about 10 percent during this period, so one might expect a larger number of potentially eligible families, but TANF’s financial eligibility rules have become more restrictive over time, particularly since benefit levels and income eligibility limits have not kept pace with inflation.

²⁵ Center on Budget and Policy Priorities, “Kansas’ TANF Cash Assistance Is Disappearing for Poor Families,” available at: https://www.cbpp.org/sites/default/files/atoms/files/tanf_trends_ks.pdf.

²⁶ Center on Budget and Policy Priorities, “Kansas’ TANF Cash Assistance Is Disappearing for Poor Families,” available at: https://www.cbpp.org/sites/default/files/atoms/files/tanf_trends_ks.pdf.

²⁷ Center on Budget and Policies Priorities, “Kansas TANF Spending,” available at: https://www.cbpp.org/sites/default/files/atoms/files/tanf_spending_ks.pdf.