

Work Requirements are Dead and Conservatives Killed Them: An Explanation for Larry Mead

Peter Germanis¹

April 18, 2021

In “Are Work Requirements Dead?,” Lawrence Mead, professor of politics at New York University, laments the fact that policymakers and others have lost interest in imposing work requirements on welfare recipients. He argues that “Despite all the political and circumstantial hurdles to implementing new work requirements for welfare, they remain one of the government’s most effective tools for tackling both dependency and working-age poverty.”² He goes on to “identify and address the obstacles to additional reform” – at least as he sees them.

After reading Mead’s article, I was reminded of comments by Harry Holzer, a professor of economics at Georgetown University, who was a panelist commenting on report about reform the safety net by the Republican Study Committee. In his opening remarks, he said:

I took a quick look at the report; I’m going to have to say a lot of critical things. ...politeness is not always my strong suit. ...To me, this is a very blunt report, and it merits a very blunt response. Anything less than that would be dishonest. I’m going to try to get the right balance of politeness and bluntness. If I fail to get that right balance, I apologize. My reaction to this report was really pretty negative. ...I found the report to be extremely partisan, extremely ideological. It’s nasty in tone... It’s polarizing, it’s polemical... There are many statements in the report that I believe are demonstrably false if you look carefully at the research evidence.

I reviewed Mead’s paper and came to the same conclusion. I will also be blunt; this article is seriously flawed. It:

- Makes simplistic claims of causation about the effects of welfare reform and work requirements, typically basing them on nothing more than an examination of data trends or inappropriate generalizations from experimental studies;
- Is superficial in its description of the Temporary Assistance for Needy Families (TANF) block grant and its work requirements;
- Lacks a meaningful assessment of how TANF was implemented, ignoring important issues related to funding, the gaming of work and other requirements, the lack of accountability, and many other problems;
- Conflates welfare reform under waivers to the Aid to Families with Dependent Children (AFDC) program prior to the 1996 welfare reform law with TANF – the two are very different;
- Is devoid of policy details when describing how work requirements might be implemented in new programs; and
- Is polarizing and polemical, blaming the left, economists, social scientists, and Washington “elites” for various biases and questioning their motives.

Are work requirements dead? Yes. Mead and other conservatives seem incapable or unwilling to assess the TANF experience objectively. They continue to proclaim it to be a great success and a model for reforming other safety net programs and thus advance work requirement proposals that are unreasonable for recipients, unrealistic for states, and not based on credible evidence. Work requirements are dead not because of biases by the left, economists, social scientists, and various “elites,” as Mead suggests, but because conservatives base their claims on ideology, ignoring evidence and policy details.

This “Peter the Citizen” response critiques many of the claims made by Mead and follows each with a “PC Response” – short for “Peter the Citizen.”

Mead: “The American public has long demanded that welfare recipients, if employable, be required to work as a condition of government aid.”

PC Response: While work requirements might be a useful policy tool, they should be reasonable (for recipients), realistic (for states), and based on credible evidence (i.e., findings from a randomized control trial). This requires going beyond simplistic talking points to focus on policy details and a careful assessment of evidence pertaining to the implementation and impacts of past efforts. What is *not* helpful is citing public opinion polls that rely on overly generalized questions about work requirements to justify what are often unreasonable and potentially harmful policies affecting our nation’s most vulnerable citizens.

Public Opinion and Work Requirements – Generally. Mead and other conservatives often cite public opinion polls to suggest that expanding work requirements for welfare programs enjoys public support. For example, Robert Doar of the American Enterprise Institute (AEI) recently stated:

In a survey conducted in 2016, 87% of Americans, including 80% of poor Americans, agreed that poor people should be required to work or seek work in exchange for benefits.³

Doar’s data came from AEI’s “2016 Poverty Survey,” which posed the question about work requirements in the following manner.

Some welfare programs have different requirements to qualify for benefits. Which one of the following do you think is generally the better approach?

Requiring poor people to seek work or participate in a training program, if they are physically able to do so, in return for benefits, OR	87%
Sending benefits to the poor without asking for any effort in return?	9%
Don’t know	3%

The way the question is worded, is it a surprise that 87 percent of respondents said they support work requirements?

Policy Details Matter: The Case of TANF's Work Requirements. If the public understood how TANF's work requirements work in practice, they might have a different opinion. For example, the degree of support would undoubtedly fall if the questions were asked as follows:

- Do you support work requirements that require a single mother with one child to participate in work activities for 130 hours per month for a cash benefit of as little as \$140 (in Tennessee)?
- Do you support work requirements that require a single mother caring for a severely disabled child to participate in work activities for 130 hours per month – and then terminate her benefits if she can't comply fully because her child has a medical emergency?⁴

Or, the questions might focus on the administrative feasibility of work requirements.

- Do you support work requirements that are unattainable and that cause some states to fail year after year (e.g., Wisconsin from FY 2012-FY 2016)?
- Do you support work requirements that have a seemingly stringent work rate requirement, but also have a host of loopholes that allow states to meet them without actually engaging families?

These are all possibilities under TANF.

Bottom-Line. There is a big difference between finding out what the American public believes, in general, and writing effective legislation to put those ideals into effect. It is misleading and irresponsible to use opinion polls about work requirements generally to support specific proposals. Policy details matter.

Mead: “In 1996, after this demand had intensified among voters on both sides of the aisle, a Republican Congress enacted, and President Bill Clinton signed, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). The law, for the first time, imposed serious work tests on the main cash-aid program for families that was once known as Aid to Families with Dependent Children (AFDC) and is now called Temporary Assistance for Needy Families (TANF).”

PC Response: Suggesting that TANF imposed the first “serious work test” is wrong and highly misleading. It is even contradicted by Mead himself when he later says, “Republican President George H. W. Bush was the first to seriously implement work requirements at the federal level in the late 1980s...”

The Family Support Act of 1988 imposed the first real work requirements on states under the new Job Opportunities and Basic Skills Training (JOBS) program. By fiscal year (FY) 1995, states were to have 20 percent of their nonexempt caseloads involved in a work, education, or training activity for an average of 20 hours per week. In addition, many states strengthened these work requirements through waivers of exemptions, activities, sanctions, and other related policies. While the 20 percent AFDC-JOBS work participation rate target may seem modest, it

did more to hold states accountable for engaging families in work activities than TANF's 50 percent statutory rate. TANF's 50 percent rate is reduced by a caseload reduction credit and is manipulated by states using various loopholes when needed.

In FY 1995, about 440,000 families participated in a work activity (not counting "unsubsidized employment") in an average month; by FY 1998 this fell to about 210,000 and by 2001 it fell further to about 135,000.⁵ One reason for the sharp reduction is TANF's unreasonable restrictions on counting vocational educational training and education activities, but participation in other activities like job search and job readiness assistance also plummeted – from about 120,000 to about 90,000 to about 50,000, respectively. In FY 2019, less than 5 percent of the TANF caseload was engaged in a work activity like job search, training, or work experience. Aside from Wisconsin, most states never mounted serious work programs.

If a "serious work test" means mounting serious work programs, then that is not the TANF experience. Instead, states have exploited its misguided provisions and loopholes from the beginning. The caseload reduction credit and counting unsubsidized employment as a work activity (vs. making full-time employment an exemption) allowed most states to meet its work requirements without meaningfully engaging families. For those states that still needed help in TANF's first decade, there were loopholes like separate state programs, creating child-only cases, broad activity definitions, and (for some states) the continuation of 1115 waivers. When Congress tried to close these loopholes in the Deficit Reduction Act of 2005, but new loopholes emerged – token payments, solely state funded programs, and the "excess MOE" provision of the caseload reduction credit. As Douglas Besharov and I noted, writing for AEI in 2004, "the structure of the TANF block grant would enable states to avoid all additional participation requirements..."⁶ Indeed, this has been the case and will continue to be true unless the block grant structure is reconsidered and the work requirements are reformed.

Any discussion of "serious work tests" should describe the actual operation of TANF's work requirements. Instead, Mead provides a superficial description of the requirements without any meaningful discussion of how states have implemented them.

Mead: "In just a few years, the AFDC/TANF rolls, which had exceeded 14 million people, plummeted to 4 million. Poverty rates also fell, with those for children in female-headed households dropping from 55.4% in 1991 to 39.3% in 2001 -- the largest decade-long decline since the early 1960s."

PC Response: The best way to evaluate the impact of any program or policy is with a rigorous evaluation. In the decade preceding TANF, states were encouraged to conduct welfare reform experiments through waivers of AFDC's rules. The approval of waivers was contingent on rigorous evaluation and cost neutrality. By August 1996, 43 states had received welfare waivers from HHS. This process relied on an approach that would provide a real counterfactual using the "gold standard" of evaluation – random assignment. As a result, it would be possible to know whether state reforms reduced poverty. Unfortunately, the 1996 law replaced an evidence-based welfare reform approach, with TANF – a blank check with virtually no meaningful accountability.

Mead makes seven “mistakes” in his “analysis” of TANF’s effects.

Mistake #1: Faulty causal inference. Instead of looking for a credible counterfactual, Mead’s claims of TANF’s putative success in reducing poverty rely on simplistic comparisons of poverty rates over time. A pre-post assessment of “welfare reform” is an extremely weak approach to establishing causality, as there are many other economic, demographic, and policy-related changes that could influence poverty rates and other outcomes. In particular, TANF was enacted in the midst of a period of strong economic growth and increased aid to the working poor, most notably expansions in the Earned Income Tax Credit (EITC) (and the creation of a new child tax credit), child care subsidies, and Medicaid and related health care coverage. With respect to cash assistance, states were already experimenting with “welfare reform” through waivers of AFDC’s rules; they didn’t need the 1996 law to test new welfare policies.

While Mead acknowledges some of these factors in his article, he makes no serious attempt to disentangle the relative importance of each and is happy to leave the impression that reductions in poverty rates were caused by TANF.⁷

Mistake #2: Ignoring rigorous research. Researchers at RAND prepared a comprehensive synthesis of the impact of dozens of state welfare reform programs on welfare caseloads, child poverty, and a range of other outcomes.⁸ The random assignment evaluations they reviewed examined programs in the very period when caseloads and poverty fell rapidly nationally. While most reform programs showed declines in welfare receipt, and some showed reductions in poverty, the magnitude of the impacts was considerably smaller than suggested by the simple trends in national data. This is because the control group also benefitted from a strong economy and increased aid to the working poor. With regard to mandatory work programs, the authors noted, “With a few exceptions, most of the poverty impacts are insignificant and small in magnitude.”⁹ So, on the one hand, we have rigorous evidence from random assignment evaluations suggesting small impacts, at best, versus Mead claiming “the largest decade-long decline since the early 1960s” based on looking at a trend line.

Mistake #3: Relying on the wrong measure. The poverty rate is not a good measure for assessing the impact of welfare reform on those receiving (or eligible to receive) TANF cash assistance, because the eligibility levels for cash aid are well below the poverty thresholds. Most TANF families are poor whether they receive cash assistance or not – taking their benefits away won’t immediately change the poverty rate, but it will push them deeper in poverty. A simple comparison of poverty rates would miss important distributional effects. If a program lifted a small group of people out of poverty, but pushed a large number deeper into poverty, that would be important to know – and that’s what a more careful examination would suggest.¹⁰

Mistake #4: Confusing TANF with “welfare reform.” TANF is not “welfare reform,” but a flexible funding stream that states can use for a wide variety of benefits and services. In many states, it has become a slush fund to supplant existing state expenditures or otherwise fill budget holes. It is therefore important to make a distinction between preTANF welfare reform – AFDC with waivers plus the JOBS program (AFDC’s employment and training program) – from TANF. Moreover, TANF’s effects undoubtedly vary over time as well. The first five years were characterized by a huge federal windfall (because the block grant was based on spending levels

when caseloads were at historic highs) and no *real* work requirement (as the target in the median state in 2000 was 0 percent). Later years are marked by a shrinking block grant, as it is not adjusted for inflation, the diversion of funding to non-welfare reform uses (i.e., becoming a slush fund), and state gimmickry in meeting the work requirements. Even if one believes TANF was successful in the early years, it has changed markedly over time – a factor Mead largely ignores.

Mistake #5: Using the wrong time period. In describing the decline in the poverty rate, Mead focuses on the period 1991 to 2001, even though the 1996 law wasn't passed until August of that year, and TANF wasn't implemented by most states until the start of 1997. Before TANF, there was real welfare reform, with strict accountability requirements. As noted above ("Mistake #4"), TANF is not welfare reform, just a flexible funding stream in many states. The AFDC waivers and state welfare reforms prior to TANF's enactment form the baseline. The key question is not what did "welfare reform" do, but rather, what did TANF do relative to this baseline? For that, 1996/1997 forms the starting point – not 1991.

Mistake #6: Failing to provide a causal connection. If one believes TANF reduced poverty, what is the plausible causal mechanism? States already had flexibility with cash assistance and TANF added little to this (except for removing the entitlement altogether) and work requirements were weakened as 15 to 30 states have had a 0 percent target for the period between FY 1998 and FY 2019. Other states have taken advantage of various loopholes in the law. This leaves the big increase in federal funding and jawboning as potential factors in the early years. Over the long-term, the aforementioned problems have remained, but the initial windfall disappeared and is now a large deficit (as inflation eroded the value of the block grant) and states have become far more adept at using TANF like a slush fund and gaming its work requirements.

Mistake #7: Ignoring the Experts. Most independent, non-partisan experts have concluded that TANF's caseload decline is primarily due to pushing needy families off the rolls, not helping raise their incomes so they can escape poverty. This dynamic is reflected in the sharp decline in the take-up rate of cash assistance among eligible families in an analysis prepared by the Urban Institute for the U.S. Department of Health and Human Services.¹¹

Table 1 shows the change in the *average monthly* number of families eligible for assistance compared to the *average monthly* number receiving assistance for selected years from 1996 to 2016. In 1996 (before TANF), about 5.5 million families were eligible to receive benefits and about 4.4 million (79 percent of those eligible) did so. By 2016, the number eligible for TANF was fell by 12 percent to 4.9 million, but the number receiving benefits fell over 72 percent to 1.2 million (25 percent of those eligible). As a result, the number of families that were eligible for TANF cash assistance but that did not receive it grew by 2.6 million, from 1.1 million to 3.7 million. If TANF was effective in reducing poverty, one would expect the number eligible for aid and the caseload to decline in tandem.

Table 1: Number and Percentage of Eligible Families Participating in TANF (Average Monthly Data, Selected Years, 1996-2016)				
Year	TANF			
	Eligible (millions)	Participating (millions)	Eligible, Not Participating (millions)	Participation Rate (%)
1996	5.5	4.4	1.1	78.9
2000	4.4	2.3	2.1	51.8
2004	5.1	2.2	3.0	42.0
2008	5.2	1.7	3.5	33.0
2012*	5.4	1.7	3.7	32.4
2016*	4.9	1.2	3.7	24.9

Source: U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, *Welfare Indicators and Risk Factors: Seventeenth Report to Congress*, various issues.

*Adjusted to exclude “token payment cases.”

Consider also the following statements from the U.S. Government Accountability Office (GAO) and the Congressional Research Service that support these findings. The GAO from 2010:

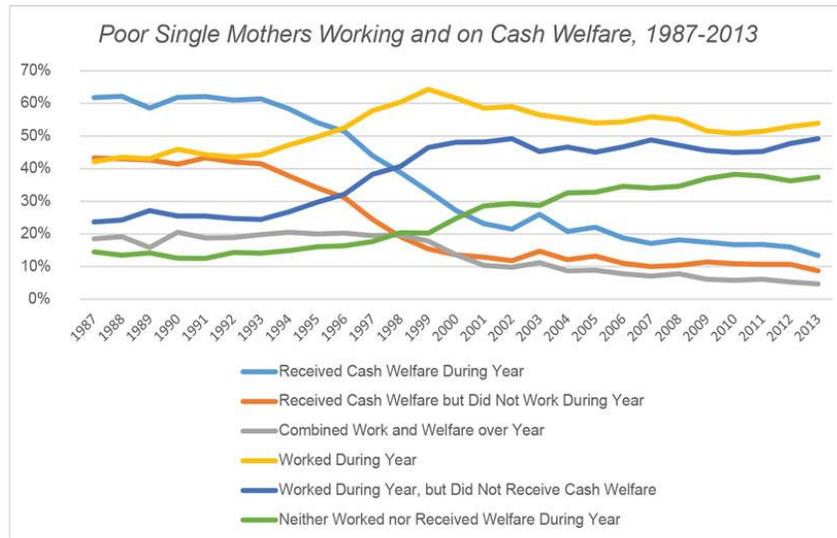
The decline in the number of poor families receiving cash assistance from 1995 to 2005 reflects declines in both the number of eligible families and in eligible families’ participation. The strong economy of the 1990s, TANF’s focus on work, and other factors contributed to increased family incomes and a decline in the number of eligible families. However, most of the caseload decline – about 87 percent – resulted from fewer eligible families participating in the program, perhaps in response to TANF work requirements, time limits, and sanction and diversion policies.¹² [Emphasis added.]

More recently, Gene Falk of the Congressional Research Service reached the same conclusion:

The cash assistance caseload decline has been seen as one of the prime indicators that TANF made progress in achieving the goal of ending the dependence of needy families on government benefits. However, most of the caseload decline has resulted from a decline in the rate at which people eligible for assistance actually receive benefits, rather than a decline in the population in need. In 2015, 18.0 million people were eligible for TANF assistance, but 4.9 million (27%) received it.¹³ [Emphasis added.]

If welfare reform were truly the “great success” Mead believes, the caseload should have declined because it was successful in reducing the number of families eligible for assistance – that’s not what happened to any meaningful extent.

Mead: “At the same time, the share of poor single mothers who worked soared (see chart below), with work replacing welfare as the main income support for these families.”



Source: Thomas Gabe, "Welfare, Work, and Poverty Status of Female-Headed Families with Children: 1987-2013" (Washington, D.C.: Congressional Research Service, 2014).

PC Response: From an analytical standpoint, it's not clear why Mead restricts this analysis to "poor single mothers"; after all, if TANF is the huge success he believes it to be, there would be many single mothers who are working and no longer poor and he would miss them in this "analysis." Overall, this point is unimportant for purposes of this response.

Mead's analysis of employment rates suffers from the same "mistakes" as his analysis of poverty rates, so the response to this point is brief. Mead's starting point is well before 1997. If he wants to claim "PRWORA became one of the federal government's single greatest victories over poverty among working-age Americans and their children" (see quote below), he doesn't get to start before 1997. Moreover, it is unreasonable to think this trend would have come to a sudden stop had TANF not been enacted.

Employment impacts from random assignments experiments of "welfare reform" and "welfare-to-work programs" conducted during the 1990s showed much more modest effects than indicated by the pre-post changes Mead uses as evidence. This suggests factors other than welfare reform were responsible for much of the employment increase. Finally, any employment gains, even if attributable to TANF, pale in comparison to caseload decline. Policymaking involves trade-offs. The main effect of the 1996 "reform" was to reduce caseloads by pushing eligible families off the rolls (or discouraging them from coming on), not increasing employment, as reflected in the sharp decline in take-up rates among eligible families.

Mead: "After all was said and done, PRWORA became one of the federal government's single greatest victories over poverty among working-age Americans and their children."

PC Response: This is quite a statement based on a simplistic examination of data trends in the immediate aftermath of TANF and a superficial – really nonexistent – examination of how TANF and its work requirements were implemented.

Mead's analysis relies in part on data presented by Thomas Gabe of the Congressional Research Service. Here is how Gabe describes the same trends.

The remainder of this report focuses primarily on single mothers, as single mothers have been a primary focus of social policy. Untangling the effects of demographic factors, the economy, welfare policy, and other policy interventions on single mothers' work behavior, welfare receipt, income, and poverty status is beyond the scope of this report. Others have attempted to parcel out these effects with mixed success and differing conclusions as to the relative impacts of each. In contrast to these efforts, the remainder of this report provides a descriptive analysis of U.S. Census Bureau CPS/ASEC data, with the goal of increasing understanding of changes in single mothers' welfare, work, income, and poverty status that have occurred over the past 27 years.¹⁴

This is the responsible way of characterizing the data trends (i.e., as "descriptive") vs. Mead's conclusion that PRWORA was "the federal government's single greatest victories over poverty among working-age Americans and their children."

Note: Like Mead, I often point to trends in employment and poverty figures in making my arguments, but I do so in a broader context. My entire argument about welfare reform's success or failure does not hinge what happens to the employment rate of single mothers or the number of poor families. Even if TANF somehow had a positive impact, it would still need a major restructuring to address flawed funding formulas, federal requirements that are ineffective and gamed, supplantation, and many other problems described in *TANF is Broken!*¹⁵

Mead: "After this triumph, many expected lawmakers to extend work tests to other welfare programs, including food stamps (now called the Supplemental Nutrition Assistance Program, or SNAP) and housing assistance. But the expected reforms never materialized, and over time, the rise in work rates halted and even reversed."

PC Response: Over time? The employment rate of poor single mothers (the metric Mead uses in his figure above) began to decline almost immediately after TANF was enacted. Using Mead's figure and 1987 as the starting point, the percent of poor single mothers who worked at any point during the year rose from 42.2 percent in 1987 to 55.2 percent in 1996/1997 (an average of the two years to reflect TANF's starting point). The employment rate peaked in 1999 at 64.3 percent, but then fell afterwards – to 59.0 percent in 2002 when TANF's work requirements were fully phased in to 54.0 percent in 2005 and even further during the Great Recession – to 50.8 percent in 2010.

If Mead wants to rely on simplistic data trends to make causal conclusions, he should explain why employment rates for poor single mothers began to decline even before TANF was fully implemented. How do these trends represent a "triumph"?

Mead: "By 2018, and in spite of a drum-tight labor market, only 30% of poor adults were working at all."

PC Response: As noted above, looking at employment rates conditional on being poor seems odd. And, why the focus now on poor adults rather than poor single mothers? Is this another example of cherry-picking the data?

Notably, the employment rate of ALL single mothers did rebound after the Great Recession, reaching the prior peak achieved in 2000 in 2019, but during this period any possible role for TANF would have been minimal, as cash aid was virtually nonexistent in many states and few families were engaged in work activities. This suggests that the economy is a more powerful force than many conservatives give it credit for and that work requirements are not.

Mead: “Some short-run political and policy-related reasons help explain this loss of momentum. For one, most experts are no longer interested in building programs, while many of our political leaders have become wholly absorbed in partisan warfare. At the same time, other policy issues have largely displaced welfare reform as a priority for voters. More disturbing than these obstacles to welfare reform, however, is the more permanent -- and more substantive -- resistance to building up and expanding work requirements.”

PC Response: Conservatives themselves are to blame for the “loss of momentum,” by promoting work requirements based on talking points rather than attention to policy details and evidence. The proposals advanced by most conservatives have been vague and superficial, as in Paul Ryan’s “A Better Way” report¹⁶ or as called for in the report by the Trump Administration’s Council of Economic Advisers, report *Expanding Work Requirements in Non-Cash Welfare Programs*.¹⁷ When more specific proposals were advanced, they have been administratively burdensome, unrealistic, and designed to push individuals off the rolls, as reflected in the work requirements in the “Welfare Reform and Upward Mobility Act,”¹⁸ introduced by Senator Mike Lee and Representative Jim Jordan. When the Trump Administration promoted work requirements for Medicaid, even Robert Rector – one of the strongest proponents of work requirements – said, “Work Requirements in Medicaid Won’t Work.”¹⁹

In fact, conservatives set the case for work requirements back at least 25 years and possibly permanently. Rather than building on the findings from rigorous welfare-to-work evaluations, TANF was constructed based on ideology – a fact that Robert Rector (the self-proclaimed author of TANF’s work requirements) readily acknowledges:

When we designed the TANF law, I took all of the controlled random assignment studies and put them in the circular file. I also used all of Jason’s caseload data, and other quasiexperimental data from all over the country that I had been collecting since the 1970s, because I knew those effects were there.²⁰

Ron Haskins, considered the “architect” of welfare reform expressed a similar sentiment:

...having been involved in writing the TANF legislation, I would assert that many of the specific work standards in TANF were guesses – guesses informed by a desire among Republicans to fashion a demanding work program, which may have caused them to err on the side of tough requirements.²¹

Guesswork is no way to do policymaking. There was nothing in past experience under the AFDC-JOBS²² program (which had an average 20-hour per week requirement and a 20 percent work rate target for a smaller non-exempt population) or in the random assignment evaluations of mandatory welfare-to-work programs that suggested TANF's work requirements were realistic. Indeed, Gordon Berlin, president of MDRC – the firm which evaluated over two dozen mandatory welfare reform programs – noted that *none* of the programs would have come close to meeting TANF's work participation standards:

Determining whether a particular participation standard is “feasible” depends on what counts as participation (the numerator) and who gets counted (the denominator) when determining the rate. None of the welfare-to-work programs that MDRC has evaluated to date – including the most effective programs – would have achieved ... the participation rates currently in place (ignoring the caseload reduction provision)..., primarily because few of them could have met the weekly hours requirement.

For example, in a just-completed study that began in the 1990s, MDRC collected uniquely detailed participation data from several successful mandatory welfare-to-work programs to determine what the participation rate would have been had these programs been required to meet a 20-hour per week participation standard. We found that even though all of these programs vigorously enforced the participation mandate, increased employment, and reduced welfare, their monthly participation rates did not exceed 10 percent. ...Only if criteria are relaxed substantially to count any activity in the month, regardless of the number of hours, could these same sites have reached participation rates of roughly 50 percent.²³

Mead: “Despite all the political and circumstantial hurdles to implementing new work requirements for welfare, they remain one of the government’s most effective tools for tackling both dependency and working-age poverty. It remains imperative, therefore, that we identify and address the obstacles to additional reform.”

PC Response: The main obstacles to reform are from conservatives who: distort the evidence about work requirements by relying on simplistic pre-post data comparison to make causal inferences; ignore implementation; make unsupported generalizations from findings across programs, time, population groups, funding structures, and other factors; and ignore policy details in advancing new work requirement proposals.

Mead: “The welfare-reform initiatives of the 1990s were chiefly the doing of Republicans in Congress.”

PC Response: The TANF legislation may have been “the doing of Republicans in Congress,” but the welfare reform initiatives, particularly those with waivers, were initiated by governors with considerable help from the Executive Branch.

What did the Republicans in Congress do? They drafted the most incompetent social legislation in U.S. history and later claimed it as a model for reforming safety net programs.

The initial drafters of the law – Ron Haskins and Robert Rector – now concede that the block grant and work requirements have not been implemented as intended. Consider the following statement by Haskins on the 20th anniversary of TANF:

At the time the block grant was a good idea, it really shook things up. It gave the governors like Tommy Thompson, Engler, and others a lot of control and they used it wisely. ...But then it turned out that the governors became enmeshed in politics and they had a lot of pressures – they had to do something about their child protection caseload, they had to do something about daycare, they had to give scholarships for college, so they were pulled in all different directions. We gave them the flexibility. It was poorly drafted and so they had tons of flexibility. But we're still in charge; we still write the statutes. Why aren't Republicans doing something? This problem has been obvious for a long, long time. It could be changed, so for example we could change tomorrow the statute that the governors can only spend TANF on cash welfare and work programs – that's it and nothing else. I think that would be a great improvement.²⁴

Other notable quotes from Haskins:

States have had two decades of experience with TANF, but many are still avoiding the requirements. I would rather see a modest work requirement in terms of the percentage and number of hours that the caseload must work than a strict requirement that drives states to look for loopholes.²⁵

The straightforward approach of using the TANF work requirements as a model for work requirements in other welfare programs because of their perceived “great success,” as many Republicans want to do, is flawed because the TANF work requirements have major problems.²⁶

Examining these problems with the TANF work requirement leaves little doubt that the TANF approach to requiring work has not proven to be an effective way to help welfare recipients prepare for or find unsubsidized work. New attempts to strengthen the work requirement in TANF and other means-tested programs should learn from, but not follow, the TANF example. In fact, if TANF work requirements are any example, we must find and test new ways to help welfare recipients enter employment. This conclusion is especially important because the unprecedented decline in the TANF caseload has meant that there are now many more families living in poverty, and even deep poverty (below half the poverty level), that do not receive a cash benefit.²⁷

Even Robert Rector acknowledges... “States do not spend money on the purposes of welfare reform.”²⁸ And, “Overall, the states have radically abused the program. Almost every state government has failed to carry out the principal objectives. Promoting work is the key idea of the act and they do virtually nothing – both red and blue states.”²⁹

Mead: “While some Democrats signed on, especially after seeing how popular reform was with the public, work requirements never enjoyed as much bipartisan support in Washington as they did in places like California or Wisconsin -- two states that had led earlier reform efforts.”

PC Response: Wisconsin is notable because Governor Thompson implemented strict work requirements statewide, starting under AFDC/JOBS and then under TANF. Mead’s reference to California may be due to the state’s interest in rigorous evaluations of mandatory welfare-to-work programs, beginning in San Diego, then as part of its GAIN program, and later as part of the JOBS evaluation.

A closer examination of the experience in both states does NOT suggest that mandatory work programs are the success Mead believes them to be – at least if the goal is to reduce poverty and not just caseloads.

Wisconsin. Governor Thompson implemented strong work requirements, but there is no credible evidence that the financial situation for most families improved. There are no rigorous evaluations of Wisconsin’s work programs (as there were of programs in California), but a cursory examination of AFDC/TANF caseload statistics and poverty data suggest that for most families the financial situation worsened.

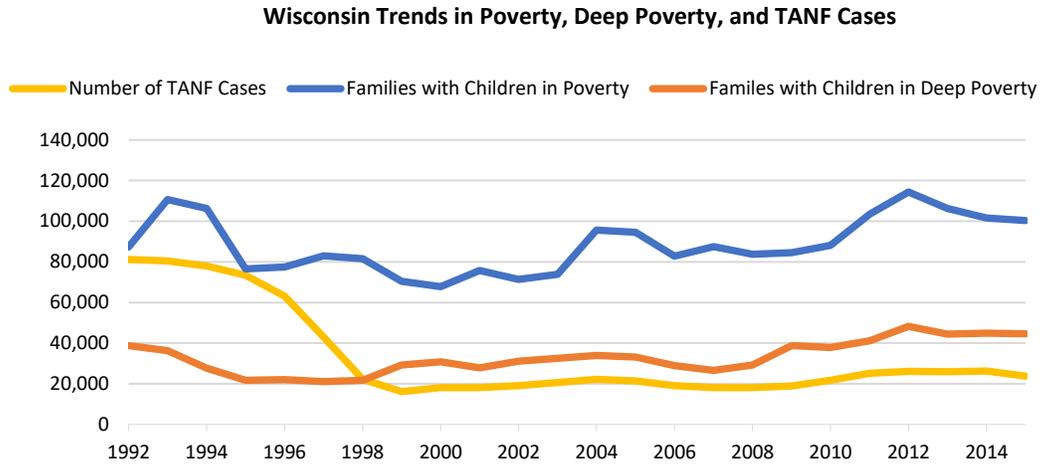
Table 2: AFDC/TANF Caseloads, # Poor Families with Children, & TANF-to-Poverty Ratio (Wisconsin)								
	Thompson Era				McCallum/Doyle		Walker Era	
	1988	1992	1996	2000	2004	2008	2012	2015
# TANF	91,070	81,172	63,053	18,092	22,122	18,079	26,028	23,725
# Poverty	73,476	87,369	77,505	67,784	95,659	83,739	114,395	100,267
TANF-to-poverty ratio	124	93	81	27	23	22	23	24

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

Table 2 compares changes in AFDC/TANF average monthly caseloads and the number of poor families with children in Wisconsin from 1988 to 2015 (under various governors). Between 1988 and 2000 (i.e., the “Thompson era”), the AFDC/TANF caseload fell by nearly 73,000 (80 percent). Meanwhile, the number of poor families with children declined by just 5,700 (8 percent). The TANF-to-poverty plummeted from 124 to just 27 – the latter figure being lower than *any state* in the nation in the era before TANF.

Clearly, Governor Thompson was able to reduce caseloads, but if the financial situation for needy families had improved, one would expect a much larger decline in the number of poor families. The loss in cash assistance suggests that many were pushed deeper into poverty. But the real failure of “welfare reform,” i.e., TANF, is best viewed over a longer period. As shown in Table 2, after 2000, the number of poor families began to increase, yet TANF caseloads barely responded. If TANF were such a success, why is the number of poor families with children in Wisconsin nearly 50 percent higher in 2015 than in 2000?

The figure below shows that the number of families with children with incomes below 50 percent of the poverty line (deep poverty) increased by over 100 percent since 1996, yet another indication that families are NOT better off.



Source: CBPP; see Table 1 citation.

Despite the sharply reduced caseloads, it is also notable that Wisconsin failed to meet TANF’s work requirements for five consecutive years (FY 2012-FY 2016), even though then Governor Scott Walker was a strong proponent of work requirements. Indeed, the state only met the work requirement in FY 2017 when it took advantage of one of several loopholes – the “excess MOE” provision of the caseload reduction credit. Mead ignores the state’s experience during this period.

California. Mead doesn’t explain why he selected California, but it may be because of the state’s many welfare-to-work experiments. What do the experiments testing various approaches to mandatory work programs show?

- Most programs had small to modest impacts on employment, earnings, and welfare receipt.
- Most programs had little or no impact on total income and poverty, in large part because gains in earnings were offset by reductions in public assistance. (This dynamic may be different today, as many programs designed to “make work pay” have been expanded.)
- The positive results in the most successful and often cited experiment in Riverside diminished over time and have not been replicated.

Most important: None of the programs would have met TANF’s strict requirements regarding participation rates, minimum hourly requirements, and limitations on counting hours in work activities. And, none operated within a block grant structure that permits states to adopt full family sanctions and impose other restrictive eligibility requirements.

Mead: “Making the possibility of a renewed bipartisan effort even less likely is the fact that Democrats have moved well to the left since the welfare-reform efforts of the ‘90s.”

PC Response: Meanwhile, Republicans have moved on from the bipartisan (Reagan, Bush, and Clinton) evidence-based waiver approach of testing welfare reforms to misguided proposals to extend block grants and dysfunctional work requirements to other safety net programs. Given TANF's failures, it is time to heed the words of Ron Haskins, "States did not uphold their end of the bargain. So, why do something like this again?"³⁰

ALTERNATIVES TO WORK-BASED REFORM

Mead: "Left-leaning experts and advocates have long resisted requiring welfare recipients to work on the theory that the low-wage jobs these individuals might acquire would not pay them enough to escape poverty. They argue that welfare beneficiaries should complete high school or even attend college so they can compete for higher-paying jobs, and only then should they face any sort of work test. Effectively, these advocates want to turn welfare into an education scholarship.

This education-first approach to welfare would sound practical were it not for the findings of welfare-to-work experiments of the 1990s. These experiments conclusively showed that programs placing recipients immediately into available jobs, even low-wage ones, outperformed programs that stressed education -- that is, they generated more gains for recipients in both employment and earnings. Recipients who pursued education or training programs seldom completed them and rarely found work afterward; only programs that required recipients to take available jobs actually succeeded in guiding them away from welfare and toward independence."

PC Response: Mead relies on limited and outdated research studies to support the work-first approach. In developing TANF's work requirements, Congress relied on early research findings testing the impact of two welfare-to-work models. One approach was the "Labor Force Attachment" (LFA) approach, which emphasized rapid job entry and focused on job search assistance, followed by work experience or short-term education or training activities. The second approach was the "Human Capital Development" (HCD) approach, which permitted participation in longer, skill-building education and training activities. The impacts of these programs on employment, earnings, welfare receipt, and other outcomes were evaluated using random assignment.

A 1995 report describes the program's *preliminary*, two-year impacts on employment, earnings, and welfare receipt in three sites (Atlanta, Georgia; Grand Rapids, Michigan; and Riverside, California).³¹ The LFA model raised earnings 25 percent and reduced welfare receipt by 22 percent, compared to the HCD model, which had no impacts on earnings, although it did reduce welfare payments by 14 percent. The LFA approach was also considerably less costly than the HCD approach. These findings influenced the development of TANF's work activities, but the conclusions based on this research were premature and none could have satisfied TANF's specific requirements, particularly with respect to the expected hours of participation and participation rate targets.

In 2001, MDRC released a report covering impacts over a five-year period and found that the gap between the two approaches had largely dissipated:

Directly comparing the LFA and HCD programs in the three sites in which these programs were run side by side (thus using the most rigorous method for assessing the relative effectiveness of employment- and education-focused programs), employment and earnings levels over five years were largely similar for the two types of programs.

In the three LFA-HCD sites, LFA sample members left welfare at a slightly faster pace than HCD sample members in the first year of follow-up, but the gap narrowed in subsequent years. Only in one site did the LFA and HCD programs differ with respect to the number of months on welfare or welfare expenditures over five years. In this site, welfare months and expenditures were lower in the LFA program than the HCD program.³²

That report also found that the most effective program was one that operated in Portland, Oregon, which relied on a flexible approach in assigning individuals to job search or short-term education and training, depending on caseworkers' assessment of recipients' skills and needs. The program increased average five-year earnings by 25 percent and reduced welfare receipt by 24 percent. But TANF's limits on counting education and training activities would not permit a state to run this approach and count all of the hours of participation.

The authors of the NEWWS evaluation concluded: "These findings suggest that the challenge of the future is to identify other types of programs or initiatives that can provide welfare recipients with better and more stable jobs, increase their income, and improve the well-being of their children."³³ Similarly, Berlin emphasizes the need for a flexible approach:

The 1996 welfare reform's "work first" emphasis was, in part, a reaction to the perceived shortcomings of the 1988 Family Support Act (FSA) reforms, which had strongly encouraged education and training in the hope that it would help people get better jobs. To some extent, this swinging pendulum of action and reaction in federal policy mimics the movement between a work-first and an education-first approach that has characterized policymaking in state after state. At its extreme, "work first" becomes "work only." When administrators realize that not everyone can get a job, the pendulum swings back toward the point where everyone is assigned to education and training, few people are getting jobs, costs are high — and the pendulum again begins its return swing.

The challenge for policymakers is to find ways to maintain the employment orientation that underlies reform's success, while opening the door to additional education and training. Results from carefully designed tests of job-search-first programs, education-first programs, and mixed-strategy programs provide strong support for the idea that education and training have an important, although probably subsidiary, role to play in the future of welfare reform. The evidence indicates that both job-search-first and education-first strategies are effective but that neither is as effective as a strategy that combines the two, particularly a strategy that maintains a strong employment orientation while emphasizing job search first for some and education first for others, as individual needs dictate. There is little evidence to support the idea that states should be pushed to one or the other extreme.³⁴ [Emphasis added.]

And, at the national level, the reliance on “work first” is not a likely explanation for TANF’s putative success. As Douglá Besharov, writing for the American Enterprise Institute, explained:

Caseloads fell sharply in all states, yet they did so seemingly without regard to whether states developed ambitious programmes or not. They fell in states with strong work-first requirements and those without them; in states with mandatory work experience (workfare) programmes and those without them; in states with job training programmes and those without them; and in states with generous child care subsidies and those without them. They just fell.

...These two programmatic elements of welfare reform – a ‘work first’ policy and limited education and training efforts – are unlikely to have caused the large caseload declines. Before TANF, even the most richly funded welfare-to-work experiments rarely achieved reductions of even 10 per cent. Mandatory work, often called ‘workfare,’ also cannot explain the decline.

Despite popular impression, few states operate large-scale mandatory work programmes (in which recipients perform public service activities in return for their welfare payments). In an average month in 2000, only about 3 per cent of TANF families included an adult in a mandatory work programme (more on that below). And most of these were in New York City, Wisconsin, Ohio, or New Jersey.³⁵

In short, the evidence about the effectiveness of “work first” compared to other strategies whether relying on rigorous research or observation, is far from definitive as Mead contends.

Note About Mead’s “Analysis”: So far, the only evidence Mead presents to support his view is a simplistic comparison of data trends over time. He seems to only look at the results of random assignment experiments when they support his viewpoint, as in the short-term findings of work-first vs. education-first programs. Unfortunately, he ignores the longer-term findings of these experiments and results that suggest a “mixed” approach may be more effective.

Mead: “Lately, however, some left-leaning jurisdictions such as New York City have begun re-emphasizing training. They argue that the evaluations from the 1990s are out of date and that, in today’s globalized economy, workers without skills will quickly become unemployable. And yet there are still plenty of unskilled jobs available. In fact, prior to the drop in employment due to the pandemic, manual-service and blue-collar industries faced serious labor shortages, and wages in those industries were rising faster than wages for white-collar workers.”

PC Response: The argument that “the evaluations from the 1990s are out of date” has some merit. Aside from changes in the economy, the safety net overall has changed, particularly with respect to programs and policies designed to “make work pay.” Moreover, even if the programs of the 1990s had the same impacts today as they did a quarter century ago, there may be other approaches that would improve upon their modest impacts. Determining whether the emphasis of programs today should be training or work-first or some combination is an empirical question and should be the subject of evaluation.

A more serious problem is Mead's own approach to generalizing about program effects. First, he uses the experimental findings from the 1990s welfare-to-work programs as evidence of the success of TANF. These 1990s programs differed in too many ways to justify this kind of generalization:

- They were limited to the AFDC non-exempt population, generally single mothers without very young children; in contrast, TANF has fewer exemptions, so population differences become an important consideration.
- The sanctions were based on AFDC rules, generally removing the adult's needs; in contrast, many states have adopted full-family sanctions under TANF.
- The programs did not have time limits; in contrast, there is a five-year time limit under TANF and many states have adopted shorter time limits.
- Most of the programs that were part of the 1990s evaluations included programs that were well-funded and operated by committed jurisdictions; under TANF, there is wide variation.
- Most important, and as noted above, none of the 1990s evaluations were of programs that included TANF's minimum hourly participation requirements, strict restrictions on counting education and training, or a 50 percent work participation rate. (Of course, one could argue with the caseload reduction credit and various loopholes, there is no participation rate standard.)

Second, Mead uses the 1990s evaluations and his belief that TANF was a success to argue that work requirements should be extended or strengthened in SNAP, housing assistance, and other safety net programs. Mead would be wise to heed the advice of Gene Falk of the Congressional Research Service:

As Congress debates work requirements in SNAP, Medicaid, and housing assistance, there is no large accumulated research base to draw from. Given the differences in populations, presence of those in the programs who are already working, goals, and funding structures for employment and education services, the findings of the pre-1996 welfare-to-work experiments cannot be directly applied to the current debate.³⁶

This should be obvious, but Mead and most conservatives often make unsupported generalizations.

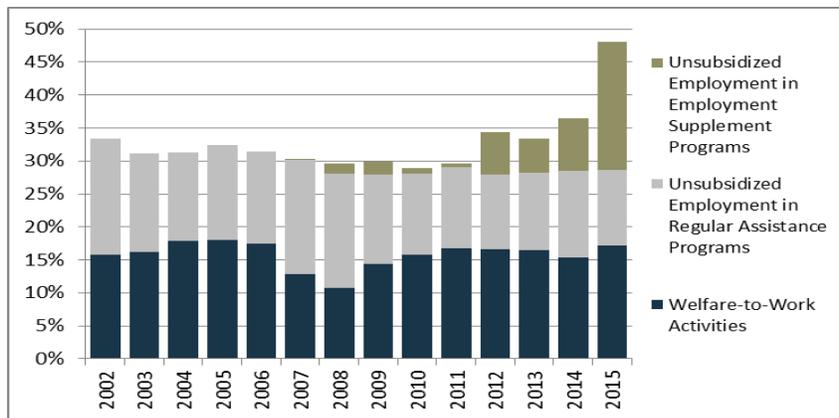
Mead: "Moreover, it is not easy to upskill jobless welfare recipients by sending them back to school. While "sectoral" training programs -- those in which skills taught are closely based on what local employers demand -- have shown some impact on employment and earning outcomes, these programs tend to focus on workers whose "soft skills" (i.e., the ability to work regularly at any job) are already strong. Consequently, such programs are unlikely to be replicable on a larger scale."

PC Response: The issue of "replicability" on a "larger scale" is important, yet one Mead ignores when it comes to mandatory work requirements for TANF or misguided proposals to expand work requirements on a "larger scale" to programs like SNAP.

TANF. TANF never achieved high levels of participation on a large scale. Despite a statutory target of 50 percent, states have typically achieved a work rate well below that – about 30 percent. The figure below (from the Congressional Research Service) shows the national average TANF work participation rate from FY 2002 to FY 2015.³⁷ It divides the rate into three components: welfare-to-work activities (e.g., job search and job readiness assistance, work experience, community service, and vocational educational training), unsubsidized employment, and “unsubsidized employment in employment supplement programs.”

As the figure demonstrates, TANF has never been particularly successful in engaging families in real “welfare to-work activities,” with only about 15 percent of those required to participate engaged in an actual welfare-to-work activity for enough hours to count. Another 15 percent have typically been in unsubsidized employment, combining work and welfare. The growth in token payment cases (called “employment supplement programs” in the figure) began in FY 2007, an unintended response to the 2005 TANF reauthorization. It does not reflect real engagement but is a gimmick used by states to artificially inflate the work rate.

**TANF Work Participation Rate, by Type of Activity
(FY 2002 – FY 2015)**



Source: Gene Falk, “Temporary Assistance for Needy Families (TANF): The Work Participation Standard and Engagement in Welfare-to-Work Activities,” Congressional Research Service, February 1, 2017, p. 10, available at: https://www.everycrsreport.com/files/20170201_R44751_b7093fe9349fcb8c25170eca4d9725d907ad535e.pdf.

Another indicator of TANF’s failure to engage families in meaningful work activities on a large scale is the percent of those subject to work requirements that have *zero hours* of reported participation.³⁸ As Table 3 indicates, the percentage of adults/work-eligible individuals with zero hours of reported participation fluctuated between 55 and 60 percent between FY 2000 (the first year such data was reported) and FY 2014. (For FY 2015 to FY 2019, the percentage fell to about 40 percent because of the explosion in “token payment” cases – not real engagement.)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
% w/0 hrs.	60.3	56.8	58.3	58.8	57.5	56.6	55.3	62.1	60.5	58.2	59.0	58.0	55.1	56.7	54.7

The low level of participation in activities other than “unsubsidized employment” and the fact that the majority of those subject to work requirements have zero reported hours is a cautionary tale regarding proposals that would substantially expand *the scale of* work requirements in other safety net programs. *States have not developed an infrastructure to implement large-scale employment and training programs.*

House Agriculture Legislation to Expand SNAP Work Requirements. In 2018, the House farm bill would have required able-bodied adults between the ages of 18 and 59 without a child under 6 to work or participate in a work program for at least 20 hours per week (80 hours per month). Failure to meet the bill’s work requirements would have resulted in a one-year loss of benefits for the first infraction and three years for a subsequent one. Individuals could regain their eligibility only by working at least half-time for a month or by qualifying for an exemption (e.g., a qualifying disability). The bill would have provided \$7.3 billion over 10 years to fund work and training activities.

If the House bill had been enacted, it would have required states to provide work, training, or education slots for over 3 million adults (ignoring the fact that states are nowhere near serving this number now), but it did not provide anywhere near the funding to provide a meaningful level of services. Ed Bolen and his colleagues at the Center on Budget and Policy Priorities explain:

Research shows that employment and training opportunities like the ones the Chairman has cited can cost \$7,500 to \$14,000 per participant. Even less intensive TANF work programs cost substantially more than the bill would provide. Current per-person costs for work and assessment activities for TANF program participants subject to work requirements in the median state in 2016 were nearly \$5,000 per year. If at least 3 million SNAP beneficiaries per month needed work slots, and costs mirrored those in TANF, it would cost more than \$1.2 billion per month to provide such employment services. That translates to almost \$15 billion a year or \$150 billion over ten years. By contrast, the House bill dedicates \$7.3 billion over ten years in new federal grant funding (financed by benefit cuts) for the work program, or less than \$30 per participant per month if 3.4 million people need work slots.³⁹

There is simply no precedent for enacting work requirements on this scale, particularly with such limited funding.

Bottom-Line. If Mead wants to raise scalability as an issue, he should address the inability of state TANF programs to achieve engagement on even a modest scale and explain how proposals that would extend work requirements to other safety net programs without any meaningful funding would be expected to meet strict work requirements.

Mead: “Another long-standing illusion on the left has been the belief that the reason so few welfare recipients seek employment is because wages are too low. If welfare recipients took jobs, proponents of this view contend, they would lose public benefits, leaving them little better off than they would be if they simply remained on welfare. Their proposed solution to this dilemma is to introduce work incentives by reducing welfare benefits only gradually after recipients find employment and their earnings rise. Wage subsidies, too, could make going to work more worthwhile and thus raise work levels.

The left finds this approach attractive because it obviates any need to enforce work requirements. It also honors the liberal conviction that only a lack of opportunity prevents more poor adults from working. If society gives them a better deal, they argue, these adults will work and get ahead without being forced to do so.”

PC Response: A more plausible reason the left supports “work incentives” is that they have proven to be more effective in reducing poverty than work requirements, which have no credible evidence of poverty-reducing impacts.

The left might be more amenable to work requirements, as they were in the 1990s, if they were reasonable, realistic, and flexible enough to permit states to implement programs that are based on research. The last 25 years have shown that conservatives are not interested in these criteria, so it should come as no surprise that the left and evidence-based conservatives have rejected “work requirements” proposed by ideologues.

Mead: “Indeed, for decades, economists have believed work incentives could achieve such behavioral changes. The principal incentive of this sort is the Earned Income Tax Credit (EITC), first enacted in 1975, which raises the earnings of low-paid workers with children by as much as 45% (single workers who are not raising children receive much less). Some statistical studies claim that the EITC, rather than the pressure to work stemming from welfare reform, was the main reason why work levels for poor single mothers soared in the 1990s. In fact, a recent National Academy of Sciences study on how to reduce child poverty relied heavily on that belief, claiming that government could raise both the income and work levels of poor families simply by strengthening work incentives like the EITC while expanding other aid programs. Better incentives, the authors argued, would improve worker pay while also coaxing more people into employment. The connection between welfare and work would make reform more effective as well as more popular.

Experimental evaluations of work incentives, however, have always found small or negligible effects on employment. The EITC improves the lot of low-wage workers if they already work, but it rarely makes anyone find work in the first place -- and the latter is the key to reducing poverty.”

PC Response: There are no experimental evaluations of the EITC, which is by far the most generous work incentive and it isn’t appropriate to generalize from evaluations of smaller-sized incentives. (Mead provides no citations throughout his article, so it isn’t clear what “experimental evaluation of work incentives” he is referring to.) More important, there is considerable evidence that the EITC substantially reduces poverty. In 2019, using the

Supplemental Poverty Measure, refundable tax credits like the EITC lifted over 4 million children out of poverty, while TANF lifted just 160,000 children out of poverty.⁴⁰ Meanwhile, there is no credible evidence that work requirements reduced poverty – a conclusion reached by the NAS and consistent with experimental evaluations of mandatory work programs. If the main goal is reducing poverty, while promoting employment, the work incentive approach makes sense. (Of course, cost and other factors should be considered.)

Mead: “The case for a large work effect rests on the statistical studies just mentioned, but these studies are less authoritative than real evaluations, and recently an important paper by Henrik Kleven has questioned most of their findings.”

PC Response: Apparently a paper is “important” if the findings support Mead’s views. Kleven’s study is just one of several econometric studies estimating the impact of the EITC and is not the definitive word on the relative importance of welfare reform, the EITC, and other factors affecting employment and other outcomes.

Assessing the impact of “welfare reform” or work requirements using statistical models is very challenging. First, the findings from econometric studies are highly uncertain due to variations in statistical methods, data sources, time periods, and an array of other factors. Second, whereas the main factors to consider in the EITC debate are its parameters and knowledge of the EITC, “welfare reform” is much more complicated comprising dozens of provisions related to funding amounts, benefit levels, work requirements, sanction policies, time limits, and many other program parameters – as well as issues related to the application of the policies by staff and the understanding of recipients affected by these policies. These all vary significantly by state and over time. Even within the 1992-2000 period highlighted in the Kleven study, the preTANF “welfare reform” period was very different than the early TANF era (1997-2000) and neither bears any relevance to TANF today. Third, there are far more evaluations of state “welfare reforms” than there are studies of the EITC, relying on a wider range of methods, including many that are more rigorous than econometric studies, with greater control over data quality and extraneous factors (e.g, economic conditions and other policies that could influence employment). These suggest relatively small impacts for “welfare reform.”

For a more detailed assessment, see: “Is Relying on an Econometric Study to Promote “Policies Similar to Welfare Reform” a Basis for Evidence-Based Policymaking?,” October 6, 2019, available at: <https://petergermanis.com/wp-content/uploads/2021/02/Econometric.pdf>.

Mead: “Furthermore, firsthand observers of welfare reform did not notice any EITC effect on work levels when the reform was implemented in the late 1990s. What raised work levels far more often was requiring welfare recipients to enter work programs and actually take jobs.”

PC Response: By the same token, there are many “firsthand observers” who would say that providing more direct income support without a work requirement would reduce poverty. To determine what “raised work levels” requires a credible counterfactual.

Mead: “A third and final alternative to enforcing work requirements that some on the left favor is a guaranteed jobs program. The belief persists that the failure of many poor Americans to

work must be due not only to barriers or low wages, but to insufficient positions for the unskilled. Yet not since the Great Depression has there been a literal lack of jobs anywhere in the economy at some legal wage. The prevalence of illegal immigration is proof enough that low-paid work is widely available. The Great Recession, lasting from 2007 to 2009, did raise unemployment rates enough to revive fears of a job shortage, but in response, Congress created 260,000 subsidized jobs for low-income adults and youth. These slots were eagerly taken by enough jobless workers to suggest that creating more such positions could help solve the work problem even in more prosperous times.”

PC Response: “Congress” didn’t create the jobs; it provided funding for employment subsidies. There was no rigorous evaluation of the subsidized jobs programs that operated at this time, so little is known about their impact on employment, earnings, and other outcomes, particularly after the subsidy ends.

Mead: “Thus, despite the evidence in its favor, most experts likely never accepted the argument for requiring work in the first place -- and are, if anything, even less likely to do so now.”

PC Response: As noted many times above, there is no credible evidence that work requirements have had a large positive effect and there is much reason to be concerned about the plans of conservatives to modify TANF’s work requirements and to extend TANF-like requirements to other programs.

REFORM FROM 40,000 FEET

Mead: “A major reason why economists continue to propose benefit-oriented, rather than work-oriented, solutions for poverty is that they typically reason through social policy only from a high altitude. They therefore lack any direct knowledge of how anti-poverty programs work -- or fail to work -- on the ground. They often lack empirical data on this topic as well. Instead, their studies of poverty or welfare are based almost entirely on statistical analyses of data from government surveys. Their correlations may show that if various benefits and incentives are improved, work levels should rise or poverty levels should fall, and because their intentions are good and their mathematics are impressive, policymakers from outside the economic caste tend to credit these estimates.”

PC Response: A few tweaks can fix this paragraph:

A major reason why ~~economists~~ **Mead and other conservatives** continue to propose ~~benefit~~**work**-oriented, rather than ~~work~~**benefit**-oriented, solutions for poverty is that they typically reason through social policy only from a high altitude. They therefore lack any direct knowledge of how anti-poverty programs work -- or fail to work -- on the ground. They often lack empirical data on this topic as well. Instead, their studies of poverty or welfare are based almost entirely on ~~statistical analyses of~~ **simplicistic data comparisons** from government surveys. Their correlations may show that if ~~various benefits and incentives are improved,~~ work levels should rise or poverty levels should fall, ~~and because their intentions are good and their mathematics are impressive,~~ **conservative** policymakers ~~from outside the economic caste~~ tend to **take** credit **for** these estimates.

Mead's own analysis suffers from the same problems as those of the economists he criticizes, but without the "impressive mathematics."

Mead: "But economic data do not disclose how programs are implemented locally. Evaluations of actual programs are an improvement over disembodied statistics because they test whether benefits actually reach the intended recipients and have some positive effect. But even when evaluations cover the whole program, they can rarely tell what specific features explain its success or failure. To learn more takes messy field research, where investigators quiz local operators about how they run their programs. Such methods lack the same academic cachet as quantitative research."

PC Response: While this may be true of many statistical analyses, virtually all of the random assignment evaluations sponsored by HHS examine both impacts and implementation for TANF recipients and other low-income populations. They regularly examine take-up rates, hours of participation, and other factors that can affect "success of failure."

Mead: "Economic methods also presume that the behavior of the poor reflects economizing decision-making. The presumption is that people act so as to optimize their income. But in fact, people (poor and otherwise) often fail to do what sensible economizing seems to require. What changes their behavior more than incentives is public authority: As welfare reform in the 1990s aptly illustrated, simply *telling* the poor that they can and must work generates more gains in employment than any incentive. Yet such effects are essentially invisible to economists operating from high off the ground."

PC Response: Under TANF, "simply *telling* the poor they can and must work" can mean many different things, but in many states, it is really telling them to get off assistance. Yet such effects are essentially invisible to Mead (and most conservatives) operating from high off the ground.

One of the more extreme examples of "simply *telling* the poor" to work can be found in Georgia, when B.J. Walker became commissioner.

Once Walker arrived in Georgia, poverty experts there say she set out to overhaul the state's TANF program with a single goal: not just getting people into jobs, but keeping them from getting benefits by any means necessary. New applicants soon found themselves being handed flyers emblazoned with slogans like "TANF is not good enough for any family," "TANF = work now," and "We believe welfare is not the best option for your family."

"Local offices were really taking a lot of steps to dissuade people from applying—or once they had applied, they were doing things to make the process really cumbersome and difficult," recalls Allison Smith of the Georgia Coalition Against Domestic Violence, whose office began documenting troubling reports of welfare applicants being discouraged from applying for benefits by any and all means necessary: "Making them go through 60 job searches a week, or come to 8 orientations." One woman in her seventh month of pregnancy was ordered to take a waitressing job that would require her

to be on her feet all day. Another was told that if she applied for TANF while living in a shelter her children would be taken away. Smith recalls, “Some of the stuff that was said to individuals was pretty awful – ‘If you can’t find a job, we’ll have you shoveling shit at the dog pound.’”⁴¹

Georgia, perhaps more than any state, illustrates the failure of welfare reform. Between 1996 and 2019:

- The number of TANF cases *fell* from 131,155 to 10,039.
- The number of families in poverty *rose* from 161,462 to 210,079.
- The number of families in deep poverty *rose* from 73,810 to 93,926.
- The TANF-to-poverty ratio dropped from 82 to 5.⁴²

Is this really success?

While the foregoing assessment may seem exceptionally harsh and atypical, simply *telling* TANF applicants and recipients they have to participate 130 hours per month for a few hundred dollars is enough to discourage many from coming or staying on assistance, even if they don’t have jobs. Work requirements should be designed to help families and not just push them off the rolls.

What about Mead’s claim that “simply *telling*” the poor to work is more effective than a financial incentive in “generating” employment gains? First, to make any judgment about the relative effectiveness of a work requirement vs. a financial incentive requires a differential impact study with three-way random assignment to: a control group, a treatment group that is “told” to work (whatever that means), and a treatment group that receives a financial incentive. Any such studies should track employment outcomes over a period of time, preferably at least five years (given a history of fade-out in many welfare-to-work experiments). Obviously, there are a myriad of variations of programs that require work or offer financial incentives and they may have differential effects on various populations and under differing circumstances.

Second, “employment” is just one of many outcomes policymakers should focus on when considering programs or policies. Even if work requirements increased employment more than financial incentives, they might be less effective in increasing incomes and reducing poverty. Indeed, “incentives” most certainly increase incomes; work requirements – not so much. And, in states like Georgia, they most likely have pushed many families deeper into poverty.

Mead: “Why have social scientists failed to develop a clearer picture of these realities? The reason largely boils down to academic incentives. The academy generates many more doctorates than there are jobs allowing graduates to use their rarified skills, so career competition dominates these programs. For researchers just starting out, the surest way to obtain an academic job and then publish enough to achieve tenure is to perform highly quantitative research that showcases technical virtuosity.”

As a result, nearly all social scientists who deal with poverty or welfare today are primarily mathematicians. Their work offers little empirical content, let alone institutional findings about

program operations that are crucial to diagnosing and solving social problems. This is true even of faculty and students in the public-policy schools, which claim that their mission is to improve public policy. In fact, they have very little to teach regarding actual government, since their main audience is made up of other technicians like themselves.”

PC Response: Mead’s article is devoid of any substance and based on a myriad of unsupported claims, yet he argues that “nearly all social scientists...have very little to teach...”

Mead: “The scholars and D.C. elites who analyze social problems, however, contribute very little to overcoming them. The success of welfare-reform efforts in the ‘90s was chiefly the doing of modest local and state officials who figured out how to create and manage effective work programs -- and they did so mostly on their own. It was they who gave welfare recipients the clear message that work was required and then helped them find jobs to fit those requirements. As one official in Wisconsin bluntly put it, ‘[i]t’s because of us. We are welfare reform.’ They certainly got their hands dirty, as the academics and Washington elites do not. Their struggles are far less genteel than running regression equations and speaking at major conferences, however, so few of these worthy implementers ever appear on academic panels or before Congress. Nor do they receive much notice or credit for their work.”

PC Response: First economists, then social scientists, and now scholars and D.C. elites. Apparently, anyone who disagrees with Mead’s opinions is somehow unqualified or biased. Such arrogance and condescension is rare, even in Washington.

While much credit should go to local and state officials administering public assistance programs, the real issue is whether policies like strict work requirements are effective. Mead’s article is devoid of any credible evidence that they are.

CONSERVATIVE ILLUSIONS

Mead: “Not all the opposition to work requirements comes from the academy, or even from the left. Conservatives in politics and government also resist engaging in the kind of local programming needed to make work a reality on the ground.”

PC Response: Most conservatives, including Mead provide simplistic arguments of causation and lack a fundamental understanding of TANF’s basic provisions and how they were implemented. See, for example:

“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>.

Based on this article and other papers, Mead would benefit from a similar tutorial (like this response) before criticizing others about their supposed analytical shortcomings.

As to Mead's advice that opponents of work requirements spend more time listening to those who make decisions about "local programming" so that they might advance proposals that "make work a reality on the ground." Here too, Mead would do well to take his own advice. He might realize that his idealized work requirements are not supported by many of those on or near "the ground." Consider the following comments from state officials working for two conservative governors – John Kasich of Ohio (and one of the leading players in passing the 1996 welfare reform law) and Scott Walker (a strong proponent of work requirements). Both are sharply critical of Mead's cookie cutter approach and the counterproductive rules built into the TANF program. (There are dozens of other examples of administrators who would take issue with Mead's characterization of what local programmers might want to see in the way of a work requirement.)

Cynthia Dungey, former Director of the Ohio Department of Job and Family Services, has a long list of problems with the current structure of TANF work requirements. A significant portion of her testimony before the Subcommittee on Human Resources of the House Ways and Means Committee is repeated here to address Mead's concern about "local programming" and reflecting "reality on the ground":

Rules governing federal work participation requirements have become overly prescriptive and have fundamentally distorted the way caseworkers interact with TANF clients. Federal law holds states accountable for meeting work participation rates, but that accountability has a ripple effect and impacts decisions individual caseworkers make about activities to which TANF clients are assigned. Instead of spending time identifying what clients need and how to get them employed, caseworkers are incentivized to manage to a process to meet the rate. One caseworker I spoke with referred to the work participation rate as a "numbers game." Another caseworker said every once in a while he will "take a kick in the teeth" on work participation to do the right thing for a client. Understanding clients' complex problems and helping them build a path forward is a human-resource-intensive activity. High-quality interactions between caseworkers and clients are the linchpin to identifying barriers and helping individuals become work-ready. Policies that require caseworkers to do mathematical gymnastics to match countable hours to assigned activities are counterproductive and waste a precious resource: their time.

Work participation rules also have led to a proliferation of work experience programs, many of which unfortunately amount to sheltered workshops where clients are given menial tasks disconnected from the skills needed in the job market. Taxpayer dollars are being used to pay outside contractors that specialize in developing and running these "work experience" programs for the sake of saying a client "worked" for their check and counting them toward the rate. It's hard to believe such programs were a part of Congress' original vision for welfare reform in 1996.

Finally, federally prescribed work participation rules provide a strong disincentive for workforce development agencies to work with TANF clients. Navigating the rules around what counts and for how long is simply too burdensome. Instead, workforce

agencies are inclined to direct their services toward individuals with more work experience and higher skill levels. In short, the current cookie-cutter approach does not effectively move people into jobs, long-term stability or independence from government assistance.

...Ohio is not suggesting that Congress reduce the emphasis on personal responsibility or eliminate minimum-hour requirements for individuals to participate in work activities. Yet, TANF has strayed from its original commitment under PRWORA “to increase the flexibility of states in operating a program designed to achieve the purposes of (the Act)” and “end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage.” To return to that commitment, we recommend changing a number of federal TANF rules that make it difficult to customize case management based on an individual’s employment readiness needs. Specifically, these include the following:

- Removing the distinction between “core” and “non-core” activities.

Education and training are important pre-cursors to getting a good job. Removing the distinction between “core” and “non-core” activities allows for an individualized service approach to more effectively move clients toward work. For example, a TANF recipient who needs adult basic education and is required to complete 30 hours of activity may be assigned 10 hours to work on his or her education (a “non-core” activity) and 20 hours to attend a work experience program solely because it is a “core” activity. Activities are assigned and constructed around counting that person toward the work participation rate, not because they address underlying challenges and needs that will enable them to be successful in the workforce.

- Increasing the vocational education training time limit from 12 to 36 months.

Many individuals require remedial education or lengthier support to get a certification or credential they need to meet employer skill requirements. For example, let’s say a TANF work-required mom with an 8th grade education wants to get her GED and become trained as a phlebotomist. If it takes her longer than 12 months to obtain her GED, she already has used up her 12-month allowance for training (basic skills education linked to training counts toward the time limit).

The time it takes to go from an 8th grade education to a GED varies. Someone at an eighth-grade level might receive 100 instructional hours over an 18-month period and progress one grade level. Another student might receive the same number of hours over six months and progress two grade levels. Extending the time limit allows recipients additional time to get their GED and complete the vocational education training necessary to get a job. This is particularly important in Ohio, where approximately 30 percent of those in poverty who are age 25 and older do not have a high school education.

- Increasing Job search and Job readiness time limits from six to 12 weeks, and removing the four-consecutive-week limit.

The hardest-to-serve individuals require additional time to gain the skills they need to be Job-ready. For example, clients may need significant Job readiness preparation and soft skills training before they are ready to meaningfully engage in Job searching and interviewing with employers. After spending four weeks on job readiness, they've used up their consecutive-week limits. Arbitrary time limits on job search and job readiness make it harder to successfully connect them to sustainable employment.

- Removing the 16-hour monthly cap on good-cause hours (but maintaining the 80-hour annual cap) credited toward work participation.

This would provide more flexibility for individuals with situational extenuating circumstances. For example, a mom with children ages 3 and 6 has a high likelihood of being in a situation where one or both children are ill and unable to attend child care or school for more than two days in any given month. Removing the monthly cap would allow that mom to take care of her sick children without negatively impacting her benefit or the state's work participation rate.

A number of these issues are addressed in TANF reauthorization bills under consideration by the committee, in particular the elimination of the distinction between core and non-core activities and increasing the time allowed for job search activities. Ohio supports reforms that enable us to make these changes and that give us more flexibility to tailor our programs and services to successfully move more low-income individuals into work.⁴³

In short, the design choices the drafters used and that Mead advocates are inconsistent with “the kind of local programming needed to make work a reality on the ground.”

Eloise Anderson, former Secretary of the Department of Children and Families in Wisconsin, also in testimony before the House Ways and Means Committee, argued that the “the participation requirements, as currently structured, must be revised to ensure that the standards align with the ultimate goal of the TANF program: moving recipients from welfare to work.”⁴⁴ Based on her experience, she recommended a number of changes to the work requirements, including eliminating the distinction between core and non-core hours, recognizing the need for more flexibility in counting educational and training activities. She also added:

There is currently no outcome-based performance measure established to evaluate success in increasing the employment of low-income families. Rule changes surrounding TANF in the Deficit Reduction Act of 2005 greatly restricted the autonomy necessary for operating TANF programs to fit individual needs of States. I think it is very difficult for a centralized government to understand how all the States need to perform. ...So, if you really support job attainment, job retention, and job wages and allow States to be able to freely figure out how to do that, we will learn a lot more than you guys directing all the traffic.⁴⁵

This is exactly the policy that was in place before TANF was enacted. The AFDC-JOBS program established modest, but realistic, work requirements, and states could receive waivers to modify those rules. These waivers were conditioned on a random assignment experiment that was to include an impact study, a process (or implementation) study, and a cost-benefit analysis. In contrast, TANF imposed an unrealistic and rigid work-first model which had no empirical support.

Mead: “What made PRWORA’s work requirement credible in the 1990s was that, beginning under the Reagan administration, many states had experimented with tougher work tests under AFDC. In 1988, the federal government mandated that all states induct more welfare recipients into work programs. Not by accident, the states that chiefly led reform -- California and Wisconsin -- had strong pro-government traditions and were especially skilled at work-program development. Thus, when Congress sharply raised work standards in PRWORA, it was already clear that most states could and would enforce such standards.”

PC Response: Very few knowledgeable observers found TANF’s work requirements to be credible and history shows few states engaged large numbers of families in work activities but instead met the rates because of the caseload reduction credit or by relying on loopholes. This reality is echoed by Gene Falk of the Congressional Research Service:

The 50% and 90% targets are aspirational, rather than evidence-based. They were not selected based on success rates of past programs in moving recipients from assistance to work. They call for higher participation rates than what evaluated pre-1996 programs achieved, including the most successful of those programs. Even so, the standard has mostly been met, though usually by means other than engaging recipients in activities. That is, states might be “hitting the target, but missing the point.”⁴⁶

Mead: “The public rightly demands that some aid be given to the destitute, even those who are employable; an effort to enforce work within welfare, therefore, cannot be avoided. Throwing the dependent off welfare is not sufficient to encourage work, either. In a rich society, the needy have many ways of surviving on irregular sources of income -- including charity, help from friends or relatives, and child support -- without working or going on welfare, but at a cost to society nonetheless. The fact that welfare can *promote* work may be the most useful thing about it. Children need some minimum income to thrive as well -- if not at the cost of work.”

PC Response: The fact that the take-up rate among eligible families plummeted from about 80 percent in 1996 to less than 25 percent today, combined with the fact the employment rates for single mothers most years since 1996/1997 haven’t risen much should be a major concern.

Mead: “In light of their proven effectiveness, mandatory-work programs that existed in AFDC/TANF must be recreated.”

PC Response: So, you agree that the minimum hourly requirements should be reduced from 30 hours per week to 20 hours per week, that the expected participation rate should be a flat 20 percent, that mothers with young children should be exempted, that sanctions should be limited to the adult rather than the whole family, and that states should be given adequate funding? This

would be a welcome concession, but it's too little, too late. The first priority should be to rebuild the cash assistance safety net for needy families.”

Mead: “Better still, they must be extended to employable recipients in all welfare programs and to jobless men of working age -- especially those owing child support and ex-offenders on parole. The heavy involvement of low-skilled men in drug gangs and street crime is America's most acute poverty problem; shifting these men into steady employment is thus arguably the most urgent task in all of social policy.”

PC Response: First, no policy details are provided. Second, there is no evidence to guide how such requirements should be restructured. Third, and most important, TANF is a cautionary tale, not a model.

TAKING RESPONSIBILITY

Mead: “In recent years, Democrats have been the most averse to enforcing work requirements.”

PC Response: Perhaps the biggest single failure in terms of “enforcing work requirements” based on the TANF model is Governor Scott Walker of Wisconsin, a state which failed to meet TANF's overall work requirement for five consecutive years (FY 2012-FY 2016). The truth of the matter is very few states do much to enforce work requirements, regardless of political party.

Challenge question for Larry Mead: Name three states headed by Republican governors that have achieved high participation rates while maintaining a semblance of a safety net? Be careful not to name a state like Maine, which under former Governor LePage achieved a high work rate only by taking advantage of a loophole – the “token payment.” (Oh, and Governor LePage eviscerated the safety net in Maine – another disqualifying factor.)

Mead: “But looking back to preceding decades, it becomes clear that both parties have abandoned leadership when it comes to America's work problem.”

PC Response: The blame lies solely with Republicans for pushing forth a fundamentally flawed bill with dysfunctional work requirements.

Also, given that employment rate of single mothers recently matched its historic peak of 2000, what is the basis for claiming that America has a “work problem”?

Mead: “Republican President George H. W. Bush was the first to seriously implement work requirements at the federal level in the late 1980s, while Democratic President Clinton signed off on the radical reforms of 1996 and implemented them well.”

PC Response: This will be news to conservatives like Mickey Kaus, Matt Weidinger, and other conservatives who claim that until TANF welfare was “no strings” or “work-free.” In fact, as noted above, the work requirements were more real under AFDC-JOBS than they ever were under TANF.

Mead: “The work-requirement issue does not serve either party’s agenda because it argues for changing the nature of government far more than its size. The major change required for work-based reform to succeed is not to do more or less for the poor, but to demand their employment *in return*. As a result, the work discussion has been lost in the shuffle. The right may be content with the fact that past reforms sharply cut cash welfare while the left is content that work tests have not been extended, but neither side has fully addressed the work problem.”

PC Response: The real problem is not that the right has abandoned its quest for extending work requirements to other safety net programs – it’s that they have learned nothing from the TANF experience and continue to advance policy proposals that are unreasonable for recipients, unrealistic for states, and not based on any kind of credible evidence.

Challenge question for Larry Mead: Can you name a single proposal to amend or extend work requirements that is reasonable, realistic, and based on evidence? Feel free to go back to 1996. One condition – make sure there are enough policy details to assess the proposal.

Hint: Don’t look to the Lee-Jordan “Welfare Reform and Upward Mobility Act” as an example.

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 am 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 Lawrence M. Mead, "Are Work Requirements Dead?," *National Interest*, no. 47, Spring 2021, available at: <https://nationalaffairs.com/publications/detail/are-work-requirements-dead>.

³ Robert Doar, "Employment Requirements in Benefit Programs Needed to Reduce Poverty," Testimony before the House Committee on Education and the Workforce, March 15, 2018, available at:

https://edworkforce.house.gov/uploadedfiles/testimony_doar_3.15.18.pdf.

⁴ Regulations issued in response to the Deficit Reduction Act of 2005 allow a state to exclude a parent caring for a disabled family member from the definition of "work-eligible individual," but there was no such exclusion prior to FY 2007.

⁵ 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: <http://mlwiseman.com/wp-content/uploads/2013/09/TANF-is-Broken.072515.pdf>.

⁶ Douglas J. Besharov and Peter Germanis, "Toughening TANF: How Much? And How Attainable?," March 23, 2004, available at: http://www.welfareacademy.org/pubs/welfare/toughening_tanf.pdf.

⁷ A number of researchers have used statistical modeling in an attempt to isolate the effect of welfare reform on caseloads from these other factors. Stephen Bell of the Urban Institute summarized the findings from eight research studies on the relative importance of welfare reform, the economy, and other factors. Using a rough average across the studies, "welfare reform" explains about 15 to 30 percent of the decline in the caseload, while the economy explains about 30 to 40 percent, and other factors (most notably the increase in the aid to the working poor) explain the remainder. See Stephen H. Bell, *Why are Welfare Caseloads Falling* (Washington, DC: The Urban Institute, March 2001), <http://www.urban.org/uploadedPDF/discussion01-02.pdf>. Fewer econometric studies examined the impact of welfare reform on the poverty rate, but those also found relatively small effects, if any. See Jeffrey Grogger, Lynn A. Karoly, and Jacob Alex Klerman, *Consequences of Welfare Reform: A Research Synthesis* (Santa Monica, CA: July 2002), Table 8.3, available at:

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

These studies include the early years of TANF, when all states received a large federal windfall and before TANF completely fell apart as a safety net and welfare-to-work program.

⁸ Jeffrey Grogger, Lynn A. Karoly, and Jacob Alex Klerman, *Consequences of Welfare Reform: A Research Synthesis* (Santa Monica, CA: July 2002), available at:

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

⁹ Jeffrey Grogger, Lynn A. Karoly, and Jacob Alex Klerman, *Consequences of Welfare Reform: A Research Synthesis* (Santa Monica, CA: July 2002), p. 166, available at:

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

¹⁰ A better measure would be to examine changes in the deep poverty rate, which is based on 50 percent of the federal poverty thresholds. According to Arloc Sherman and Danilo Trisi, "The number of children that cash assistance (AFDC or TANF) kept above half the poverty line fell from 2.4 million (3.4 percent of all children) in 1995 to 609,000 (0.8 percent of all children) in 2005." See Arloc Sherman and Danilo Trisi, "Safety Net for Poorest Weakened After Welfare Law but Regained Strength in Great Recession, at Least Temporarily: A Decade After Welfare Overhaul, More Children in Deep Poverty," Center on Budget and Policy Priorities, May 11, 2015, available at: <http://www.cbpp.org/research/poverty-and-inequality/safety-net-for-poorest-weakened-after-welfare-law-but-regained>. While the deep poverty rate is more appropriate for assessing changes to AFDC/TANF, this approach would still miss potentially important distributional effects.

¹¹ The data on TANF families eligible for benefits is estimated using simulation models. The estimates are produced by experts using survey and administrative data, with careful attention to reporting issues and program rules. For TANF, the eligibility estimates come from the TRIM model, which has been used for over 40 years by administrations of both parties to calculate eligibility for TANF and other programs. For more detail on the TRIM model, see: 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*, September 22, 2015, available at: <https://aspe.hhs.gov/sites/default/files/pdf/116161/FINAL%20Fourteenth%20Report%20-%20FINAL%209%2022%2015.pdf>; and, The Urban Institute, “TRIM3: Transfer Income Model, Version 3,” available at: <http://trim.urban.org/T3Technical.php>.

¹² U.S. Government Accountability Office, *Temporary Assistance for Needy Families: Fewer Eligible Families Have Received Cash Assistance Since the 1990s, and the Recession's Impact on Caseloads Varies by State* (Washington, D.C.: GAO, February 2010), available at: <https://www.gao.gov/new.items/d10164.pdf>.

¹³ Gene Falk, “Temporary Assistance for Needy Families,” Congressional Research Service, March 27, 2018.

¹⁴ Thomas Gabe, “Welfare, Work, and Poverty Status of Female-Headed Families with Children: 1987-2013,” Congressional Research Service, November 21, 2014, pp. 18-19, available at: <https://fas.org/sgp/crs/misc/R41917.pdf>.

¹⁵ 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>.

¹⁶ Peter Germanis, “‘Speaker Ryan’s ‘Poverty, Opportunity, and Upward Mobility Report’: The Need for ‘A Much Better Way’,” August 17, 2016, available at: <https://petergermanis.com/wp-content/uploads/2021/02/The-Need-for-a-Much-Better-Way.pdf>.

¹⁷ Council of Economic Advisers, *Expanding Work Requirements in Non-Cash Welfare Programs*, (Washington, D.C.: The White House, July 2018).

¹⁸ Peter Germanis, “The Welfare Reform and Upward Mobility Act: A Conservative Plan to Eviscerate the Safety Net (An Update),” June 11, 2017, available at: <https://petergermanis.com/wp-content/uploads/2021/02/WRandUMA-2017.pdf>.

¹⁹ Robert Rector, “Work Requirements in Medicaid Won’t Work. Here’s a Serious Alternative,” The Heritage Foundation, March 19, 2017, available at: <https://www.heritage.org/health-care-reform/commentary/work-requirements-medicaid-wont-work-heres-serious-alternative>.

²⁰ University of Maryland School of Public Policy and Secretaries’ Innovation Group, “Implementing the SNAP Pilot Projects to Reduce Dependency and Increase Work Levels,” April 10, 2014, p. 35, available at: http://www.welfareacademy.org/pubs/foodassist/slides/SNAP_Pilots_Conference_Transcript.pdf.

²¹ Ron Haskins, *Using Government Programs to Encourage Employment, Increase Earnings, and Grow the Economy*, Mercatus Working Paper, June 7, 2018, p. 40, available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3191515#references-widget. Ron Haskins, *Using Government Programs to Encourage Employment, Increase Earnings, and Grow the Economy*, Mercatus Working Paper, June 7, 2018, p. 38, available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3191515#references-widget.

²² JOBS was the Job Opportunities and Basic Skills Training program.

²³ Gordon Berlin, Testimony on the Reauthorization of the Temporary Assistance for Needy Families Program, March 2002, available at: <https://www.mdrc.org/publication/testimony-reauthorization-temporary-assistance-needy-families-program>.

²⁴ American Enterprise Institute Forum on 1996 Welfare Law, August 22, 2016, available at: <https://www.c-span.org/video/?414208-3/american-enterprise-institute-forum-1996-welfare-law-congressional-panel&start=1506>.

²⁵ Ron Haskins and Heather Hahn, “Do work requirements work? Part 2 of the debate,” American Enterprise Institute, June 22, 2018, available at: <https://www.aei.org/poverty-studies/do-work-requirements-work-part-2-of-the-debate/>.

²⁶ Ron Haskins, *Using Government Programs to Encourage Employment, Increase Earnings, and Grow the Economy*, Mercatus Working Paper, June 7, 2018, p. 25, available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3191515#references-widget.

²⁷ Ron Haskins, *Using Government Programs to Encourage Employment, Increase Earnings, and Grow the Economy*, Mercatus Working Paper, June 7, 2018, p. 32, available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3191515#references-widget.

²⁸ Teresa Wiltz, “States Hold Onto Federal Dollars Meant for Needy Families,” *Stateline*, November 12, 2019, available at: <https://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2019/11/12/states-hold-onto-federal-dollars-meant-for-needy-families>.

²⁹ Jenni Bergal, “States Raid Fund Meant for Needy Families to Pay for Other Programs,” July 24, 2020, available at: <https://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2020/07/24/states-raid-fund-meant-for-needy-families-to-pay-for-other-programs>.

³⁰ Eduardo Porter, “The Republican Party’s Strategy to Ignore Poverty,” *The New York Times*, October 27, 2015, available at: <http://www.nytimes.com/2015/10/28/business/economy/a-strategy-to-ignore-poverty.html>.

-
- ³¹ Stephen Freedman and Daniel Friedlander, *The JOBS Evaluation: Early Findings on Program Impacts in Three Sites* (New York, NY: MDRC, June 1995), available at: <http://www.mdrc.org/sites/default/files/Early%20Findings%20on%20Program%20Impacts%20in%20Three%20Sites%20ES.pdf>.
- ³² Gayle Hamilton, Stephen Freedman, Lisa Gennetian, Charles Michalopoulos, Johanna Walter, Diana Adams Ciardullo and Anna Gassman Pines (all of MDRC) and Sharon McGroder, Martha Zaslow, Jennifer Brooks and Surjeet Ahluwalia (all of Child Trends), *How Effective Are Different Welfare to Work Approaches? Five Year Adult and Child Impacts for Eleven Programs* (New York, NY: MDRC, December 2001): ES-15, 18, and 20, available from: http://www.mdrc.org/sites/default/files/full_391.pdf.
- ³³ Gayle Hamilton, Stephen Freedman, Lisa Gennetian, Charles Michalopoulos, Johanna Walter, Diana Adams Ciardullo and Anna Gassman Pines (all of MDRC) and Sharon McGroder, Martha Zaslow, Jennifer Brooks and Surjeet Ahluwalia (all of Child Trends), *How Effective Are Different Welfare to Work Approaches? Five Year Adult and Child Impacts for Eleven Programs* (New York, NY: MDRC, December 2001): ES-4, available from: http://www.mdrc.org/sites/default/files/full_391.pdf.
- ³⁴ 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.
- ³⁵ Douglas J. Besharov, “Two Cheers for American Welfare Reform – Lessons Learned, Questions Raised, Next Steps,” American Enterprise Institute, October 30, 2008, available at: <https://www.aei.org/publication/two-cheers-for-american-welfare-reform/>.
- ³⁶ Gene Falk, “Research Evidence on the Impact of Work Requirements in Need-Tested Programs,” Congressional Research Service, April 20, 2018, available at: <https://fas.org/sgp/crs/misc/R45317.pdf>.
- ³⁷ Gene Falk, “Temporary Assistance for Needy Families (TANF): The Work Participation Standard and Engagement in Welfare-to-Work Activities,” Congressional Research Service, February 1, 2017, p. 10, available at: https://www.everycrsreport.com/files/20170201_R44751_b7093fe9349fcb8c25170eca4d9725d907ad535e.pdf.
- ³⁸ Some individuals with zero hours may be in activities that don’t count or have hours the state chose not to report. See U.S. Department of Health and Human Services, Administration for Children and Families, Office of Family Assistance, *Claims Resolution Act - Engagement in Additional Work Activities and Expenditures for Other Benefits and Services, April-June 2011: Engagement in Additional Work Activities and Expenditures for Other Benefits and Services*, February 13, 2012, available at: <http://www.acf.hhs.gov/ofa/resource/cra-june2011.html>.
- ³⁹ Ed Bolen, Lexin Cai, Stacy Dean, Brynne Keith-Jennings, Catlin Nchako, Dorothy Rosenbaum, and Elizabeth Wolkomir, “House Farm Bill Would Increase Food Insecurity and Hardship,” July 30, 2018, available at: <https://www.cbpp.org/sites/default/files/atoms/files/4-16-18fa.pdf>.
- ⁴⁰ Liana Fox, *The Supplemental Poverty Measure: 2019*, U.S. Census Bureau, September 2020, available at: <https://www.census.gov/content/dam/Census/library/publications/2020/demo/p60-272.pdf>.
- ⁴¹ Neal Demause, “Georgia’s Hunger Games,” *Slate*, December 26, 2012, available at: <https://slate.com/news-and-politics/2012/12/georgias-war-against-the-poor-the-southern-state-is-emptying-its-welfare-rolls-at-the-same-time-that-poverty-is-soaring.html>.
- ⁴² See Laura Meyer and Ife Floyd, “Cash Assistance Should Reach Millions More Families to Lessen Hardship,” Center on Budget and Policy Priorities, November 30, 2020, available at: <https://www.cbpp.org/research/family-income-support/cash-assistance-should-reach-millions-more-families-to-lessen>.
- ⁴³ “Welfare Reform Proposals,” Hearing before the Subcommittee on Human Resources of the House Committee on Ways and Means,” July 15, 2015, available at: https://archive.org/stream/gov.gpo.fdsys.CHRG-114hhrg21285/CHRG-114hhrg21285_djvu.txt.
- ⁴⁴ Eloise Anderson, Secretary Wisconsin Department of Children and Families and Chairperson of the Secretaries Innovation Group Before the Committee on Ways and Means Subcommittee on Human Resources U.S. House of Representatives April 30, 2015, available at: <http://waysandmeans.house.gov/wp-content/uploads/2015/06/Eloise-Anderson-Testimony-043015-HR3.pdf>.
- ⁴⁵ Eloise Anderson, Secretary Wisconsin Department of Children and Families and Chairperson of the Secretaries Innovation Group Before the Committee on Ways and Means Subcommittee on Human Resources U.S. House of Representatives April 30, 2015, available at: <http://waysandmeans.house.gov/wp-content/uploads/2015/06/Eloise-Anderson-Testimony-043015-HR3.pdf>.
- ⁴⁶ Gene Falk, “Temporary Assistance for Needy Families,” Congressional Research Service, March 27, 2018.