Welfare Reform and Postsecondary Education: Research and Policy Update

TANF Requirements Limit Welfare Recipients’ Educational Opportunities

The Temporary Assistance for Needy Families (TANF) program work requirements, part of the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), drastically limit women’s opportunities to participate in postsecondary education programs while receiving TANF funds. Unlike the previous laws governing the Aid to Families with Dependent Children (AFDC) and JOBS education and training programs, TANF does not consider higher education to be “work,” and requires a larger proportion of welfare recipients to engage in work activities (see box).

Strict new work requirements may have the intended effect of moving welfare recipients into jobs quickly, but the jobs they receive often pay poorly, and restrictions on education and job training make it less likely that women will gain the skills necessary for wage growth and promotion. While women may elect to attend college on their own time after their work requirements are fulfilled, hours spent in non-educational work activities will inevitably limit the amount of time welfare recipients can devote to postsecondary and vocational education programs.

The August/September, 1997 issue of IWPR Welfare Reform Network News provided an overview of research and policy changes related to job training and education for welfare recipients, and presented research findings on the economic value of basic and higher education for welfare recipients. This IWPR

To count postsecondary education as an allowable work activity, states must elect to classify it as one of the following:

- jobs skills training related to employment;
- education directly related to employment;
- vocational education

Work Participation Requirements Under TANF:

- 30 percent of all single parents receiving TANF must work 20 hours/week, increasing to 30 hours/week for 50 percent of this group by fiscal year 2000;
- 75 percent of two-parent families must work at least 35 hours/week, increasing to 90 percent by 2002;
- Two-parent families receiving federally-funded child care subsidies must work 55 hours/week (which can be divided between the couple).
- Only 30 percent of those classified as working can participate in vocational education, and only for 12 months. For FY 2000 and thereafter, the 30 percent cap will also include parents under age 20 who are engaged in education directly related to employment, or who are completing high school or its equivalent.
Research and Policy Update provides current information on college enrollment and research on the economic effects of higher education for single mothers and low-income women, discusses state policies, laws, and proposed federal and state legislation regarding higher education for welfare recipients, and organizing efforts and support services to improve welfare recipients’ access to post-secondary education.

Precipitous Declines in College Enrollment Among Welfare Recipients

Since the passage of PRWORA in 1996, community colleges, universities and adult education programs have seen dramatic declines in enrollment among welfare recipients. Some reports suggest that these drops are primarily due to difficulties that welfare recipients experience in juggling jobs and community service or workfare assignments, in addition to family, school and financial responsibilities (Valbrun, 1998; Schmidt, 1998).

Baltimore City Community College reported a 29 percent drop in enrollment (from 893 to 633) of welfare recipients from Fall 1996 to Fall 1997, and the City University of New York welfare recipient enrollment decreased from about 27,000 to 17,000 over the last three years (Schmidt, 1998). From 1994-1997, there was a 47 percent total decline in enrollment among welfare recipients in Massachusetts’ community colleges. For example, Greenfield Community College experienced an 82 percent decrease, Berkshire Community College a 66 percent decrease, and North Shore Community College experienced a 62 percent decline (Welfare Education Training Access Coalition, 1998).

Some of the decline in the number of welfare recipients attending college may be attributed to the reduction in welfare rolls overall or to increased labor participation among welfare recipients; some students may still be enrolled, but are substituting earnings for welfare. However, reports from students, advocates, and college counselors indicate that many welfare recipients are dropping out of school because they fear that they will not be able to finish their programs within the required time limits, and because some caseworkers are advising women to drop out of school and immediately begin working.

According to findings from a recent American Association of Community Colleges (AACC) survey (AACC, 1998), it is difficult for community colleges to track the decline in college enrollment among welfare recipients and to respond to the problem, especially if they serve small populations and are in rural areas. The AACC survey was distributed in July 1997 to 1124 community colleges around the country to determine whether colleges can identify which students are receiving TANF and Food Stamps, and how many institutions are providing welfare-to-work programs for their students.

Approximately 32 percent of the 426 community colleges that responded were able to identify public assistance recipients. While 41 percent of the large colleges (7500 students or more) that responded were able to identify welfare recipients, only five percent of small colleges (1000 students or less) could do so. The survey also found that welfare-to-work programs existed in one of every three small town community colleges that responded, 42 percent of rural colleges, almost 67 percent of large town colleges, and a little over 63 percent of large urban colleges.

For more information about the AACC survey, contact Gregory Kienzl, Research Assistant, at One Dupont Circle, NW, Suite 410, Washington, DC 20036; Tel. (202) 728-0200 ext. 258; Fax (202) 833-2477; Email: gkienzl@aacc.nche.edu or visit the AACC website at http://www.aacc.nche.edu.
Postsecondary Education Leads to Increased Earnings for Welfare Recipients

Studies have shown that obtaining a college degree or vocational certificate is one of the most effective ways for women to increase their earnings and the amount of time they spend at paid jobs (see Institute for Women's Policy Research, 1997).

The Institute for Women's Policy Research (IWPR) found, in its analysis of data on 4500 working mothers from the Survey of Income and Program Participation (SIPP), that a college degree is worth an additional $3.65/hour (1997 dollars) for working mothers, relative to the wages of high school graduates. In comparison, the return in hourly wages for one year of work experience is $.10/hour (1997 dollars) (Spalter-Roth and Hartmann, 1991).

A nine-year follow-up survey of 158 women who were receiving public assistance when they enrolled in New York colleges in 1980, and who had received either a two-year or four-year degree, found that 87 percent of the women left welfare after graduation, 89 percent had been employed since graduation, and almost half of the respondents were earning more than $20,000 per year at the time of the survey in 1989. The women also reported improved lifestyles, better standards of living, and greater self-esteem after graduation, and many said they planned to encourage their children to attend college (Gittell et al., 1990).

Thomas Karier, Associate Dean and Professor of Economics at Eastern Washington University, conducted a study of 253 welfare recipients who graduated from Eastern Washington University during a two year period (September 1994 to August 1996). Of the graduates whose incomes were traceable in the Washington State Employment Securities database, 85 percent earned $8.00/hour or more, 50 percent earned $11.00/hour or more, and 12 percent earned $18.00/hour or more. As of November 1997, approximately 94 percent of 1995 graduates, and 85 percent of 1996 graduates were not receiving welfare benefits (Karier, 1998).

A 1997 survey of 569 AFDC recipients in Maine found, from 352 responses, that those who attended college experienced higher employment rates and earnings than those without college (Seguino and Butler, 1998):

<table>
<thead>
<tr>
<th>Educational Attainment</th>
<th>% Employed</th>
<th>Median Hourly Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>HS diploma or GED</td>
<td>20.0%</td>
<td>$5.58</td>
</tr>
<tr>
<td>Some college/technical</td>
<td>54.9%</td>
<td>$6.25</td>
</tr>
<tr>
<td>Associate degree</td>
<td>65.2%</td>
<td>$6.25</td>
</tr>
<tr>
<td>Bachelor's degree</td>
<td>88.9%</td>
<td>$7.57</td>
</tr>
</tbody>
</table>

State Policies, Legislation, and Legal Activity Regarding Postsecondary Education

The Center for Law and Social Policy (CLASP) and the Center on Budget and Policy Priorities (CBPP) conducted a preliminary survey of key policy advocates in the 50 states and D.C. in May 1997 to gather information on state welfare policies. Initial findings indicate that welfare recipients are generally unable to count postsecondary education as a work activity, or may only do so on a very limited basis. In eleven states, postsecondary education is not counted as a “stand-alone” work activity, and no support services are offered to recipients while they are attending school. In 14 states, postsecondary education is not counted as a stand-alone activity, but the welfare system provides recipients with support services, such as child care and transportation, while they are working and attending classes.

The CLASP/CBPP survey also found that 24 states allow: 1) welfare recipients to finish their courses (if they were already enrolled in postsecondary education...
when welfare waivers and state plans were implemented), and allow this to count as a stand-alone work activity; or 2) allow them to begin postsecondary education programs (or to complete them regardless of when they started), and classify this as a stand-alone work activity. These states include: CT, ID, IL, IA, KS, KY, ME, MA, MI, MN, MO, MT, NE, ND, OR, RI, SD, TN, TX, UT, VT, WA, WV, and WY (CLASP and CBPP, 1998). North Carolina also has a “grandfather” clause that permits a student to finish a four year degree if they have completed at least two years of the program (Karier, 1998). Although the TANF plans in these states allow some access to postsecondary education, according to CLASP, many local welfare administrators are nevertheless limiting participation in postsecondary education programs.

CLASP and CBPP recently fielded another set of surveys as part of the State Policy Documentation Project to explore states’ TANF, Medicaid, and Food Stamp policies, and a report of survey results is expected to be completed by August 1998.

For more information, contact Lisa Plimpton at CLASP: Email: plimpto@clasp.org; Tel. (202) 328-5161; Fax (202) 328-5195 or 5197.

Welfare recipients in Wyoming’s TANF program can spend up to four years obtaining a B.A. degree or a vocational education certificate as long as the program is defined by a caseworker as “job skills training directly related to employment.” In addition, recipients must: 1) work at least 32 hours a week for ten weeks during summer breaks; 2) maintain at least a C average; and 3) complete at least 30 credit hours each academic year (Schmidt, 1998).

One option open to states is to create a separate, state-funded public assistance program for students enrolled in two or four year post-secondary education programs, which can provide similar amounts of cash benefits and support services (e.g., child care and transportation) as the TANF program. Such programs allow states to provide benefits to students from state funds so that the students are not subject to TANF restrictions and requirements.

Maine’s Senate Majority Leader Chellie Pingree (D-North Haven) and advocacy organizations, including the Maine Equal Justice Project, Maine Center for Economic Policy, Women’s Development Institute, and Women Unlimited, helped pass a law providing for a separate state-funded program, called Parents as Scholars (PAS), which helps cover the expenses of students enrolled in two or four year programs that are likely to lead to jobs. Twenty hours of school participation (study time included) are required during the first two years of school. After two years, participants must work or volunteer (this includes work-study jobs and education-related work placements) for at least 20 hours per week in addition to attending school. PAS can accommodate 2000 people; currently there are approximately 1000 participants.

On April 2, 1998, New York State Assembly member Steve Englebright (4th Assembly) introduced legislation (A10290) to restore access to education for welfare recipients. The legislation would amend the state’s social services law so that federal work study, internships, or other work placements that are part of the curriculum of any approved non-profit educational institution, training or vocational rehabilitation agency would be counted as allowable work activities under TANF. Approved institutions would include the City University of New York (CUNY) and the State University of New York (SUNY).

In June 1997, New York State Supreme Court Justice Jane S. Solomon issued a temporary restraining order restricting the City of New York from requiring welfare recipients who are in college to participate in workfare programs “if such work unduly interferes with their studies.” The order also
mandates that caseworkers conduct an individualized assessment for each welfare recipient to determine whether participation in a job training program or college attendance would be more suitable work activities than a workfare assignment in New York’s Work Experience Program (WEP). The judge’s orders were made in the context of Davila v. Hammons, in which the Welfare Law Center, the Legal Aid Society, and Davis Polk and Wardwell represented six New York welfare recipients who were assigned workfare jobs that conflicted with their class schedules, and who could not find day care during the time they were in school or at their workfare jobs (Greenhouse, 1997).

Proposed Federal Legislation Regarding Postsecondary and Vocational Education

At the national level, policy makers, activists and advocates are working to amend the PRWORA and other federal laws to improve welfare recipients’ access to higher education and necessary support services.

The Higher Education Amendments of 1998 were introduced as H.R.6, sponsored by Rep. Howard McKeon (R-CA), and S.1882, sponsored by Sen. James Jeffords (R-VT). Both bills support the provision of campus-based child care for low-income parents in postsecondary education. In addition, S.1882, passed through the Senate Labor and Human Resources Committee (which is chaired by Sen. Jeffords) on April 1, 1998, would: 1) increase the funding level for the Federal Work Study Program to $900 million in FY 1999, and for each of the four succeeding fiscal years; 2) expand the definition of community service so that certain types of on-campus jobs count as community service jobs; and 3) appropriate $10 million for FY 2000 for a competitive grant program to establish and support state or regional centers that foster the development of local programs to promote higher education in high poverty areas. These local programs would provide academic support and scholarship assistance to students from low income families. Both bills are expected to come to a vote after April 21, 1998.

Sen. Paul Wellstone (D-MN) submitted an amendment to Sen. Paul Coverdell’s (R-GA) S.1133 Parent and Student Savings Account (PLUS) bill. If the bill is passed, the amendment will: 1) increase the limit on vocational education for TANF recipients from 12 to 24 months; 2) exclude teen parents without a high school diploma from the vocational education 30 percent cap calculation; and 3) allow participation in the Federal Work-Study Program to count as a work activity for the purposes of TANF.


• H.R.3002 would allow federal work-study jobs and 24 months of higher education to count as work activities, and would repeal the limit on the number of teens whose vocational educational training may count as work.

• H.R.1616 would allow a welfare recipient’s satisfactory progression toward the completion of high school or college to count as a permissible work activity under TANF.

• H.R.2025 would exclude parents under age 20 from the vocational education 30 percent cap calculation if they are completing school or engaged in education directly related to employment, and would allow up to
24 months of post-secondary education or vocational training to count as a permissible work activity.

Two workforce development bills that will affect the education and training opportunities of low-income women and welfare recipients are the Employment, Training, and Literacy Enhancement Act of 1997 (H.R.1385), introduced by Rep. Howard McKeon (D-CA), and the Workforce Investment Partnership Act of 1997 (S.1186), introduced by Sen. Mike DeWine (R-OH). Both bills would replace the Job Training Partnership Act (JTPA) with other Federal job training laws.

H.R.1385 would consolidate adult training programs with those for disadvantaged workers into a block grant program that gives priority to intensive training services for welfare recipients and other economically disadvantaged individuals with multiple barriers to employment.

S.1186 would establish a coordinated system of Federal aid programs for vocational education, adult education, and job training at the state and local levels, with priority given to disadvantaged adults. However, according to the Coalition on Women and Job Training, the bill would make negative changes to the Displaced Homemakers Self-Sufficiency Assistance Act and the Carl D. Perkins Vocational and Applied Technology Education Act. Among other problems with this bill, states would not be required to describe how they plan to serve welfare recipients and displaced homemakers, or how they will train and place individuals in non-traditional occupations.

For more information, contact Ruby Coles at Women Work! The National Network for Women’s Employment, Tel. (202) 467-6346, Fax (202) 467-5366.

Organizing Efforts and Support Services Related to Postsecondary Education

A number of advocacy efforts have begun to support low-income women’s access to higher education and provide support services necessary to complete their programs.

The Women’s College Assistance Project was started in 1995 to document and improve the higher education experiences of women receiving welfare in the Washington, D.C. area, and to influence policy so that college remains an option. The project includes a monthly information-sharing and support group for women recipients interested in attending college or who are already enrolled; funding for child care and other needs not met by traditional financial aid; longitudinal research on the approximately 30 project participants as they attend college and complete their educations or leave school; access to a resource network of supportive organizations, scholarships, and mentors; and outreach to the area’s colleges and universities. The project is a collaboration between Mary Janney, a founding member of Wider Opportunities for Women (WOW), WOW staff, and a team of community volunteers.

For more information, contact Cheryl Jackson at WOW, Tel. (202) 526-7066.

The Welfare Education Training Access Coalition (WETAC) is a Massachusetts network of approximately 300 activists, educators, low-income women, welfare recipients, and service providers who work to restore and expand access to substantive education and training for low income women (see Kates, 1996).

WETAC’s activities include: 1) drafting legislation and budget amendments, circulating petitions, and providing testimony on public policies; 2) conducting public education and outreach, much of which is carried out by low income women who participate in developing and coordinating the training; 3) sharing information with students about their rights within the
welfare system; 4) documenting and researching the impact of public policies on low income families; and 5) strengthening networks of service providers, educators and employers to link education and training programs with available jobs.

For more information, contact Erika Kates, WETAC Co-Chair, at the Heller School of Social Policy at Brandeis University, 60 Turner St., Waltham, MA 02154; Tel. (781) 736-3787; Fax (781) 736-3773; Email: KATES@brandeis.edu.

The Welfare Rights Initiative (WRI), at Hunter College’s Center for the Study of Family Policy in New York, supports student welfare recipients as they organize for positive welfare reform through community outreach and public speaking, and share information about local, state, and federal welfare policies. WRI works with the CUNY law school to train law students to advocate for welfare recipients who are assigned to welfare and want to remain in school. WRI is also seeking to have internships and other work experiences on campus count as allowable work activities. WRI is staffed by current and former students, and is funded through foundation grants and student activities fees.

For more information, contact Melinda Lackey, Director of WRI at (212) 772-4091.

LIFEtimE (Low Income Families’ Empowerment through Education) helps low-income parents in the San Francisco Bay Area enroll in, continue, and complete their postsecondary education and training programs so that they can attain skills necessary to escape poverty. In Alameda County, LIFEtimE and other groups organized to have homework, study time and class hours count as work activities under the county TANF plan if: 1) the student is pursuing an undergraduate degree or certificate program full-time, and 2) the caseworker determines that the program will lead to employment in the county and can be finished in less than 24 months. A welfare recipient attending community college can determine whether her major program leads to employability by consulting the county’s approved CalWORKS Curriculum List, or by demonstrating to the county that the program will lead to self-supporting employment. In addition, peer advocacy and community outreach through LIFEtimE can be counted as work activities, and all community service programs are required to integrate skills being used on the job with an education component (Spatz, 1998a; 1998b).

For more information, contact Diana Spatz, Executive Director of LIFEtimE at 2065 Kittredge St., Ste. E, Berkeley, CA 94704; Tel. (510) 526-3803; Fax (510) 649-0627; Email: spatz@uclink.berkeley.edu.

The One DuPont Welfare Reform Coalition is a Washington, D.C.-based coalition of community colleges, state universities, postsecondary educational institutions, and other nonprofit groups that are advocating for revisions in the PRWORA to ensure that public assistance recipients can attend college. The coalition was formed in May 1997 by the National Association of State Universities and Land Grant Colleges (NASULGC).

For more information, contact: Linda Kay Benning at (202) 778-0812 or visit the NASULGC website at http://www.nasulgc.nche.edu/WelfareMainPg.htm.
Policy Considerations and Recommendations

The following recommendations from researchers, policy makers, and advocates are based on the materials reviewed for this update:

- Extend the amount of time welfare recipients can receive vocational education training beyond the current 12-month enrollment limit. Remove teen parents who are enrolled in high school or participating in education programs from the 30 percent cap on vocational education enrollment (see section on Proposed Federal Legislation above).

- Allow hours spent in class (as well as time spent on homework), internships, externships, apprenticeships, community work experiences and federal college work study jobs, to count as acceptable work activities. Adjust the work requirements for recipients enrolled in postsecondary education programs according to their academic course load (Karier, 1998).

- Encourage colleges to work with state and local officials to provide employment opportunities that are aligned with academic schedules and that allow students to stay in school (Shalala and Riley, 1997).

- Develop strong working relationships between state and local social service departments, campuses, businesses, and community organizations to ensure flexible work/school schedules, including weekend and night courses, and courses located in low-income neighborhood facilities (Kates, 1996).

- Include in state TANF plans a provision allowing welfare recipients to establish Individual Development Accounts (IDAs) for college funds that will not be counted against their public assistance eligibility. As of November 20, 1997, 27 states indicated that they will allow recipients to establish IDAs (National Governor’s Association, 1997).

- For the purposes of the Higher Education Act, count the costs associated with dependent children in the needs analysis for federal financial aid, continue to exempt student financial aid as income when calculating welfare eligibility, and increase the Pell Grants dependent care allowance (Spatz, 1998c; National Coalition for Women and Girls in Education, 1998).

- Establish state contracts with postsecondary institutions to provide welfare recipients with semester-long or longer training for specific jobs. Under the Welfare-to-Work Grants provided by the Department of Labor, community colleges may be eligible to receive funds from their local Private Industry Councils for basic education and vocational skills training (Center for Women Policy Studies, 1998). Develop good program accountability measures to assure the quality of these postsecondary credit-bearing programs.

- Integrate basic skills, secondary education and language training within high-quality vocational education, and support comprehensive postsecondary programs leading to growing occupations (New York State Education Department, 1997).

- Provide the support necessary for low income families to pursue postsecondary and vocational education, such as subsidies for accessible and quality child care and transportation; support groups and family life classes for welfare recipients that focus on stress reduction, time management, and personal budgeting; and counseling, mentoring and peer group support (see section on Organizing Efforts and Support Services above; Kates, 1996).
References


Center for Law and Social Policy and the Center on Budget and Policy Priorities. 1998. How State Welfare Laws Treat Postsecondary Education (For Purpose of Work Programs.) Washington, DC: CLASP.


----- 1998b. Request To Use Information From LINC Messages. To: Johanna Finney finney@www.iwpr.org. Date: Tue, 21 Apr 1998 23:13:43. Sender: Diana Spatz spatz@uclink.berkeley.edu.


Women's Progress: Perspectives on the Past, Blueprint for the Future

This conference, co-sponsored by the Institute for Women's Policy Research and the Women's Studies Program at George Washington University, will bring together researchers, advocates, policymakers, business and labor leaders, and others, to address women's economic and social progress. Registrants and participants will present and discuss the latest research findings on women's lives in the following areas: Poverty and Income Security, Employment and Earnings, Health and Well-Being, Family and Work, and Democracy and Society. For registration materials and other information visit http://www.iwpr.org or call (202) 785-5100. The following are conference panels on welfare reform as of April 29, 1998.

A Multi-State Perspective
• Remembering the Past, Anticipating the Future: A Study of Single African-American Mothers Who are Former Welfare Recipients.
• In, Out, and on the Edge: Early Reactions to Wisconsin’s Welfare Reform.
• Redemption from Dependency: Homeless Shelter Policy and What It Says About Women’s Progress.

Education and Training
• Moving Families from Welfare to Work: San Francisco TANF Recipients and Federal Welfare Reform.
• Parents As Scholars: A Model Higher Education Program for Low-Income Women in Maine.

Welfare Reform, Devolution, and Human Rights
• Devolution of Welfare: Lessons From the Past.

• Devolution and Women in State Government.
• Human Rights Methodology to Document the TANF Program as a Violation of Human Rights of the Poor, Single Women of Color and Their Dependent Children.

Special Issues and Community Resources
• Paths to Employment: The Role of Social Resources and Space in the Job Search for Low-Income Women.

The Transition from Welfare to Work
• Can Welfare Mothers Work Their Way Out of Poverty?
• Barriers to Exiting Welfare into Paid Work: the Intersection of Gender and Race.
• Barriers to Employment of Welfare Recipients.
• A Safety Net or a Welfare Trap?

IWPR's Welfare Monitoring Listserv
As part of its project to coordinate welfare research, IWPR manages a listserv (electronic bulletin board) devoted to the discussion of welfare reform. This listserv provides a daily forum for more than 600 researchers, students, welfare recipients, advocates, administrators, policy makers, and service providers to share information on welfare reform research and policy issues. Information such as calls for papers and conference information are also welcome. You can subscribe to the list by sending the following command to the listserv address, at listserv@american.edu:

SUBSCRIBE WELFAREM-L Full Name.

The listserv software can read your Email address automatically. When you sign up you will receive a welcome message providing further instructions for the listserv. Past messages are stored in the WELFAREM-L archive files. They can be viewed on the web at http://listserv.berkeley.edu/archives. For more information on the listserv, contact Johanna Finney at finney@www.iwpr.org.

This newsletter was written by Johanna Finney, Research Fellow at the Institute for Women's Policy Research. "IWPR Welfare Reform Network News" is edited by Barbara Gault, Study Director, and is distributed six times each year. Many thanks to Erika Kates of WETAC who reviewed the draft and provided helpful suggestions. These newsletters are part of IWPR's project, Coordinating Nationwide Research Efforts on Welfare Reform, which seeks to develop partnerships and networks among researchers, service providers, advocates, and policy makers and to establish coordinated welfare reform research on issues of particular importance to women. This project is funded by the Charles Stewart Mott Foundation, the John D. and Catherine T. MacArthur Foundation, the Joyce Foundation, and the Annie E. Casey Foundation.