

TANF “Work First” Policy Helps Perpetuate Single Mother Poverty and Employment in Low Wage “Women’s Work”

“Graduating from high school is an economic imperative.” President Barack Obama.¹

“[A] high school diploma no longer guarantees a good job.” President Barack Obama.²

Despite President Obama’s sentiments, federal TANF policy continues to place barriers in the way of the single mothers receiving TANF who wish to go to school even though 40% of TANF recipients have not completed high school and only 5% have attended college even for a day.³ This denial of educational opportunity helps perpetuate the high poverty rates for single mother families that have prevailed for decades. The poverty rate is now about 50% for single mothers who lack a high school degree, compared with about 30% for single mothers with a high school degree, about 20% for single mothers with an Associate’s degree, and about 10% for single mothers with a Bachelor’s degree.⁴

Since TANF’s creation in 1996 federal policy has embraced a “work first” approach, meaning an approach that stresses immediate employment in any available job.⁵ States are penalized unless a specified percentage of recipients participate in federally countable activities. High school attendance generally counts as full participation only if the parent is under age 20, and college attendance as full participation only if the program of study qualifies as “vocational education” and then only for 12 months. In 2008, fewer than 2% of adult recipients were counted as participating based on high school/GED attendance, and only about 4% were counted as participating based on attendance in vocational education.⁶

Work first reinforces women’s employment in unstable, no-benefits, low-wage “women’s work.” When they leave TANF, mothers overwhelmingly enter low wage jobs in low wage industries and occupations dominated by women with typical wages of between \$7 and \$8 an hour.⁷ Twelve of fifteen federally funded studies of parents who had left TANF (“TANF leavers”) found that average earnings in the quarter after leaving TANF were less than the poverty level for a family of three.⁸ Most TANF leaver jobs lack basic benefits such as health coverage, sick leave, pensions, and vacation.⁹ Many of these jobs are unstable, with the percentage of TANF leavers employed in all four quarters after leaving TANF ranging from a low of 35% to a high of only 58% in five state studies.¹⁰

Due to low wages and unstable employment, TANF leavers often experience severe hardship. In state leaver surveys, the percentage reporting “moved or evicted” ranged from 5% to 21% (11 states); “needed medical care but couldn’t get it” from 13% to 54% (8 states); “had a time when no way to buy food” from 13% to 44% (8 states); “electricity cut-off” from 2% to 36% (6 states); and “phone cut-off” from 22% to 48% (6 states).¹¹

Among all single mothers, those with a high school degree have much higher wage rates and employment rates than those without a high school degree. In 2009, single mothers with a high school degree had an employment rate of 57% and average earnings of \$29,352 when working full-time, year-round; single mothers without a high school degree had an employment rate of only 37% and average earnings of only \$21,764 when working full-time year-round.¹²

Similarly, single mothers with a college degree have much higher wage rates and employment rates than those with only a high school degree. In 2009, single mothers with an Associate's degree had an employment rate of 70% and average earnings of \$38,677 when working full-time, year-round; single mothers with a Bachelor's degree (or more) had an employment rate of 76% and average earnings of \$59,392 when working full-time, year-round.

Work first creates a roadblock to the educational opportunity that is a real path out of poverty and into stable, living wage employment. Work first should be replaced by a policy that supports single mothers who wish to go to school.

(March 2010. Legal Momentum has established the EndPovertyNow coalition and list serve to promote changes to the TANF program that will make it a meaningful safety net and a true stepping stone to economic security. You can sign up for the EndPovertyNow list serve by sending an email with "join" in the subject line to tcasey@legalmomentum.org)

¹ Remarks by the President at the America's Promise Alliance Education Event, March 1, 2010, available at <http://www.whitehouse.gov/the-press-office/remarks-president-americas-promise-alliance-education-event>.

² Remarks by the President in State of the Union Address, Jan. 27, 2010, available at <http://www.whitehouse.gov/the-press-office/remarks-president-state-union-address>.

³ U.S. Department of Health and Human Services (HHS), *Temporary Assistance For Needy Families, Eighth Annual Report To Congress*, at Table 10-25, (2009), available at <http://www.acf.hhs.gov/programs/ofa/data-reports/annualreport8/ar8index.htm>. This HHS report indicates that 4.6% of adult recipients had "more than 12 years" education but does not indicate how many had obtained either a two year or four year degree. About 90% of parents receiving TANF are single mothers.

⁴ Poverty rates calculated by Legal Momentum using the U.S. Census Bureau Current Population Survey Table Creator at http://www.census.gov/hhes/www/cpstc/cps_table_creator.html. The poverty rates are those for "female-headed primary families, no spouse present."

⁵ The federal TANF work rules are complex in detail. For a more thorough discussion, see Committee on Ways and Means U.S. House of Representatives, *Background Material and Data on the Programs within the Jurisdiction of the Committee on Ways and Means 2008* (popular name "Greenbook"), at 7-59 – 7-80 (2008), available at <http://waysandmeans.house.gov/Documents.asp?section=2168>.

⁶ HHS TANF table available at <http://www.acf.hhs.gov/programs/ofa/particip/2008/tab6a.htm>

⁷ Elizabeth Lower-Basch & Mark Greenberg, *Single Mothers in the Era of Welfare Reform*, at 175-6 (2008), available at <http://www.clasp.org/admin/site/publications/files/0490.pdf>.

⁸ *Greenbook*, *supra* n. 5, at 7-85 – 7-86.

⁹ *Single Mothers in the Era of Welfare Reform*, *supra* n.7; see also, Christine Devere, *Welfare Reform Research: What Do We Know About Those Who Leave Welfare*, at 12, (2001), a Congressional Research Service report for Congress, available at https://www.policyarchive.org/bitstream/handle/10207/1165/RL30882_20010313.pdf?sequence=1.

¹⁰ *Id.* at 14.

¹¹ *Id.* at Table 2.

¹² Employment rates and average earnings calculated by Legal Momentum using the U.S. Census Bureau Current Population Survey Table Creator at http://www.census.gov/hhes/www/cpstc/cps_table_creator.html.