

WELFARE TO WORK — NEW LEGISLATION CONTAINS SWEEPING CHANGES

Broad changes in the nation's welfare system, signed into law in October, 1988, will shift emphasis away from subsidies for welfare recipients to investments in job training, basic education and work programs. The new law, the Family Support Act of 1988, is viewed as the most comprehensive revision of the nation's welfare system since its inception in 1935 and promises real improvements in the lives of people who are trapped in welfare.

The legislation recognizes that welfare recipients often need job training and educational help, coupled with extended child care and health benefits, to prepare them for jobs and to become self-sufficient.

Under the law, welfare families with children over age three would be required, to the extent funds are available, to enroll in state basic education, job training and job search programs. Beginning in 1990, a controversial community work experience program will also become mandatory for all welfare trainees.

Below is a review of the plans for implementation of the Act which went into effect in October:

- In fiscal 1990 and 1991, states will be required to enroll at least seven percent of their Aid to Families with Dependent Children (AFDC) caseload into education and training programs. By 1995, 20 percent must be enrolled.

- Each state will be required to submit a plan to the U.S. Department of Health and Human Services (HHS) for the operation of the required education, training and work activities. Federal regulations for this program will be released on April 13, 1989. States must complete their plans for HHS approval by October 13, 1990, but may submit them as early as July, 1989. State plans will be reviewed and updated at least every two years.

- All states will be required to provide benefits for families in which the father is present but unemployed.

Though the thrust of the legislation

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emphasizes the importance of education, job training and work experience, it is composed of five titles: four of which address separate, but complementary need areas and one of which provides for studies and demonstrations of model projects.

The portion of the Act which most directly deals with the "welfare to work" issue is the Job Opportunities and Basic Skills Training Program, known as JOBS. It is this component which outlines the education, training and work experience programs that the legislation requires of states.

Other issues crucial to making a successful transition to self sufficiency also included in the legislation are:

- Rigorous child support enforcement;

- Reimbursement for support services, such as day care and transportation costs;
- Extension of transitional benefits, such as Medicaid; and
- Less stringent AFDC eligibility requirements.

Finally, the Act provides for funding of studies and demonstrations of model initiatives.

One of The Enterprise Foundation's network members, Bethel New Life, Inc. in Chicago, recently became one of these national demonstration projects. The Bethel New Life staff, in association with its Employment Services office and the Illinois Department of Public Aid, planned a state funded self-sufficiency program which links literacy, skills training and employ-

ment with extended day care, medical benefits and other support services for welfare recipients. In addition to these elements, which are required of all welfare reform projects, Bethel's initiative include housing supplementation for the families involved.

Granted by special waivers from AFDC restrictions, the program will span five years and serve 500 families.

Clearly, the Family Support Act and the Bethel demonstration take significant leap towards investing in the development of low-income people to become productive members of the economy. Next, the Bush Administration and Congress must appropriate the necessary funds to help these initiatives fully blossom

The Networkers