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Welfare Reform in Mississippi: TANF Policy and its Implications

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WELFARE REFORM IN MISSISSIPPI: TANF POLICY AND ITS IMPLICATIONS

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Introduction	1108
I. A Brief History of Welfare Reform	1109
II. TANF Policies	1115
A. Welfare to Work	1115
1. Accountability of Contractors	1117
2. Welfare Recipients as Employees.....	1118
3. Livable Wage	1120
4. Education	1123
III. Challenges in Mississippi: Problems and Criticisms of TANF Policy	1123
A. Single Mothers	1123
B. Livable Wage in Mississippi.....	1124
C. Education in Mississippi.....	1125
IV. Recommended Changes	1126
Conclusion	1128

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INTRODUCTION

Welfare reform is a hotly debated issue in America. Opponents to welfare programs argue that recipients, who have no desire to “earn” a living, abuse a system designed for the neediest of families and engage in risky behaviors such as premarital sex and drug use. American taxpayers and politicians have criticized welfare programs such as the Aid to Families with Dependent Children (“AFDC”) because welfare benefits were not tied to work.¹ In addition, many welfare recipients are erroneously characterized as African-Americans,² drug addicts and alcoholics,³ or shiftless and unwilling to work.⁴ Although these fallacies have been contradicted by research, some recipients may further perpetuate these stereotypes by remaining on the welfare rolls for long periods of time and having children out of wedlock.⁵ In an effort to reduce the dependence of the poor on welfare, Congress enacted the Temporary Assistance for Needy Families (“TANF”) law.⁶

TANF was designed to move poor families from “welfare rolls” to “payrolls” by setting mandatory work requirements⁷ and time limits for income assistance.⁸ However, welfare reform is complicated because states can require recipients to adhere to behavioral policies

1. See generally PHILIP E. POPPEL & LESLIE H. LEIGHNINGER, *SOCIAL WORK, SOCIAL WELFARE, AND AMERICAN SOCIETY* 25-56 (1993) (describing such criticisms of AFDC).

2. See Rosalee A. Clawson & Rakuya Trice, *Poverty as We Know It: Media Portrayal of the Poor*, 64 *PUB. OPINION Q.* 53, 54 (2000) (reporting that in a study of news magazines, the media typically portrayed poverty as “black,” although less than one-third of the poor are black).

3. See Bridget F. Grant & Deborah A. Dawson, *Alcohol and Drug Use, Abuse and Dependence Among Welfare Recipients*, 86 *AM. J. PUB. HEALTH* 1450, 1453 (1996) (finding that the rates of alcoholism and drug use among welfare recipients were very similar to the national averages).

4. See CHRISTOPHER JENCKS, *RETHINKING SOCIAL POLICY: RACE, POVERTY, AND THE UNDERCLASS* 255 (1992) (illustrating that most welfare mothers are willing to work if they will benefit more from the work than from staying home).

5. See ALAN GUTTMACHER INSTITUTE, *ISSUES IN BRIEF: TEENAGE PREGNANCY AND THE WELFARE REFORM DEBATE* (1995) (asserting that three-fourths of unmarried adolescent mothers begin receiving welfare within five years of their first child’s birth, and that teen mothers are disproportionately represented among long-term AFDC recipients), available at <http://www.guttmacher.org/pubs/ib5.html>; see also Diane Lim Rogers & Alan Weil, *Welfare Reform and the Role of Tax Policy*, 53 *NAT. TAX J.* 385, 387 (2000) (arguing for policy changes that would reduce the number of never-married mothers on TANF and promote families).

6. See 42 U.S.C. § 601 (1996) (providing for block grants to states for temporary assistance to needy families).

7. See 42 U.S.C. § 607 (1996) (requiring states receiving aid under the program to establish minimum participation rates per fiscal year of families receiving aid).

8. See 42 U.S.C. § 608(a)(7)(A) (1996) (providing that generally, a state program funded under the TANF statute shall not use federal funds to provide assistance for more than five years).

or risk termination from the program, and states are able to set restrictions on benefits.⁹ For example, TANF policy in Mississippi is problematic because the state ranks among the worst in teenage pregnancy,¹⁰ illiteracy,¹¹ and household income.¹²

One of the purposes¹³ of TANF is to “end the dependence of needy parents on government benefits by promoting job preparation, work, and marriages.”¹⁴ The purpose of this Article is to review the literature on welfare reform and TANF, to determine whether or not TANF’s stated purpose is being met in Mississippi, and to recommend changes in laws or policies which we believe would help accomplish TANF’s purpose in Mississippi. First, we present the evolution of TANF policy from its predecessors, including the Aid to Families with Dependent Children. Second, we discuss the successes and failures of current federal TANF policy. Third, we critique Mississippi’s TANF policy in light of the state’s unique economic and social problems. Finally, we discuss the implications of the current policy and offer recommendations for the future.

I. A BRIEF HISTORY OF WELFARE REFORM

Welfare, also known as “relief” until the 1950s, has been historically characterized into four components: (1) relief payments for below low-wage workers to instill a sense of work-ethic among the poor, (2) discriminatory practices concerning public aid against people of

9. See 42 U.S.C. § 604(a)(1) (1996) (giving states broad latitude in creating eligibility requirements, termination requirements, and type and level of benefits).

10. See Allan Guttmacher Institute, *Teenage Pregnancy: Overall Trends and State by State Information* (1999) (finding that Mississippi had the nation’s tenth highest rate of teen pregnancy), available at http://www.agi-usa.org/pubs/teen_preg_stats.html.

11. See Robin L. Flanigan, *Mississippi*, 2 EDUC. WK. 127 (2002) (stressing the importance of providing assistance to the poor in Mississippi due to the fact that the state’s illiteracy rates are among the highest in the country).

12. See US CENSUS BUREAU, INCOME 2001 (2001) (stating that Mississippi ranked 47th in median household income nationwide), available at <http://www.census.gov/hhes/income/income01/statemhi.html>.

13. See 42 U.S.C. § 601(a) (1996) It was Congress’ intent to:

increase the flexibility of States in operating a program designed to (1) provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives; (2) end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage; (3) prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and (4) encourage the formation and maintenance of two-parent families.

Id.

14. See 42 U.S.C. § 601(a)(2) (1996). This Article will deal only with the effects of mandatory work programs on the needs of poor families.

1110 JOURNAL OF GENDER, SOCIAL POLICY & THE LAW [Vol. 11:3

color and immigrants until the 1950s, (3) stigmatism and embarrassment of welfare recipients to discourage others from seeking aid, and (4) proof that recipients are deserving of aid by demonstrating the ability to find and maintain jobs.¹⁵

In the past, the federal government had left the task of providing assistance to poor, needy, unfortunate, crippled, or elderly persons to private agencies.¹⁶ This stance changed during the Great Depression.¹⁷ Increasing unemployment and poverty rates led Franklin D. Roosevelt to enact the New Deal Program, a series of government and welfare programs designed to “temporarily” aid the unfortunate.¹⁸ The Federal Emergency Relief Act (“FERA”) was one of the first federal welfare programs enacted in 1933.¹⁹ FERA, a \$500 million grant program to state and local governments, provided relief funds to all unemployed persons and dependents in need.²⁰ This marked the first time in American society that relief funds were available to groups other than widows, orphans, and disabled persons.

In 1935 the Social Security Act was passed by the federal government, which established the Aid to Dependent Children Program (“ADC”).²¹ Like FERA, ADC was created to improve the living situations of needy families as a unit.²² ADC provided cash assistance to children of families reliant on or deprived of income resources due to the absence of a parent because of death, divorce, or separation.²³ ADC laid the foundation for what became known as Aid

15. See Nancy E. Rose, *Scapegoating Poor Women: An Analysis of Welfare Reform*, 34 J. ECON. ISSUES 143, 144 (2000).

16. See MICHAEL TANNER, *THE END OF WELFARE: FIGHTING POVERTY IN THE CIVIL SOCIETY* 35-40 (1996) (describing private charitable programs that supplemented the minimal assistance that the government provided for the nation’s poorest citizens).

17. See *id.* at 45 (reporting the dramatic increase in joblessness and poverty during the Great Depression, and the effect that it had on both charitable organizations and the government).

18. See *id.* at 48-50 (discussing several of the welfare and employment programs enacted by Roosevelt as part of the New Deal).

19. See *id.* at 49-50 (stating that Roosevelt signed FERA into law just ten weeks after his inauguration, signaling an important change in federal welfare policy).

20. See *id.* (discussing the rapid development and implementation of the Federal Emergency Relief Act).

21. See *id.* at 49-50 (describing the quiet creation of ADC, which would become the foundation of the modern welfare system).

22. See SUSAN E. MAYER, *WHAT MONEY CAN’T BUY: FAMILY INCOME AND CHILDREN’S LIFE CHANCES* 24 (1997) (stating that the main goal of both ADC and FERA was to “improve the material well-being of families, not the behavior of the parents”).

23. See *id.* at 25-26 (asserting that ADC was intended to provide aid to “worthy” recipients, including children whose mothers were divorced or abandoned). See generally LOUISE C. JOHNSON & CHARLES L. SCHWARTZ, *SOCIAL WELFARE: A RESPONSE TO HUMAN NEED* (1988).

to Families with Dependent Children (“AFDC”). From 1938 to 1940, the number of families on ADC rolls increased substantially.²⁴ AFDC was intended to provide financial support to families with children and little or no earned income.²⁵ Poor single mothers had to show that they did not receive financial support from the father of their children.²⁶ Although financial support was minimal and provided just enough benefits for a family to survive, the number of welfare recipients increased almost every year for sixty years since the inception of ADC.²⁷

ADC was amended in 1950 to include relatives with whom the child resided.²⁸ By 1956, the number of ADC families increased to over 600,000 with a total of 2.2 million persons.²⁹ Approximately one-fourth of all aid recipients were unwed mothers.³⁰ Because welfare policies initially targeted only widows with children, many politicians and the American public had unfavorable views towards the increasing trend of unwed mothers receiving welfare benefits.³¹ The United States experienced nearly a seventeen percent increase of single parent households headed by women from 1950 to 1960.³²

24. See TANNER, *supra* note 16, at 50 (reporting that in 1938, 243,000 families and more than 600,000 children participated in ADC, but that by 1939, the numbers had increased to 298,000 families and 708,000 children).

25. See MAYER, *supra* note 22, at 25 (quoting the Social Security Board’s observation that “homes in which dependent children now live do not, in many instances, conform to a minimum standard of decency and health or provide a minimum opportunity for a child’s welfare. These conditions frequently result directly or indirectly from economic pressures . . . and may be eliminated by adequate assistance and services”).

26. See Philip N. Cohen & Suzanne M. Bianchi, *Marriage, Children, and Women’s Employment: What Do We Know?*, 122 MONTHLY LAB. REV. 22, 23 (1999) (stating that ADC, later AFDC, was intended to enable mothers who had lost the wage support of fathers to stay out of the labor market and care for their children).

27. See June E. O’Neill & M. Anne Hill, *Gaining Ground? Measuring the Impact of Welfare Reform on Welfare and Work*, CENTER FOR CIVIC INNOVATION (July 2001) (showing a steady increase in the number of families receiving welfare from 1936 until the early 1990s), available at http://www.manhattan-institute.org/html/cr_17.htm.

28. See TANNER, *supra* note 16, at 51 (noting that ADC was amended to provide more assistance to the mothers or other relative caretakers).

29. See *id.* (stating that the number of families receiving ADC reached 2,221,000 people in 1956, despite declining poverty and a strong economy).

30. See *id.* (stating that 22.7% of ADC recipients were unwed mothers, although the program was originally intended for widows).

31. See Kathleen A. Kost & Frank W. Munger, *Fooling All of the People Some of the Time: 1990’s Welfare Reform and the Exploitation of American Values*, 4 VA. J. SOC. POL’Y & L. 3, 22 (1996) (discussing conservative political attacks on and social attitudes toward AFDC, a program that was seen by many as benefiting the “undeserving poor”).

32. See Ellen J. Perkins, *AFDC in Review 1936-1962*, 5 WELFARE IN REV. 1, 3 (1963) (noting the significant increase in “such broken families” between 1950 and 1960).

1112 JOURNAL OF GENDER, SOCIAL POLICY & THE LAW [Vol. 11:3

Single parent households became a growing concern on two fronts: a moral perspective and a higher dependence on welfare than two-parent families.³³

In the middle and late 1960s a number of "Great Society Programs" were introduced by the Johnson administration.³⁴ These programs called for revitalizing broken communities, increasing federal funding on welfare, and developing Medicare and Medicaid programs to assist elderly and disabled patients and welfare recipients with medical expenses.³⁵ The Medicare and Medicaid programs offered health care for the poorest Americans, thereby reducing infant mortality rates and increasing life expectancy, particularly that of poor African-Americans.³⁶

Conservative politicians vigorously attacked welfare programs during the late 1960s and early 1970s.³⁷ Congress made its first major effort to encourage work among single mothers in 1967, when it allowed welfare recipients to retain part of their earnings.³⁸ Since 1967, federal and state legislators have contrived sundry schemes for moving single mothers "off the welfare rolls and onto payrolls."³⁹ These included job training programs and low-income housing.⁴⁰ Despite these efforts, the number of welfare recipients doubled between 1960 and 1974.⁴¹

33. See generally *id.* (discussing the history of the AFDC, and focusing largely on the "problem" of single parent households and broken homes).

34. See TANNER, *supra* note 16, at 52-54 (outlining some of the programs enacted under President Johnson's "Great Society" initiative, including the Job Corps and the Neighborhood Youth Corps).

35. See *id.* at 52 (stating that Medicare, Head Start, Legal Services, Community Action grants, and Medicare were programs enacted by President Johnson as part of a "War on Poverty").

36. See MICHAEL B. KATZ, *IN THE SHADOWS OF THE POORHOUSE: A SOCIAL HISTORY OF WELFARE IN AMERICA* 265 (1986) (describing the "modest revolution in health care" perpetuated by Medicaid and Medicare programs, which reduced the infant mortality by half in some areas and dramatically increased life expectancy).

37. See generally CHARLES NOBLE, *WELFARE AS WE KNEW IT: A POLITICAL HISTORY OF THE AMERICAN WELFARE STATE* 105-20 (1997) (describing the conservative backlash against welfare programs that existed in the 1960s and 1970s).

38. See TANNER, *supra* note 16, at 113 (describing the Work Incentive ("WIN") Program, introduced in 1967, which required that all welfare recipients except those with special exemptions be placed in jobs or training programs).

39. See JENCKS, *supra* note 4, at 166.

40. See, e.g., *id.* at 52 (discussing President Johnson's enactment of the Housing and Urban Development Act, which authorized the construction of 600,000 federally subsidized low income housing units to assist the poor).

41. See *id.* at 266 (stating that in 1960, 7.1 million people received public assistance; by 1974, that number had increased to 14.4 million).

During the 1970s, most Americans viewed welfare recipients, particularly black mothers on welfare, as undeserving.⁴² Perhaps no other politician effectively, yet controversially, built public resentment against social welfare programs like Ronald Reagan. During his bid for the 1976 presidential election, Reagan told a story about an African American woman from Chicago who was arrested for welfare fraud. According to Reagan, the woman had eighty aliases, thirty different addresses, twelve Social Security cards, four deceased husbands, and collected benefits under each name along with Medicaid and food stamps.⁴³ The term “welfare queen” originated from Reagan’s inaccurate portrayal of welfare recipients as lazy African-American women with values and morals contradicting those of working and middle class Americans.

Despite several plans to reduce government spending on welfare, the poverty rate grew at levels much faster than employment opportunities for welfare recipients. The proportion of single mothers with paid jobs rose only from fifty-two percent to fifty-seven percent between 1960 and 1988.⁴⁴ Welfare recipients grew from 147,000 families in 1936 to nearly five million families in 1994.⁴⁵ To put this in perspective, less than one percent of all U.S. families with children received welfare benefits in 1936, but by 1994, this percentage had ballooned to fifteen percent. In 1994, approximately ten million children, or fifteen percent of U.S. children, were beneficiaries of AFDC while more than twenty-two percent of U.S. children lived in poverty.⁴⁶

The Family Support Act of 1988 required all states to develop a Job Opportunities and Basic Skills Training program (“JOBS”) to move families off welfare to self-sufficiency.⁴⁷ The purpose of JOBS was to

42. See NOBLE, *supra* note 37, at 114 (discussing the role that race played in making many Americans view welfare recipients as undeserving “shirkers”).

43. See Franklin G. Gilliam, Jr., *The Welfare Queen Experiment: How Viewers React to Images of African-American Mothers on Welfare*, 53 NIEMAN REP. 49 (1999) (discussing the “intersection of race and gender” as a narrative script successfully employed by President Reagan to create negative images of the welfare program), available at <http://www.nieman.harvard.edu/reports/99-2NRsummer99/Gilliam.html>.

44. See JENCKS, *supra* note 4, at 166.

45. See Douglas J. Besharov & Peter Germanis, *Welfare Reform—Four Years Later*, 140 PUB. INT. 17, 17-35 (2000) (acknowledging the growth in the number of welfare recipients).

46. See Morton S. Baratz & Sammis B. White, *Childfare: A New Direction for Welfare Reform*, 33 URB. STUD. 1935, 1936 (1996) (noting the importance of having AFDC function correctly because of the vast numbers of poor children in the United States).

47. See Carol Dawn Peterson, *Female-Headed Families on AFDC: Who Leaves Welfare Quickly and Who Doesn't*, 29 J. ECON. ISSUES 619, 624 (1995) (stating that the

1114 JOURNAL OF GENDER, SOCIAL POLICY & THE LAW [Vol. 11:3

provide working age AFDC recipients with skills, education, and work experience to enhance their chances of obtaining and maintaining a job.⁴⁸ This program was not successful because states were not required to serve all AFDC recipients and failed to receive upfront support from the federal government.⁴⁹

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (“PRWORA”)⁵⁰ converted AFDC from a federal entitlement program to a program of fixed block grants administered by the states.⁵¹ This fixed block program, known as the TANF program, emphasizes work requirements and limitations on welfare benefits.⁵² TANF recipients receive transitional assistance conditional on work or the performance of work-related activities.⁵³ Federal legislation has two broad requirements for TANF recipients: (1) all recipients must go to work within two years of entering the program and (2) all recipients have a five-year lifetime assistance limit.⁵⁴ However, states may enforce shorter time limits on assistance.⁵⁵

JOBS program was designed to help welfare families become more self sufficient by increasing their “employability”).

48. See Matthew Diller, *Working Without a Job: The Social Messages of the New Workfare*, 9 STAN L. & POL’Y REV. 19, 20-22 (1998) (explaining how regulations on salary and benefits entoned these requirements).

49. See *id.* (citing the fact that federal funding for JOBS programs was only on a matching basis as one of the reasons for the program’s failure).

50. Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, 110 Stat. 2105 (governing the type of aid given and how the administration of that aid should be evaluated).

51. See Diller, *supra* note 48, at 24-25 (detailing the implications of the work requirements under PRWORA).

52. See Paul Davies et al., *The Effect of Welfare Reform on SSA’s Disability Program: Design of Policy Evaluation and Early Evidence*, 63 SOC. SEC. BULL. 3, 3-11 (2000) (discussing the effects that the policy changes in TANF will have on recipients of SSI and SSDI); see also Robert Haveman & Barbara Wolfe, *Covering the 1996 Reform Law—Temporary Assistance to Needy Families (TANF) and Its Objectives*, 87 THE QUILL 35, 35-38 (1999) (outlining the ways that TANF differs from AFDC).

53. See 42 U.S.C. § 607 (1996) (setting out the work requirements mandated by TANF).

54. See *id.*; see also 42 U.S.C. § 608(a)(7) (1996) (stating that no individual may receive assistance for longer than sixty months). See generally Ladonna Pavetti & Nancy Wemmerus, *From Welfare Check to Paycheck: Creating a New Social Contract*, 20 J. LAB. RES. 517 (1999) (using Virginia as an example of the development and implementation of a welfare to work program); Wendy Chavkin et al., *State Welfare Reform Policies and Declines in Health Insurance*, 90 AM. J. PUB. HEALTH 900, 900-08 (2000) (exploring the implications of TANF policy on Medicaid enrollment and health insurance coverage).

55. See Janice Peterson, *Welfare Reform and Inequality: The TANF and UI Programs*, 34 J. ECON. ISSUES 517, 518 (2000) (stating that twenty states have already implemented shorter time limits for receiving TANF benefits).

II. TANF POLICIES

A. *Welfare to Work*

TANF replaced the work requirements of the Family Support Act of 1988 (“FSA”) and effectively changed the philosophy behind work requirements.⁵⁶ The FSA emphasized the matching of welfare recipients’ skills with the needs of the job market to get them off and keep them off the welfare rolls,⁵⁷ whereas TANF’s primary focus is simply to get welfare recipients to work and off of welfare.⁵⁸ FSA targeted the long-term employability of welfare recipients while TANF focuses on removing recipients off welfare rolls by mandating lifetime assistance limitations and promoting the idea that any employment should be accepted regardless of lack of benefits or opportunities.

Not all welfare recipients are required to work to be eligible for TANF assistance. TANF has created three exemptions to the sixty-month rule: (1) the minor child exemption,⁵⁹ (2) hardship exemption,⁶⁰ and (3) Native American or Native Alaskan exemption.⁶¹ These exemptions have a minuscule effect on the number of needy families affected by TANF.⁶² The minor child exemption affects only the minor child who is not the head of a household or married to the head of a household.⁶³ In other words, a minor child who is currently a dependent is granted a separate sixty-month period if that minor child becomes a head of household. This might force an impregnated minor to move out of the parent’s home or to give up parental rights to the baby because the sixty-month

56. See Diller, *supra* note 48, at 23 (explaining that the underlying philosophy of the FSA work requirement “reflected a presumption in favor of educational training and placements [while] the PRWORA adopts a presumption against them”).

57. See *id.* at 20 (deducing that lack of job training and support kept people from working).

58. See *id.* at 24-26 (describing the “shifting social messages” sent by the changes in the work requirements).

59. See 42 U.S.C. § 608(a)(7)(B) (1996) (exempting minor children who are not household heads or married to a household head).

60. See 42 U.S.C. § 608(a)(7)(C) (1996) (allowing a family to be exempt from the work requirement if a family member has been subject to extreme cruelty).

61. See 42 U.S.C. § 608(a)(7)(D) (1996) (exempting adults who live in “Indian Country” or Alaskan Native villages where there is an unemployment rate of fifty percent or more).

62. See Montgomery L. Wilson, *Congress Imposes an “Undue Burden” on Poor Families: How the 1996 Personal Responsibility Act’s Full-Family Cut-Off Will Force Parents to Separate from Children*, 8 TEMP. POL. & CIV. RTS. L. REV. 141, 144-49 (1998) (arguing that these restrictions place an undue burden on families that do not fall under any of these exemptions).

63. See 42 U.S.C. § 608(a)(7)(B)(ii) (1996).

1116 JOURNAL OF GENDER, SOCIAL POLICY & THE LAW [Vol. 11:3

period starts whether or not benefits are being received once a minor child becomes a head of household.

The hardship exemption is for individuals who have “been battered or subjected to extreme cruelty.”⁶⁴ While TANF lists seven explicit situations which give substance to “battered” and “extreme cruelty,”⁶⁵ it also gives states broad latitude in determining what actually constitutes “battered” or “extreme cruelty” by failing to make an individual’s inclusion in one of the seven categories a mandatory hardship exemption.⁶⁶ Instead the state “may” exempt a family from the sixty-month limitation benefits.⁶⁷ This equivocal language gives states the authority to set any hardship criterion that is within the federal parameters.

TANF has been successful in reducing welfare caseloads. The number of welfare caseloads has been reduced forty to fifty percent.⁶⁸ Wisconsin and Wyoming have reduced their welfare caseloads by nearly ninety percent.⁶⁹ A study at the Center for Civic Innovations, completed in July 2001,⁷⁰ indicates that dramatic changes have occurred in the welfare and work environment due to the policy changes made in TANF.⁷¹ Results show that welfare reform, not the

64. See 42 U.S.C. § 608(a)(7)(C)(i) (1996).

65. See 42 U.S.C. § 608(a)(7)(C)(iii)(I)-(VII) (1996). The statute defines a battered individual as:

[one who] has been subjected to (I) physical acts that resulted in, or threatened to result in, physical injury to the individual; (II) sexual abuse; (III) sexual activity involving a dependent child; (IV) being forced as the caretaker relative of a dependent child to engage in nonconsensual sexual acts or activities; (V) threats of, or attempts at, physical or sexual abuse; (VI) mental abuse; or (VII) neglect or deprivation of medical care.

Id.

66. 42 U.S.C. § 608(a)(7)(C)(i) (1996) (“The State *may* exempt a family from the application of subparagraph (A) by reason of hardship or if the family includes an individual who has been battered or subjected to extreme cruelty.”) (emphasis added).

67. See 42 U.S.C. § 608(a)(7)(C)(ii) (1996) (allowing the state to make determinations with respect to limitations).

68. See Besharov & Germanis, *supra* note 45 (stating that by June of 1999, the welfare rolls had fallen forty-nine percent from their all time high in March 1994); see also Chavkin et al., *supra* note 54, at 906 (discussing the impact of the changes in TANF policy on Medicaid enrollment).

69. See Alexander Nguyen, *Help Wanted: Why Welfare Reform Needs Good Social Workers*, 32 WASH. MONTHLY 17, 17-20 (2000) (discussing the possibilities of using social workers to help TANF recipients find and keep jobs, and asserting that the decline in the number of welfare cases is not necessarily indicative of successful welfare reform).

70. See generally O’Neill & Hill, *supra* note 27 (exploring the history and impacts of welfare reform).

71. See, e.g., *id.* at 5-12 (showing significant declines in welfare participation and increases in work participation among different demographic groups as a result of

booming economy, was the major factor for the change in the work participation patterns of welfare enrollees.⁷² In fact, the upswing in the economy accounted for less than twenty percent of the increased participation.⁷³

1. *Accountability of Contractors*

Over the past ten to fifteen years there has been a fundamental shift in the delivery of social services.⁷⁴ Local governments are increasingly contracting with private concerns to deliver social services, and this trend is escalating with TANF.⁷⁵ The broad and general mandate of the federal government to the state governments allows both state and local governments to invest private companies with the power to conduct intake and make eligibility determinations for welfare recipients.⁷⁶ Many administrative procedure acts or public information laws do not pertain to private concerns because a contractual relationship between the government and private concerns does not transform the private concern into a public agency.⁷⁷ However, because of the sixty-month limitation of benefits, it is imperative that any entity involved in the process of transitioning welfare recipients off of welfare rolls is accountable for promoting or

welfare reform).

72. *See id.* at 25 (concluding that the increased work rates and decreased reliance on welfare was due to the passage of welfare reform acts).

73. *See id.* at 21 (attributing the progress in welfare reform to policy changes rather than a changing economy).

74. *See* Barbara L. Bezdek, *Contractual Welfare: Non-Accountability and Diminished Democracy in Local Government Contracts for Welfare-to-Work Services*, 28 FORDHAM URB. L. J. 1559, 1561-65 (asserting that the Welfare State has become the Contractual State with many private concerns providing the social services that had been historically provided by government, but without the rigorous oversight mechanisms inherent in government agencies).

75. *See id.* at 1561 (discussing the upward trend in the privatization of social services).

76. *See* 42 U.S.C. § 601(a) (1996) (allowing the state to use the TANF grant “in any manner that is reasonably calculated to accomplish the purpose of” TANF or in any manner that was authorized by the repealed AFDC); *see also* Bezdek, *supra* note 74, at 1566 (outlining the background of privatization of government services and its implication for welfare).

77. *See* *Forsham v. Harris*, 445 U.S. 169, 185-87 (1980) (stating that documents created by a private concern, which is a federal grantee, may be autonomous); *see also* *Am. Hosp. Ass’n v. Bowen*, 834 F.2d 1037 (D.C. Cir. 1987) (holding that the Department of Health and Human Services satisfied the requirements of the Administrative Procedure Act when it did not follow the Act’s notice and comment procedures for rulemaking when issuing directives and entering into contracts with private hospitals); Bezdek, *supra* note 74, at 1568-72 (discussing the application of administrative laws and procedures to private concerns in the context of government contracts).

1118 JOURNAL OF GENDER, SOCIAL POLICY & THE LAW [Vol. 11:3

administering programs that will prepare the recipients for a successful exodus.

2. Welfare Recipients as Employees

The Center for Civic Innovations produced a study that revealed an increase in work participation patterns regardless of marital status, age, education or race.⁷⁸ The most significant gains were by young single mothers with children, black and Hispanic women, high school dropouts, and unmarried mothers.⁷⁹ Another study at the Institute for Research on Poverty completed in August 2001⁸⁰ asserts that over five-sixths of the welfare recipients who entered the workplace under TANF were considered equal to or better than the typical employee in comparable positions.⁸¹ Employers of former welfare recipients also seem to be satisfied. A phone survey of 600 employers representing the Welfare to Work Partnership found that most former welfare recipients are paid more than federal minimum wage, receive pay raises at an equivalent rate to other workers, and stay on the job longer than other employees.⁸² These findings help to dispel the perception that welfare participants are shiftless and unwilling to work.

This above average work record has developed despite the numerous employment obstacles for TANF recipients. According to one study, forty-four percent of TANF recipients identified at least two major obstacles to work. Lack of education, no work experience, lack of childcare and transportation, language barriers, and mental and physical problems were among the most popular deterrents to working.⁸³ Several incidents of child abuse and neglect, child stockpiling, low wages to caregivers, and federal fund

78. See O'Neill & Hill, *supra* note 27, at 6-15 (showing increases in work in nearly every demographic group surveyed).

79. See *id.* (reporting on the groups that have been the most successful in leaving the welfare rolls).

80. See generally Harry J. Holzer et al., *Job Performance and Retention among Welfare Recipients*, INSTITUTE FOR RESEARCH ON POVERTY (Aug. 2001), available at <http://www.ssc.wisc.edu/irp/pubs/dp123701.pdf>.

81. See *id.* at 13 (reporting that one-third of the welfare recipient-workers studied were considered better than average, and only one-sixth were considered to be worse than other employees).

82. See HR Focus, *Survey Says Welfare-to-Work Program is a Success* 8 (2000) (reporting that sixty-two percent of companies said that retention rates for employees on welfare were better than for other employees, and that the average starting wage for working welfare recipients was forty-six percent higher than the federal minimum wage at that time).

83. See Wendell Primus, *What Next for Welfare Reform?*, 19 THE BROOKINGS REV. 16, 16-19 (2001).

misappropriations exist at daycare centers that service welfare recipients seeking employment.⁸⁴ Even when welfare recipients find work, they experience additional problems. Compared to mothers receiving TANF benefits, working single mothers experience greater economic hardships as their work-related expenses outweigh the increased income from going to work.⁸⁵ Most welfare recipients cannot afford suitable childcare, yet there are still more than a dozen states that do not guarantee a childcare program for current TANF recipients who are in education or training.⁸⁶

Problems with health insurance coverage are also prevalent. Creators of the 1996 welfare reform policies acknowledged that women who left TANF were unlikely to find employment with health insurance benefits.⁸⁷ Compared to other social classes, poor families are less likely to have advanced education, more likely to be employed part-time or work at jobs without fringe benefits, and have higher rates of infant mortality and diseases.⁸⁸ Single parent female households that do not receive welfare have, on average, incomes more than double that of similar households receiving welfare benefits.⁸⁹ As a result of higher discretionary income, single parent female households that do not receive welfare can afford to spend approximately five times more on health coverage and three times more on childcare than similar households receiving welfare benefits.⁹⁰

84. See Andrew Goldstein, *It Took Three Dead Babies*, TIME, July 10, 2000, at 80-81 (describing some of the current problems with daycare).

85. See generally KATHRYN EDIN & LARUA LEIN, MAKING ENDS MEET: HOW SINGLE MOTHERS SURVIVE WELFARE AND LOW WAGE WORK (1997) (detailing the plight of single mothers on welfare or in low-paying jobs).

86. See State Policy Documentation Project, Findings in Brief: Childcare Assistance (stating that only thirty-five states provide child care assistance to families who are in education or training, and that often there is an additional work requirement), available at <http://www.spdp.org/tanf/childcare/childcaresumm.htm> (last visited June 17, 2003).

87. See generally Chavkin, *supra* note 54 (exploring possible connections between TANF policy changes, Medicaid participation, and health insurance coverage in general).

88. RICHARD T. SCHAEFER, SOCIOLOGY 208-09 (1986).

89. See Becca Newman & Deanna L. Sharpe, *How Much Is Enough: Feasibility of Welfare to Work for Single Mothers*, 45 CONSUMER INT. ANN. 15, 15-20 (1999).

90. *Id.*

3. Livable Wage

Acquiring a job is one thing, living on the wages produced by the job may be another thing altogether.⁹¹ It is critical that the job recipients under TANF's welfare-to-work plan receive a livable wage.⁹² A recent study showed that persons who left the AFDC program (TANF's predecessor) for more than one year are no better off than persons who left the AFDC program for less than one year.⁹³ While TANF caseloads have dropped from 4.8% of the U.S. population in 1996 to 2.1% in June of 2000,⁹⁴ success of TANF cannot be measured in decreased TANF rolls alone.⁹⁵

The living wage is important because now that a sixty-month limitation has been placed on the cumulative term of any person on welfare, people cannot go on and off of welfare intermittently and indefinitely as has been the usual case of low-income welfare work placements.⁹⁶ A recent study in Washington State indicates that the amount of income a welfare recipient earns on the recipient's first job after leaving the welfare system has a significant relationship to job

91. See Cynthia Negrey et al., *Job Training Under Welfare Reform: Opportunities for and Obstacles to Economic Self-Sufficiency Among Low-Income Women*, 7 GEO. J. POVERTY L. & POL'Y 347, 348 (2000) (stating that traditionally female jobs tend to pay low wages and therefore are unlikely to bring women and their families to economic self-sufficiency).

92. See PEACE & JUSTICE CENTER, PHASE 1: BASIC NEEDS AND A LIVABLE WAGE, THE VERMONT JOB GAP STUDY (Jan. 1997) (defining a living wage as the hourly rate/annual income necessary to cover basic needs plus all relevant federal and state taxes), available at <http://www.epinet.org/Issueguides/poverty/budgetystate.html>; see also NORTHWEST POLICY CENTER, NORTHWEST JOB GAP STUDY (2001) (defining a living wage as one that allows a family to meet its basic needs without resorting to public assistance and provides them with some ability to deal with emergencies and plan ahead), available at <http://depts.washington.edu/npc/npcpdfs/Region.pdf>.

93. See Heather Boushey & Bethney Gunderson, *Briefing Paper: When Work Just Isn't Enough: Measuring Hardships Faced by Families After Moving from Welfare to Work*, ECON. POL'Y INST. 16 (June 2001) (measuring four categories for critical and serious hardships (food insecurity, housing problems, insufficient access to health care, and inadequate child care) for recent and long-term AFDC program departers), available at <http://www.epinet.org/briefingpapers/hardshipsbp.pdf>.

94. See Administration for Children and Families, *Statistics: Temporary Assistance for Needy Families (TANF) Percent of Total U.S. Population, 1960-1999*, ACF NEWS (Dec. 15, 2000), available at <http://www.acf.hhs.gov/news/stats/6097rf.htm>.

95. See Negrey et al., *supra* note 91, at 348-49 (discussing the unique situation of women on TANF, and the effects of mandatory work requirements on women); see also Boushey & Gunderson, *supra* note 93, at 1 (asserting that employment rates and poverty levels of former welfare recipients do not provide a complete picture of the families' well-being).

96. See Rebecca Brown et al., *Working Out of Poverty: Employment Retention and Career Advancement for Welfare Recipients*, NGA CENTER FOR BEST PRACTICES 5-6 (July 1998) (describing the work patterns of women on welfare), available at <http://www.acf.hhs.gov/news/welfare/poverty/cover.htm>.

retention.⁹⁷ For example, of the welfare participants who entered the job market with hourly wages of \$9.50 or more, sixty-seven percent continued to be absent from the welfare rolls thirty-six months later. However for those who entered the job market with hourly wages of \$6.50 or less, only thirty-two percent remained off welfare after thirty-six months.⁹⁸ Another Washington state study in 1996 reported that approximately forty percent of the jobs in Washington paid less than a livable wage for a single person and seventy-two percent paid less than a livable wage for a single adult with two children.⁹⁹ The Washington state study followed a Vermont study that used 1995 data and showed that thirty-six percent of jobs in Vermont paid less than a livable wage for a single person and seventy-eight percent paid less than a livable wage for a single adult with two children.¹⁰⁰

The reduction in welfare caseloads may be misleading. For example, the state of Idaho has been successful in reducing welfare caseloads by eighty-nine percent, but has only spent \$12 million of its \$55 million TANF budget on job training and childcare.¹⁰¹ Not all states experience a significant reduction in welfare caseloads. From 1994 to 1998, Rhode Island and Hawaii achieved less than a twenty percent reduction in welfare caseloads while the number of welfare caseloads increased in Guam and the Virgin Islands.¹⁰²

Time limits may cause another distortion in the decrease in welfare caseloads. Under AFDC, poor single-parent families with at least one

97. See Russell M. Lidman, *The Family Income Study and Washington's Welfare Population: A Comprehensive Review*, WASH. STATE INST. FOR PUB. POL'Y 10 (Oct. 1995), available at <http://www.wsipp.wa.gov/hlthwelfare/pdf/fisreview.pdf>.

98. See *id.* (showing that the correlation of job retention to starting wage held at starting wages between \$9.50 and \$6.50). Sixty-one percent of the welfare recipients who had starting wages between \$8.00 and \$9.50 and forty percent of those with starting wages between \$7.99 and \$6.50 were still off welfare after thirty-six months. *Id.*

99. See NORTHWEST POLICY CENTER, *supra* note 92, at 12 (stating that "in Washington, 41 percent of job openings pay less than the \$10.25 an hour living wage for a single adult and 72 percent pay less than the \$16.86 an hour living wage for a single adult with two children").

100. See Peace & Justice Center, *Phase 2: Livable Wage Jobs: The Jobs Gap*, THE VERMONT JOB GAP STUDY 12, Table 4 (May 1997), available at <http://www.epinet.org/Issueguides/poverty/budgetystate.html>.

101. See Robert Kuttner, *The States Are Ending Welfare As We Know It— But Not Poverty*, BUS. WK. 36 (June 12, 2000) (arguing that Idaho's policy is simply to "clear the rolls" while other states provide a combination of work and learning that helps people become more self sufficient).

102. See UNITED STATES GENERAL ACCOUNTING OFFICE, REPORT TO THE CHAIRMAN, SUBCOMMITTEE ON HUMAN RESOURCES, COMMITTEE ON WAYS AND MEANS, HOUSE OF REPRESENTATIVES, CHILD SUPPORT ENFORCEMENT: EFFECTS OF DECLINING WELFARE CASELOADS ARE BEGINNING TO EMERGE, APPENDIX I (June 1999), available at <http://www.gao.gov/archive/1999/he99105.pdf>.

1122 JOURNAL OF GENDER, SOCIAL POLICY & THE LAW [Vol. 11:3]

child under eighteen years of age could receive assistance without time restrictions. TANF policy has a lifetime aid limit of sixty months or five years.¹⁰³ While a single parent with a youngest child in the teen years would have no incentive to leave welfare under the AFDC program given that welfare benefits would cease upon the child's eighteenth birthday, single parents with younger children may save their benefits until a later time under TANF's lifetime entitlement guidelines.¹⁰⁴ Therefore, it is possible that the reduction in welfare caseloads is overstated since some former welfare recipients may not have exhausted their lifetime assistance.

States have an opportunity to keep many of the welfare recipients with remaining eligibility from returning to welfare rolls by addressing livable wages. One of the primary reasons many welfare recipients return to welfare is because they can receive more income from welfare payments than from the low-wage jobs for which they usually qualify.¹⁰⁵ Since research indicates a correlation between low wages and welfare recidivism, the recidivism rate could be significantly reduced by an increase in the pay for those entering the job market.¹⁰⁶ Although some researchers have accused the federal government of failing to provide adequate financial support for welfare recipients,¹⁰⁷ increasing educational and job training opportunities for welfare participants would likely yield more favorable results than raising the minimum wage by itself.

Advancement through education and training, unfortunately, can only be accomplished in TANF by vocational training because only vocational training is counted toward the work requirement and then only for up to twelve months for each individual.¹⁰⁸

103. See 42 U.S.C. § 608(a)(7)(A) (1996).

104. See Gene Koretz, *Saving Benefits for a Rainy Day*, BUS. WK. 44 (Dec. 27, 1999) (discussing a study that illustrated the strategic use of time-limited welfare benefits).

105. Laura Cohn, *From Welfare to Worsefare?*, BUS. WK. 103-04 (Oct. 9, 2000) (discussing the fact that many former welfare recipients are in a worse financial situation after leaving the welfare rolls and finding work due to the extremely low wages paid by many jobs).

106. See Brown et al., *supra* note 96, at 24-30 (outlining various ways that workers coming off of welfare can increase their wages and advancement potential, thus limiting welfare recidivism); see also Lidman, *supra* note 97, at 10 (showing a link between increased wage rates and remaining off of welfare).

107. See Andrew S. Gruber, *Promoting Long-term Self-sufficiency for Welfare Recipients: Post-secondary Education and the Welfare Work Requirement*, 93 NW. U. L. REV. 247, 248 (1998) (promoting the need to include post-secondary education as meeting the work requirement in order to allow those who can to advance through higher education).

108. See 42 U.S.C. § 607(d) (1996).

2003]

WELFARE REFORM IN MISSISSIPPI

1123

4. Education

TANF takes the posture that any work will lead a welfare recipient to long-term sufficiency. Advancement through higher education has been given less significance because college education does not count toward an individual's work requirement.¹⁰⁹

III. CHALLENGES IN MISSISSIPPI: PROBLEMS AND CRITICISMS OF TANF POLICY

A. Single Mothers

Unlike most states, Mississippi is burdened with a combination of teenage pregnancy, economic disparity, illiteracy, and unskilled labor. Mississippi has the highest percentage of live births to mothers less than twenty years of age in the United States.¹¹⁰ This is an alarming statistic since single mothers and their children represent the largest proportion of welfare recipients and people in poverty.¹¹¹ Studies suggest that young women, regardless of race, who conceive out-of-wedlock children or raise them without a husband are most likely to have deleterious life outcomes.¹¹² The offspring of single parent households are likely to be dependent upon welfare, thus the cycle of poverty is likely to persist from generation to generation.

Mississippi's TANF policy penalizes welfare mothers with additional children. The contention is that welfare mothers should not be rewarded for having more children when they are struggling to care for the ones they already have. However, one may argue that the poor have the same rights and freedoms guaranteed to other citizens. Newborn children cannot care for themselves and, by failing to provide financial support, Mississippi's TANF policy is punishing both the parent and the child. While the Supreme Court has long recognized that the right to copulate and produce offspring is protected by the Constitution,¹¹³ there is no constitutional right for

109. See *id.* (stating that vocational training is counted toward work, but only for twelve months for any individual); see also Gruber, *supra* note 107, at 254-55 (arguing that "the exclusion of post-secondary education as an activity that counts toward a state's aggregate work participation rate undermine one of welfare reform's primary purposes: to give states more flexibility in operating their welfare programs.").

110. See Sally C. Curtin & Joyce A. Martin, *Births: Preliminary Data for 1999*, 48(14) NAT. VITAL STAT. REP. 12 (Aug. 8, 2000), available at http://www.cdc.gov/nchs/data/nvsr/nvsr48/nvs48_14.pdf.

111. See generally Newman & Sharpe, *supra* note 89.

112. DALTON CONLEY, BEING BLACK, LIVING IN THE RED: RACE, WEALTH, AND SOCIAL POLICY IN AMERICA 109-33 (1996).

113. See *Skinner v. Oklahoma*, 316 U.S. 535 (1942) (striking down legislation that imposed sterilization on "habitual criminals" as unconstitutional). See generally

1124 JOURNAL OF GENDER, SOCIAL POLICY & THE LAW [Vol. 11:3

the government to bear the expense of that personal decision. TANF cannot prohibit reproduction even if individuals are incapable of supporting their offspring,¹¹⁴ but TANF does not promote such reproductions either.

Among all states, Mississippi has one of the highest infant mortality rates,¹¹⁵ second highest poverty rate,¹¹⁶ and a significant percentage of households participating in the food stamp program.¹¹⁷ Mississippi also ranks last in per capita income, per capita disposable income, and median household income.¹¹⁸ Despite these disparaging figures, Mississippi trailed only Idaho, Wisconsin, and Wyoming in total percentage decrease (fifty-nine percent) of TANF enrollment between 1996 and 1998.¹¹⁹

B. Livable Wage in Mississippi

The maximum gross income limit for a family of four to be eligible for TANF benefits is \$819 per month, or \$9828 per year.¹²⁰ This estimates to \$5 per hour assuming an individual works forty hours per week for fifty weeks with unpaid vacations. Assuming that a family of four is eligible for the maximum monthly TANF cash benefit of \$144

Susan Frelich Appleton, *Standards for Constitutional Review of Privacy—Invading Welfare Reforms: Distinguishing the Abortion-Funding Cases and Redeeming the Undue-Burden Test*, 49 VAND. L. REV. 1 (1996) (discussing the constitutionality of personal reproduction choices).

114. See Marcia Smith, *Cuts and Class*, VILLAGE VOICE, Jan. 27, 1998 (noting that the federal government has admitted to funding projects to sterilize 100,000 to 200,000 poor women in 1972).

115. See T.J. Matthews et al., *Infant Mortality Statistics from the 1999 Period Linked Birth/Infant Death Data Set*, 50(4) NAT. VITAL STAT. REP. 10 (Jan. 30, 2002) (showing that Mississippi's infant mortality rate is second only to that of the District of Columbia).

116. See U.S. CENSUS BUREAU, STATE ESTIMATES FOR PEOPLE OF ALL AGES IN POVERTY FOR US: 1999 (estimating that approximately 18.2% of people in Mississippi live in poverty), available at http://www.census.gov/hhes/www/saife/stcty/a99_00.htm (last visited Apr. 5, 2003).

117. See Randy Rosso, *Characteristics of Food Stamp Households Fiscal Year 2001* 65 (showing that 1.6% of Mississippi residents receive food stamps), available at <http://www.fns.usda.gov/OANE/MENU/published/FSP/FILES/Participation/2001CharReport.pdf> (last visited June 17, 2003).

118. See Netstate.com, *States Ranked by Income Statistics*, available at http://www.netstate.com/states/tables/st_income.htm (last visited Aug. 12, 2003).

119. See Chavkin, *supra* note 54, at 902.

120. See State Policy Documentation Project, *Financial Eligibility Rules for TANF Cash Assistance, Mississippi*, available at <http://www.spdp.org/compstates/msfinan.pdf> (last visited June 17, 2003).

per month in Mississippi,¹²¹ its total yearly gross income is significantly less than the poverty threshold for a family of four.¹²²

Families in Mississippi participating in the TANF program face severe exchange restrictions, since they fall well below the poverty threshold. A family of four earning the maximum gross income and TANF cash benefits allowable in Mississippi is \$3500 below the poverty threshold. These families are representative of poor consumers in the exchange restrictions model.¹²³ Exchange restrictions are limitations of consumer access to goods and services because consumers either lack the availability or financial resources to acquire them.¹²⁴ Strict exchange restrictions limit the choices of poor consumers on necessities such as food, shelter, clothing, transportation, utilities and health care.¹²⁵ The hopelessness produced by this loss of control over their life circumstances then leads to the development of coping strategies, including unreported “cash” jobs, loans and grants to attend school, and cash from family, friends, or churches.¹²⁶ Since welfare recipients are likely to face deterrents to work due to a lack of education, childcare, and transportation, the likelihood that TANF eligible families in Mississippi with a head of household working full-time is low. Low-income families with the head of household earning minimum wage have few opportunities to earn significant incomes.

C. Education in Mississippi

TANF policy in Mississippi does not provide enough support to minor teen parents living with non-relatives or individuals who desire higher education. A minor teen parent may not receive benefits if he or she lives with a non-relative because of overcrowding, alcohol or drug abuse, or concern for abuse at the home of the teen parent's

121. *Id.*

122. See U.S. CENSUS BUREAU, POVERTY THRESHOLDS IN 2000 BY SIZE OF FAMILY AND NUMBER OF RELATED CHILDREN UNDER 18 YEARS (Sept. 20, 2000) (showing that the federal poverty level for a family of four is \$17,524), available at <http://www.census.gov/hhes/poverty/threshld/thresh00.html>.

123. See Ronald Paul Hill, *Stalking the Poverty Consumer: A Retrospective Examination of Modern Ethical Dilemmas*, J. BUS. ETHICS (May 2002) (illustrating that there is an imbalance of power in marketing exchange relationships between businesses and poor consumers), available at <http://www.facstaff.bucknell.edu/pagana/mg312/consumer.html>.

124. *Id.* (suggesting that many poor consumers enter into unfavorable exchange relationships such as rent-to-own contracts because it is the only way that they have access to things that they want to own).

125. *Id.* (stating that health care expenditures decrease as income decreases).

126. *Id.* (describing various coping mechanisms used by the poor when faced with an income shortfall).

1126 JOURNAL OF GENDER, SOCIAL POLICY & THE LAW [Vol. 11:3

caretaker(s).¹²⁷ Such environments are stressful and potentially dangerous not only for the parent but for the child as well. Minor teen parents on the TANF program do not receive monetary rewards or incentives for graduating from high school or obtaining a GED.¹²⁸ The state's TANF policy also does not allow a postsecondary degree program to substitute for work mandates.¹²⁹

One of the most troublesome concerns facing Mississippi is its illiteracy rate. Mississippi ranks worst among the fifty states in adult illiteracy.¹³⁰ The National Institute for Literacy (NIL) conducted a study called the National Adult Literacy Survey (NALS). NALS grouped 26,000 participants into five literacy levels with the two most serious being Levels I and II. Level I is comprised of adults who are completely or functionally illiterate. Adults in Level II are characterized as those with eighth grade reading levels and work at jobs that require minimal skills and abilities. Thirty percent of adults in Mississippi are categorized as Level I and nearly seventy percent have literacy rates in Levels I or II.¹³¹ This is important because Level I adults usually cannot read applications so they are likely to experience problems when applying for assistance or meeting employment requirements under the current policy.

IV. RECOMMENDED CHANGES

In order for TANF policy to work in Mississippi, we present several recommendations. Additional state funding is needed to bring poor working TANF households in Mississippi up to at least the poverty income level determined by the U.S. Census Bureau. In some Mississippi communities, the number of TANF participants is projected to be more than double the number of available jobs.¹³²

127. See STATE POLICY DOCUMENTATION PROJECT, REPRODUCTIVE HEALTH AND TANF, TEENS AND TANF, MISSISSIPPI 2 (providing information about eligibility of minor teen parents for TANF), available at <http://www.spdp.org/compstates/msrepro.pdf> (last visited June 17, 2003).

128. See *id.* at 5-7 (outlining TANF eligibility and educational requirements for minor teen parents).

129. See State Policy Documentation Project, *Work Requirements: Postsecondary Education as of October 1999* (stating that an individual cannot meet the work requirement by participating in a two or four year degree program), available at <http://www.spdp.org/tanf/postsecondary.PDF>.

130. See Larry Roberts, *Illiteracy on the Rise in America*, WORLD SOCIALIST WEB SITE (Oct. 14, 1998), available at <http://www.wsws.org/news/1998/oct1998/ill-o14.shtml>.

131. *Id.*

132. Frank M. Howell, *Prospects to Job-Matching in the Welfare-to-Work Transition: Labor Market Capacity for Sustaining the Absorption of Mississippi's TANF Recipients*, Paper Presented at the Rural Dimensions of Welfare Reform: A

Additional employment partnerships and training programs are needed in economically destitute counties.

Single welfare mothers with children encounter difficulties in working full-time because their income prospects are mediocre at best and childcare represents a large portion of their expenditures. More than a dozen states, including Mississippi, do not guarantee childcare for TANF recipients as of June 2000.¹³³ Childcare and nursery programs should be state supported for TANF recipients who actively seek work or are currently working.

As of October 1999, individuals could meet the state work requirement by participating in two-year and four-year degree programs in thirty-nine and thirty states, respectively. Mississippi does not allow postsecondary education to substitute for the work requirement under the TANF program.¹³⁴ Educational opportunities are essential if TANF policy is to be effective. Under the current TANF policy, most welfare recipients are forced to work menial jobs because they lack job skills, education, and resources to obtain higher paying jobs. Allowing postsecondary education to substitute for TANF work requirements would empower welfare recipients, particularly single mothers, and increase their opportunities for meaningful employment, job advancement, and competitive wages. For example, Washington State provides free tuition to welfare recipients who sign up for community college programs that integrate work and learning.¹³⁵ Mississippi should implement a similar plan among its community colleges, universities, and trade/vocational schools.

One alternative to supplement Mississippi's TANF funding is to implement a repayment program for welfare recipients who find jobs after completing our proposed postsecondary education initiative. TANF aid would resemble an interest-free loan with a grace period. Five-year lifetime benefits would roll over into an emergency relief fund for former welfare recipients who pay back their loans within a set time period. This would provide a safety net for former welfare

Research Conference on Poverty, Welfare and Food Assistance, Georgetown University Conference Center, Washington, DC (May 4-5, 2000), *available at* http://www.jcpr.org/wpfiles/Howell_rural.pdf (last visited August 12, 2003).

133. U.S. DEP'T. OF HEALTH & HUMAN SERVICES, ADMINISTRATION FOR CHILDREN AND FAMILIES, TANF FINANCIAL DATA, Table A2 (illustrating that the Mississippi TANF program spent zero dollars on child care in fiscal year 2001), *available at* http://www.acf.hhs.gov/programs/ofs/data/tableA2_summary.html (last visited June 17, 2003).

134. State Policy Documentation Project, *Work Requirements: Postsecondary Education*, *available at* <http://www.spdp.org/tanf/postsecondary.pdf> (last visited June 17, 2003).

135. See Kuttner, *supra* note 101, at 36 (stating that the state of Washington provides free tuition for post-secondary education to welfare recipients).

1128 JOURNAL OF GENDER, SOCIAL POLICY & THE LAW [Vol. 11:3

recipients in times of recession, employment layoffs, or family hardships. The key to the plan is to provide a combination of education and job experience thus enabling welfare recipients to become self-sufficient and independent from TANF aid in the future.

A mandatory literacy test for current and prospective members of the TANF program is also needed. Due to the high illiteracy rates in Mississippi, the TANF program should identify adults with Level I and Level II literacy skills and offer remedial or GED classes. Such a program would uplift the uneducated, provide hope and a sense of accomplishment to welfare recipients, and instill pride and a stronger work ethic in the family. To encourage higher education among welfare recipients in Mississippi, teen mothers on welfare should receive financial incentives for completing high school and more for attending college.

CONCLUSION

Most sociologists and social program supporters argue that society and government should shoulder some responsibility to care for the poor. Unfortunately for welfare recipients, welfare reform policies have operated under the idea of “less eligibility,” which suggests that poor people should have a standard of living below that of minimum wage workers and thus resources should be allocated accordingly.¹³⁶ Conservatives have argued that the benefits from AFDC and other antipoverty programs perpetuate social problems such as an increase in out-of-wedlock births and a reduction in both the attractiveness of low-wage employment to the poor and the appeal of marriage to poor women.¹³⁷ Liberals have argued that additional spending is needed to bridge the gap between the ‘haves’ and the ‘have-nots’. Poverty seems to be negatively correlated with educational achievement. Workers without a high school diploma received an average monthly income of \$452 while those with a college degree earn an average of \$1829.¹³⁸ Merely having a job does not improve living conditions of former and current welfare recipients. Only one-fourth of all adults who left welfare for jobs reported incomes above \$15,000 in 1998.¹³⁹

136. Ronald Paul Hill & Debra Lynn Stephens, *Impoverished Consumers and Consumer Behavior: The Case of AFDC Mothers*, 17(2) J. OF MACROMARKETING 32 (Fall 1997).

137. See DOUGLAS S. MASSEY & NANCY A. DENTON, *AMERICAN APARTHEID: SEGREGATION AND THE MAKING OF THE UNDERCLASS* 219 (1993).

138. See Roberts, *supra* note 130 (noting the vast difference in incomes based on education).

139. *Off Welfare, Not Faring So Well*, THE ECONOMIST, Dec. 9, 2000, at 37 (discussing the hardships faced by many people leaving the welfare system).

2003]

WELFARE REFORM IN MISSISSIPPI

1129

TANF policy in America is complicated given that there are more than fifty versions of state and county welfare reform. Federal and state TANF programs should be revised to better serve the need of the poor. We suggest that legislators amend TANF policies by supporting childcare and nursery programs for TANF recipients currently working or actively seeking work, making literacy programs available to all recipients, allowing education to substitute for the work requirement, and establishing an incentive program for minor teen parents who finish high school or college. Finally, additional state funding is needed to provide a standard of living that at least meets the poverty income level for working TANF recipients.