



NATIONAL SKILLS COALITION
Every worker. Every industry. A strong economy.

Reforming Welfare Reform: Moving Past “Work-First,” Focusing on What Works Best

- Reverse Trump Administration’s ineffective policies expanding work requirements on safety net participants.
- Chart a new course that focuses on investments in skills training to support meaningful transitions to well-paying jobs and careers.

The current economic crisis has highlighted the importance of our nation’s safety net programs, including the Supplemental Nutrition Assistance Program (SNAP), which saw a 16 percent increase in enrollment between March and April of 2020,¹ and Medicaid, which saw an increase of 2.3 million enrollees between February and May 2020.² However, many of the low-income adults who are participating in these programs are potentially on borrowed time: the Trump Administration has taken steps over the past four years to reduce eligibility for SNAP, Medicaid and other safety net programs through more stringent work requirements,³ including by encouraging states to impose arbitrary new work requirements on Medicaid recipients⁴ and through a new rule that restricts state and local flexibility to waive work requirements for certain SNAP recipients when economic conditions make it hard to find good jobs.⁵ While Congress and the courts have provided temporary suspension of some of these requirements,⁶ thousands of US workers and their families have already lost access to benefits due to these misguided efforts, and more are likely to lose critical health and other services without immediate administrative action.

Work is important, but work *requirements* are counterproductive

¹ <https://fns-prod.azureedge.net/sites/default/files/resource-files/29SNAPcurrPP-7.pdf>

² <https://www.kff.org/coronavirus-covid-19/issue-brief/analysis-of-recent-national-trends-in-medicaid-and-chip-enrollment/>

³ <https://www.federalregister.gov/documents/2018/04/13/2018-07874/reducing-poverty-in-america-by-promoting-opportunity-and-economic-mobility>

⁴ <https://www.kff.org/medicaid/issue-brief/understanding-the-intersection-of-medicaid-and-work-what-does-the-data-say/>

⁵ <https://www.fns.usda.gov/snap/fr-120419>

⁶ <https://www.fns.usda.gov/snap/ffcra-impact-time-limit-abawds>. The current suspension applies until the lifting of the current public health emergency declaration, which means that it may precede any return to economic normalcy.

The research on work requirements is clear: **they don't work**.⁷ They can trap workers in a cycle of low-wage jobs that don't lead to sustainable long-term employment, and create negative incentives for states to push vulnerable individuals to take the first available job – regardless of quality – as a condition of eligibility. And we know that public attitudes about work requirements and public assistance programs more broadly have often reflected racist perceptions of workers of color, perpetuating structural racism and creating unnecessary and harmful barriers to economic success.⁸

Eliminating work requirements doesn't mean that work isn't important for low-income individuals who find themselves in need of temporary support. On the contrary, many adults participating in public assistance programs *do* work⁹, but often in unstable and low-paying jobs. One particular challenge for moving these individuals into more sustainable jobs is a lack of formal education: more than 90 percent of Temporary Assistance for Needy Families (TANF) participants lack education or training beyond the high school level,¹⁰ and half of all long-term SNAP recipients lack even a high school diploma.

Investing in proven workforce and education strategies for safety net participants – including career pathways programs at community colleges and registered apprenticeship programs – can not only support rapid reattachment to the labor market, it can ensure that individuals transition into careers that make it more likely that they won't have to return to public benefits during the next economic downturn. It can also reduce racial equity gaps by removing punitive and racially motivated rules that assume that public assistance recipients are unwilling to work, and instead focusing on their real needs.

There is bipartisan support for investing in skill-building rather than punishing workers

The good news is that there is growing bipartisan support for a new direction that focuses on investing in skills rather than punitive work requirements. In reauthorizing the 2018 Farm Bill, Congress explicitly rejected proposals from House Republicans to expand work requirements under SNAP, and instead increased state formula grants for the SNAP Employment & Training (SNAP E&T) program.¹¹

Also in 2018, the Republican-led House Ways and Means Committee approved a bill that would have taken modest steps towards reorienting TANF towards a new set of metrics focused on outcomes like employment, earnings, and credential attainment (a bipartisan Senate

⁷ <https://www.cbpp.org/research/poverty-and-inequality/work-requirements-dont-cut-poverty-evidence-shows>

⁸ <https://cssp.org/wp-content/uploads/2020/02/Racist-Roots-of-Work-Requirements-CSSP-1.pdf>

⁹ <https://www.cbpp.org/research/food-assistance/most-working-age-snap-participants-work-but-often-in-unstable-jobs>

¹⁰ <https://www.nationalskillscoalition.org/resources/publications/file/NSC-TANF-FINAL-6.24.19-MED-RES-pdf.pdf>

¹¹ <https://www.nationalskillscoalition.org/news/blog/house-senate-leaders-release-farm-bill-compromise-rejects-harsh-work-requirements-and-increases-training-funding>

reauthorization bill introduced in December 2018 would have made similar changes, albeit on a pilot basis).¹² These efforts indicate that lawmakers are beginning to recognize the outdated assumptions and failed outcomes that have characterized our “work-first” approach to public assistance programs, and are ready to begin a conversation about how we can better assist low-income individuals in charting their own path to prosperity.

The President can make immediate changes while also laying the foundation for legislative action

In our recent publication [Skills for an Inclusive Economic Recovery](#), National Skills Coalition has proposed a number of specific legislative changes to safety net programs to strengthen investments in skills, including proposals to permanently eliminate work requirements under TANF and SNAP, and replace those requirements with outcomes-based models that reward states for employment and earnings outcomes for participants; eliminating current rules that limit participation in education and training activities for safety net recipients; increasing dedicated funding for education and training under both TANF and SNAP; and modernizing the Work Opportunity Tax Credit to support employer investments in skills training for workers who are also receiving public benefits.

We think a Biden Administration should take a leadership role in promoting these important legislative changes, and sending a clear signal that “welfare reform” – especially as embodied in the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) – is an outdated approach that doesn’t reflect current knowledge about what actually helps low-income people succeed.

But the new Administration can also take critical administrative steps in the first 100 days in office that would help move the ball forward immediately and lay the foundation for future Congressional actions. Specifically, we urge the President-elect to:

- Rescind President Trump’s Executive Order¹³ calling for stricter work requirements in safety net programs, and issue a new Executive Order that calls for reinvesting in skills for public assistance recipients as a new national priority. The Executive Order should require all agencies with responsibility for administration of public assistance programs to evaluate how well those programs are currently connecting individuals to education and training that leads to family-supporting employment, and should require those agencies to identify strategies to address barriers to education and training, with a particular focus on ensuring that workers of color, women, and

¹² <https://www.nationalskillscoalition.org/resources/publications/file/NSC-TANF-FINAL-6.24.19-MED-RES-pdf.pdf>

¹³ <https://www.nationalskillscoalition.org/news/blog/trump-releases-executive-order-calling-for-work-requirements-elimination-of-workforce-programs>

individuals without a high school diploma have meaningful opportunities to connect to career pathways.

- Rescind current Department of Health and Human Services guidance¹⁴ allowing states to propose work requirements for Medicaid recipients, and issue new guidance to states that provides information on how Medicaid recipients can better access workforce and education programs that lead to good jobs without jeopardizing their eligibility for health benefits.
- Begin the process of rescinding SNAP regulations¹⁵ that restrict state eligibility to waive time limits for certain adult recipients, and issue new guidance that encourages states to establish or expand voluntary SNAP E&T programs that help workers gain skills and credentials without the threat of punitive sanctions.
- Reissue guidance first proposed under the Obama Administration that enabled states to propose alternatives to work participation requirements under the TANF program where states propose innovative strategies to improve employment outcomes for TANF participants¹⁶
- Require the Departments of Education, Health and Human Services, and Agriculture to issue joint guidance to states on how to expand opportunities for public assistance recipients to participate in postsecondary education through TANF and SNAP E&T, as well as taking advantage of Pell Grant eligibility through the “ability to benefit” provision for students without a high school diploma.
- Require a newly established Sub-Taskforce on Skills for an Inclusive Economic Recovery (as part of a broader Economic Recovery Task Force out of the White House) to evaluate the legacy of the 1996 PRWORA after the past 25 years, and to propose a new vision for how to support the employment and career goals of public assistance participants.

The American public supports these changes

National Skills Coalition (NSC) polling indicates that **85 percent of voters want it to be easier for safety net participants to gain access to skills training for a career**, creating an opportunity for the Biden Administration to transform our approach to how we help those who are most in need. As our country embarks on an inclusive economic recovery that addresses not just the immediate impacts of COVID-19 pandemic but also the longstanding structural racism and other barriers that have limited opportunities for millions of hard-working people, the Biden Administration can send the clear message that it won’t repeat the mistakes of the past and will make investing in *all* Americans a priority and key component of “building back better.”

¹⁴ <https://www.medicaid.gov/federal-policy-guidance/downloads/smd18002.pdf>

¹⁵ <https://www.fns.usda.gov/snap/fr-120419>

¹⁶ <https://wayback.archive-it.org/8654/20170430194357/https://www.acf.hhs.gov/ofa/resource/policy/im-ofa/2012/im201203/im201203>

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