



## Forgoing Work for Welfare Pays in Most States, Not in Florida

By Nancy Smith  
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In 35 states, welfare pays more than a minimum-wage job, and in 13 states it pays more than \$15 an hour. But Florida is nowhere near the top of either list.

Neither is it among the 11 states in which welfare pays more than the average pre-tax first year wage for a teacher, or among the 39 states where the welfare wage beats a starting secretary's.

In the three most generous states, a person on welfare can take home more money than an entry-level computer programmer.

These figures are part of the Cato Institute's recently released, updated version of its groundbreaking 1995 study, *The Work vs. Welfare Trade-Off*. The new study prepared by researchers Michael D. Tanner and Charles Hughes estimates the value of the full package of welfare benefits available to a typical recipient in each of the 50 states and the District of Columbia.

Welfare recipients in Hawaii get the most benefits, according to the study, at \$29.13 an hour -- or \$60,590 pre-tax income annually. But the state's minimum wage is only \$7.25 an hour. Hawaiians on welfare also earn 167 percent of the median salary in the state, which is only \$36,275.

The District of Columbia, Massachusetts and Connecticut have the next more generous welfare benefits, with D.C. recipients hauling in \$24.43 an hour, Massachusetts recipients \$24.30 an hour, and Connecticut recipients \$21.33 an hour.

In their study, Tanner and Hughes show that in 18 years, many welfare programs have undergone significant change. Yet, in this nation that currently funds a whopping 126 separate programs specifically for low-income people, the bottom line remains the same today as it was in

1995:

It's generally more profitable for those mired in the welfare culture to stay there.

The study nevertheless emphasizes this: "There is no evidence that people on welfare are lazy or do not wish to work."

The 10 states most generous with their total annual welfare benefits package are Hawaii (\$49,175); the District of Columbia (\$43,099); Massachusetts (\$42,515); Connecticut (\$38,761); New York (\$38,004); New Jersey (\$38,728); Rhode Island (\$38,632); Vermont (\$37,705); New Hampshire (\$37,160); and Maryland (\$35,672). California sits at No. 11 (\$35,287). And Idaho is last on the list, offering \$17,766.

Florida's push to incentivize the able-bodied and break the welfare culture shows in the state's numbers. The Sunshine State comes in at No. 46, with a total welfare benefit package of \$18,121.

Though the study's authors didn't mention it, Florida has a reputation for its stringent welfare policies. In 2011 it had a program for drug-testing welfare recipients halted by the courts not long after it was started.

During the program's brief lifespan only 2.6 percent of those tested turned up positive for illicit substances. And because Florida reimbursed those who were clean for the cost of their tests, the state actually lost \$45,780 because of the program. But the state's intentions -- "to shrink the gap between the value of welfare and work" -- became patently obvious to the rest of the nation.

Tanner and Hughes conclude in their study, "If Congress and state legislatures are serious about reducing welfare dependence and rewarding work, they should consider strengthening welfare work requirements, removing exemptions, and narrowing the definition of work."