

POLICY NOTES

The Impact of Welfare Reform's TANF Program in Georgia Criteria for Exemption from Its Work Requirements and Time Limits

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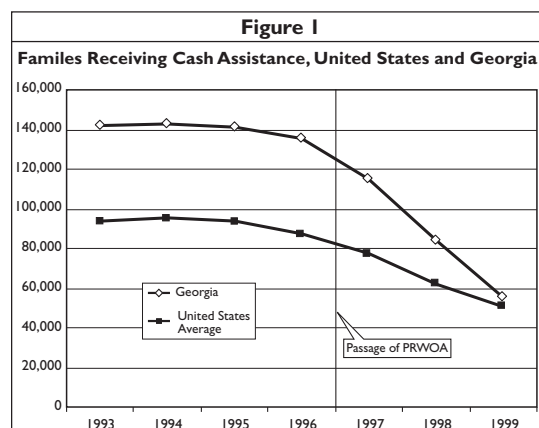
In August 1996, Congress passed a dynamic piece of federal legislation. The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) has now been fully interpreted and implemented in Georgia. Some of its most significant changes concerning the welfare laws include lifetime limits of 60 months or less, work requirements, family cap, and teen parent provisions. PRWORA mandated a switch from the traditional cash assistance welfare program, Aid to Families with Dependent Children (AFDC), to a new cash assistance program—Temporary Assistance for Needy Families (TANF). While all states were held to reporting standards pertaining to caseloads, some states such as Georgia chose to conduct a more in-depth analysis of the impacts of the new program.

PRWORA gave states flexibility in establishing the conditions and requirements of their welfare programs. In implementing TANF, Georgia chose a lifetime limit of 48 months, which means that expiration for the first large cohort of recipients will occur in January 2001. In reaction to this 48-month limit and the work requirement provisions, there has been an unprecedented drop in the numbers of individuals and families receiving cash assistance in Georgia, currently slightly more than the national average. (See figure.)

As states conduct their in-depth analyses of the impacts of welfare reform on client expectations, attitudes, and behaviors, they will closely examine factors or barriers associated with successful movement by former recipients toward independence and self-reliance. Developing a descriptive profile of remaining TANF recipients should enable policy makers to identify those likely to have difficulty meeting the work requirements and time limits as defined by the present policy. That profile, in turn, will help to identify the criteria that will be used to determine a recipient's eligibility for placement in the 20 percent exempt category.

As a basis of comparison, the administrative distinction in welfare cases applied by the Georgia Division of Family and Children Services (DFCS) was used in the analysis. The Division assigns two designations regarding recipient cases that receive cash assistance: child only cases and family cases. In child only cases, children in a particular family are the clients and the sole beneficiaries of cash assistance. In family cases, an adult, in addition to a child or children, is included in the award for cash assistance. It is this adult beneficiary, in family cases, who must comply with the personal responsibility and work requirements associated with TANF.

The initial step in the research project was to choose a population for the sampling procedure: this was the reported July 1999 caseload of all individuals in Georgia receiving TANF (56,260). Recipients to be interviewed were then selected at random



from within each classified strata to ensure that the research sample would be representative of the remaining TANF recipients. To achieve the desired confidence interval, 201 recipients were interviewed.

When looking at the entire picture of remaining TANF recipients—both child only and family case designation—the data indicate first that with the DFCS child care subsidy in place, day care (i.e., availability, type, use) is not a significant barrier to those who would like to return to work.

Second, there is a powerful association between a first pregnancy before age 18 and difficulty obtaining and retaining a job that provides enough income and benefits to achieve self-sufficiency. Early pregnancy was also associated with low educational attainment, limited job training, and lengthy absences from the labor market.

The interviews further revealed overall support for TANF's emphasis on work. The recipients generally like the motivating features of the work requirements and time limits.

Fourth, most of the remaining TANF recipients are able to drive or ride with someone to work. Transportation issues do not appear to be a serious problem.

Fifth, only 26 percent of remaining TANF recipients reported some use of alcohol. Of this group, 10 percent characterize themselves as having a problem with alcohol use. However, because the data were self-reported the findings likely underreport this issue.

Looking at family cases alone, the study showed that the most prominent criterion concerning who should be exempt from TANF's work requirements and time limits is the presence of an adult or child with a physical and/or mental health problem. Thirty-five percent of family case adults reported a physical health problem, and 23 percent of that group stated that the problem prevented them from working. Also, 14 percent of adults in this designation experience some mental health problems. The data further show that children from family cases have high rates of physical and mental health problems. Based on these figures, it appears that the 20 percent exempt category could be filled with individuals in family cases who are experiencing a health problem that interferes with employability. This group is further defined by the fact that it receives no other federal or family support.

In conclusion, these findings suggest that

- single women without a reported health problem are capable of moving from the welfare poor to a working-poor status. However, without higher or further education, the majority of this group will not be able to exit poverty.
- as the proportion of child only cases increases, the structure of families living in poverty changes, thus perhaps making work requirements less critical.
- the presence of a significant physical and/or mental health problem in an adult or child who receives welfare could warrant inclusion into the category exempting them from the work requirements and the time limits.

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Selected Resources

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Risler, E., L. Nackerud, C. R. Larrison, and R. E. Rdesinski. 2000. *The Impact of Welfare Reform's TANF Program in Georgia: Criteria for Exemption from Its Work Requirements and Time Limits*. Athens: Carl Vinson Institute of Government, University of Georgia.

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