

**VOTERS BELIEVE
THAT
WELFARE REFORM
SHOULD MOVE
FAMILIES
OUT OF
POVERTY**



CALIFORNIA BUDGET PROJECT

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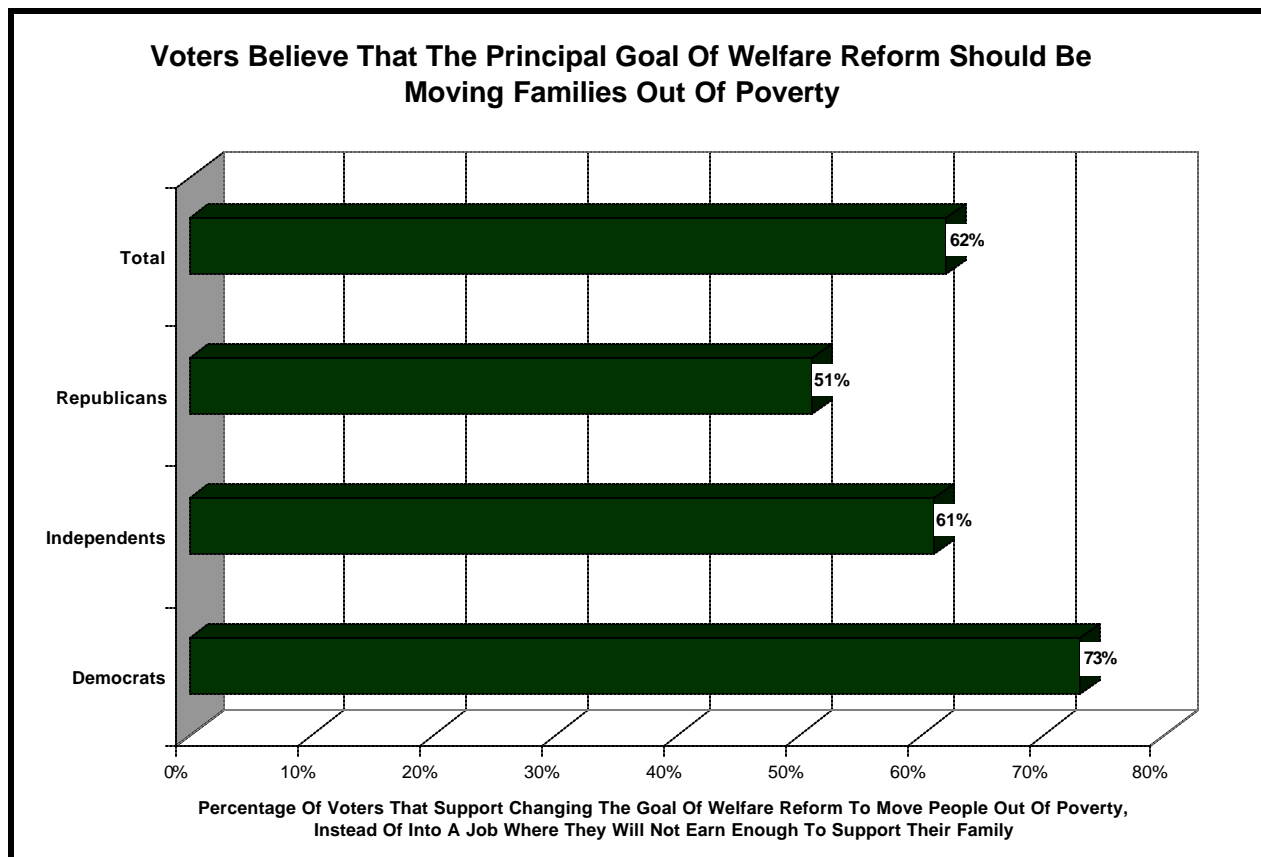
California Budget Project
921 11th Street, Suite 502
Sacramento, CA 95814
(916)444-0500
(916)444-0172 (fax)
cbp@cbp.org
www.cbp.org

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VOTERS BELIEVE THAT WELFARE REFORM SHOULD MOVE FAMILIES OUT OF POVERTY

Nearly two-thirds (62 percent) of California voters believe that the principal goal of federal welfare law should be moving people out of poverty, instead of into a job where they will not earn enough to support their families. Support for changing the goal of welfare policy is shared among Democrats, Republicans, and Independents, and among voters throughout California. While most voters generally approve of the changes made by the 1996 federal welfare law, they also support changes designed to help families move out of poverty, as well as public programs that provide support to working families.

These findings come from a new survey of California voters examining attitudes toward the 1996 federal welfare policy changes and options under consideration as Congress debates reauthorization of the Temporary Assistance for Needy Families (TANF) block grant.¹ The TANF block grant was created by the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), or federal welfare reform law, and provides money for states to assist needy families. States use the TANF block grant together with state funds to support a variety of programs and services for low-income families and children. Congress must reauthorize the TANF block grant by September 30, 2002 in order to maintain funding to states for cash assistance and services for needy families.

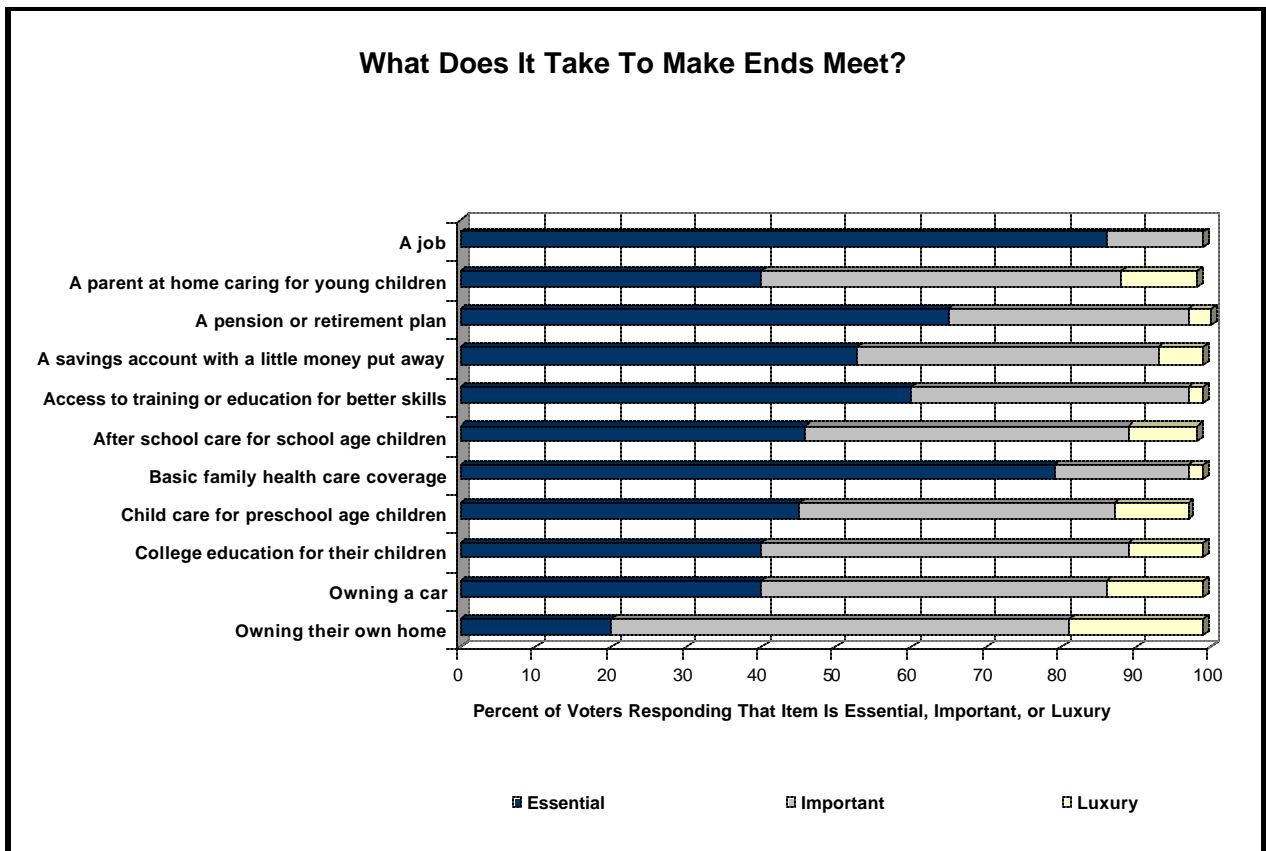


THE CONTEXT FOR THE SURVEY: VOTERS ARE MOST CONCERNED WITH CHILDREN AND EDUCATION

Voters place children and public education at the top of their agenda. Nearly half (48 percent) of voters rank children and public education as their top concern, placing the issue far ahead of other concerns. Substantially fewer voters identified health care (23 percent), the economy and stock market (22 percent), jobs and job security (20 percent), crime and drugs (19 percent), retirement and Social Security (18 percent), terrorism and national security (14 percent), and taxes (12 percent) as their primary concern.² Support for children and education was uniform across party lines, gender, and geography.

Voters Say Moving Ahead Is More Difficult Today

Voters are slightly more likely to say that it is easier for themselves and their families to make ends meet today than it was five years ago, with 43 percent saying it is somewhat or much easier, and 38 percent it is somewhat or much more difficult, to make ends meet. However, voters are more likely to say that it is harder for people to move themselves out of poverty and for families to maintain a middle class standard than it was five years ago. Over half (55 percent) of voters say that it is somewhat or much more difficult for families to move themselves out of poverty today as compared to five years ago, while only 26 percent believe that it is easier. Nearly two-thirds (62 percent) believe that it is harder for people to maintain a middle class standard of living, while only 24 percent believe that it is easier. Approximately half of voters (51 percent) think that good paying jobs are available for everyone who wants one.

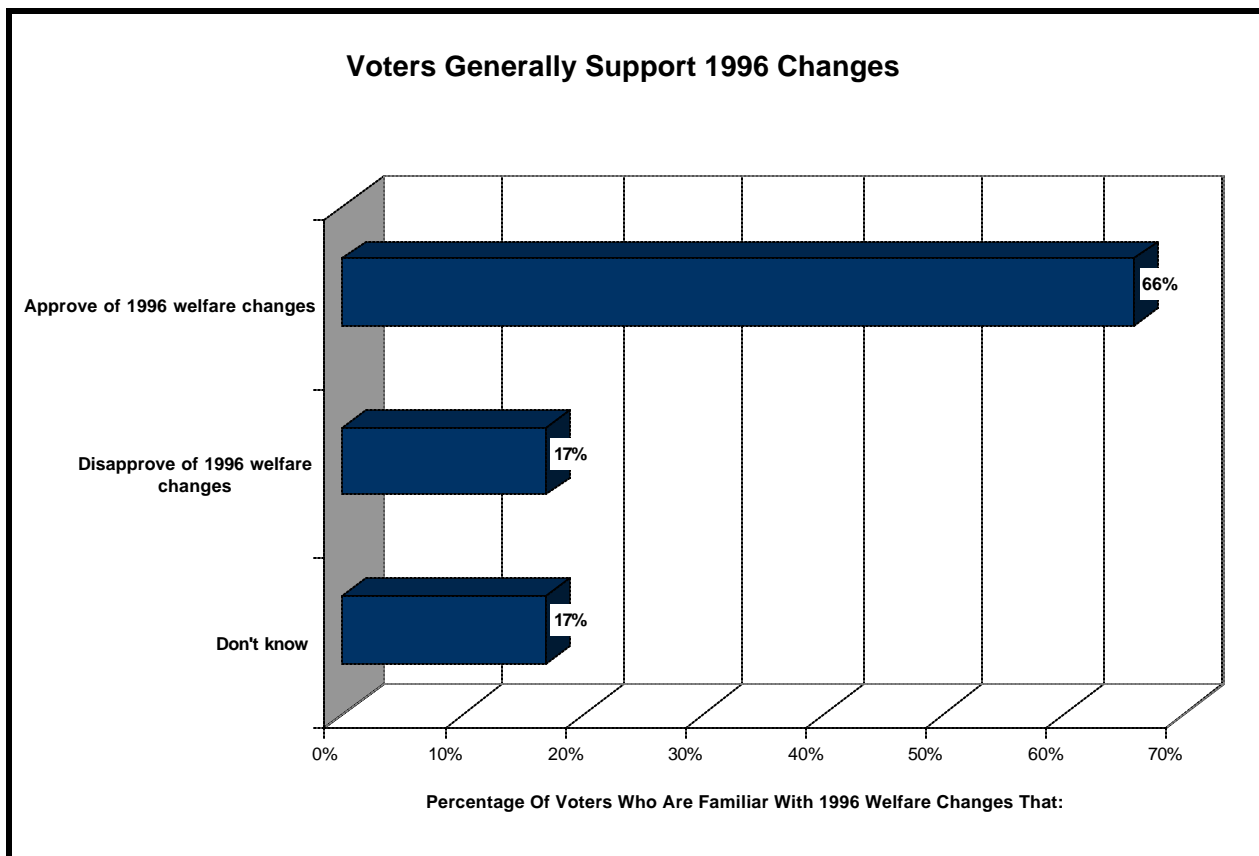


Voters are also divided on the direction of California's economy. Forty percent think economic conditions will remain basically the same, while 31 percent think tougher economic times are ahead, and a quarter (26 percent) say better times are ahead. Responses are relatively consistent, but older voters are more likely than younger voters to think better economic times are ahead (32 percent for voters age 65 and older, 21 percent for voters under age 35). College-educated and Bay Area voters were more likely to believe that economic conditions will improve.

These responses suggest that voters are somewhat more positive about their own prospects than those of the state as a whole. No category of voters believes that it is easier for families to move out of poverty or for families to maintain a middle class standard of living today than it was five years ago.

Voters Are Not Very Familiar With, But Generally Support, The 1996 Changes To Federal Welfare Policy

Most voters are unfamiliar with the 1996 changes to federal welfare law, but those who are aware of the changes support them. Only 43 percent of voters say they are either somewhat (36 percent) or very familiar (7 percent) with the changes. A majority (56 percent) of voters say they are either not very (27 percent) or not at all (29 percent) familiar with the changes. Voters' lack of familiarity with the changes extends across demographic groups with men in each group generally more aware of the changes than women. Overall, 47 percent of men considered themselves familiar with the changes, as compared to 38 percent of women voters. Voters with college degrees (47 percent familiar) and voters with incomes above \$75,000 (50 percent) are also familiar with the changes.

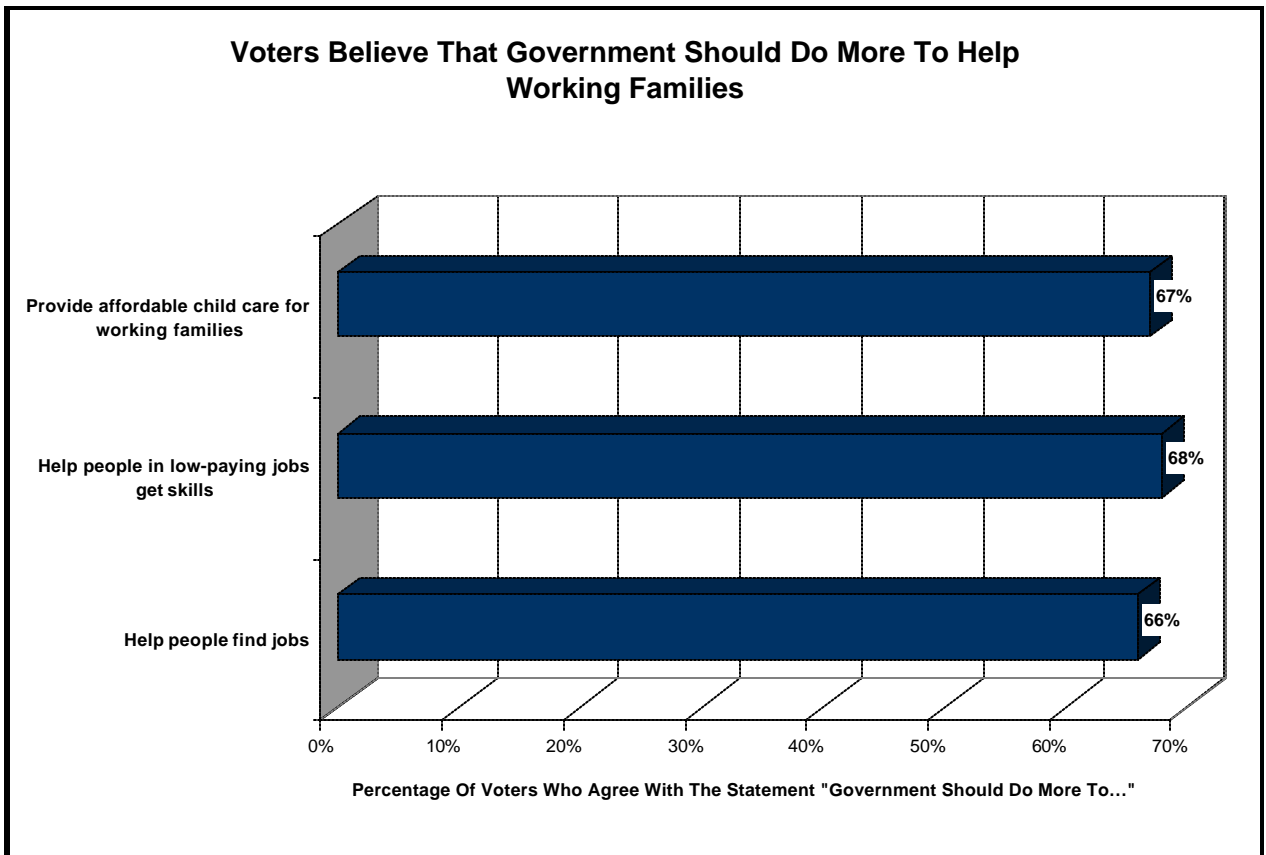


Among voters who say they have some familiarity with the changes (including those who are not very familiar), two-thirds of voters approve of them (66 percent approve, 17 percent disapprove). Support for the reforms is pervasive as majorities of members in each demographic group approved of the changes.

Voters Support Changes To Welfare Reform

Voters support changing the principal goal of the TANF system to that of moving people out of poverty. Voters understand this means helping people get an education or training so they can earn enough money to provide for their family. Nearly two-thirds of voters (62 percent) support changing TANF to emphasize moving people out of poverty, including 39 percent of voters who strongly support changing the system. Just under a third (31 percent) support the current goal of moving people off welfare by requiring work as quickly as possible, including 15 percent who strongly support that goal. Support for changing the system is strongest among registered Democrats (73 percent) and Decline to State and Other voters (67 percent), while half of Republicans support changing the system (51 percent). At least half of all groups (except Republican men) support change.

Voters' goals for changing the system are based primarily on helping people provide for their families and become self-sufficient. Using a scale of 0 to 10, where 10 equals the most important and zero the least importance, voters rate making sure poor children receive basics like food and clothing as the most important goal for change (9.09).³ After meeting the needs of children, voters say an important goal of change is giving people the training and skills they need to get a good job (8.55), and moving families out of poverty (8.26). The second tier of goals for changing the system includes taking care of people who are unable to provide for themselves (8.04).



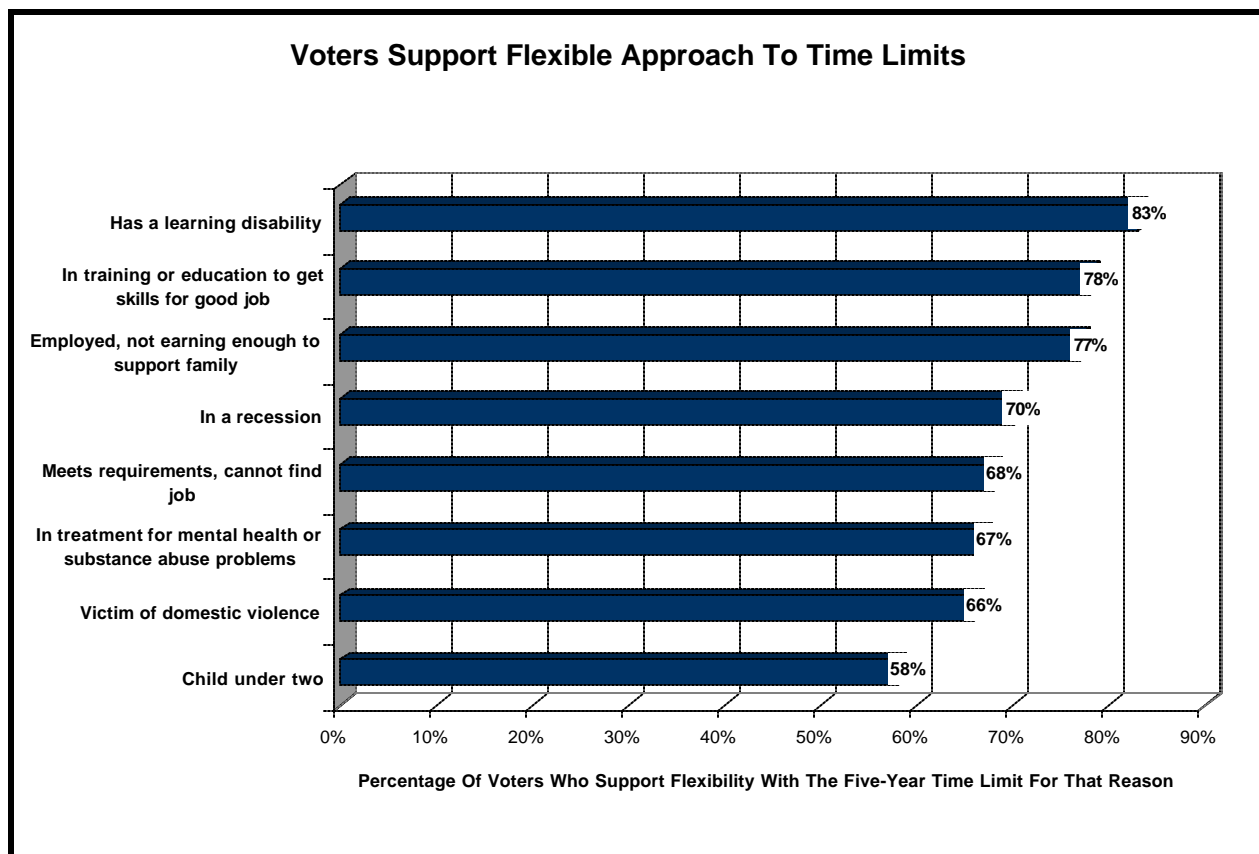
Voters are willing to criticize TANF, especially if they see it as wasteful and open to fraud. Voters are concerned with eliminating abuse and fraud in the system, giving this goal a mean score of 9.07, the second most important proposal evaluated. While voters want to stop fraud and abuse, they rate reducing the amount of money the government spends on welfare programs a mean of 5.80, by far the lowest of all changes surveyed. Both Republicans and Democrats ranked reducing the amount of money government spends as their lowest priority goal for the TANF program, as did Decline to State and Other Voters. Other changes voters are less likely to support include promoting marriage and traditional family values (7.15) and encouraging churches and other community organizations to do more to help needy families (7.01).

Strong Support For Education And Training

Two-thirds (67 percent) of voters believe people receiving government assistance should be in training or education programs to learn new skills preparing them for well-paying jobs, including more than half of voters (55 percent) who strongly support training. Only two in ten voters (22 percent) think people on assistance should be working no matter how low paying the job. Support for education and training is shared across party lines. Fifty-nine percent of Republicans, 73 percent of Democrats, and 72 percent of Decline to State and Other voters believe that people who receive government assistance should be in job training and education programs to receive the skills necessary to get a good-paying job, rather than working no matter how low paying the position.

Voters Support Flexible Approach To Time Limits

Slightly more than half (54 percent) of voters strongly or somewhat approve of the five-year lifetime limit on welfare benefits, while 42 percent somewhat or strongly disapprove of time

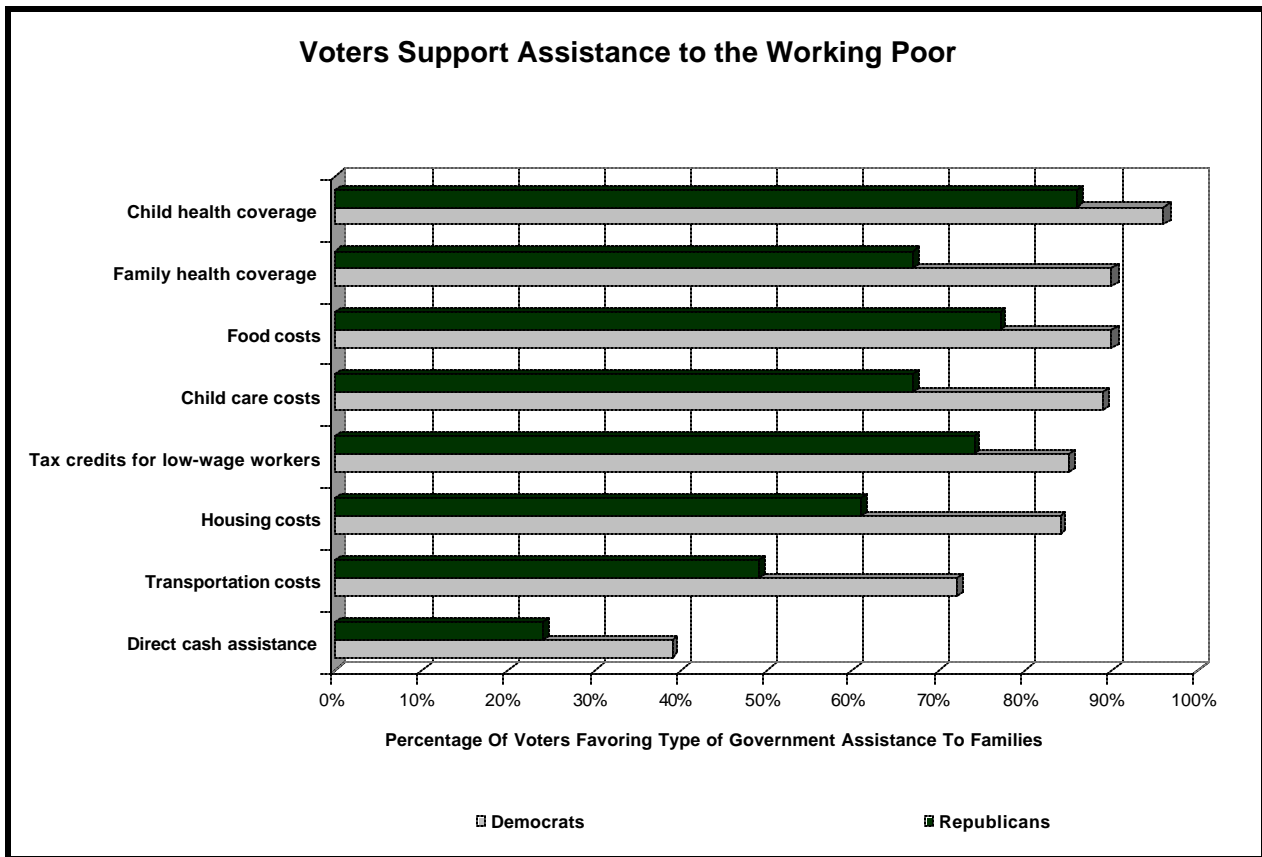


limits. Voters, however, more strongly favor a flexible approach to time limits under specific circumstances. At least two-thirds of voters supported a flexible approach for the following cases: someone who is doing everything the system requires, but still cannot find a job (68 percent); someone who is unemployed, but not earning enough to support their family without assistance (77 percent); someone in training or education to get the skills needed for a good-paying job (78 percent); someone in counseling for a mental health or substance abuse-related problem (67 percent); someone suffering from a history of domestic abuse (66 percent); someone with a learning disability (83 percent); and when the country is in a recession and jobs are hard to find (70 percent). A majority of those surveyed (58 percent) strongly or somewhat support a flexible approach to time limits for parents with a child under the age of two who wish to stay at home.

Voters Support Assisting Working Poor Families

Voters support using public dollars to provide assistance to families who are not able to make ends meet on their earnings from work. Seventy percent of voters strongly favor providing assistance to families so children have health insurance (92 percent overall support) and 49 percent of voters strongly support providing assistance so the entire family has health insurance (80 percent overall support). Another 46 percent of voters strongly support tax credits for low-wage workers (80 percent overall support), such as the federal Earned Income Tax Credit (EITC).

Voters also favor providing government assistance to working poor families to help provide for food costs (84 percent), child care costs (80 percent), housing costs (74 percent), and transportation to work costs (61 percent). However, only 32 percent of voters favor providing aid to working poor families in the form of direct cash assistance. Support for government assisted



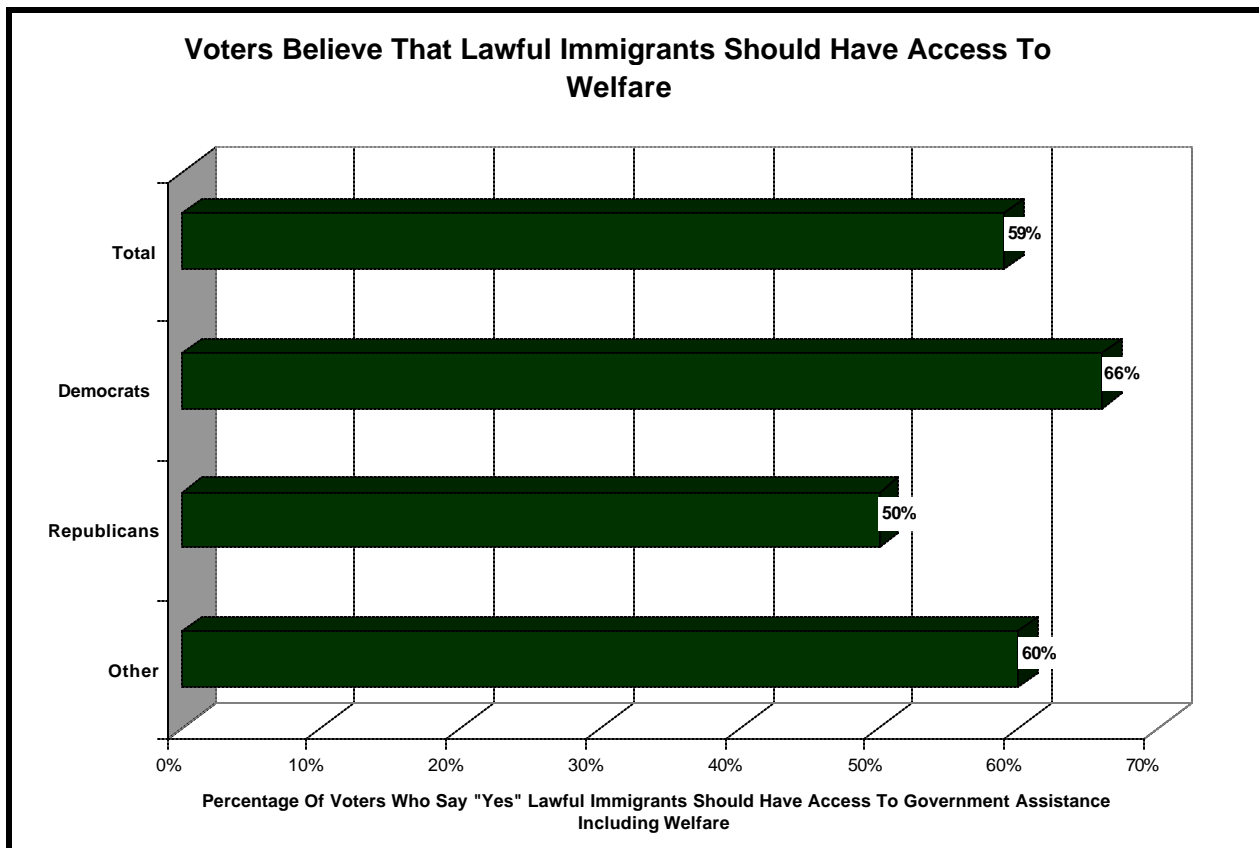
child care is strongest among women voters (86 percent) and among Latinos of both genders (92 percent). Similarly, 87 percent of women and 96 percent of Latino voters support providing government assistance so that working poor families receive health coverage. Republicans also expressed support for government programs that help the working poor, with 86 percent supporting child health coverage, 77 percent supporting assistance with the cost of food, 67 percent supporting child care programs, 67 percent supporting family health coverage, and 74 percent supporting tax credits for the working poor.

Voters Divided Over Whether Parents Should Be Allowed To Stay Home With Young Children

Half of voters (49 percent) believe a parent in families receiving government assistance should be able to stay home to raise very young children. Voters' opinions varied widely when asked when a parent should be required to work. Relatively few voters support requiring parents with children under the age of two to find job. Just 6 percent believe that parents with children under one year of age should be required to find work, and 21 percent believe that parents with children under age two should be required to work. In contrast, 48 percent say that parents should not be required to work until a child reaches the age of five or older.

Voters Support Benefits For Legal Immigrants

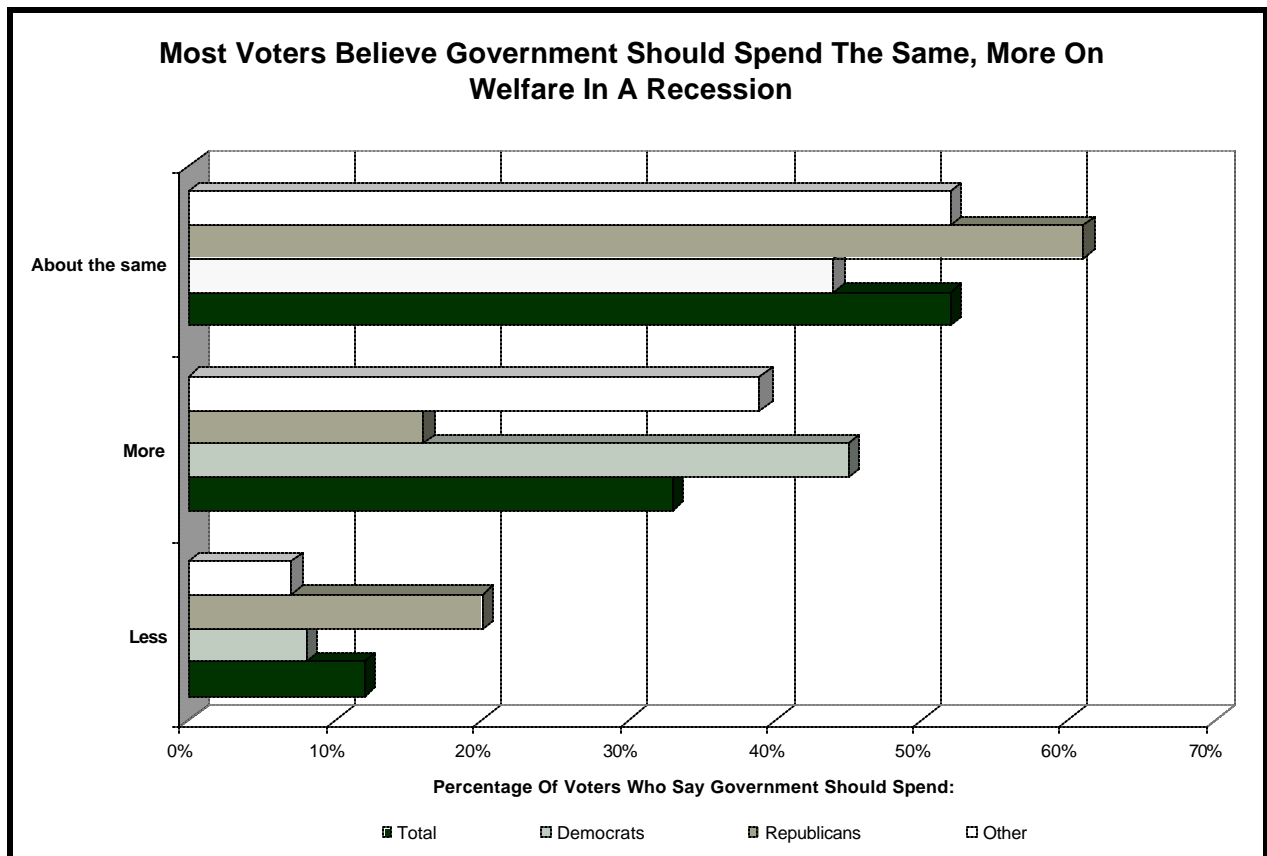
Voters believe immigrants who are in the country lawfully should receive the same rights and benefits that legal citizens receive, including access to government programs such as TANF. Two-thirds (67 percent) of voters think legal immigrants should have the same rights as citizens, while just over a quarter (28 percent) think legal immigrants should not receive the same rights. More than half of voters (59 percent) believe legal immigrants should also have access to gov-



ernment assistance including welfare benefits, while 35 percent do not believe legal immigrants should have access to welfare programs. Both voters in inland counties and coastal counties believe that legal immigrants should receive the same rights as citizens (69 and 66 percent, respectively), while majorities in each group also believe legal immigrants should have access to government assistance programs such as welfare (inland counties 53 percent, coastal counties 61 percent). Sixty-six percent of Democrats, 50 percent of Republicans, and 60 percent of Decline to State and Other voters say that lawful immigrants should have access to welfare and other government assistance.

Voters Support Maintaining Welfare Spending During A Recession

Voters support maintaining or increasing spending for welfare programs during a recession. Just over half (52 percent) believe that government should spend about the same for welfare programs during a recession, while a third (33 percent) believe government should spend more, and only 12 percent believe government should spend less.



WHAT DO VOTERS BELIEVE?

1. **Voters believe that the principal goal of TANF should be moving families out of poverty.** Voters understand meeting that goal means helping people with training and education programs so they can learn new skills and earn enough money to support their families.
2. **Voters believe limits on the length families can receive TANF should be flexible because they understand that each family's circumstance is unique.** Voters support "stopping the

clock” for a number of individual circumstances, especially for people who took the initiative to enroll in education and training programs.

3. **Voters support the value of parents staying home and raising their children.** Voters want to make sure children are provided for and their support for stay-at-home parents is strongly rooted in doing what is best for children. Voters understand that this means more flexibility with the five-year time limit and more aid in helping working families find affordable child care.
4. **Voters support government programs that help the working poor make ends meet.** Voters understand that it is difficult for many families to make ends meet and, in particular, that it is more difficult for poor families to get ahead today than it was five years ago. As a result, voters support programs that help families that are working, but poor, by providing assistance on basic necessities, such as health coverage, food, child care, and housing.

CONGRESS TO DECIDE ISSUES OF CRITICAL IMPORTANCE TO CALIFORNIA

As part of the debate over TANF reauthorization, Congress will consider a number of issues that are of concern to California’s voters. Among the issues that will be discussed are:

- **The level of federal funding.** Congress will determine the amount of funds California receives from the federal government to support the CalWORKs program, California’s TANF program, and related efforts. The TANF block grant and the state maintenance of effort (MOE) requirement have remained constant since the enactment of welfare reform in 1996.⁴ The CalWORKs program currently faces a fiscal crisis due to the gap between high and rising program costs on the one hand, and flat funding on the other. Congress must also establish funding levels for the Child Care and Development Fund, which helps fund child care for CalWORKs recipients as well as for California’s working poor families.
- **State and local flexibility.** Congress will decide whether to maintain, increase, or reduce the flexibility states have to implement their TANF programs. State flexibility has allowed California to give counties the ability to address the CalWORKs recipients’ wide range of needs, to reflect the diversity of local economic conditions throughout the state, and to craft programs that reflect the needs and preferences of local communities. The outcome of the current debate will determine whether this flexibility continues, is expanded, or is restricted by strings attached to the use of federal funds.
- **The goals of the TANF program.** Congress will debate the possibility of adding poverty reduction as an explicit goal of TANF. This would send a clear message that state programs should be oriented to helping families achieve self-sufficiency, not simply moving families off the caseload into jobs that may not support families. Alternately, Congress may encourage or require states to focus more TANF funds to the marriage promotion and other “family formation” goals of TANF.
- **Time limits.** Congress will consider whether time limits should be modified for working families and recipients who are otherwise meeting program requirements. This would allow months in which families are working or in other productive activities not to count toward the five-year time limit.

- **Education and training.** Federal law currently restricts the length and types of training and education that count toward federal work requirements. Congress will debate whether or not to allow additional flexibility for states to permit more training and education that may enable recipients to find well-paying jobs.
- **Immigrant eligibility.** Immigrants who entered the country after August 1996 are generally ineligible for federally-funded TANF benefits for at least five years. While California funds CalWORKs assistance and services for legal immigrants with its own funds, it cannot use federal dollars for these recipients. Congress may decide to give states more flexibility to use federal TANF funds to provide cash assistance and services to these immigrants in the same way they do to citizens.

CONCLUSION

The outcome of the TANF reauthorization debate will determine whether California has the resources and flexibility to meet voters' expectations. The President has issued a proposal that would increase the number of hours recipients are required to work, narrow the range of activities that are counted as work, and maintain the same level of funding states have received since 1997. The President's proposal would also designate TANF funds for activities promoting marriage and family formation. Congressional Democrats have offered several alternatives. Democratic proposals include indexing the TANF block grant for inflation, expanding the definition of work to count a broad range of education and training activities toward participation requirements, and "stopping the clock" for families who are working, yet earning so little as to remain eligible for a welfare check.

The outcome of the Congressional debate will have a profound impact on low-income Californians and the resources available for California's CalWORKs program, as well as the flexibility afforded to states to craft programs in response to local conditions.

ENDNOTES

¹ These conclusions are drawn from a statewide survey of registered California voters who participated in the 2000 general election. The study was conducted by the Feldman Group, Inc. on behalf of the California Budget Project, between January 14 and 17, 2002, by professional interviewers. A total of 800 interviews were completed, yielding a margin of error of plus or minus 3.7 percentage points at the 95 percent confidence level.

² Voters were allowed to identify one or two issues.

³ The score represents the mean, or average, rating given by respondents.

⁴ The maintenance of effort requirement specifies how much states must spend in order to receive their full allotment of federal dollars.