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Study: N.M. families can get up \$30,435 annually in welfare

By Dan Boyd / Journal Staff Writer

SANTA FE – A New Mexico family can take in roughly \$30,435 annually from various state and federal anti-poverty programs, according to a study conducted by a libertarian think tank.

In addition, the Cato Institute study ranked New Mexico 18th in the nation in terms of the total dollar value of available welfare benefits, though the study's authors acknowledged many recipients do not receive all eligible benefits.

The study concludes that the value of the various anti-poverty programs is higher than pay for some entry-level jobs. It also urges state lawmakers to reduce anti-poverty program benefits while tightening eligibility requirements.

"The current welfare system provides such a high level of benefits that it acts as a disincentive for work," the study's authors wrote.

However, that conclusion was challenged by the Center on Budget and Policy Priorities, a nonpartisan think tank, which blasted the Cato Institute study as misleading and meaningless.

Specifically, the Center on Budget and Policy Priorities claimed the gap between welfare and work was overstated, because many low-income working families also receive assistance through programs such as Medicaid.

The center also claimed that anti-poverty programs provide important support for working families.

The Cato Institute study, titled "The Work Versus Welfare Trade-Off," examined various antipoverty programs, including Medicaid, Temporary Assistance for Needy Families and the Supplemental Nutrition Assistance Program, a modernized version of food stamps.

In all, the study, released last month, identified 126 federal anti-poverty programs that have a combined price tag of roughly \$668 billion annually.

In New Mexico's case, the study found that the total available anti-poverty programs a "typical welfare family" – defined as a single mother with two children – can get is nearly as much as the state's median salary of \$31,034 per year.

The study did not attempt to identify how many New Mexicans receive anti-poverty benefits.

It also did not attempt to analyze the effectiveness of such programs.

Roughly 19 percent of New Mexicans lived below the federal poverty level during a recent five-year period, according to the U.S. Census Bureau.

That figure was higher than the national average of 14.3 percent.

Meanwhile, the state's median household income of \$44,631 annually was also below the national median, which was \$52,762, according to census data.