

Appendix 7 Welfare History Overview

Federal Welfare Legislative History

- 1996** **Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA)** gives states choices in how to structure their welfare programs. Federal funding is provided in the form of the **Temporary Assistance to Needy Families (TANF)** block grant, and is fixed at the same level for five years. PRWORA provides new federal child care funds, reauthorizes the Child Care and Development Block Grant, and requires these combined funds to be administered as a unified program under the **Child Care and Development Fund (CCDF)**. In this first major overhaul of welfare in 60 years, welfare receipt is limited to 5 years.
- 1988** **Family Support Act (FSA)** targets services for those most likely to become long-term welfare recipients. The act created the **Job Opportunities and Basic Skills (JOBS)** program, which focuses on education and training, and provides child care and medical assistance to recipients for 12 months after they leave AFDC with employment.
- 1981** **Omnibus Budget Reconciliation Act (OBRA)** begins welfare-to-work demonstration projects in many states. States may require welfare recipients to go into training, job search, or unpaid work experience in exchange for their AFDC grants.
- 1970** **Federal regulations** require states to guard against payments to ineligible welfare applicants. States must monitor their active AFDC caseloads, compute errors made in determining eligibility, and pay penalties for high error rates.
- 1967** **Amendments to the Social Security Act** establishes the **Work Incentive Program (WIN)**, which adds employment services to AFDC, and directs states to emphasize work rather than welfare.
- 1965** **Medicaid** and **Food Stamp** programs are created, and AFDC recipients are eligible.
- 1962** **Amendments to the Social Security Act** lead to a new emphasis on social services, and allows families with two parents to receive AFDC. Welfare caseloads begin to grow, for both one and two parent families.
- 1935** The **Aid to Dependent Children**, later known as **Aid to Families with Dependent Children (AFDC)** is created as part of Social Security Act. AFDC supports poor children whose parents are dead, absent, or incapacitated.

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Washington State Welfare Policy

- 1999** **WorkFirst Study - 3000 Washington Families** begins. The 5-year longitudinal study is based on a sample of 3,000 WorkFirst clients, and is conducted by the Employment Security Department, University of Washington, and Washington State University.
- 1997** **EHB 3901**, the **Temporary Assistance for Needy Families Act (TANF)**, establishes the **WorkFirst** program in Washington State and replaces AFDC. The STEP waiver is repealed.
- 1994** **E2SHB 2798** instructs DSHS to: Reduce AFDC grants by 10 percent per year for some families that received welfare for four years (known as the Step Waiver); train staff to emphasize the expectation that recipients will enter employment; and determine the most appropriate living situation for unmarried pregnant teens who receive public assistance.
- 1993** **HB 1197** instructs DSHS to: “Segment” the AFDC population; match services to the needs of each segment; focus AFDC on employment; and seek federal waivers that allow families to keep more of their earnings from employment while receiving AFDC.
- The Urban Institute’s final evaluation finds that the **Family Independence Program (FIP)** participants worked *less*, stayed on welfare *longer*, and returned to welfare *sooner* than AFDC participants. However, the evaluation found that providing cash rather than Food Stamps saved state administrative costs without apparently increasing risk to nutrition.
- 1990** Washington implements the federal **Family Support Act/JOBS**, making JOBS participation voluntary for welfare recipients.
- 1987** **Family Independence Program (FIP)**, a 5-year welfare reform demonstration, begins. FIP provides: financial incentives to obtain education, training, and employment; cash, rather than Food Stamps; social services during FIP participation; and childcare and medical coupons for 12 months after exiting, if the recipient leaves FIP with employment. The Urban Institute of Washington D.C. is hired as the outside evaluator of the FIP demonstration.
- Family Income Study begins.** The 5-year longitudinal study is based on a sample of 2000 AFDC clients and low-income families, and is conducted by the Washington State Institute for Public Policy and Washington State University.