

Research on Welfare Programs Important During a Period of Uncertainty

by Barbara B. Blum

When the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) was enacted in 1996, the statute specified that its provisions would be effective October 1, 1996 and extend until September 30, 2002. That meant that in order for the changes legislated to continue or be amended, Congress would need to reauthorize legislation related to cash assistance and work before September 30, 2002.

Reauthorization did not occur before the September date. Instead, Congress passed a continuing resolution that froze discretionary spending at fiscal year 2002 levels and authorized states to operate programs under the PRWORA provisions until March 31, 2003.

The failure of Congress to reauthorize legislation for cash assistance and work-related activities occurs during a period of domestic and international turmoil, a period of economic downturn and political tensions. In the United States, a series of corporate scandals and reduced profits has roiled the equities market for some time. As a result, unemployment rates have begun to increase for the first time in nine years.

New Foreign Focus, Changing Politics, Looming Reauthorizations

At the same time, the events related to September 11, 2001 and other terrorist activities are having an effect on domestic and international policy. A new focus on homeland security is diverting attention from other domestic policy concerns, as does the war on terrorism, initially in Afghanistan and now increasingly with the possibility of war with Iraq. And these and other policy commitments are consuming the energies of our national leaders.

Meanwhile, the fall elections of 2002 changed Congressional leadership. The Republicans won three new seats in the U.S. Senate and 229 seats in the U.S. House of Representatives, ensuring that their party would control the national agenda. Of even greater moment, 22 new governors were elected, while 13 incumbents were se-

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As this issue of *the forum* goes to press, uncertainty exists about when or how the new Congress will deal with reauthorization of statutes which will affect the lives of poor citizens. This is particularly troubling during a period of economic downturn when stable resources are crucial for states and localities. The effects of the current uncertainty has implications for program administration and for research.

lected and 15 continued in their positions. At the state legislative level, turnover was the highest in the nation's history.

Because of primary losses, retirement, or term limits, 24 percent of seats changed hands before Election Day. Since Election Day, preliminary results, pending recounts, indicate that there will be a 27 percent turnover rate overall. (This is compared with an 18 percent turnover rate for the average election year.) In addition, Republicans gained a significant number of seats, bringing an almost 50-50 split in control of statehouse seats, with six states changing party control.

The new actors at the federal and state level are not only confronting uncertainty about PRWORA-related funding (particularly TANF). Other reauthorizations are scheduled in 2003, including the Child Care and Development Block Grant (CCDBG); the Social Services Block Grant (SSBG); the Workforce Investment Act (WIA); the Job Access and Reverse Commute Grant Program (JARC); the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and other child nutrition programs; and the Head Start program.

These programs interact in interesting and often unpredictable ways. Decisions made in Congress and later in statehouses about these programs can have profound effects on the lives of poor people.

Limited Available Dollars Will Drive Domestic Policy

What do these momentous changes portend for a population that is poor?

First of all, it seems clear that fiscal concerns will drive domestic policy. In 43 states, deficits exist, with California's \$35 billion deficit leading the way. Drastic layoffs have been taking place in both the public and private sectors. The deficits, of course, relate to reduced tax revenues and reflect downturns in capital gains and corporate profits.

The possibility of federal relief is not likely—at least not in the short term. The federal deficit has now been projected by the Congressional Budget Office at \$145 billion for 2003. This does not include the cost of a Middle East war estimated to cost between \$200 billion and \$1 trillion.

Absent any infusion of new tax revenue, the fiscal picture is extraordinarily bleak. In fact, states will be fortunate to receive allocations reflecting past PRWORA appropriations.

Cutbacks in Services, Staff, Welfare-to-Work Activities

With such uncertainty about future resources and with the grim reality of current revenue shortfalls, several hypotheses seem plausible.

The first is that governors and their human resources administrators will be very cautious. New program development is unlikely and cutbacks in services may be required. This will affect many of the working poor who have benefited from TANF funding, but it will also most drastically affect the vulnerable populations who need intensive social services. Cutbacks in staffing automatically reduce the capacity to support movement into employment or to assist workers to retain their employment.

Second and more basic, however, is the fact that movement into employment will be constrained by economic conditions. With hundreds of thousands being laid off (some of whom have been TANF clients—the welfare program set up by PRWORA whose official name is Temporary Assistance for Needy Families), movement of current clients will be very difficult. Welfare caseloads have already been increasing in key states, supporting the hypothesis that the previous strong economy played a major role in moving people off the rolls.

Third, the uncertainty created by national priorities and inadequate resources will stifle the desire to experiment and learn about poor people. During a period when attention is focused on homeland security and the war on terrorism, the public's attention has moved away from inquiring about how to intervene with the most vulnerable citizens.

Opportunities and Limitations for Welfare Research Activities

Clearly, current conditions are not conducive to innovative program development and experimentation.

However, the findings now available about the characteristics of TANF clients (both stayers and leavers), information about barriers to employment and the effects of multiple barriers on entry to and retention in the work force, and the positive impacts of financial incentives all warrant attention—especially during this period of uncertainty. In addition, studies on the effects of an economic downturn on a work-based, time-limited welfare program will be important.

There are opportunities, too.

If the economic downturn continues, the development and testing of work experience programs should have priority. Initiatives modeled on the Depression-era Work Projects Administration (WPA) could use existing resources well *and* provide infrastructure benefits to communities across the nation.

In addition, providing a more rational delivery of services, including cash assistance, food stamps, child care, and health benefits, could help sustain and improve the lives of the working and nonworking poor.

Finally, more creative use of administrative data can help identify trends that merit attention. Certainly employment trends are critical, but understanding changes in the conditions of specific populations like children and immigrants is also crucial if we are to use scarce resources well.

In the meantime, sustaining the impressive set of research experiments currently underway and monitoring their findings is extraordinarily important, as the questions addressed are so relevant to the next generation of welfare programs. New major projects underway include: the Employment Retention and Advancement (ERA) project; the Hard-to-Employ Evaluation; the Rural Welfare-to-Work Evaluation; the Child Care Subsidy Demonstration; the School Readiness Projects Evaluation; the Independent Living Evaluation; the Building Strong Families Evaluation; and the Head Start Impact Study.

While the economic environment is daunting, opportunities exist to apply lessons learned from research already completed, to sustain and monitor research now underway, and to identify new areas for research, such as work experience programs and service integration.

The bottom line is that we continue to learn what interventions work and for whom.

Key Ongoing and New Welfare Research Projects

WORK ISSUES

Employment Retention and Advancement (ERA) Project

Evaluator	Manpower Development Research Corporation (MDRC)
Project Period	September 1998 – September 2006
Research Design	Random assignment of program and control groups (experimental impact)
Sites Studied	California, Florida, Illinois, Minnesota, New York, Oregon, Ohio, South Carolina, Tennessee, and Texas
Findings	Implementation findings available
Project Summary	The ERA Evaluation is a multi-site, multi-year evaluation of programs to help low-wage workers sustain employment and advance in the labor market. The project encourages sites to implement innovative programs, provides reliable information about implementation, impacts, and costs of the programs, and builds a firm knowledge base for practitioners. Sites use one or a mix of education, training, and work experience. Each of the ERA project sites is being evaluated using a random assignment design in which eligible clients are assigned, by chance, to a program group that is eligible for ERA services or to a control group that receives the services that were available before the ERA project was developed. MDRC will use surveys and administrative records to follow both groups for up to three years.

Hard-to-Employ Demonstration and Evaluation Project

Evaluator	Manpower Development Research Corporation (MDRC)
Project Period	September 2001 – September 2010
Research Design	Random assignment of program and control groups (experimental impact)
Sites Studied	Site selection ongoing
Findings	Not yet available
Project Summary	This project assesses the effectiveness of programs designed to enhance employment outcomes for current and former TANF recipients and other low-income parents who have demonstrated difficulty earning and sustaining employment. In addition to measuring programmatic effects on adults' employment and earnings, the project evaluates family functioning, child well-being (from early childhood through adolescence), and two-generation programs that provide employment services to adults and direct services to children or youth. The project also examines the issues and challenges in implementing and operating different approaches that promote employment among the hard-to-employ, the services included in such programs, how programs meet the needs of participants with multiple employment or family challenges, the primary sources of funding for various program models, and the benefits and costs of programs studied.

Rural Welfare-to-Work Strategies Demonstration Project

Evaluator	Mathematica
Project Period	September 2000 – September 2005
Research Design	Random assignment of program and control groups (experimental impact)
Sites Studied	Illinois, Iowa, Louisiana, Maryland, Minnesota, Mississippi, Missouri, New York, Vermont, and Washington
Findings	Implementation findings available
Project Summary	This multi-year evaluation is designed to test approaches to helping TANF recipients and other low-income rural families find sustained employment. The study will help states and localities learn from the successes of other programs. The evaluation has three main parts: (1) an in-depth process study to identify implementation issues and challenges and provide program details on how programs operate and achieve observed results; (2) an impact study to rigorously assess the effects of the program on participants' employment and other outcomes by drawing on data from welfare-to-work program sponsors, administrative records data from human services programs, and baseline and survey data collected in follow-up interviews; and (3) a cost-benefit study to assess the cost effectiveness of program outcomes.

Key Ongoing and New Welfare Research Projects

CHILD ISSUES

Evaluation of Child Care Subsidy Strategies

Evaluator	Abt Associates
Project Period	2002 – 2009
Research Design	Random assignment of program and control groups (experimental impact)
Sites Studied	Site selection in progress
Findings	Not yet available
Project Summary	The Child Care Bureau contracted this seven-year evaluation of alternative state or local program and policy strategies related to subsidized child care that have implications for family economic advancement and for family and child stability and well-being. The overall goal is to ascertain the net or differential impacts in selected sites resulting from different programs or policies related to subsidized child care. A wide range of child care policies may be tested; examples include changes in eligibility rules designed to promote stability of care; changes in levels of subsidies or families' co-payments; and tests of "tiered reimbursement" to child care providers depending upon the quality of care.

Head Start Impact Study

Evaluator	Westat, The Urban Institute, American Institutes for Research (AIR), Decision Information Resources (DIR)
Project Period	October 2000 – 2006
Research Design	Random assignment of program and control groups (experimental impact)
Sites Studied	Site selection ongoing (75 nationally representative grantee/delegate agencies)
Findings	Not yet available
Project Summary	The National Head Start Impact Study has two primary goals: (1) to determine on a national basis how Head Start effects the school readiness of children participating in the program as compared to nonenrolled children; and (2) to determine under which conditions Head Start works best and for which children. The study will examine various factors that could effect the results of the Head Start program, including characteristics of children attending Head Start, children's home environments, type of Head Start program available (home or center-based, part- vs. full-day, one versus two years exposure), quality indicators such as staff ratio and curriculum, and the availability and quality of other child care and preschool programs in the area.

School Readiness Projects

Evaluator	To be selected
Project Period	Not yet available
Research Design	Random assignment of program and control groups (experimental impact)
Sites Studied	Not yet available.
Findings	Not yet available
Project Summary	The federal Interagency Early Childhood Research Initiative will soon be publishing a request for proposals (RFP) for this project. This initiative has looked at integrative interventions for kids prior to school entry—not restricted to assessments of literacy curricula only. The U.S. Department of Education ran a competition last year, and may do so again, for studies looking at the effectiveness of single-dimension and/or "boxed" curricula.

Key Ongoing and New Welfare Research Projects

FAMILY SUPPORT AND STABILITY ISSUES

Building Strong Families Evaluation

Evaluator	Mathematica
Project Period	2002 – 2011
Research Design	Random assignment of program and control groups (experimental impact)
Sites Studied	Site selection ongoing
Findings	Not yet available
Project Summary	The Building Strong Families (BSF) project is designed to learn whether well-designed interventions can help couples fulfill their aspirations for a healthy marriage and a strong family. The project will test interventions with low-income, unwed couples beginning around the time of their child's birth. The programs will be designed to help such couples strengthen their relationship, achieve a healthy marriage—if that is the path they choose, and thus enhance child and family well-being. They will be designed around two main components: (1) instruction and support to improve marriage and relationship skills and enhance couples' understanding of marriage; and (2) a variety of services that could help low-income couples sustain a healthy relationship. After an initial program evaluation, well-designed programs that make good implementation progress will be monitored for a pilot operations period, and six sites will ultimately be chosen for the evaluation.

Independent Living Evaluation

Evaluator	The Urban Institute; Chapin Hall; National Opinion Research Center
Project Period	2003 – 2006
Research Design	Random assignment of program and control groups (experimental impact)
Sites Studied	Site selection ongoing
Findings	Not yet available
Project Summary	This project involves an initial evaluability assessment and a five-year evaluation of selected programs funded through the John Chafee Foster Care Independence Program (CFCIP). The Foster Care Independence Act of 1999, which enacted the John H. Chafee Foster Care Independence Program offers assistance to help current and former foster care youths achieve self-sufficiency. The ultimate goal is to determine the effects of independent living programs funded under CFCIP in achieving key outcomes for participating youth, including increased educational attainment, higher employment rates and stability, greater interpersonal and relationship skills, reduced nonmarital pregnancies and births, and reduced delinquency and crime rates.

Sustaining the impressive set of research experiments currently underway and monitoring their findings is extraordinarily important, as the questions addressed are so relevant to the next generation of welfare programs.

RESEARCH FORUM ON CHILDREN, FAMILIES, AND THE NEW FEDERALISM

The Research Forum, an initiative of the National Center for Children in Poverty, hosted at the Mailman School of Public Health, Columbia University, encourages collaborative research and informed policy on welfare reform and vulnerable populations. The Research Forum's ultimate goal is to identify and promote strategies that protect and enhance the well-being of poor children and their families.

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