

Getting Welfare Reform Right

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We need to stop micromanaging what recipients buy with their food stamps. It would be hard to find someone outside the cocoon of Washington special interests who would defend our current welfare system. We spend nearly \$1 trillion a year to fund over 100 separate anti-poverty programs, yet we have achieved only minimal gains in helping people escape poverty. By conventional measures, the poverty rate today is as high as when the War on Poverty was declared more than 50 years ago. Even alternative poverty measures that are arguably more accurate show few gains in recent years. We may have made poverty more comfortable, but we are not helping people become independent and self-sufficient.

The need for reform is obvious.

But recently, a number of conservative lawmakers have mistakenly adopted a punitive approach to welfare recipients. Their actions threaten to distract from more effective efforts at reform and to prevent the type of bipartisan consensus that will be necessary to truly change the system.

The first round of punitive welfare bills involved drug testing for recipients.

Today, twelve states have passed legislation imposing drug testing or screening for public-assistance applicants or recipients (Alabama, Arizona, Florida, Georgia, Kansas, Michigan, Mississippi, Missouri, North Carolina, Oklahoma, Tennessee, and Utah). Legislation is pending in another 14 states. While one can understand the logic behind such measures, they actually appear to accomplish very little. Studies suggest that the use of drugs is no higher among welfare recipients than among the general population. The cost per positive result has run as high as \$7,000. And the fact that the testing applies only to the poor and not to recipients of middle-class government benefits suggests a certain animus.

Another set of restrictions limits the places where welfare recipients can use their EBT cards. The federal government already bans the use of EBT cards in liquor stores, casinos and gaming establishments, and retail establishments that provide “adult” entertainment. Not satisfied with those restrictions, 25 states have adopted their own. Obviously, taxpayers don’t want beneficiaries squandering assistance on booze or strippers, but there is no evidence that this was a serious problem, especially since most recipients are women and children. In fact, numerous studies have shown that even when welfare recipients are given totally unrestricted cash, they show no more inclination to spend their money on vices than the rest of us.

But now some states are taking this punitive approach even further. Missouri is considering legislation that would prohibit food-stamp recipients from purchasing cookies, chips, energy drinks, soft drinks, seafood, or steak. Seriously? The biggest problem with the welfare system is recipients’ eating fish?

Meanwhile, Kansas is looking at a bill to restrict the use of Temporary Assistance to Needy Families (TANF) funds. Recipients would be barred from using their EBT cards to buy products such as cigarettes, or to pay at a wide range of businesses, including movie theaters, nail salons, public swimming pools, and — solving one of the most pressing problems facing the poor — fortune tellers. The bill would also limit cash withdrawals on EBT cards to \$25 per day, a provision that could subject recipients to constant bank fees. Some estimates suggest that a family could lose up to 13 percent of its benefits to withdrawal fees, which seems more than a little wasteful.

One of the very real problems with our current welfare system, unlike the illicit use of fortune tellers, is that it infantilizes recipients. We cannot expect welfare recipients to become independent and self-supporting if we continue to treat them like six-year-olds getting their allowance. We should treat recipients as adults and expect them to make adult decisions, which includes budgeting and making the best use of their money just like the rest of us. If they blow the money on fortune tellers, they will have to suffer the consequences.

Moreover, the focus on punitive measures distracts lawmakers, the media, and the public from measures that would actually help move people off welfare and into work. For example, at the same time that Missouri was debating whether welfare recipients should eat seafood, the lawmakers were moving forward on another piece of legislation that would significantly strengthen the state's work requirements. The bill would also establish a "diversion program" designed to help prevent people suffering a short-term crisis from entering the welfare system in the first place. Unlike the seafood ban, both of these measures would actually help thwart welfare dependency. But they've been lost in the dust stirred up by the other proposals.

Maine, too, has just passed strong work-based welfare reform. The state began to enforce requirements that able-bodied adults on food stamps participate in some form of work activity. As a result, the state was able to reduce its welfare rolls from about 12,000 to 2,530. Yet we don't hear about this success because debates about seafood and fortune tellers suck all the air out of the room.

Such bills simply appear mean-spirited. They are not going to help Republicans expand their base of electoral support. Moreover, they poison the well when it comes to trying to build bipartisan support for the much bigger and broader welfare reform that we need. The old adage holds true: People don't care how much you know until they know how much you care. In pushing these punitive welfare measures, conservatives look like they just don't care.

Welfare must be reformed. The current system is unfair to everyone involved, both taxpayers and recipients. Ideally, the whole system should be dismantled and replaced by private charity. Short of that, it needs to be redesigned to put a premium on work and the route to independence. Unfortunately, many of the measures currently being debated don't help that process.

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