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## Mass. Taxpayers Foundation, United Way Issue "Off Welfare...On To Independence"

**BOSTON** – In the first collaboration of its kind, The **Massachusetts Taxpayers Foundation (MTF)** and **United Way of Massachusetts Bay (UWMB)** today are releasing a report calling for several major changes in the state's welfare program to help recipients achieve long-term economic independence and self-sufficiency.

Entitled "*Off Welfare...On to Independence*," the report recommends that education and training programs should be included within the work requirement opportunities to enhance the knowledge and skills of recipients while they are on welfare. At present recipients must engage in either paid or unpaid work or community service within two months of receiving welfare benefits, and Massachusetts is the only state that does not allow any kind of education or training to count as work.

In releasing the report at a joint press conference, **Marian L. Heard**, president and CEO of UWMB, and **Michael J. Widmer**, president of MTF, said the report's recommendations are in the common interest of recipients, taxpayers and employers.

"Placing recipients in jobs is certainly important, but in many cases that alone does not set them on the road to independence," UWMB's Heard said. "Our vision is a welfare system that lifts recipients out of poverty, frees them from reliance on state benefits, and helps them instead to become contributing taxpayers."

"The study takes a balanced approach to a series of complex and controversial issues," said Widmer. "The recommended changes aim to build on the state's success in reducing welfare rolls and directing tens of thousands of former recipients into paid employment."

Other recommendations include:

- **The work requirement should be increased from 20 to 30 hours per week, provided that work is defined to include education and training.** This would open additional training opportunities to recipients and more closely reflect the average work week for those recipients who are employed. It would also bring Massachusetts in line with the vast majority of states who have adopted the federal work requirement of 30 hours.
- **Mothers of children age two to six should be required to work 20 hours per week, provided the requirement includes education and training.** Unlike in any other state, these recipients are subject to the two-year time limit but not the work requirement. Requiring them to participate in work, education or training programs while they receive benefits will better prepare them for life after welfare.

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## 2-2-2-MTF/UWMB issue welfare study

- **For those recipients who reach the 24-month time limit on welfare, the state's extension policy should be amended to provide uniform and consistent six-month extensions to those who are in full compliance with program requirements.** This change would bring Massachusetts into line with other states that have similarly short time limits. The costs of providing several months of additional benefits to those recipients will be well spent if it helps them find a job that supports their families. Recipients enrolled in an education or training program that extends beyond the two-year limit should be eligible for an extension to allow them to complete the program.

Joining the news conference today was Nancy Sanchez, a North Shore mother of four who was able to get a college degree while she was on welfare from 1988 to 1993. Sanchez, who became homeless and went on public assistance after leaving an abusive relationship, attended a program for displaced homemakers at North Shore Community College and ultimately graduated with a degree in human services and Spanish from Simmons College in 1993. Sanchez recently scaled back her hours to spend more time with her now-teenaged children and earns \$32,000 a year as a "transition to work" specialist at a North Shore agency that helps welfare recipients find employment.

"I knew I needed a job that would pay a living wage, not a minimum wage," Sanchez said. "I needed a job that could support my kids. The ability to get an education while I was on welfare opened the door for me to find meaningful employment that helped my family live without state subsidies." Since 1993, Sanchez has never returned to welfare.

The report points out that almost 50 percent of welfare recipients do not have a high school diploma, and that there is a close correlation between an individual's level of education and lifetime earnings.

Families leaving welfare are still eligible for a host of state subsidies including Medicaid, food stamps, child care and housing assistance. Former welfare recipients earn about half the standard of economic self-sufficiency, which is approximately \$35,000 for a family of three in central Massachusetts.

The study concludes that moving welfare recipients from dependence on public assistance to economic independence serves the interests of welfare families, employers and taxpayers:

- Families because they will realize all of the economic and social advantages of moving out of poverty and earning a reasonable income;
- Employers because they have a greater need than ever for skilled employees who can help compete in the global economy; and
- Taxpayers because recipients who are economically self-sufficient no longer rely on the state for benefits and instead are contributing taxpayers themselves.

Many of the study's recommendations can be accomplished through regulatory or policy changes by the Department of Transitional Assistance. Others, such as amending the work requirement, must have legislative approval. The Leadership Council of UWMB and MTF will urge the Legislature and the Administration to work together to implement the recommendations.

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