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Tightening the Welfare Noose

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During the debate over welfare reform, both liberals and conservatives made the new law seem tougher than it really is.

Liberals, wanting to stir up opposition, painted bleak images of millions of hungry children being tossed onto the streets. The right, eager to be seen as champions of legislation ending the "culture of dependency," played up the bill's harshest sounding provisions.

But all along, those familiar with the bill's specifics knew that it contained dozens of obscure loopholes that would give states the ability to soften the toughest of the Federal mandates.

These loopholes were not accidents; they were intended to give states the freedom to consider their own particular needs when they refashioned their welfare programs to meet the new Federal goals.

Now, however, officials at the Department of Health and Human Services have said they are considering a strict legal interpretation of the law that would close the most important loopholes.

Thus despite President Clinton's campaign promise to ease the most Draconian aspects of the welfare law, his Administration is threatening to make the worst fears of liberals come true.

Consider how the Administration's tough line would affect the law's most notorious provision: the five-year limit on all Federal benefits.

The welfare law does allow states to exempt 20 percent of recipients from this time limit. But most policy experts assumed that the law would actually be much more flexible. For instance, most experts believed that states would be able to give their own monies to families that reached the five-year time limit with no Federal strings attached. Since the law requires states to continue to spend at least 75 percent of their current welfare budgets, most would have ample money on hand to help struggling families after they are cut off by Washington.

Yet the Department of Health and Human Service's proposed approach would attach so many obstacles to the way state aid is given—states would be required to place a higher number of recipients in jobs, cut off mothers who haven't identified the fathers of their children and increase their supply of welfare data to Washington—that states will be very hesitant to help these

families.

The department's tougher stance would also close a loophole that would allow states to use Federal money to help families that have reached the five-year cutoff. This loophole is a provision that applies the time limit only to "a family that includes an adult who has received assistance . . . for 60 months."

It had seemed that a state could have provided assistance to a welfare mother for 59 months, at which point it could have terminated her grant but then continued Federal aid to her children. States even thought they would have the ability to raise a child's grant to compensate for the loss of a parent's benefit.

Some might say that continuing benefits in this way would further dependency. But states could dole out such payments to children in gradually shrinking increments, thus giving mothers more time to achieve self-sufficiency without shutting them off cold turkey.

There were other ways that states expected to enhance their programs. Many had planned to use their money for programs that would help families avoid welfare, including subsidized child care, a beefed-up state earned income tax credit, transportation subsidies, one-time grants to families, job counseling, substance-abuse treatment and parenting classes.

Unfortunately, the Administration's tough talk puts state financing for such services and benefits in question. For example, if a state gave a poor working mother \$30 a week in child-care subsidies, the department might now count this against her time limit on welfare. Thus if she received subsidies for five years and then lost her job, she would be ineligible for assistance, even though she had never actually been on welfare.

The Department of Health and Human Services insists that it has no political agenda in wanting to interpret the law so strictly. A spokesman told me that the agency is only concerned with clearing up what it considers several murky passages in the law that "require further legal analysis."

But few experts doubted the intent of these murky passages. If not for the promise of state flexibility, support for the bill would have dropped and it might never have been made law. If the Administration takes back that promise of flexibility, it would undermine the careful balance achieved in the final bill and could create a welfare program that really does hurt the poor.

After all, almost half of all welfare mothers have been on the rolls for more than five years, more than 60 percent are high school dropouts and half of them have never held a job. It is likely that far more than 20 percent of welfare recipients will not be able to support themselves after five years.

Conservatives, too, should be unhappy with the Administration's strict new line. For all their rhetoric, they know that if welfare reform is to retain public support, states must be given the

freedom to provide an adequate safety net—even as they attack the problem of long-term dependency.

The Department of Health and Human Services should back off and interpret the new law in the context of the political compromises that made it possible. A rigid interpretation of the law would only hurt the poor and make it harder for states to reform welfare.