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AFDC Recipients Make Recommendations For Welfare Reform

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AFDC RECIPIENTS MAKE RECOMMENDATIONS
FOR WELFARE REFORM

by
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AFDC RECIPIENTS MAKE RECOMMENDATIONS

FOR WELFARE REFORM

A THESIS

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ABSTRACT

AFDC RECIPIENTS MAKE RECOMMENDATIONS FOR WELFARE REFORM

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This study collected demographic information and welfare reform recommendations from AFDC recipients. Sixty-four Comanche County, Oklahoma AFDC adult recipients (62 women and 2 men, ranging in age from 18 to 54) participated. Recipients were randomly selected and mailed surveys with postage paid envelopes included. To insure anonymity, they were instructed not to put their names or case numbers on the survey.

The greatest number of surveys was received from African Americans and Whites. Data analyses were performed to compare responses received from these two groups. Except for one issue, there were no significant differences in the way African Americans or Whites answered the questions. Hispanics and Native Americans comprise a smaller percentage of AFDC recipients, therefore, fewer surveys were received from them. AFDC recipient's recommendations for welfare reform placed heavy emphasis on job training and help finding employment.

ABBREVIATIONS

AB	Aid to the Blind
ACF	Administration for Children and Families
ADC	Aid to Dependent Children
AFDC	Aid to Families with Dependent Children
AFDC - UP	AFDC - Unemployed Parent Program
APTD	Aid to the Permanently and Totally Disabled
DHS	Department of Human Services
ET&E	Education, Training & Employment
FAP	Family Assistance Plan
FIP	Family Independence Project
GA	General Assistance
GAIN	Greater Avenues for Independence
GED	General Education Development
HHS	Department of Health and Human Services
JOBS	Job Opportunity and Basic Skills Training
LEAP	Learning, Earning and Parenting
NASW	National Association of Social Workers
OAA	Old Age Assistance

ABBREVIATIONS (cont.)

ODHS	Oklahoma Department of Human Services
PAR	Personal Accountability and Responsibility Project
PL	Public Law
QC	Quality Control
SSI	Supplementary Security Income
WES	Women for Economic Security
WIN	Work Incentive Program
WRTF	Welfare Reform Task Force

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CHAPTER I

INTRODUCTION

Welfare reform is not a new concept. On the contrary, it is an idea pondered and discussed for years. Recommendations have been made, and some implemented, in an attempt to rectify problems in the public welfare system.

Discussion of welfare focuses primarily on the Aid to Families with Dependent Children (AFDC) program (Cottingham, 1989). Consequently, the terms AFDC and welfare, along with public assistance, are used interchangeably. The welfare system encompasses other programs: Old Age Assistance (OAA), Aid to the Blind (AB), Aid to the Permanently and Totally Disabled (APTD) (these three programs were retitled Supplementary Security Income (SSI) in 1974), General Assistance (GA), and AFDC (Rein, 1982).

The public welfare system was devised to assist those in poverty. However, "the focus of the welfare "problem" has shifted in the past 20 years from alleviating poverty to alleviating dependency" (O'Donnell, 1993, p. 629). Legislative testimony on welfare reform that led to the Family Support Act of 1988, "placed increased responsibilities on

poor people to get off welfare, on the one hand, and excluded these same people from policy discussions about how they can best exercise those responsibilities, on the other" (O'Donnell, 1993, p. 629). Nevertheless, welfare reform is currently one of the nation's top priorities. It must be remembered, however, that welfare reform is a complicated issue, one for which there are no immediate remedies.

It would be a mistake to imply that solutions to the problems of poverty or welfare are simple. We might like to think that having welfare reform on the national agenda will provide immediate relief to the states or to the Federal government. Unfortunately, that is not the case. No legislation or recommendation is likely to provide instantaneous results. Atherton (1992) cautioned that "the country's expectations of welfare reform must be realistic" (p. 197). This is not to suggest, however, that there is no hope. In 1976, Senator Ribicoff (D-Conn.) stated, "I don't think this country is so incompetent that we can't devise a form, or a system, to take care of the person who's really poor, and hungry, and homeless, and uneducated" (American Enterprise Institute [AEI], 1976, p. 16).

The state of the public welfare system is problematic and practical programs with realistically attainable goals must be implemented. Senator Ribicoff understood this when he noted, "Everything looks good on paper, but when you're dealing with human beings, it's altogether different" (AEI, 1976, p. 21).

AFDC in the United States

Title IV of the Social Security Act established Aid to Dependent Children (ADC) in 1935. Its purpose was to provide aid to children, aged 16 and under, who were

"deprived of parental support or care by reason of the death, continued absence from the home, or physical or mental incapacity of a parent" (Department of Health and Human Services [HHS], 1993, p. 25). In 1962, the program became Aid to Families with Dependent Children (AFDC) under Part A, Title IV of the Social Security Act (HHS, 1993).

AFDC is the largest cash assistance program serving needy families with children in this country. It is managed by the Administration for Children and Families (ACF) within the Department of Health and Human Services (HHS). AFDC has two primary objectives. The first is to provide monetary assistance to families with children so their immediate financial needs can be met. The second goal is to help parents in these families become economically self-sufficient (Department of Health and Human Services [HHS] Fact Sheet, 1993 April).

In addition to cash assistance, AFDC includes a food stamp (coupons used to buy groceries) and Medicaid (health care coverage) component. The program operates in all 50 states, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. As a condition of receiving Federal funds, states must provide the Federal government with a plan that describes how the AFDC program will be operated. State plans must include provisions for statewide operation and state financial participation (Department of Health and Human Services [HHS], 1990-91).

Currently, to qualify for AFDC benefits, federal guidelines stipulate that there must be a dependent child, who is a United States citizen living in the home, and a resident of the state where application is being made. The child has to be under the age of 18 (age 19 under certain circumstances) and be deprived of parental support; or if in a

two-parent family, the principal wage earner has to be unemployed. Although the Federal government mandates that certain rules and regulations be adhered to, AFDC program requirements are generally very broad. This leaves the primary responsibility for administering the program with the states. Consequently, program configuration and benefit specifications vary greatly from state-to-state. For instance, an individual applying for AFDC benefits can expect some action to be taken on his/her application within 45, 30, or 15 days, depending on the state that person lives in. Similarly, if an applicant or recipient wants a hearing, the request may or may not have to be in writing. In some states, step-parents must be included in the assistance unit; in others they do not. Further, in some states, AFDC recipients are required to complete a monthly report. In others, it is required only from specified categories of recipients. In still others, a report is not required at all (HHS, 1990-91). These are but a few examples and serve only to provide some notion of the diversity and complexity of the AFDC program.

Need Standards

The term "need standard" refers to the amount of money needed by a particular size family to live on (HHS Fact Sheet, 1993 April). It includes basic needs and in some states, special needs as well. Basic needs are those that the states recognize as essential for all applicants or recipients (HHS, 1990-91). They include such items as food, shelter, clothing, and utilities. Special needs are those that the states recognize as essential for some persons, but not all (HHS, 1990-91). They include such items as additional costs of shelter, fuel or utilities, school and/or educational expenses, pregnancy allowances, or special diets.

There are 32 basic need items. Not all states use the same items to determine their need standard, however. Some use as few as five items; some states use as many as 20. No state uses all 32. There are 25 special need items. Similarly, not all states use the same items to decide their need standard. Twenty-two states do not use special need items at all. Of the states that do consider special needs, some use only one item; one state uses 19. No state uses all 25. This use of varied need items accounts for very diverse need standards being established by the states. AFDC benefits are paid based on these need standards. Methods used to determine AFDC payments are also considerably different among the states. A demonstration of need standard and typical payment variations is illustrated in Table 1. Each of the 50 states along with the District of Columbia, Guam, Puerto Rico, and the Virgin Islands is listed. The percentage of individuals receiving AFDC benefits in each state is also shown.

In 1969, the states were required to adjust their need standards to reflect changes in living cost. Since then, however, there has been no federal requirement to update the figures (HHS, 1990-91). Amounts used to calculate need items do not have to be current. Some states continually adjust their AFDC payments to match their need standards, but many do not.

In 1978, the average national need standard was \$308.06. The typical AFDC payment was \$281.18. This payment represents 91.3% of the need standard. Percentages have continually declined. In 1992, the average national need standard was \$613.11. The typical AFDC payment was \$418.55. Only 68% of the need standard was being paid by that time (HHS, 1993).

Table 1

Monthly Need Standards and Typical AFDC Payments as of July 1, 1992**Percent of Individuals in Population Receiving AFDC Benefits in Fiscal Year 1992**

	Three-person Family		% Receiving AFDC Benefits
	Monthly Need Standard	Typical Monthly Payment	
Alabama	\$ 637	\$ 149	3.4
Alaska	923	923	5.6
Arizona	964	347	4.9
Arkansas	705	204	3.1
California	694	663	7.6
Colorado	421	356	3.6
Connecticut	581	581	4.8
Delaware	338	338	3.9
District of Columbia	712	409	10.4
Florida	928	303	4.8
Georgia	424	280	5.8
Guam	663	663	
Hawaii	1109	693	4.5
Idaho	554	315	1.8
Illinois	844	367	5.9
Indiana	320	288	3.6
Iowa	849	426	3.6
Kansas	403	403	3.4
Kentucky	526	228	6.1
Louisiana	658	190	6.3
Maine	553	453	5.4
Maryland	522	377	4.5
Massachusetts	579	579	5.2
Michigan	551	459	7.0
Minnesota	532	532	4.3
Mississippi	368	120	6.7
Missouri	312	292	4.8
Montana	497	405	3.9
Nebraska	364	364	3.0
Nevada	620	348	2.5
New Hampshire	516	516	2.6
New Jersey	985	424	4.5
New Mexico	324	324	5.7
New York	577	577	6.2
North Carolina	544	272	4.6
North Dakota	401	401	2.9
Ohio	853	334	6.7
Oklahoma	471	341	4.3
Oregon	460	460	3.8
Pennsylvania	587	403	5.0
Puerto Rico	360	180	
Rhode Island	554	554	6.0
South Carolina	440	210	3.9
South Dakota	476	404	2.8
Tennessee	426	185	5.4
Texas	574	184	4.3
Utah	537	402	2.8
Vermont	1122	659	5.0
Virgin Islands	300	240	
Virginia	322	291	3.0
Washington	1014	531	5.3
West Virginia	497	249	6.5
Wisconsin	647	517	4.8
Wyoming	674	360	4.1

Note. Three-person family includes one needy adult and two children.

Source: Department of Health and Human Services, Overview of the AFDC Program, 1993.

Poverty and Government Spending

In 1940, approximately one million individuals were receiving AFDC benefits (Congressional Quarterly, 1977). By 1992, that figure had climbed to over 13 million (HHS, 1993). Government expenditures for this program have continued to rise as well. In 1992, annual AFDC payments amounted to almost 22 billion dollars (HHS, 1993). This increase in government spending has not lowered the percentage of people living below the poverty level. The poverty percentage has remained relatively constant over the past twenty five years. In 1966, it was 14.7 % and in 1991, 14.2% (Department of Commerce, 1993). Appropriately, former secretary of HEW, Wilbur J. Cohen stated, "The present system is not only inadequate, but it has been built up over the years in such a way that it fails to benefit all the poor equitably" (AEI, 1976, p. 3).

Quality Control

The AFDC Quality Control (QC) system was designed to ensure that taxpayer's dollars were used properly. Careful monitoring of AFDC payments has resulted in fewer payment errors being made. In 1973, 16.5 percent of all AFDC payments were inaccurate. By 1990, this error rate had dropped to 5.98 percent (HHS Fact Sheet, 1993 April). Common erroneous payment errors include, (1) payments made that are more than the amount a family is entitled to and, (2) payments made to individuals who are not entitled to AFDC benefits at all.

AFDC in Oklahoma

An amendment to the State Constitution in 1936 established the Department of Public Welfare. In 1980, the name was changed to the Department of Human Services

(DHS) (Oklahoma Department of Human Services [ODHS], 1991). Like Federal AFDC expenditures, Oklahoma annual payments for this program have also spiraled since the program's inception (see Table 2).

Category	Fiscal Year, 1937	Fiscal Year, 1993
AFDC total payments	\$789,056	\$172,517,528
Average monthly payment	\$8.52	\$301.32
Number of AFDC cases	10,285	47,712
Number of AFDC recipients	35,464	135,692
Source: Oklahoma Department of Human Services, FY 1993 Annual Report		

DHS employs the Education, Training and Employment (ET&E) program to help those on welfare get jobs. Every AFDC recipient must participate unless he or she is exempt (ODHS, 1993 May). AFDC recipients include, not only those receiving basic AFDC, but also two-parent families who are a part of the AFDC - Unemployed Parent Program (AFDC - UP) (ODHS, 1993 May). One AFDC - UP parent is required to participate in ET&E.

The educational component of ET&E provides a way for recipients to learn to read, improve reading, writing, and math skills, learn to speak English, prepare for the General Education Development (GED) test, or go to college (ODHS, 1993 May). The training segment consists of job readiness and job training. Job readiness involves group meetings where recipients are informed on matters such as resume preparation,

interviewing skills, etc. Job training covers the four areas that follow:

(1) The *Work Experience Program* (WEP) is a three-month program where the recipient goes to work on an actual job. The recipient is not paid, but does receive an allowance (ODHS, 1993 May).

(2) *Jobs Corps II* is a training program offered to people, age 16 to 21 or 16 to 24 (depending on the Job Corps Center) (ODHS, 1993 May).

(3) *On-the-Job Training* is available to those who have completed WEP or other job readiness activities. Individuals who participate in this program are paid a salary (ODHS, 1993 May).

(4) *Vocational Training* is provided at vocational - technical schools or at junior colleges (ODHS, 1993 May).

The employment portion of this program involves work supplementation where a part of the recipient's wages is paid by DHS. A recipient must be on AFDC for two years, or for 36 of the last 60 months to participate (ODHS, 1993 May). Another part of the employment component gives private employers a tax credit if they hire people from certain groups.

"Myths persist that the poor are poor by choice, that anyone can escape poverty by hard work and that welfare programs make it easier for people to avoid work" (ODHS, 1991 June, p. 2). Similarly, McKee & Robertson (1975) noted that "Many Americans regard welfare recipients as chiselers and freeloaders--people who are too lazy to work, rather than people who are victims of circumstance" (p. 259). A 1964 Gallop poll asked Americans, "In your opinion, which is more often to blame if a person is poor - lack of effort on his part, or circumstances beyond his control?" (McKee & Robertson, 1975, p.

259). Thirty-three percent of the respondents felt that lack of effort was responsible, 29% felt that circumstances were responsible, 32% felt that both factors contributed equally, and 6% had no opinion (McKee & Robertson, 1975). A 1972 Harris poll asked a similar question and found that "making people on welfare go to work" was favored by nine out of ten Americans (McKee & Robertson, 1975). In 1973, Huber and Form (cited in Groskind, 1994) "asserted that higher-income Americans feel that poor people work less hard than rich people, and that success and failure are more a result of personal factors than of structural ones" (Groskind, 1994, p. 82). In 1986, the National Opinion Research Center's General Social Survey measured the attitudinal and ideological levels of American citizens regarding families with incomes near or below the poverty line (Groskind, 1994). "Citizens tended to believe that welfare has undesirable consequences for recipients"(Groskind, 1994, p. 88), "that is, that it makes people work less, encourages childbirth before marriage, and discourages marriage" (p. 83).

Many individuals are on welfare because they have lost their jobs, or have suffered a serious illness as reported by the 1993 Oklahoma Welfare Reform Task Force (WRTF) referred to in the literature review. The WRTF asked parents about reasons for seeking AFDC benefits. Most stated multiple reasons; only 5.3% stated one reason. Although 66.1% of the survey respondents listed lack of child support from the absent parent, 66.3% indicated sickness or disability of the adult or a child as the reason. Over 92% listed inadequate job pay, loss of their job, or an inability to find a job as the cause.

According to the Oklahoma Department of Human Services, more than two-thirds of those receiving AFDC are children (ODHS, 1991 June). In striving to dispel some fallacies associated with AFDC recipients, DHS published a pamphlet entitled,

Myth/Reality. Selected excerpts from its contents have been paraphrased and appear in Table 3.

Table 3 AFDC Recipients: Myths Versus Reality	
Myth	Reality
Women on welfare continue to have babies to get additional welfare money.	When a child is born to an AFDC family, the monthly allotment increases about \$65. At the same time, their food stamp benefit decreases about \$20. An overall increase of about \$45 a month is hardly a reason to have a baby.
Anyone who really wants to work can find a job.	Many on AFDC lack education, training, or work experience. This make it especially difficult for them to find jobs.
Most welfare recipients are Black.	In Oklahoma, almost 60% of those on welfare are White.
Many people receive welfare benefits fraudulently.	In Oklahoma and elsewhere, less than one-half of 1% of those on welfare are receiving benefits fraudulently.
Source: Oklahoma Department of Human Services, Myth/Reality, 1991	

Oklahoma prides itself on its Quality Control system. During the most recent federal reporting period, the federally mandated tolerance level for erroneous AFDC payments was 4% (ODHS, 1993 July). Oklahoma had below this level with an error rate of 2.88% (ODHS, 1993 October). Table 4 makes further comparisons between Oklahoma and the rest of the country.

Table 4 How Oklahoma Compares With the Rest of the Country		
Category	United States	Oklahoma
% of population receiving AFDC benefits, FY 1992	5.4%	4.3%
Average AFDC monthly payment per case, FY 1992	\$383.49	\$301.85
Average AFDC monthly payment per recipient, FY 1992	\$134.21	\$104.83
Average monthly recipients per case, FY 1991	2.9	2.9
% of recipient cases who are White, FY 1991	38.1%	57.0%
% of recipient cases who are Black, FY 1991	38.8%	30.2%
% of recipient cases who are Hispanic, FY 1991	17.4%	2.1%
% of recipient cases who are Asian, FY 1991	2.8%	0.8%
% of recipient cases who are Native American, FY 1991	1.3%	9.9%
Persons below poverty level, 1989	13.1%	16.7%
Median household income, 1989 ¹	A-30,056 W-31,435 B-19,758	A- 23,577 W-24,851 B-15,725
<p>Note. ¹ Median household income: A=all races, W=White, B=Black Sources: Department of Health and Human Services, Overview of the AFDC Program, 1993 U. S. Department of Commerce, Statistical Abstract of the United States, 1993</p>		

The AFDC program in Oklahoma receives approximately two-thirds of its funds from the federal government. The remaining one-third comes from state funds (ODHS, 1991).

AFDC in Comanche County

In 1993, 4.9% of the Comanche County population was receiving AFDC benefits. That represented 5,500 individuals; 67.6% were children. Table 5 illustrates the racial/ethnic breakdown of both children and adults who were receiving AFDC benefits for fiscal year 1993.

**Table 5
Comanche County AFDC Recipients by Race/Ethnicity
Monthly Average, Fiscal Year 1993**

Race/Ethnicity	Adults		Children		Total	% of AFDC Individuals
	#	%	#	%		
White	815	35.9%	1454	64.1%	2269	41.3%
African American	707	29.6%	1680	70.4%	2387	43.4%
Native American	167	30.7%	377	69.3%	544	9.9%
Other ¹	94	31.3%	206	68.7%	300	5.5%
# of individuals	1783		3717		5500	
% of individuals		32.4%		67.6%		100%

Note. ¹ Includes Hispanic and Asian
Source: Oklahoma Department of Human Services, FY 1993 Annual Report

According to the 1990 Census of population and housing, 71.4% (79,666 individuals) of Comanche County residents were White; 17.9% (19,908 individuals) were African American. Table 5 shows that a greater percentage of African Americans (43.4%) were dependent on AFDC than would be expected, considering that only 17.9% of the Comanche County population was African American.

As of January 1994, there were 1,983 recipient payees (cases) in Comanche County. Recipient payees included parents and non-parents (foster parents and grandparents, for instance). Eighty-five (4.3%) were male; 1,898 (95.7%) were female. The average age of these payees was 31.34 (Comanche County Department of Human Services [CCDHS], 1994 January). Table 6 shows these AFDC cases by race/ethnicity.

Asian		African American		Hispanic		Native American		White		Total	
#	%	#	%	#	%	#	%	#	%	#	%
25	1.3	844	42.6	92	4.6	220	11.1	802	40.4	1983	100

Source: Comanche County Department of Human Services, AFDC Payee Characteristics, January 1994

Federal Welfare Reform

Welfare reform is not easily or universally defined. Webster's Dictionary defines welfare as money, food, clothing, etc. given to those in need. Reform means to make better, alter, or restore to a better condition. Applying a standard definition to the term welfare reform is not controversial. Describing what that definition means is, however, quite debatable, as it means many things to different people. To some, it means developing a system that is easier to access, has less stringent eligibility requirements, and provides relief to anyone who wants it. To others, it means a total and complete dismantling of the system and an end to welfare as we know it. A wide range of opinions and ideas by most people and groups, however, does not place them at either end of the welfare reform continuum, but instead positions them at some point between the two extremes.

In response to escalating welfare expenditures, the Federal government has on a number of occasions, attempted welfare reform. One such attempt occurred in 1967 with the enactment of legislation for the Work Incentive Program (WIN). The WIN program stipulated, that to be eligible for AFDC benefits, an individual would have to register for

training, employment, and manpower services (HHS, 1993). There were a few exceptions: (1) under age 16 and in school full-time, (2) ill, incapacitated or elderly, (3) living in a remote area, (4) needed at home to care for an ill or incapacitated family member, or (5) or having a child at home under the age of six. Optional provisions in 1981, enabled the states to develop alternative or supplemental programs that sometimes required the participation of individuals with a child over age three (instead of over six) (HHS, 1993).

In 1969, under increasing pressure from state and local governments to offer some relief of the welfare burden, President Nixon sent his Family Assistance Plan (FAP) to Congress. FAP, which was based on recommendations that came out of the Brookings Institution task force, would be a substitute for the AFDC program. It called for a two-track system where benefits would be paid to families of the unemployed and to families of the working poor. In 1970, this proposal passed the House but not the Senate. FAP was revised and again introduced to the 92nd Congress. It passed the House but was dropped by the Senate Finance Committee that substituted a "workfare" program. These proposals were not agreed upon before the end of the session, and in early 1973, President Nixon decided not to resubmit the plan to the 93rd Congress (Congressional Quarterly, 1981).

President Carter came into office hoping to elicit the support of Congress in overhauling the welfare system (Congressional Quarterly, 1981). Carter had devised a plan (1977) that would do away with AFDC, SSI, and food stamps. These programs would be replaced by the "Program for Better Jobs and Income," which consisted of a flat cash grant. About two million additional people would be served under this new

program, which included benefits for the working poor. AFDC recipients would be expected to work, unless they were unable to because of age, disability, child care responsibilities, or unemployment problems. This welfare reform bill was unsuccessful in reaching the floor of the Senate before the end of the 95th Congress in 1978 (Congressional Quarterly, 1981).

In 1979, President Carter decided not to approach welfare reform on such a massive scale. In November of that year, legislation was approved in the House that established a national minimum benefit level for all welfare recipients. The Senate, however, took no action and this measure died at the end of the 96th Congress (Congressional Quarterly, 1981).

In 1988, the Family Support Act was passed (Public Law (PL) 100-485). It was heralded as the "landmark welfare-overhaul legislation" (Congressional Quarterly, 1990, p. 616). Unlike previous attempts at welfare reform, not only did this bill pass in the House and the Senate, but it also had the support of both liberals and conservatives. President Reagan had also vowed to make welfare reform one of his priorities. During his 1986 State of the Union address, he called for "real welfare reform -- reform that will lead to lasting emancipation from welfare dependency" (Congressional Quarterly, 1990, p. 616). In addition, the nation's governors had issued a statement in 1987 making welfare reform their top priority (Congressional Quarterly, 1990). They recommended that "we turn what is now primarily a payments system with a minor work component into a system that is first and foremost a jobs system, backed up by an income assistance component" (U.S. Code Congressional and Administrative News [US Code], 1989, p. 2784).

The Family Support Act amended Title IV of the Social Security Act. The goal of this legislation was eventual independence of AFDC recipients from the public welfare system. Under this Act, persons on welfare were required to either aggressively look for jobs, participate in job training programs, or continue their educations. It was federally mandated that, "During 1990 and 1991, states would have to enroll at least 7 percent of AFDC parents in workfare; by 1995, the enrollment would rise to 20 percent" (Stoesz & Karger, 1993, p. 623). Five major provisions were instituted to accomplish this (US Code, 1989). The provisions were as follows:

(1) *Child support enforcement.* - The child support enforcement system was strengthened through wage withholding and the setting of child support awards.

(2) *Education, employment and training.* - A new program, Job Opportunity and Basic Skills Training (JOBS) replaced WIN. Its purpose was to require and help welfare recipients gain independence from welfare through education, employment and training.

(3) *Transitional assistance.* - Subsidized child care and extended Medicaid coverage would be provided for families leaving welfare for work.

(4) *Assistance to families of unemployed parents.* - Assistance would be provided for two-parent families in which the principal wage earner was unemployed.

(5) *Budget neutral legislation.* - The cost of this new legislation would be offset by the collection of debts owed the Federal government.

With the passage of the 1988 Family Support Act, the Federal government's ideology of welfare shifted to one of providing services to help families become independent of the welfare system and move permanently into the economic mainstream. Previously it had been to merely provide cash assistance to families to meet their basic

needs (HHS Fact Sheet, 1993 April).

Because of the recession, many states were not able to benefit from their full allotment of Federal funds because they were not able to match them. Subsequently, in 1992, a bill was introduced that would make it easier for the states to access welfare-to-work program funds. This bill did not become law, however. It was pocket-vetoed by President Bush on November 4, 1992 (Congressional Quarterly, 1993).

Welfare reform has gained national attention this year, 1994. On February 28, the administration's welfare reform working group drafted a plan of recommendations. According to the May, 1994 issue of the NASW News, some recommendations in their latest draft were as follows:

- (1) There would be a two-year limit on cash assistance payments to individuals who can work. Occasionally extensions would be granted.
- (2) A personal responsibility contract would be signed and the recipient would be helped to gain employment as quickly as possible.
- (3) Those individuals receiving assistance would have to do something to help themselves or their community.
- (4) Child care subsidies would be made available to low-income working families who were not on welfare.
- (5) Community service jobs or work in the private or public sector would be required of individuals not able to find their own employment within two years.

One of the biggest problems confronting welfare reform efforts is the question of how to finance proposed projects ("Welfare limits," 1994).

State Welfare Reform

In response to the welfare dilemma, the states have devised their own unique ways of attempting to deal with the problem. Some states have requested waivers from the Federal government to help them accomplish this. Section 1115 of the Social Security Act authorizes the Department of Health and Human Services to grant waivers that allow the states to develop alternative programs that are better suited to specific state needs. As of December, 1993, HHS had approved waivers for welfare demonstration projects in seven states: Georgia, Illinois, Iowa, Vermont, Virginia, Wisconsin, and Wyoming. Requests from 15 other states were pending (HHS Fact Sheet, 1993 December). Welfare reform efforts for selected states are presented below.

California. - The California JOBS program, Greater Avenues for Independence (GAIN) experienced a decrease in welfare spending after its first year of operation. This program emphasizes education, job-seeking activities and attempts to require AFDC recipient participation (ODHS, 1994). The city of Los Angeles has requested and received a waiver to require fingerprinting of AFDC recipients. This program has not been implemented because money is not available for it ("Welfare Fraud," 1994).

Connecticut. - Job Connection operates in Connecticut, providing education, training, support, and employment services to AFDC recipients. Additional welfare reform strategy is being proposed by the governor (ODHS, 1994).

Georgia. - The Georgia program, Personal Accountability and Responsibility Project (PAR) is being initiated as the result of a Federal waiver granted on November 1, 1993. Under PAR, Georgia can deny aid to anyone who does not have a child under the age of 14 and either willfully refuses to work or who leaves work without good cause.

Furthermore, additional AFDC benefits do not have to be provided to a family for any children conceived while that family is on welfare; if the family has been on welfare for at least two years (HHS Fact Sheet, 1993 December).

Illinois. - The Illinois waiver, granted on November 23, 1993, added the Work Pays component to the previously approved Project Fresh Start. This program allows welfare recipients to keep a larger percentage of their earnings before it affects their AFDC benefits (HHS Fact Sheet, 1993 December).

Iowa. - Individual Development Accounts was implemented as a result of the Iowa waiver being granted on August 13, 1993. Welfare recipients are encouraged to take jobs and accumulate assets. Funds must be deposited into an account. They can only be withdrawn for training, an emergency, educational purposes, starting a business, or buying a home. Previously, AFDC families were allowed to have only \$1,000 in assets. The new program allows each applicant to have up to \$2,000 in assets and each AFDC family to have assets of up to \$5,000. The automobile asset ceiling also rose from \$1,500 to \$3,000. In addition, most AFDC recipients are required to participate in a newly created Family Investment Program that provides training and support services (HHS Fact Sheet, 1993 December).

Ohio. - The Ohio Learning, Earning and Parenting (LEAP) program concentrates on pregnant women under the age of 20 who are receiving AFDC benefits. These women are required to stay in school and attend regularly. Those who have dropped out are forced to either return to school or enter a GED program (ODHS, 1994).

Vermont. - Vermont's waiver request was granted on August 13, 1993. The resulting Family Independence Project (FIP) allows AFDC recipients to retain more of

their earnings and accumulate more assets than previously. A limit is also placed on the time (30 months for most families) a family receives benefits before the recipient must take a community or public service job (HHS Fact Sheet, 1993 December).

Virginia. - The Welfare Reform Project identifies employers that will hire AFDC recipients and pay them between \$15,000 and \$18,000 a year. Additional months of transitional child care and health care are provided. Another statewide project allows families to accumulate up to \$5,000 to be used for educational purposes or for home purchases (HHS Fact Sheet, 1993 December).

Wisconsin. - The Wisconsin Learnfare Program requires AFDC recipients, who are between the ages of 13 and 19, to attend school if they have not yet received either a high school diploma or a GED. Failure to comply with this requirement results in a reduction in the family's AFDC payment (ODHS, 1994). A waiver granted on November 1, 1993 instituted Work Not Welfare. This program requires most AFDC recipients either to work, or look for work. Furthermore, AFDC benefits are limited to 24 months in a four-year period. Children that are born while a family is on welfare, will not usually be included in the AFDC grant (HHS Fact Sheet, 1993 December).

Wyoming. - The Wyoming waiver, granted on September 7, 1993, allowed for the application of stiff monetary penalties for non-compliance to the state's AFDC regulations. In addition, Wyoming's reform plan also made it possible to order unemployed non-custodial parents of AFDC children into the JOBS program, if they were not currently paying child support (HHS Fact Sheet, 1993 December).

Oklahoma Welfare Reform

Oklahoma's Department of Human Services (DHS) placed approximately 7,000 adults from AFDC families in unsubsidized full-time employment each year between FY 1983 and FY 1992 (ODHS, 1994). Despite state efforts to serve low-income families while attempting to make them self-sufficient, however, there was a 48% increase in Oklahoma's AFDC cases during that ten-year period (ODHS, 1994). Subsequently, in April, 1993, the Commission for Human Services asked Benjamin Demps, Jr., the DHS Director for the State of Oklahoma, to organize a task force. Its purpose would be to study the AFDC program and make recommendations that would improve the functioning and quality of the program. The Welfare Reform Task Force met from April, 1993 to September, 1993. At its conclusion, recommendations were presented to the Commission for Human Services Committee on Welfare Reform.

Welfare reform is on the national agenda and states continue to work toward solving their own welfare problems. The National Association of Social Workers (NASW) suggests that this be accomplished through policies that "reduce poverty and promote economic self-sufficiency and security for families in need" (Health, 1994, p.8).

CHAPTER II

LITERATURE REVIEW

Since the passage of the ADC/AFDC portion of the Social Security Act in 1935, an abundance of legislation has been enacted and there have been many attempts at welfare reform by both the Federal and state governments.

Social experiments have been aimed at informing policy-making (Greenberg & Mandell, 1991) and welfare policy has been primarily in the hands of the "experts" (O'Donnell, 1993). There have not been many efforts to involve AFDC recipients in the policy-making process or to seek their opinion regarding how the system can assist them more effectively. Only recently has the idea of directly involving AFDC recipients in policy-making been employed.

To learn how welfare recipients experienced the system and what could be done to improve it, the State of Illinois made grant money available to study this issue. State sponsored studies (cited in O'Donnell, 1993) collected data from various sources to compare and contrast responses from welfare and non-welfare recipients. "Two academic studies interviewed randomly sampled welfare recipients" (O'Donnell, 1993, p. 631). Women for Economic Security (WES) is an organization consisting primarily of long-term welfare recipients. They interviewed a convenience sample of 300 friends and neighbors. In addition, ten men who were receiving General Assistance were

trained by the Westside Holistic Family Center (Chicago, IL) to become "client experts." These men interviewed more than 100 young fathers on General Assistance. Further, members of the Work, Welfare and Families Coalition surveyed its members. Finally, public meetings sponsored by both the private sector and the State were held, inviting testimony from welfare recipients. These State-sponsored studies found that most welfare recipients would rather work than be on welfare, even if welfare was an economically viable option. Low-income individuals were also given the opportunity to make contributions to State policy development.

Another study (cited in Landers, 1994) was conducted in the Washington, D.C. area by Hagen and Davis. They met with AFDC recipients during February and March, 1994. Recipients were presented with questionnaires to elicit their reactions to proposals being presented on welfare reform. Both teenage mothers and older women participated. Most were involved in the JOBS program. AFDC recipients who met with Hagan and Davis said, "they would prefer to work rather than receive welfare, valued the health and child-care benefits they receive more than the cash, thought benefits should be tailored to fit individual families, and believed that schools should provide better sex education" (Landers, 1994, p. 8).

In an Oklahoma study, the Welfare Reform Task Force (WRTF) met from April, 1993 through September, 1993 to study issues and make recommendations for welfare reform. They had been appointed by the Director of the Oklahoma Department of Human Services (DHS) in response to the welfare problem in Oklahoma. The WRTF consisted of sixteen members. They presented their findings in a report entitled, Welfare Reform for the 21st Century.

The task force collected five types of information: (1) a review of the literature, (2) demographic data, (3) economic trends, (4) social worker recommendations, and (5) a survey of AFDC participants.

The State of Oklahoma has six DHS areas. Social workers who participated in the WRTF study, had to be experienced in working with AFDC, child support and/or employment and training. County Directors selected one experienced social worker from their county. A total of 84 social workers statewide gathered in focus groups in their respective DHS areas. Teams of two or three WRTF members facilitated the meetings in each DHS area and talked individually with social workers. They asked each social worker five questions. The questions had been given to the social workers prior to the date of the focus groups so that they could confer with colleagues and obtain their input.

The following questions were asked:

Question 1: Define "welfare" in terms of designing a new system for assuring or providing for the welfare of families with children.

Question 2: If you could build a welfare system from base zero, what would the system include?

Question 3: What changes, no matter how large, small, or costly, in current AFDC payment; employment, training, and education; social services for families; child care; child support; Medicaid program for AFDC recipients, and food stamps program for AFDC recipients, would you recommend that would fundamentally change the outcomes of these programs to better address recipients' needs?

Question 4: How would you prioritize the areas you identified in question three, if because of limited resources, changes had to be made?

Question 5: Following are some welfare reforms used in other states. How effective do you think these reforms would be in changing the welfare system in Oklahoma?

The Center for Health Policy Research and Development at The University of Oklahoma Health Sciences Center conducted the AFDC recipient 1993 survey for the WRTF study. Six hundred AFDC recipients were randomly selected from the July, 1993 Oklahoma AFDC list. Of these, 280 participated in the study. AFDC recipients were either interviewed in person or by telephone. They were asked questions, and answers were used to determine the characteristics of parents and non-parents who receive AFDC benefits. In addition, they were also asked the following:

Question 1: Why did you first seek AFDC?

Question 2: What characteristics are associated with the length of time you have received AFDC?

Question 3: What are your goals for the future?

Since there is no available data for Comanche County, Oklahoma dealing with what AFDC recipients think welfare reform should entail, the present study was undertaken to provide this information.

Purpose of Study

The purpose of this study is to delineate how AFDC recipients in Comanche County, Oklahoma perceive the welfare system and what changes they think need to be

made. In addition, statistical comparisons using the demographic data are given. Finally, this study provides information on the relative importance of various program changes as perceived by AFDC recipients.

Results from this study attempted to answer three research questions. They are as follows:

(1) Are there significant differences in the way the various race/ethnic groups perceive the welfare system and any changes that may need to be made?

(2) Do AFDC recipients experience relatively the same difficulties, regardless of their race or ethnic group?

(3) What obstacles prevent AFDC recipients from becoming independent of the welfare system?

CHAPTER III

METHODOLOGY

Subjects

Subjects were AFDC recipients who reside in Comanche County, Oklahoma. In May, 1994, there were 2,063 active AFDC cases in Comanche County. Active cases consisted of parents, non-parents, individuals with special medical needs, and those in the unemployed parent program. Surveys were mailed to each of 500 randomly selected AFDC recipients. Three surveys were returned, unopened by the post office. Sixty-seven recipients responded by filling out and mailing in their surveys. Of those 67, three indicated they were not currently receiving AFDC benefits. Their surveys were discarded. The remaining surveys ($N = 64$) included 60 from parents and four from non-parents. Demographic characteristics of the subjects appear in the results' section.

Instruments

There were two instruments: a letter of introduction (see in Appendix A) and a two-page survey (see Appendix B). Recipients were instructed not to identify themselves on the survey.

A letter of introduction introduced the study, asked for the cooperation of recipients and provided mailing instructions. AFDC recipients were assured that their

identities would not be revealed. Accordingly, they were asked not to put their names or case numbers on the surveys to maintain their anonymity. They were also given the name and University telephone number of the thesis advisor, Dr. Lawrence Weinstein, so they could telephone and ask questions if they wanted to. Dr. Weinstein reported that he heard from two recipients.

All questions on the present survey were similar to the WRTF questions (from the Oklahoma study cited in the literature review). The WRTF survey asked AFDC recipients, questions to determine the characteristics of both parents and non-parents who receive AFDC benefits. From the answers, the Task Force derived demographic information. Questions two through nine on the present survey provided the same data as that gathered from the Task Force questions. Demographic information from the present study was used to determine the extent to which the sample (N = 64) adequately represented the AFDC recipient population in Comanche County. The divisions in questions four, eight, and nine of the present survey were the same categorically as those used by the Task Force. Questions ten and eleven on the present survey were similar to the first two questions asked the social workers by the WRTF during their focus groups.

The WRTF asked social workers for their recommendations. Their responses were placed into seven separate categories: AFDC payments; employment, training and education; social services for families; child care; child support enforcement; Medicaid; and food stamps. Question twelve of the present survey used these same categories to ask AFDC recipients for their recommendations.

Procedure

Because there would be no follow-up on incomplete surveys, a large number of surveys were initially sent out. Five-hundred AFDC recipients were randomly chosen using the Oklahoma Department of Human Services (DHS) May 10, 1994 database that issues the AFDC benefits checks. Confidentiality necessitated that the randomization process take place at DHS in Oklahoma City. Randomization was accomplished in the following manner: All active AFDC cases were computer assigned, random numbers. Cases were then sorted and placed in numerically descending order. The first 500 cases were chosen by case identification number.

Survey instruments were forwarded to the Research, Evaluation and Statistics Department at DHS in Oklahoma City as follows: (1) 500 copies of the letter of introduction, typed on Cameron University, Department of Psychology and Human Ecology stationery, (2) one survey, and (3) 500 Cameron University, Research Office, postage paid envelopes. Personnel at DHS made 500 copies of the survey. They assembled and mailed 500 survey packets. Each packet included: (1) a letter of introduction, (2) a two-page survey, and (3) a Cameron University, Research Office, postage paid envelope. Survey materials were mailed in DHS envelopes from Oklahoma City.

Completed surveys were returned to the research office at Cameron University and held there for me to pickup. I date stamped and numerically coded each survey as it came in.