



Welfare Reform

Efforts are underway at the federal level and at the State to reform the nation's welfare system. The major federal welfare program is Aid to Families with Dependent Children (AFDC). Statewide implementation of the State's welfare reform program, the "Virginia Independence Program," began July 1.

This State program has a "child cap," restricting mothers from receiving additional cash benefits for any children born more than 10 months after they go on welfare. The program also increases parental responsibility for children's school attendance, for obtaining child immunizations, and for child support payments. Teenage mothers are required to live with their parents or adult relatives and to remain in school.

In addition, able-bodied adults receiving AFDC are required to participate in the "Virginia Initiative for Employment Not Welfare." This part of the State's welfare reform program emphasizes work and is being phased in over a four-year period, with Alexandria to begin April 1, 1996.

Under this program, AFDC recipients are required to seek unsubsidized full-or part-time employment within 90 days of receiving assistance. If they do not have jobs within 90 days, they will be required to work in return for their benefits. A publicly subsidized job in a private business or in a public or non-profit community service job for six months qualifies as work. For those required to work, AFDC assistance expires after two years. Preparing for the April 1 start-up. Alexandria faces a number of difficult challenges:

- Driven by the recent recession, AFDC caseloads rose 126% in Alexandria between FY 1988 and FY 1994, the largest increase in the State. Since then, caseloads have been decreasing slowly.
- Many welfare recipients have little previous work experience and poor job readiness skills. Motivating and assisting adult AFDC recipients to adopt new attitudes, skills, and behaviors is crucial to the success of the program.
- Encouraging private sector employers to hire AFDC recipients will require a major outreach effort. Employers' ability and willingness to hire an estimated 600 new workers is as critical to the success of the program as the job readiness of AFDC recipients.
- Providing AFDC recipients with sufficient income and benefits will improve their chances for success. Adults leaving welfare for work can continue to receive health care (Medicaid), transportation assistance, and child care services for up to 12 months if necessary to remain employed.

- Community work experience for those who do not obtain a private sector job within 90 days will help to prepare them for unsubsidized employment and get important work done in the community.

Anticipating the need for job training and placement services, the City has redirected City funds to establish the Center for Employment Training (CET). The Center provides training in six career skills tied to local job openings. When fully operational in late 1995, CET will train 200 AFDC recipients a year and place a minimum of 133 in jobs.

The City's Department of Human Services staff is working with 450 welfare recipients, including those in the CET program, assisting them to obtain employment before the State welfare reform program begins. Another 150 AFDC recipients, whose youngest child will be at least 19 months old on April 1, will be required to participate in the program.

Congress is also debating welfare reform. One proposal would package all or most federal entitlement programs, including AFDC, into block grants and turn them over to the States. These block grants would end welfare as an entitlement. The requirement that States themselves continue to fund welfare programs would also end, and States would have increased flexibility in deciding how to spend the federal dollars. These changes in the AFDC program could have profound social and fiscal impacts on Virginia's cities and counties, including increased numbers of people in need of locally funded assistance.

The City's welfare reform effort hinges on the active participation of employers and community organizations. The City, Chamber of Commerce, United Way, and ALIVE are working together to promote private-public partnerships with an emphasis on job development.

Welfare Reform Facts

AFDC recipients needing jobs - 600 (4/1/96)

Profile of local AFDC recipients:

Households receiving AFDC (6/95) - 1,568

People receiving AFDC benefits - 3,793 (6/95)

Typical family size - adult and one or two children

AFDC Families headed by grandparent - 10%

Heads of households with high school diploma - 39%

Monthly AFDC benefits (one adult & two children) - \$354.

Sources: Department of Human Services; Virginia Employment Commission.