

The Impact of Block Granting AFDC

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Abstract

The Personal Responsibility Act (PRA), is the latest attempt by Congress to reduce welfare dependency. The PRA would convert the federal entitlement status of the Aid to Families With Dependent Children (AFDC) to state block grants called Temporary Assistance to Needy Families (TANF). Returning the responsibility for social services to the states will promote flexibility in redesigning programs to get recipients off welfare. However, the legislation does impose eligibility restrictions aimed at behavior modification and is meant to reduce overall spending for these programs.

The current push to get AFDC mothers into the work force is not new; the United States has a history of ambivalence towards welfare benefits for able bodied women and their dependents. For example, the federal government has been trying to impose work requirements for over twenty five years.

Workfare used to mean "work relief" -- requiring people to work in return for their welfare grant. Today, "Workfare" connotes a much broader concept that includes job searches, training and drug and alcohol treatment attendance. Work requirements do not have a very good track record, however, and have not proved very successful at reducing the number of recipients nor the need for assistance.

This paper explores the history and issues related to attempts to lower costs of AFDC and similar programs, including efforts to create incentives for recipients to leave the programs.