



★ WASHINGTON WATCH ★

An update on federal action from

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Welfare Reform Debate Begins on Senate Floor

Two weeks ago, disagreement among Republicans threatened to delay Senate action and force welfare reform into the budget reconciliation bill in the fall. Late last week, action on welfare reform resumed with the introduction of Senator Bob Dole's (R-KS) Republican compromise bill (S. 1120) and the Democratic bill drafted by Minority leader Tom Daschle (D-SD). The Democratic and Republican plans borrow heavily from the bill already passed by the House (H.R. 4), and differ only marginally from each other. Both plans block grant AFDC, impose a five year lifetime limit for benefits, shift responsibility for determining eligibility to states, and require beneficiaries to establish paternity. The differences between the plans are outlined below.

The Democratic plan:

● replaces AFDC with "Temporary Employment Assistance," a conditional individual entitlement of limited duration

● replaces JOBS with "Work First Employment Block Grant," requiring 50 percent of beneficiaries to work by 2000

● block grants child care and guarantees care for children whose parents are required to work

● requires states to continue spending their own money on welfare

● provides states that exceed work targets with a per person bonus

The Republican plan:

● eliminates AFDC entitlement and replaces with block grants frozen at 1994 funding levels through 2000

● allows governors to decide whether to opt for a nutrition assistance block grant or federal food stamps - a permanent decision for the state once taken -- and allows 25 percent of the funds to be used for purposes other than nutrition assistance

● consolidates JOBS funding into AFDC block grants, and requires 50 percent of beneficiaries to work by 2000

● fails to guarantee child care

● does not require states to continue spending their own money on welfare

● allows states to implement child exclusion policies, such as family caps and denial of benefits to teen mothers and children

● makes small adjustment for states with high growth rates and lower than national average benefits

Although Senator Phil Gramm (R-TX) dropped his plans to offer a conservative alternative, the Christian Coalition opposes the Dole bill, and Senators Gramm and Faircloth (R-NC) said the Republican bill will need serious amending to be acceptable. It is unclear whether Dole will bring the bill to a final vote if debate becomes bogged down by a flood of amendments, or whether he might pull the bill for attachment to an omnibus reconciliation bill in the fall.

MESSAGE TO YOUR SENATORS AND REPRESENTATIVE:

- Oppose turning entitlements into block grants and vote "no" on deep cuts in funding of nutrition and other human needs programs.
- Oppose block granting food stamps and child nutrition assistance programs. Support efforts to maintain food stamps and child nutrition programs as federal entitlement programs.