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Recent TANF Proposals would Hinder Successful State Efforts to Help Families Overcome Barriers to Employment and Find Better-Paying Jobs

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Since the 1996 welfare law established the Temporary Assistance for Needy Families block grant, substantial research has been published on the characteristics of families receiving cash assistance and the circumstances of families that find jobs and leave welfare. Two findings consistently emerge from these studies.¹ First, while many parents have left welfare and are working, working former recipients generally earn below-poverty wages and see only modest income growth over time. Second, many adult TANF recipients have circumstances or conditions often called "barriers to employment" that impede their ability to find and maintain employment.

These findings have led many state policymakers, administrators, and analysts to conclude that two of the most important "next steps" in welfare reform are to find ways to assist parents who have severe barriers to employment find jobs and to help those TANF recipients who can find low-wage jobs secure more stable jobs that can pay more adequate wages. Some states and localities already have developed successful strategies — although often on a limited scale — that address these issues, and there is broad agreement among states that additional flexibility and resources are necessary to maintain and expand these efforts.

Recent TANF reauthorization proposals passed by the House Ways and Means Committee and Education and Workforce Committee (referred to as "House bills" in this analysis) would not provide states with the flexibility or resources necessary to take these important next steps. In fact, the House bills significantly reduce states' flexibility to design welfare-to-work programs that meet the needs of their recipients. Under the House bills, for example, states would be required to place most TANF recipients in a narrow set of work activities that only include paid employment and unpaid work in workfare-type programs. States would have far less ability than under current law to engage recipients in vocational education or in activities designed to help recipients overcome "barriers to employment" such as mental and physical impairments, substance abuse problems, learning disabilities, and domestic violence.

Many state-level policy-makers and administrators have expressed concern that the restrictive nature of the work provisions in the House bills would force them to restructure or abandon successful strategies they have put in place to help parents prepare for and find employment, and replace these strategies with more costly subsidized jobs or unpaid workfare-type programs. In a recent survey conducted by the National Governors' Association and the American Public Human Services Association, states were asked if the Administration's TANF proposal (which the House bills are based on) would require them to shift their current approach

to working with TANF families. Some 41 of the 47 states responding said the proposal would cause them to make *fundamental changes* in current welfare-to-work strategies and/or redirect resources away from current efforts. Only two states indicated no changes would be necessary.²

To meet the federal work requirements in the House bills and avoid substantial fiscal penalties, many states would be forced to take such steps as:

- (1) *Scaling back access to targeted vocational education programs.* Many states allow TANF recipients to participate in training programs in areas such as nursing, information technology, accounting, or machinery on a full-time or nearly full-time basis for more than three months, the maximum length of time that would be allowed for such activities under the House bills. States have found such programs can train recipients for more stable, higher-paying jobs and are a sound investment. In addition, many states allow recipients to combine longer-term vocational education programs with work, but require fewer than 24 hours of paid or unpaid employment, the minimum requirement under the House bills. Recipients who must work 24 hours each week are unlikely to have sufficient time to attend training classes and complete homework.
- (2) *Scaling back efforts to help parents that face serious barriers to employment to overcome those barriers and prepare for work.* Recognizing that some parents have serious problems that impede their ability to succeed in traditional welfare-to-work programs, many states have developed specialized programs to help such parents address these barriers. These programs may assign participants to substance abuse treatment, mental health counseling, literacy programs designed to help people with learning disabilities, vocational rehabilitation services, or domestic violence providers. Such non-traditional work activities would be permissible only for a three-month period under the House bills. States report that some families require more time to overcome these barriers and move toward employment.

This paper describes the efforts states have made in recent years to expand programs to help parents overcome barriers and to help recipients prepare for and find stable jobs. It provides examples of welfare-to-work programs around the country that do not match the work requirements in the House bills. Because states would not be able to count many of the participants in these programs toward the work participation rates they would have to meet, states would be under substantial pressure to scale back or discontinue these programs. (Tables 2 and 3 on pages 8 and 9 provide a list of state welfare-to-work programs that do not match the work requirements in the House bills. These examples are illustrative; they are not an exhaustive list of programs around the country that would be threatened under the House legislation.)

States Have Expanded their TANF Work Programs to Help Families Overcome Barriers and Find Better-Paying Jobs

After the 1996 welfare law passed, most states implemented a "strictly work first" approach providing little or no assessment of barriers to employment, few services for those with conditions or circumstances — like physical or mental impairments, substance abuse problems, or low literacy levels — that impede recipients' ability to work, and little access to education and training. Such work-first programs have been found to increase employment rates and decrease welfare receipt. As welfare caseloads declined, however, states began to turn their attention to challenges that were not easily addressed by a strictly work first approach — including helping those recipients with the most severe barriers to employment and helping those recipients who could find entry-level jobs move into more secure employment with more adequate wages.

The decline in welfare caseloads contributed to these efforts in two unexpected ways. First, because the caseload reduction credit lowered the effective work participation rates that states had to meet, states could easily meet their federal work participation requirements.³ Thus, states could place recipients in an array of employment-related activities — including various "barrier-removal" activities like substance abuse treatment or mental health counseling or longer-term training — that were not "countable" toward the federal work participation requirements without having to worry that they would fail to meet the work participation requirements. Second, as cash assistance costs declined, states had additional resources to invest in more intensive welfare-to-work programs and services.

A recent report by the Urban Institute shows the extent to which states have expanded their initial work first approaches to incorporate broader strategies to address barriers and help recipients find more stable, better-paying jobs. Researchers conducted site visits in 17 localities (in 13 states) shortly after the TANF law was implemented and then conducted a follow-up visit in 2000. While 11 out of the 17 sites operated what the researchers defined as a "strictly work-first" program in the early period, only five sites operated such programs in 2000. By the time the follow-up visit was conducted, most of the programs had modified their work-first approach to place a greater focus on barrier reduction and education and training. Fully 12 out of the 17 programs studied in 2000 augmented their work-first strategy with additional training programs and/or barrier-removal activities (see Table 1).⁴

States and others have called for changes in the TANF law that would make it easier for states to invest further in efforts to improve employment outcomes for families with barriers or low skill levels. In February, the National Governors' Association passed a welfare reform policy (on a bipartisan basis) that called on Congress to allow states to count a broader range of activities toward the work participation requirements.⁵ The National Conference of State Legislatures and the American Public Human Services Association have called for similar flexibility.

Table 1
States and Localities Have Modified TANF Work Programs to Address Barriers to Employment and Low Skill Levels

TANF Work Program Approach	Initial TANF Implementation (1996-1997) by County	Current Approach (2000) by County
“Strictly work-first”	Dade/Miami (FL) El Paso (TX) Harris/Houston (TX) Hillsborough/Tampa (FL) Hinds/Jackson (FL) Hudson/Jersey City (NJ) Jefferson/Birmingham (AL) King/Seattle (WA) Milwaukee (WI) Suffolk/Boston (MA) Wayne/Detroit (MI)	El Paso Harris/Houston Hinds/Jackson Suffolk/Boston Wayne/Detroit
Mixed services strategy (work-first supplemented with education and training)	Alameda/Oakland (CA) Erie/Buffalo (NY) Hennepin/Minneapolis (MN) Los Angeles (CA) San Diego (CA)	Alameda/Oakland Hennepin/Minneapolis
Enhanced mixed services (work first supplemented with education and training and a focus on reducing barriers to employment) ⁶	Denver (CO)	Dade/Miami Denver Erie/Buffalo Hillsborough/Tampa Hudson/Jersey City Jefferson/Birmingham King/Seattle Los Angeles Milwaukee San Diego
Source: Urban Institute, 2002		

The Work Requirements in the House Bills

The House bills do not provide this flexibility, and in fact, move in the opposite direction. Under these bills, states would be required to place a substantially higher proportion of cash assistance recipients in work activities; however, a recipient participating in barrier-removal activities or vocational education and training generally would not be counted toward the work requirements unless the recipient also worked in either a paid or unpaid position for 24 hours each week. For some severely disadvantaged recipients, barriers to employment will prevent them from meeting the requirement that they are in a paid job or in an unpaid workfare (or similar) program 24 hours each week. It also will be difficult for many recipients to combine significant vocational education or training — classroom time and homework preparation —

with 24 hours of paid or unpaid work. In addition, the bill would increase the total number of hours parents would have to participate in work activities to count toward those participation rates. Parents, including those with severe barriers to employment, would have to participate in activities for 40 hours each week to count fully toward the state fulfilling its work participation requirements. Because the House bills would increase the work participation rates states must meet significantly, states generally could not place significant numbers of recipients in activities that do not count toward the federal work requirements or assign them fewer hours than mandated by the bill without risking a substantial fiscal penalty for failing to meet the federal requirements.

Under the House bills, states would be allowed to count recipients who participated in vocational education or barrier-removal activities toward the work participation rates for three months in a 24-month period. While three months in these types of activities will be sufficient for some, there is no evidence to suggest that three months will be sufficient for all unemployed families, or that it is the most effective time frame for barrier-removal and job training activities.

- *Many vocational training or community college programs take longer than three months to prepare an individual for an occupation and yet, the jobs for which these programs train recipients are often more stable and higher-paying than recipients find without such targeted training.* For example, the Center for Employment Training, a program that has 26 training centers in nine states (California, Nevada, Texas, Illinois, New York, Maryland, North Carolina, Florida, and Virginia), and 12 independent sites in five additional states (Connecticut, Kentucky, New Jersey, Ohio, and South Carolina), provides vocational training that lasts between six and nine months. A study of minority single mothers in the program found that two-and-a-half years after entering the program, participants' incomes exceeded those of a similar group of women who did not participate by 25 percent.⁷
- *While the length of time required to resolve various barriers to employment can vary greatly depending on the individual and the severity of the barriers, three months is insufficient for some recipients — particularly for those requiring inpatient care for mental health or substance abuse problems.* For example, research on the effectiveness of substance abuse treatment has found that there is a three-month “floor” or minimum amount of time that individuals must spend in treatment in order to see positive effects. However, longer stays have been associated with better outcomes both for recovery and also for employment.⁸ An evaluation of the CASAWORKS program, which provides treatment and services to welfare recipients with substance abuse problems, found that individuals who participated for longer periods of time were more likely to stop using drugs and alcohol and to maintain employment.⁹ Most participants remained in the program for six to nine months before moving into full-time employment, but the most

Response from the states: NGA/APHSA survey results

In a recent survey conducted by the National Governors' Association and the American Public Human Services Association, states were asked a set of questions about how the Administration's TANF proposal would impact their current approach to working with TANF families. Many states were concerned that the proposal would force them to significantly alter their programs.

When asked about the capacity for states to continue barrier-removal programs, 32 out of the 44 states surveyed were concerned that three months was not enough time to address barriers to employment and a number of states said that the proposal does not take into account relapse issues associated with substance abuse. For example, the response from Kansas stated:

“These are not barriers that can be overcome with a cookie-cutter approach of a 3 month time limit. . . Kansas will be forced to choose between requiring recipients who may not be ready to work for 24 hours a week, knowing they will fail; or placing them in the right activities such as remedial education, learning disability accommodation, training, substance abuse, mental health or domestic violence counseling, or basic job skills training, and accepting a penalty for failure to meet the participation rate requirement.”

Thirteen states noted that most vocational education programs in their states run longer than three months. For example, Alabama's survey response stated:

“Our case managers are encouraged to assign clients to a combination of work and educational activities that best meet the client's needs and will lead to the most productive outcomes for that client. . . we will no longer be able to offer this.”

significant impacts were seen for those who participated for 12 months.

- *For families with multiple barriers to employment the three-month limit may make preparing for employment particularly difficult.* For example, a parent may need to resolve a domestic violence problem and also receive targeted occupational training in order to find secure, stable employment. A three-month limitation on such activities may prohibit her from having time both to address her domestic violence problems and complete a job training program.

Beyond the three-month period, families in barrier-removal and education activities only can count toward a state's work participation requirement if a parent is working at least 24 hours per week in a paid or unpaid job. This requirement will make participation in activities that can help parents address barriers or that provide meaningful job training difficult for many recipients.

- *Some parents have a barrier, or multiple barriers which prevent them from participating in “direct work” activities for a full 24 hours per week.* Many sheltered workshops — which are designed to help people with mental

impairments or developmental disabilities transition into work — require 20 or fewer hours per week of work. In Oregon, families with mental health problems are encouraged to participate in life-skills training and other employment preparation workshops while receiving counseling and group therapy. Together, these activities can take as many as 20 hours per week, but many such recipients would be unable to meet a requirement that they work in paid or unpaid jobs for 24 hours per week.

- *Many effective training programs are longer than three months and require more than 16 hours of participation per week.* For example, Kentucky has a “Ready-to-Work” training program in which recipients attend community colleges to obtain certificates or degrees in areas such as Nursing, Information Technology, and Accounting. The program requires full-time attendance for six to nine months and graduates often have earnings that are significantly higher than most other former welfare recipients in the state.

Examples of Successful State and Local Approaches to Helping Families Move from Welfare to Work

Many components of state and local welfare-to-work programs do not fit within the narrow structures of the House bills. Examples of state and local programs that are not consistent with these bills are summarized in Tables 2 and 3. Table 2 provides examples of approaches states have developed to address barriers to employment and Table 3 provides examples of approaches states have developed to help families increase skills and find better-paying jobs. More detailed information about each of the programs in the tables is provided in the appendix. This is not an exhaustive list of the state and local welfare-to-work initiatives that do not match the work program structure in the House bills, but is meant to provide illustrative examples of such programs.

Table 2
Examples of Barrier-Removal Programs that Do Not Match the Approach
Mandated in the House Bills

State	Program	Program Components	Would not fit into the House bill's structure because... ¹⁰
Multi-state (CA, MD, MO, NC, NY, OH, PA, TN)	CASAWORKS for Families	Intensive program for recipients with substance abuse problems. The program includes substance abuse treatment as well as life skills development classes, literacy and vocational services, counseling, job search, health services, and family skills development.	<ul style="list-style-type: none"> • The program involves at least 20 hours per week for one year. • Many participants could not work 24 hours each week while in the program because of their substance abuse problems.
Tennessee	Family Services Counseling	Families with barriers to employment receive intensive case management and are assigned to appropriate activities. Barrier-removal activities, such as mental health counseling or domestic violence services, can count toward the work requirement.	<ul style="list-style-type: none"> • Flexibility is necessary for hours and length of individualized services. • Many families are unable to work for 24 hours per week after three months.
Maine	Multi-barrier programs	Assessment and case management services for families with multiple barriers are provided by three contract agencies. When needed, recipients can satisfy their work requirement by engaging in barrier-removal activities, such as mental health counseling and substance abuse services.	<ul style="list-style-type: none"> • Most families remain in the program for six to 12 months. • Many families are unable to work for 24 hours per week after three months.
Utah	Mental Health and Substance Abuse program	Mental health and substance abuse counselors co-located at TANF offices provide counseling and develop service plans for recipients with problems in these areas. When needed, recipients can satisfy their work requirement by engaging in barrier-removal activities, such as mental health counseling and substance abuse services.	<ul style="list-style-type: none"> • Flexibility is necessary for hours and length of individualized services. • Many families are unable to work for 24 hours per week after three months.
Oregon	Mental Health and Substance Abuse program	Mental health and substance abuse providers co-located at welfare offices help develop individualized service plans for recipients with problems in these areas. When needed, recipients can satisfy their work requirement by engaging in barrier-removal activities, such as mental health counseling and substance abuse services.	<ul style="list-style-type: none"> • Flexibility is necessary for hours and length of individualized services. • Many families are unable to work for 24 hours per week after three months.

Table 3
Examples of Vocational Education Training Programs that Do Not Match the Approach Mandated in the House Bills

State	Program	Program Components	Would not fit into the House bill's structure because... ¹¹
Multi-state (CA, NV, TX, NY, MD, NC, FL, VA, and independent sites in CT, KY, NJ, OH, SC)	Center for Employment Training (CET)	Intensive vocational training combined with basic education for individuals with barriers to employment.	Program requires 32 hours per week of participation for an average of six months.
Washington State	Pre-employment training and Tuition Assistance program	<ul style="list-style-type: none"> • <i>Pre-employment training</i>: short-term training for specific occupations • <i>Tuition Assistance Program</i>: tuition and support services for recipients in work-study or internships 16-19 hours per week or in employment 20 hours per week. 	<ul style="list-style-type: none"> • Both options are generally longer than 3 months. • <i>Pre-employment training</i> is full-time with no additional work activity requirements. • The <i>Tuition Assistance program</i> requires fewer than 24 hours per week of work.
Kentucky	Ready-to-Work	Certificate or degree program for TANF recipients in community colleges throughout the state in areas such as nursing, information technology, and accounting. The program also provides mentoring, work-study opportunities, life skills training, counseling, and job placement.	<ul style="list-style-type: none"> • Certificate programs last from 6 months to one year and are full-time. • Degree programs last from 2 to 4 years and can be full-time for the first two years, after which the participant works 20 hours per week (not 24).
Michigan	Condensed Vocational Education and "10-10-10" approach	<ul style="list-style-type: none"> • <i>Condensed vocational education</i>: short-term training programs lasting up to six months in specific occupations • <i>"10-10-10" approach</i>: Recipients can meet TANF work requirements with 10 hours of class time, 10 hours of study time and 10 hours of work. 	<ul style="list-style-type: none"> • The <i>condensed vocational education</i> programs can last up to six months with no additional work requirements. • The <i>"10-10-10" approach</i> allows students to meet the work requirement by combining education/training with 10 hours of work per week.
California	Community College/ TANF partnership	Community colleges receive TANF funds to design vocational training and degree programs for TANF recipients. The programs include child care, tuition assistance, support services, work-study opportunities, and job placement services.	Recipients can participate in a combination of class time, laboratory experience, work-study, and employment to meet the state's 32-hour work requirement for up to 24 months. There is no minimum number of hours of employment required as long as the 32-hour activity requirement is met.
Minnesota	Functional Work English	Intensive vocational English-as-a-Second-Language classes	The program involves 20 hours per week and lasts an average of six months. Pre-literate students require a longer period of participation.

Appendix

Programs that Address Severe Barriers to Employment

CASAWORKS for Families: CASAWORKS is a demonstration program for welfare recipients with substance abuse problems that is located in ten sites in nine states.¹² The program, which provides intensive case management, includes assessment, job search activities, life skills development classes, literacy and vocational services, including vocational training, counseling, health services, and family skills development. Participants initially spend an average of 20 hours per week in activities — including substance abuse treatment, literacy and job training, parenting programs, and other services depending on the needs of the individual — designed to reach specified treatment and employment goals. Caseworkers review and adjust individual plans on a periodic basis based on individual circumstances. Often, part-time work is included in an individual's plan.

The duration of the program is different for each participant based on the severity of her substance abuse problems and other barriers she is experiencing (many participants also have mental health and domestic violence problems). Most are in treatment for between six months and one year. Evaluations of the program found that after 12 months, participants showed statistically significant increases in abstinence from alcohol, cocaine and marijuana.

Tennessee's Family Services Counseling Program: In Tennessee, families that are not immediately ready to work because of barriers to employment have an option to participate in the Family Services Counseling Program (FSC). The program is designed to address five specific barriers: mental health problems, domestic violence, substance abuse, learning disabilities, and child behavioral or health problems. Masters-level social workers provide intensive case management and referrals, and can modify individual responsibility plans to include alternative or reduced work requirements. While in the program, participation in barrier-removal activities can satisfy a recipient's work requirement. (The state has a waiver from the federal TANF law that allows it to count these activities toward the TANF participation rate.¹³) Activities may include individual or group counseling, parenting groups, domestic violence services, as well as services that are provided through the traditional welfare-to-work program such as job training or job search services. Social workers also can temporarily suspend work requirements if necessary. For example, a family that becomes homeless after leaving a domestic violence situation may be excused from work requirements in order to secure affordable housing in a safe location.

Some FSC participants need only a few hours of counseling each week and are able to participate in more standard work-focused activities on a part- or nearly-full-time basis, while others need to participate in barrier-removal activities on a much more intensive basis. According to the program's interim director, some recipients need to participate in barrier-removal activities for up to 20 hours per week, and in a more limited number of cases for more than 20 hours per week (this typically is the case when inpatient care is required). Even for families that require less actual time spent in barrier-removal activities, many still are unable to

work full-time, or even part-time while they are receiving treatment for various conditions. It is common for many of the families referred to the program to have barriers affecting the entire family, rather than just the parent preparing for employment. Many parents have children with disabilities that require frequent doctor visits or in-home care. Some families are homeless and must spend a great deal of time seeking shelter and affordable housing.

The FSC program has helped many families with barriers enter employment. Generally, only 14 percent of the families who enter the program are working. However, close to half of the families that successfully complete the program become employed.

Maine's Multi-Barrier programs: In Maine, the TANF agency has contracts with three service providers to help families overcome multiple barriers to employment. Families are referred by their caseworkers, often after having not succeeded in the state's traditional welfare-to-work program because of their barriers to employment. The contract agencies work with families to develop a plan that includes activities to help them overcome barriers in order to return to the state's traditional welfare-to-work program or move into employment. For example, a parent may receive assistance with obtaining a driver's license so she can get to a job, while the family also secures mental health counseling or a special needs child care provider for a child with a disability. Participants in the multi-barrier programs typically participate in the program for between six and 12 months. Some participants then move into employment while others leave the multi-barriers program and return to the traditional welfare-to-work program. The number of hours per week of participation in mental health, substance abuse, and domestic violence services can vary depending on the number and severity of barriers a family is working to resolve.

Evidence from one of the contractors operating a multi-barrier program shows that such programs can be effective in helping recipients overcome barriers and move to employment. In the contract agency's program, a substantial portion of recipients left the program when their applications for SSI were approved. Of those recipients without disabilities severe enough to qualify them for SSI, nearly 40 percent were able to obtain jobs. The remaining participants returned to the the traditional welfare-to-work program when they completed the multi-barriers program.¹⁴

Utah's Mental Health and Substance Abuse Services: Mental health services for TANF recipients in Utah are provided directly through the TANF agency. Recipients are referred to agency social workers by employment counselors if an initial screening reveals mental health, substance abuse, or domestic violence problems, or if they are not in compliance with TANF work requirements. Social workers then conduct a clinical evaluation and provide individual and group counseling to the family. If needed, referrals to outside agencies are made. Social workers can modify work plans to allow for flexibility in the types of activities to which the recipient is assigned or in the number of required hours of activities. Participation in mental health, substance abuse, and domestic violence services can range from two hours per week to about 20 hours per week for families with the most serious problems. Some families are able to engage in other work activities while receiving mental health services while others with more severe

problems, or those in crisis, do not engage in such activities immediately. Treatment for short-term problems generally lasts three to four months while longer-term treatment usually lasts between six to 12 months.

Robin Arnold-Williams, Executive Director of the Utah Department of Human Services, recently testified before the House Ways and Means Subcommittee on Human Resources. Her testimony stated, “We believe that TANF mothers who have multiple barriers to overcome, such as mental health, substance abuse, or learning disabilities, may need additional time to enter the workforce. States should be afforded additional flexibility in defining work activities so that they can place these clients in meaningful activities that increase the likelihood of long-term success in the workforce.”¹⁵

Oregon Mental Health and Substance Abuse Services: Oregon allows recipients to participate in a range of intensive mental health and substance abuse services to meet the state’s TANF work requirement. (The state has a waiver from the federal TANF law that allows it to count these activities toward the TANF participation rate.) Mental health staff are co-located in the TANF agency and can modify individual responsibility plans based on a family’s circumstances. The types of activities and number of required hours can vary according to the severity of the participant’s condition. Mental health services can include a combination of individual counseling and group therapy.

These activities can take several months to complete. For parents with substance abuse problems that are referred for services, most require three or four days per week of treatment. The Oregon program focuses on gradually moving participants into more work-focused activities. Often, recipients are placed in additional activities while in mental health or substance abuse treatment, such as life-skills training or employment preparation workshops. Some participants work part-time while participating in mental health or substance abuse services.

Programs that Help Recipients Prepare For and Find More Secure, Better-Paying Jobs

Center for Employment Training: The Center for Employment Training (CET) has 26 training centers in nine states (California, Nevada, Texas, Illinois, New York, Maryland, North Carolina, Florida, and Virginia); in addition, 12 independent sites in five additional states (Connecticut, Kentucky, New Jersey, Ohio, and South Carolina) use the CET model. The CET model combines hands-on occupational training (in areas such as building maintenance, electronic assembly, medical assistant, truck driving and shipping/receiving) with basic remedial education and vocational ESL for individuals with very low skill levels or limited English proficiency. The program also includes a case management component in which a multi-disciplinary team provides intensive counseling and referrals to other agencies if needed. All participants are engaged in training for 32 hours per week. The program tailors the training and curriculum to each participant’s needs and skills. The average length of training is six months, although some participants stay in training for up to nine months.

Past evaluations have shown the CET model to be an effective approach for people with barriers to employment. The majority (60 percent) of participants have not completed high school and many (40 percent) have limited English-language proficiency. Despite some of these challenges, a study tracking participation of minority single mothers at the San Jose site for two-and-a-half years showed that participants' incomes exceeded those of a group of similar mothers (a "control group") who were not in the program by 25 percent after two-and-a-half years. In addition, earnings gains persisted through five years of follow-up.¹⁶

Washington State's WorkFirst Program: Washington's WorkFirst Program combines an initial focus on job search and placement in unsubsidized employment with opportunities for education and training. While Washington State initially implemented a fairly rigid work first approach, it has refined the program in recent years to allow education as a stand-alone activity or in combination with less than 20 hours of work.

Participants can initially participate in a pre-employment training segment that lasts up to 12 months and includes 30 to 40 hours per week of training with no additional work requirement. The state recently extended this program from three months to up to 12 months in response to research on program effectiveness and employer demand for workers with greater skills.

Washington State conducted research on the various types of welfare-to-work activities in which recipients were participating. The researchers found that the pre-employment training program increased earnings by \$864 per quarter as compared to the earnings that would have been expected had they not participated in any program. The study also found that the pre-employment training program had larger effects on earnings levels than most other welfare-to-work activities.¹⁷

Following the pre-employment training, participants are encouraged to seek additional training. The state offers tuition assistance for TANF recipients and other low-income students to help pay for education and training at community colleges. Participants must combine education either with participation in a work-study position or internship for 16-19 hours per week, or with 20 hours per week of employment. Community colleges in Washington State receive TANF funding to implement short-term training programs that are accessible to TANF recipients and low-wage workers. Individual programs are designed by the colleges in conjunction with area employers to provide training for specific occupations, including call-center specialists, bus drivers, fork-lift operators, automotive technicians, and office workers. Early results from an evaluation of the tuition assistance program found that median quarterly earnings for those who completed a certificate or degree program were \$4,351 in the third quarter after completion of the program. This was more than \$1,500 higher than the average earnings of all families that left welfare for employment.¹⁸

Kentucky's "Ready-to-Work" Program: Kentucky's Ready-to-Work (RTW) program allows recipients to acquire certificates or Associate Degrees in areas such as nursing, information technology, accounting, early education, auto repair, welding, and carpentry. Certificates in areas such as welding or carpentry take between six months and one year while

associate's degrees in fields such as nursing, business, or accounting generally take two years. In addition to training, the program assists parents with job skills, life skills, academic success training, and provides job placement and retention services.

Work-study is an important component of the program. Participants generally work 10 or 15 hours per week in a work-study position that is relevant to their training. About 16 percent of TANF recipients in Kentucky participate in vocational education or training activities, primarily through the RTW program. While no outcome study has been conducted, program administrators report that participants that have graduated have obtained jobs with salaries that are significantly higher than most former recipients, including some students placed in nursing positions that pay in the range of \$40,000 per year.

Michigan's Condensed Vocational Education Program and "10-10-10" Approach: TANF recipients in Michigan may participate in short-term "condensed vocational education" programs. These programs typically require 30 hours per week of participation and result in an occupational certificate upon completion. Recipients can participate in such programs for up to six months.

Michigan also allows recipients to attend longer-term education or training programs on a part-time basis as long as they work at least ten hours per week through the "10-10-10" policy. Under this provision, recipients may meet their 30-hour work requirement for up to 12 months through ten hours of occupationally-relevant vocational education, ten hours of study time, and ten hours of work.¹⁹ Despite a recent change in Michigan's TANF program in which recipients generally must participate in work activities for "up to 40 hours" per week, participants in education and training are permitted to maintain a 30-hour week under the "10-10-10" framework.

California's Community College/TANF Partnership. In California, TANF funds are provided to community colleges to design programs that meet the needs of TANF recipients. Each college has specialized coordinators that work with TANF recipients to provide guidance and help them gain access to tuition assistance, work-study opportunities, job placement services, and child care. The state has a 32-hour work requirement that can be met with classroom time and work-study for up to 24 months. Participants can combine classroom time and work to meet the requirement. While most students work up to 20 hours in a work-study job while in school, some short-term (three to six month) educational programs require a full 32 hours per week of participation. For example, in Butte College in Oroville, CA students can choose to participate in a traditional Associate Degree program for two years, or they can enter a "fast-track" training that is generally 32 hours per week of classroom time for 19 weeks. Fast Track programs include training as an office assistant, account clerk, call center operator, certified nurse, home health assistant, and auto parts clerk.

TANF recipients that have participated in education and training in California's Community Colleges have experienced substantial increases in employment rates and earnings. A study by the California Community College Chancellor's Office measured earnings increases

for participants between their last year in college and at one year and three years after exiting. The researchers found that participants employed year-round during their last year in college increased their annual earnings by 42 percent after being out of college for one year. After three years out of college, participants working year-round increased their annual earnings by 88 percent. Earnings increases were largest for participants enrolled in longer degree programs; increases were highest among those with certificates or Associate degrees which generally take two years to complete. Students in vocational Associate degree programs had the largest earnings increases. One year after exiting college, participants with a vocational Associate's Degree more than doubled their in-school earnings, and two years later doubled them again.²⁰

Minnesota's Functional Work English Program. Minnesota's Functional Work English program provides intensive English-as-a-Second language instruction for TANF recipients with limited proficiency in English. The program places a strong emphasis on teaching the English language skills that are necessary to find and keep a job. Participants are taught how to read want ads in the newspaper and on the internet, how to interview for a job, how to ask directions, how to take phone messages, and other practical workplace skills. The training includes field trips where participants learn bus routes and visit job sites.

The program requires 20 hours per week of class time for all participants. Some participants also attend job search workshops or other activities simultaneously. A small percentage of participants have part-time jobs (generally 10 to 15 hours per week). The program usually lasts six months, but can be extended when necessary. The participants who most often require additional time are typically not literate in their own primary language. According to the program's director, many of the participants are refugees from countries where they never learned to read or even hold a pencil.

Endnotes

1. For more information about research on welfare recipients with barriers to employment, see Heidi Goldberg, *Improving TANF Program Outcomes for Families With Barriers to Employment*, Center on Budget and Policy Priorities, January 2002, <http://www.centeronbudget.org/1-22-02tanf3.htm>.

For information about research on the employment outcomes of TANF recipients, see Steve Savner, Julie Strawn, and Mark Greenberg, *TANF Reauthorization: Opportunities to Reduce Poverty by Improving Employment Outcomes*, Center on Law and Social Policy, January 2002, <http://www.clasp.org/pubs/TANF/TANF%20reauthorization%20opportunities%20to%20reduce.pdf>.

2. *Welfare Reform Reauthorization: State Impact of Proposed Changes in Work Requirements: April 2002 Survey Results*, National Governors' Association and American Public Human Services Association.

3. Under federal law, a provision known as the "caseload reduction credit" reduces the required work participation rate that a state must achieve by the number of percentage points equal to the percentage of a state's caseload decline since 1995. 42 USC § 607(b)(3). Because caseloads have decreased substantially, most states had effective participation rates of close to zero in the past few years.

4. Pamela A. Holcomb and Karin Martinson, "Putting Policy into Practice: Five Years of Welfare Reform," in *Welfare Reform: The Next Act*, The Urban Institute, 2002.

5. National Governors' Association, HR-36, Welfare Reform Policy.

6. Enhanced mixed services for most sites included both education and training as well as a focus on removing barriers to employment. However, some sites that moved directly from a "strictly work-first" focus to an enhanced mixed services focus included barrier-removal activities in their approach but did not necessarily also include education and training components.

7. Amy Zambrowski and Ann Gordon, *Evaluation of the Minority Female Single Parent Demonstration: Fifth Year Impacts at CET*, Mathematica Policy Research, December 1993.

8. Gretchen Kirby and Jacquelyn Anderson, *Addressing Substance Abuse Problems Among TANF Recipients*, Mathematica Policy Research, July 2000, www.mathematica-mpr.com/PDFs/addresssubstance.pdf; Maria Bruni, Beth-Anne Jacob, and Sylvan Robb, *The Effectiveness of Substance Abuse Treatment in Illinois*, Illinois Office of Alcoholism and Substance Abuse, September 2001, www.state.il.us/agency/dhs/rrestsep01.pdf; and *Principles of Drug Addiction Treatment: A Research-Based Guide*, National Institute on Drug Abuse, National Institute of Health, October 1999, www.nida.nih.gov/PDF/PODAT/PODAT.pdf.

9. *CASAWORKS for Families: A Promising Approach to Welfare Reform and Substance-Abusing Women*, National Center on Addiction and Substance Abuse at Columbia University, May 2001, <http://www.casacolumbia.org/publications1456/publications.htm>.

10. This column describes the general hourly participation requirements and durations of these programs. Also note in addition to the participation requirements mandated by the House bills, the activities — barrier-removal activities such as counseling — cannot be counted toward the first 24-hours of required work activities under the House bills, except for three months out of a 24-month period.

11. This column describes the general hourly participation and durations of these programs. Also note in addition to the participation requirements in the House bills, the activities — training that is not “on-the-job” and participation in education — cannot be counted toward the first 24-hours of required work activities under the House bills, except for three months out of a 24-month period.
12. Program sites include: Escondido, California; Pomona, California; Baltimore, Maryland; Springfield, Missouri; Chapel Hill, North Carolina; Bronx, New York; Cincinnati, Ohio; Norman, Oklahoma; Philadelphia, Pennsylvania; and Nashville, Tennessee.
13. Under the 1996 welfare reform law, many states were able to maintain waivers from certain federal requirements in order to continue demonstration programs they had implemented under AFDC. The House bills would prohibit states from continuing their waivers, even when programs have had positive outcomes for families.
14. Some parents with the most severe disabilities may be eligible for SSI and caseworkers help them to apply for and obtain SSI.
15. Written testimony of Robin Arnold-Williams, Executive Director of the Utah Department of Human Services, before the House Ways and Means Subcommittee on Human Resources, April 11, 2002.
16. Amy Zambrowski and Ann Gordon, *Evaluation of the Minority Female Single Parent Demonstration: Fifth Year Impacts at CET*, Mathematica Policy Research, December 1993.
17. Marieka Klawitter and Daniel Evans, *Effects of WorkFirst Activities on Employment and Earnings*, Daniel J. Evans School of Public Affairs, University of Washington, September 2001.
18. Debra Fogarty and Shon Kralej, A Study of TANF Leavers and TANF Recipients, Washington Department of Social and Health Services, March 2000, <http://www.wa.gov/WORKFIRST/about/Exit3Sum.pdf>. The earnings reported for TANF leavers in this study were for those who left in 1998 (the latest data available from the state). However the the earnings reported for Tuition Assistance graduates are for those who enrolled in the program between 1999 and 2000.
19. Participants receive one hour of study time for each hour of class time.
20. Anita Mathur, Judy Reichle and Chuck Wiseley, *Credentials Count: How California’s Community Colleges Help Parents Move From Welfare to Self-Sufficiency* (Executive Summary), California Community Colleges Chancellor’s Office for the Center for Law and Social Policy, May 2002. The study measured changes in employment and earnings between participants’ last year of school and their first or third year out of college. The sample included a group of students who exited community college in 1999-2000 (those measured one year out of college), and another group who exited in 1996-1997 (those measured three years out of college).