

TESTIMONY TO THE COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEE ON INCOME SECURITY AND FAMILY SUPPORT

October 8, 2009 "Hearing on the 'Safety Net's' Response to the Recession"

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Thank you for the opportunity to provide testimony to this important committee via electronic mail. The last time I provided testimony to a Congressional committee was in person on March 2002 at the invitation of Congresswoman Patsy Mink. I spoke before the Subcommittee on 21st Century Competitiveness of the Committee of the House Committee on Education and the Workforce; and my topic was the need to promote – and in most states to restore – the access to higher education option for low-income mothers receiving welfare benefits, which PRWORA had virtually eliminated.

This time I am testifying in writing on behalf of a newly formed group of scholars and activists, the *National Coalition to Support Higher Education for Low-income Mothers*. We are trained as economists, political scientists, sociologists, social workers, lawyers and activists; and work in universities, as well as faith-based, community-based, and grass roots organizations (see attached list). Most of our members have decades of experience in working on welfare, education and workforce policies as they affect low-income families, especially single mothers and their children.

We came together in March 2009 at a symposium held in Brooklyn College, New York to share our research, and discuss strategies for moving welfare and workforce policy in more positive directions for low-income families, especially those headed by women.

We have decided to focus our efforts on influencing the reauthorization process of TANF and WIA; and view this testimony as part of this process. Since your committee is charged with investigating the effects of the current economic climate on families, we want to bring to your attention the serious concerns we have about low-income families who are likely to become even more entrenched in poverty.

We are familiar with the testimony you received from the Center on Budget and Policy Priorities and the Michigan Department of Human Services, among others. This testimony documented some alarming trends: an increase in poverty, the high percentage of eligible families who are denied TANF benefits, or who are not even applying for them, and the states' economic limitations in meeting families' basic needs. And we acknowledge and underscore the severity of these problems.

Our principal goal in submitting this testimony is to argue that the **higher education option for low-income mothers be reinstated to the policy agenda**, *especially* within this grim economic climate. Our argument is based on the following points.

1. *People turn to education to (re)tool in times of economic recession. Low income mothers need to participate in this trend.*

National studies, and my own work in Massachusetts, reveal that the income gap between the richest and poorest sectors in the US increased dramatically over the past three decades, leaving low-income families particularly vulnerable in periods of economic downturn.

The response of many adults in these circumstances is to go (back) to school. They are prepared to go into 'good debt' in order to improve their long-term chances of jumping back into a recovering economy with better, and more relevant skills. Laid-off workers throughout the US, are "flocking to community colleges" (North Carolina); colleges are expanding to "serve downtown business needs" (Florida); people are returning to school before returning to the job market" (Massachusetts); "enrollments swell in a poor economy" (California); and even those "in the financial sector (on Wall Street) return to school."

We think it is more important than ever for low-income women participate in this movement towards a more educated and skilled labor force. Certainly, the increase in Pell grants is a welcome indication that the federal government supports low-income families in their educational aspirations. Since low-income mothers typically rely on federal and state loans and grants to pay for their education, we welcome these changes. However, we are concerned that low-income women, particularly those with young children to support, may continue to be deprived of educational opportunities, unless welfare and workforce policies also change dramatically.

2. *The Work First policy has failed, and needs to be replaced with policies promoting human capital development.*

The plethora of studies documenting PROWRA's effects reveals that most leavers have experienced few if any gains from the Work First philosophy; and most of us in the Coalition would argue that it was poorly conceived from the outset. Typically, the data show that welfare recipients continue to participate in the same kinds of work they always had, i.e., retail, food and hospitality sectors; and encounter the same barriers, i.e., lack of childcare and transportation; disruptions due to domestic violence; and ill health. Moreover, a substantial proportion of mothers have taken themselves off welfare (as evidenced by the increasing number of child-only cases); and the estimated 25-40% who have no visible means of support.

The Work First approach replaced Human Capital Development. Prior to 1996, 48 states voluntarily chose the higher education option, and thousands of women throughout the US enrolled in and graduated from two year, four-year, public and private colleges. Despite this huge change pre-and post-PRWORA, there has no in-depth evaluation or even formal documentation as to its effects on educational participation, and to a large extent the effects have remained both invisible and ignored.

Although PRWORA permitted educational participation and allowed states to apply for waivers, in fact access has been severely limited. For example, 36 states permitted education *combined with employment* for a work requirement totaling 30-40 hours a week. Since this excludes time spent in study and travel it vastly underestimates the 'real' time commitment required. Only four states adopted a *stand-alone* educational option (no additional employment required), compared with all 32 states in a 1993 study, and a 20 hour weekly work requirement.

Since 1996, a few states, like Massachusetts, have attempted to make mid-course corrections to their welfare policies to facilitate greater educational access for its welfare

recipients. Yet, even in these states, implementing these changes remains a huge problem. For example, despite the support of top level welfare and workforce administrators, the proportion of women participating in both adult and basic education had not changed five years after the changes had been initiated. Of great concern is that fact women of color appear to fare even more poorly in gaining educational access than their white counterparts.

3. *Educational participation among welfare recipients leads to long-term successes for women, their children, their communities, and the economy.*

Several formerly low-income Coalition members have benefited from education. Many others have conducted research spanning a period of two decades. Efforts to follow the lives of women, like the *Welfare Made a Difference Campaign*, show that many of the women who graduated from pre-1996 programs are now employed in satisfying work. Many are active members of their communities, and most have children who went to college. For some women who go through the entire spectrum of education opportunities it can be a very long road; e.g., a woman in Western Massachusetts who began by becoming more fluent in English, and who is now a college administrator with a Masters' degree.

It has not been an easy road either for institutions and communities. My own work comparing states' policies and campus resources 1993-2003 in ten states and sixteen colleges showed that while many campuses continued their efforts to retain low-income mothers, in most instances state policies led to a dramatic decline in colleges' ability to enroll and retain these students. Compared to a larger study I conducted of 32 states and over 60 colleges (1993) the policy climate change has led to dramatic loss of college access.

In summary, the Work First policy climate has become so chilly, that even moderate attempts to increase educational access often fail to thaw the resistance that PRWORA has created. If we want to make educational access a viable policy, we must:

- Ensure that TANF and WIA policies include more stand-alone education options, and permit participation for the full time-limit (typically 60 months)
- Tie the policies of higher education closely to TANF and WIA to avoid conflicts in regulations leading to resource losses.
- Expand definitions of 'suitable education' to reflect changing employment trends
- Target outcome measures and evaluation studies more effectively to education; examine women's retention and graduation rates, and the long-term effects on families, educational institutions, local communities and the economy.

Please feel free to call on any of our members for more information about the Coalition and our position.

Thank you again for this opportunity.