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Job Market in W.Va. Defies Efforts to Reform Welfare

By Evelyn Nieves, Washington Post Staff Writer

[DELBARTON, W.Va.] – Sophia Diamond was born poor and does not doubt that she will die the same way.

She has just turned 30, but her left ankle, crushed when her Dodge compact slammed into a cliff four years ago, keeps her limping, in pain and out of work. Just getting around is a job. She lives in a hollow where the roads twist like whirligigs and it takes half an hour to get to the grocery store – 45 minutes if you end up behind a coal truck. But she no longer has a car, so she has to grab rides from relatives when she can.

Diamond received welfare, or Temporary Assistance to Needy Families (TANF), until the 60-month limit ran out. Nearly two years later, she began receiving disability checks, or Supplemental Security Income (SSI). She gets \$479 a month and \$160 in food stamps. Still, she says, she can barely afford the electric bills for her trailer or food for her 8-year-old daughter.

She believes this is how it will always be. “I can’t work at all,” she said, “and there ain’t no jobs here no how, except in the coal mines. There’s nowhere else for me to go, neither. Without my family, I would not survive.”

In the Central Appalachian coal country, where the land is famously rich and the people famously not, welfare caseloads are down, but poverty still flourishes. Since the 1996 welfare reform law, or Personal Responsibility and Work Opportunity Reconciliation Act, took effect, the rolls in West Virginia have dropped from 38,404 to fewer than 10,000. In general, the law – which sets a five-year limit for receiving welfare and requires recipients to get an education, take job training or perform community service – is considered a success. But in West Virginia, many former recipients are worse off than before, according to research by West Virginia University.

Even as the Senate is considering reauthorizing the welfare reform act with stricter work requirements and more child care funding, a prime goal of the act – moving welfare recipients into jobs – remains elusive in rural West Virginia, according to the research, done in conjunction with the state Department of Health and Human Resources. A year after their checks stopped, 73.1 percent of former recipients were unemployed, 65.6 percent reported not being able to afford their basic utilities, and only a small proportion believed that their prospects for the future were good (11.3 percent) or excellent (3.1 percent), the researchers found.

The main problems: Jobs were few and far between, getting from here to there was a major ordeal, and added personal burdens – from health concerns to child care quandaries – could derail even the most determined attempts welfare recipients might make at self-sufficiency.

Not to mention that West Virginia, like many other states, moved fast to clear its welfare caseloads after the federal law took effect – without providing support or guidance to some of its neediest residents, according to WVU researchers.

West Virginia, a major front in President Lyndon B. Johnson’s War on Poverty, does have more than its share of challenges. But the researchers say the state is not unique in its struggles with welfare reform. While welfare cases have dropped more than 50 percent nationally since the federal law took effect (including by more than 70 percent in Maryland, 60 percent in Virginia and 32 percent in the District), studies in several states, including Illinois, Missouri and South Carolina, have found a majority of former recipients struggling with low-paying, often part-time, jobs – or none at all.

Even in Wisconsin, considered the model of federal welfare reform, a recent state audit found that four-fifths of mothers who had “graduated” from welfare earn wages below the poverty level.

“The overall picture is fairly grim for low-income families,” said Tom Gaiz, co-director of the Rockefeller Institute of Government at the State University of New York at Albany, which has been studying welfare reform.

“We’re moving against any general support for people who aren’t working or without a working background,” Gaiz said, “at least among the younger population.” In some ways, he added, “we’re spending more money overall than we were 10 years ago – and that is for medical assistance, because we think that’s a basic good, and for food assistance, and for supplements to income through the earned-income tax credit. But you can’t really find general budgetary support for people who the government thinks may be employable.”

Welfare reform was designed to move people who are employable off the rolls, said Robert Rector, a senior fellow at the Heritage Foundation, a conservative think tank, who helped write the 1996 law. “The idea is to say you can’t simply collect a check and do nothing,” Rector said. “You need to engage in some work activity.” Calling the reform a nationwide success, he added that “those individuals who sat on the rolls for 60 months without obtaining any substantial employment or training, they’re very unrepresentative. Totally unrepresentative. This is a very atypical group.”

The West Virginia University researchers, however, say their findings apply to many states. As lawmakers move to reauthorize the 1996 law, West Virginia’s experiment provides lessons for policymakers and state welfare officials, said L. Christopher Plein, chairman of the department of public administration at West Virginia University and a co-author of the welfare reform studies.

Congress should consider that not all states are alike, Plein said. “While work participation is a very good goal, there are circumstances which make economic self-sufficiency difficult,” he said. “The bottom line is that those who are in need of public assistance reflect the diversity of our society, and that many times circumstances beyond one’s control requires them to rely on public assistance.”

As West Virginia’s example shows, states need time before they can implement new rules, Plein added. “The state’s initial response lacked coordination,” he said. “It was more of a reactive posture: ‘How are we going to make the performance measures that have been put before us by the federal government?’ The response was one of confusion.”

What West Virginia – and other states – did initially, Plein said, was apply an overly cautious interpretation of the federal law. It focused on clearing welfare cases to the detriment of the very people the law was intended to help. The federal government had imposed mandatory work-participation rates for welfare recipients (50 percent of each state’s caseload). But it let states count caseload reductions toward work participation.

States with unfavorable job markets such as West Virginia discovered that one way to avoid federal sanctions was to clear their caseload. They made welfare recipients reapply for aid under the new law – with complex applications that led many people to opt out. They also imposed strict rules and sanctions for failing to comply with the rules.

Beyond Medicaid and food stamps, the state could offer little practical help, such as job training, to those who were knocked off the rolls. “I think it’s probably a failure of the system,” said Margaret Waybright, commissioner of child and family services for the West Virginia Department of Health and Human Resources. “But we just don’t have the staff capacity to provide services for those clients no longer in the program.”

Even so, she said, the southwestern part of the state has proven especially difficult. “It’s pretty bleak,” she said.

Mingo County, hard by the eastern Kentucky border, looks lush and green this time of year, despite the mountains that have been scalped by mining. But many of the houses along the main roads are trailers or very old cabins, and many families are in deep economic holes.

The poorest people here, as in most places, are single parents with young children. Mary Dixon, 35, is one of those. She received \$452 a month in TANF until last fall, two months after she had surgery for ovarian cancer. Since then, her rented double-wide burned down, forcing her and her four children to squeeze into her mother’s trailer. Her only assistance consists of food stamps and a Medicaid card.

She owns a Dodge Caravan minivan that does not run. Her former husband, she said, does not pay child support. She is still undergoing treatment for cancer. Her children, ages 6 to 12, are too young to help. “I stay with my mom and pick up pop cans,” she said.

Like other former welfare recipients interviewed, Dixon was bitter about the term limits. “I was working for my check,” she said. “The last two months of my check, I couldn’t work. I was in the hospital. Mingo County came after me and said they were going to take my check away. I had to go out of the hospital and report to them in person that I had cancer.”

Rector of the Heritage Foundation said that in cases in which people are doing community service for their checks because there is no alternative, he would recommend that the states extend their cash assistance rather than cut them off. West Virginia has granted far fewer than the 20 percent of cases it is allowed to extend under the law.

Diamond says she found out she had reached her welfare limit two weeks before her last check. In and out of the hospital for her leg – she has had eight surgeries – she had not been paying attention.

She had taken classes and passed her high school equivalency test. She had earned a certificate in a computer training course taught at her daughter’s church. But after the car accident four years ago, she could not pay her bills. “I moved in with my mom. I moved in with my dad. I didn’t want to be a burden on just one of them,” she said.

Diamond became part of a class-action lawsuit that challenged the state’s welfare term limits. The suit helped eliminate term limits for battered women. The West Virginia Supreme Court of Appeals also ruled that the state must let welfare recipients know that they could apply for a six-month extension.

The American Friends Service Committee won its fight to make the state stop counting SSI as income. “If one family member received it,” Wilson said, “the whole family was disqualified from TANF benefits. Now, if an adult gets SSI, then the kids in the family could qualify for state TANF money until they turn 18. If you qualify for SSI before you reach the 60th month, then your kids can qualify. If you qualify after, then they don’t.”

More than 40 percent of West Virginia’s TANF cases are “child only” cases, in which a child receives welfare benefits in a household where an adult receives SSI.

Diamond, who did not qualify for the extra aid, is not sure things will ever get better.

But she is part of an old Appalachian culture bound to the land. She would not dream of leaving. “It’s just home,” she said. “I’ve never been elsewhere. I have been to North Carolina, the beach there, once, and I’ve been to Florida one time. I really don’t know that I could make it anywhere else.”

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