

# UC Berkeley

## Working Papers

### Title

"Pencils Down!" The Negative Effect of Welfare Reform on Opportunities for Higher Education

### Permalink

<https://escholarship.org/uc/item/5ht0t1zq>

### Author

Mathur, Anita

### Publication Date

1998-12-01

**"PENCILS DOWN!"  
THE NEGATIVE  
EFFECT OF WELFARE  
REFORM ON  
OPPORTUNITIES FOR  
HIGHER EDUCATION**

**ANITA K. MATHUR**

**UC DATA**

University of California  
2538 Channing Way #5100  
Berkeley, CA 94720-5100  
FAX (510) 643-8292

**DECEMBER 1998**

**WORKING PAPER # 14**

**“Pencils Down!”**

**The Negative Effect of Welfare Reform on  
Opportunities for Higher Education**

Anita K. Mathur  
Department of Sociology  
University of California, Berkeley  
410 Barrows Hall, Berkeley, CA 94720



## **TABLE OF CONTENTS**

<b>Abstract .....</b>	<b>2</b>
<b>Introduction.....</b>	<b>3</b>
<b>Purpose of the Study, Explanation of Survey Sample and Key Variables .....</b>	<b>7</b>
<b>Effect of Prior Educational Achievement on AFDC Exit.....</b>	<b>9</b>
<b>Educational Participation of AFDC recipients .....</b>	<b>12</b>
Regular and Vocational School Attendance.....	12
Differences in School Attendance.....	13
Differences in Program Completion .....	14
<b>Educational Attendance and Exit from AFDC .....</b>	<b>15</b>
<b>Discussion .....</b>	<b>16</b>
<b>Tables.....</b>	<b>19</b>
<b>References.....</b>	<b>26</b>

## **Abstract**

The goal of this paper is to ascertain the possible effect of welfare reform legislation on educational opportunities for low-income parents receiving welfare. Data used for this study are from the California Work-Pays English/Spanish Survey of 1993-94 and 1995-96. The analysis looks at three main issues: 1) the effect level of education prior to a welfare spell has on exit from assistance two years later, 2) the school attendance and completion patterns of recipients while receiving assistance, and 3) the relationship between school attendance during a welfare spell and exit from assistance two years later. Findings indicate that the higher a recipient's level of education prior to a given welfare spell, the more likely the recipient is to no longer receive assistance at the end of a two year period. However, findings also show that the vast majority of recipients do not attend educational programs while receiving assistance. Significant differences between those who attended school (either regular or vocational) and those who did not were: being younger in age, only having 1 or 2 children in the household as opposed to 3 or more, not having a limiting health condition, and not being married. Characteristics which did not have a statistically significant effect on school attendance were: the age of the youngest child in the household, the health of the children in the household, the employment status of the recipient, and the race of the recipient. Of those who attended regular school (high school/GED or college), the majority had not attained a higher degree two years later, and regular school attendance without degree attainment did not have a noticeable positive effect on AFDC exit. Vocational school attendance did have a positive effect on AFDC exit, most probably due to the higher rates of completion within a two year time frame. Therefore, this research concludes that 1) while education is an important factor in exiting assistance, the majority of recipients are not accessing educational training while receiving assistance; 2) two-year time limitations will be harmful to recipients who do embark on educational programs (especially those who do not choose a vocational route) because of the difficulty of completing such programs within that short time frame.

## Introduction

In August of 1996 President Bill Clinton signed into law the most sweeping welfare reform legislation ever enacted since Aid to Families with Dependant Children (AFDC) was revised in the 1960s. With the signing of the Personal Responsibility and Work Opportunity Act, the federal government implemented a “work-first” policy that imposed strict time limitations and work requirements for parents receiving aid. Even though the “work-first” legislation was lauded by federal policy-makers as being the answer to welfare dependency, this legislation has, in fact, become an obstacle to financial independence for many low income parents who see education and training, rather than immediate low-wage employment as the ticket out of poverty. The new law imposes work requirements that make it unfeasible if not impossible for parents receiving aid to complete a degree program.

Under the new federal law, guaranteed JOBS program funding was eliminated and replaced by a Temporary Aid to Needy Families (TANF) block grant to each state. The implementation of the new welfare policy was predicated on the idea that education is a luxury which is helpful, but not necessary, in keeping families out of poverty and thus should not be supported by tax-payer money. According to the new federal ideology, job experience is seen as an adequate and less costly alternative to education, and thus it took precedence over education programs. Therefore, in this new era, unlike JOBS funding, funding for TANF is contingent upon states getting their recipients into jobs as quickly as possible. In order to ensure that recipients engage in work activities, the new law imposes monetary sanctions if work force participation rates are not met and restricts the maximum amount of time parents can receive welfare.

In order to receive full block grants without sanctions,<sup>1</sup> states had to have 25 percent of all single parent welfare recipients working in FY 1997 (which ended Sept 30, 1997). This percentage will increase gradually to 50 percent by FY 2002. 75 percent of two parent families had to be working in FY 1997 and 90 percent will have to be working by 2002. According to TANF legislation, “working” means that single parents had to work 20 hours per week in FY 1997 and will have to work 30 hours per week in FY

---

<sup>1</sup> States faced a 5 percent reduction in block grant funding in the first year if they did not place 25 percent of recipients in work

2000. Two parent families must jointly work 35 hours per week.<sup>2</sup> Along with the monetary sanction to the state, federal law mandates that states must reduce the amount of assistance payable to the family for any period in which the parent refuses to work.<sup>3</sup> Furthermore, under TANF, adults will be cut off from aid after a lifetime limit of five years and adults in families receiving assistance are required to be in work activities after receiving assistance for no longer than two years. Federal law gives leeway to states if they wish to impose a time period less than two years, but also allows states to establish "good cause" exceptions to the time limits.

In order to emphasize the idea that education and training are not considered appropriate means to financial security for those receiving "tax-payer money", federal law imposes limitations on what job training and education is considered to be "work." Allowable work activities which meet the first 20 hours per week for single parent families and the first 30 hours per week for two parent families are: a 4 to 6 week job search, on-the-job training, community service, vocational education, and secondary school or equivalent. Even though vocational and secondary school are technically listed as allowable work activities, there are several restrictions placed on them. Parents can only take part in vocational school for a maximum of 12 months, and only 30 percent of those classified as working can be in vocational education. For now recipients under the age of 20 are excluded from the 30 percent cap, however, after the year 2000 the cap will also apply to parents under age 20 who are completing high school, thus decreasing the percentage of adult parents who are eligible for vocational education. The allowance for secondary school education only applies to parents under age 20. Allowable activities that only qualify beyond the first 20/30 hours per week are: job skills training related to employment, and high school diploma or GED classes for those older than age 20. Activities which can be funded by TANF but do not meet work participation requirements unless classified as job skills training related to employment or vocational

---

activities and the penalty can be increased by two percent each year to a maximum of 21 percent of the state's block grant funding.

<sup>2</sup> Findings in the above section were taken from, "Welfare to Work Grants and TANF Related Provisions in the 1997 Balanced Budget Act."

<sup>3</sup> Exceptions are made in cases where child care is unavailable for single-parent families with children under age six.



education are: adult basic education (ABE) classes, literacy classes, ESL classes, and post-secondary education (IWPR Welfare Reform Network News, Aug/Sep, 1997).

States have the option of getting around educational restrictions by creating a separate, state-funded public assistance program for students enrolled in two or four year post-secondary education programs. Benefits are provided from state funds so TANF restrictions don't apply. One state using this loop hole is Maine. Maine created the Parents as Scholars (PAS) program in 1992. The program required that recipients take part in 20 hours of school participation (including study time) during the first 2 years, and after 2 years, participants must work or volunteer (includes work-study jobs, education-related work) for 20 hours per week in addition to attending school. Unfortunately, PAS can only cover a small portion of the state's caseload (2000 out of 15,800 people), and only 1000 are currently participating (IWPR Welfare Reform Network News, Aug/Sep, 1997).

Since the passage of PRWORA in 1996, community colleges, universities and adult education programs have seen dramatic declines in enrollment among welfare recipients. According to an analysis of the Census Bureau's Current Population Survey, from March 1996 to March 1997, welfare participants who were enrolled in college declined from 150,000 to 114,000 nationally—a 24 percent drop.<sup>4</sup> Figures from New York, Maryland, Illinois and Massachusetts indicate that since welfare reform was implemented, community college enrollment has declined anywhere from 29 to 56 percent in those states<sup>5</sup>. Some of the decline in recipients attending college may be due to overall decline in caseload, however in three out of four of these states declines in college enrollment surpassed declines in caseload over the same time period. Reports suggest that the drop may be due lack of access to support services, as well as the fear of not being able to finish educational programs within required time limits and direct

---

4 Statistics for this section were taken From "Allow States Greater Flexibility To Provide Vocational Education/Training For Parents Leaving Welfare For Work" Children's Defense Fund newsletter, July 29, 1998.

5 Decline in Enrollment figures: CUNY--20,494 in 1994 to 10,198 in 1998=50% decline, BCCC--893 in 1996 to 633 in 1998=29% decline, Illinois--4,281 in 1996 to 1,889 in 1998=56% decline, Mass.--7,125 in 1994 to 3,657 in 1998=49% decline (Source: Howard Samuels State Management and Policy Center, & IWPR) .

Decline in Case Loads: 1994-1998 NY=32%, 1996-1998 MD=18%, 1996-1998 IL=38%, 1994-1998 MA=48% (Source: US Dept. of Health and Human Services Administration for Children and Families)

advise by caseworkers to drop out of school and immediately begin working.

In order to correct for the mishandling of education in the welfare reform law, in June of 1998, Senator Paul Wellstone drafted an amendment to the Higher Education Act (HEA), which had been passed by the Senate. If amended to the HEA, this legislation would have allowed parents on aid to complete two years of higher education without being sanctioned and would have allowed class and study time to count as a work activity. Unfortunately, the Wellstone amendment was defeated. According to Senator Wellstone in his September 29, 1998 floor statement, House Republican conferees objected to the amendment, saying that adding it would undermine the “hallmark” nature of the welfare bill. By dismissing the amendment, seemingly “pro-education” political leaders have made it clear that education is seen as a luxury only afforded to middle and upper class, not as an essential factor in moving the poor to financial independence.

The Wellstone amendment was replaced with the promise of an “education-welfare study” in which the General Accounting Office would conduct research on “the effectiveness of educational (vocational and post-secondary) and rapid approaches to helping welfare recipients and other low-income adults become employed and economically self-sufficient.” This research report is scheduled to be submitted by August 1, 1999 (Sec. 861, Conference Report, Submitted by Gooding, Sep. 25, 1998). Although there have been numerous studies documenting the association between education and economic advancement, it is apparent from this recent controversy that federal legislators are still not convinced that promoting education for low income parents on aid is a viable and effective means to eliminating welfare dependency. The research conducted for this paper speaks to this current political debate by providing further evidence that education is indeed associated both with welfare exit and economic self-sufficiency. Furthermore, this paper documents the difficulties that recipients have in accessing and completing educational programs within a limited period of time, and thus calls for leniency in time and work requirements for student recipients.

## **Purpose of the Study, Explanation of Survey Sample and Key Variables**

The purpose of this research is to begin to answer the following questions regarding welfare reciprocity and education: What effect does level education *prior* to a welfare spell have on exit from assistance two years later? What proportion of recipients attend educational programs while on assistance and of those, how many are able to complete the programs they start within a two-year time period—what differences are there between recipients who attend school and those who do not? and finally, what is the relationship between school attendance during a welfare spell and exit from assistance two years later?

To investigate these questions I use the California Work Pays Demonstration Project Survey, which is comprised of in-depth telephone interviews with a sample of California welfare recipients. It is part of a bigger “California Work Pays Demonstration Project” which is a federally sponsored study of a sample of 15,000 welfare recipients in four California counties. The four counties used for the study are Los Angeles, San Bernardino, Alameda and San Joaquin. These counties were chosen because they represent both rural and urban parts of the state. The survey consists of two waves of in-depth telephone interviews with a smaller random sample of the larger 15,000 sample. The survey consists of 2,214 female heads of assistance units who speak English or Spanish. Wave 1 of the survey was carried out between October 1993 and September 1994, and wave 2 was carried out between May, 1995 and May 1996. Wave 2 reinterviewed 1,764 respondents out of the original sample of 2,214. For the purposes of this study, the sample size was taken down to 1,532 because I needed to select only those who were on AFDC at wave 1 and were also in wave 2.

The survey collected background information and outcome information on recipients such that the data set includes information about education, AFDC history, work history, housing quality and stability, economic hardship, hunger, respondent and child’s health and disabilities, labor market activities of the partner/spouse, income, child support, child care knowledge and use of child care, and knowledge of work incentives associated with the California rule changes in 1992. The survey was collected primarily to look for differences between two groups of respondents. Those who were placed in “experimental” and “control” groups. The experimental group was subjected to rule

changes in 1992, which in essence, gave more work/child care incentives but less money to recipients. The control group were kept on the original welfare system, thus they had higher payments but less work/child care incentives. An analysis of the larger survey showed that there were no overall differences between the two groups in terms of employment, earnings, total income, and time spent on aid.<sup>6</sup> Looking at the English/Spanish Survey only, analysts similarly concluded that only recipients who were advantaged in health, work history, schooling, and other skills seemed to take advantage of the Work Pays program (Becerra et. al, 1996).

The following paragraphs explain the specific variables used from the survey in order to analyze the research questions posed in the preceding section.

*Off AFDC* is a dichotomous variable for whether or not a recipient is receiving AFDC at wave 2 of the survey. A value of 1 on the variable indicates the recipient is off AFDC, and the value of 0 means the recipient is still on AFDC. Note that this variable does not answer important questions of whether or not the recipient who is off AFDC at wave 2 is out of poverty or whether the exit is permanent or temporary. *Education*, measures the level of education of the recipient at wave 1 of the survey. The variable is treated as continuous in the regression analysis, with values that range from 0 to 17 years. However, 12 indicates the recipient has graduated from high school or with a GED, 13 indicates the recipient has completed some college but does not have a degree, 16 indicates the recipient has a college degree and 17 indicates the recipient has completed some post-graduate work. For ease of interpretation of cross tabulations, I collapsed the education variable into five categories: less than high school, high school, some college, Associates degree, and 4 year college/graduate work.

The variable for race measures both the race/ethnicity and the English proficiency of the recipient. This indicator is made up of dummy variables which are: *black*, *white*, *hispanic-primarily English speaking*, *hispanic-primarily Spanish speaking*, and *other*. Hispanic-primarily English speaking means that the recipient considered herself “Latino, Mexican-American, Hispanic” but listed her primary language as English. Hispanic-

---

<sup>6</sup> Findings in San Bernardino county did show significant differences between groups in time spent on aid. However, the other three counties showed no significant differences.

Primarily Spanish speaking recipients considered themselves Hispanic and their primary language to be Spanish. Recipients falling into the “other” racial category were Filipino, Asian (Pacific Islander), Native American, or another race which was not specified.

*Age of recipient* is a continuous variable which measures the age of the recipient at wave 1 of the survey. *Limiting health condition of recipient* asks the question, “Do you have a health condition—physical, emotional, or mental—that limits the amount of work at a job you can do?” Although taking classes is not what surveyors meant by “job,” it is nonetheless important to find out whether going to school is indeed affected by the type of health condition this question measures. A value of 1 indicates the recipient feels she has a limiting health condition, and a value of 0 indicates she feels she has no limiting health condition. The variable *marital status*, is made up of three dummy variables: *married*, *single-with partner*, and *single-without partner*. Having a partner was defined as “currently living with someone in a marriage-like relationship, but not legally married.” *Employment status* is a dichotomous variable where 1 indicates that the recipient was employed at a regular job for pay at wave 1 of the survey and 0 indicates that the recipient was unemployed at wave 1.

*Age of child* is a continuous variable which measures the age of the youngest child in the household at wave 1 of the survey. *Number of children* measures the number of children in the household at wave 1 of the survey. *Limiting health condition of child* is a computation of the number of children in a recipient’s care who have a limiting health condition. The range is from 0 to 5 children, and it is treated as a continuous variable. Finally, limiting health condition for a child is described as “a chronic health problem—physical, emotional or mental—that limits the amount or kinds of things [the child] can do.”

### **Effect of Prior Educational Achievement on AFDC Exit**

This section begins by looking at the first question: the effect of prior educational achievement on AFDC exit. For the purposes of this study, prior educational achievement is operationalized by using the level of education completed by the recipient at the first interview of the survey. Therefore, “prior educational achievement” in this case really means the amount of education completed *up to the beginning of the spell*

*under observation*. This definition is somewhat different than education completed before a recipient went on aid since the level of education reported at the first interview could technically have been acquired at any point. This section discusses the extent to which level of “prior” educational achievement (education at wave 1 of the interview) is correlated with welfare status at the second interview two years later. Several cross tabulations and a logistic regression were completed in order to investigate the possible correlation.

Tables 1a and 1b describe the aforementioned characteristics of respondents who were on AFDC at wave 1. The first column gives the distribution of respondents with particular characteristics at the first wave of the survey. The second column gives the percentage of respondents with a particular characteristic at wave 1 who were no longer on AFDC at wave 2. The overall percentage of recipients at wave 1 who were no longer receiving AFDC at wave 2 is 22 percent.

At the first interview, 43 percent of all respondents had less than a high school education, 33 percent had only a high school education, 19 percent had completed some college, 2 percent completed an Associates degree, and another 2 percent had completed a 4 year degree. Looking at the effect of education at the first interview on AFDC receipt at the second interview, a greater proportion of those with higher levels of education at the first interview tended to not be receiving AFDC payments two years later. 15 percent of those who had less than a high school education were off AFDC, compared to 25 percent of those with a high school diploma, 29 percent of those with some college, 37 percent of those with an Associates degree, and half of those with a 4 year college degree.

From these figures, it would seem that prior education is strongly associated with being off AFDC within 2 years. However, it is possible that other factors might be influencing this association or may be also highly associated with welfare exit. In order to more fully understand the effect educational level and other factors have on exit from AFDC, I created three logistic regression models. The first logit model (see Table 2) shows the effect of child characteristics, age and health of respondent, race, and marital status on being off of AFDC at wave 2. Using this reduced form model, we can see that only being single without a partner as opposed to being married, and being black or primarily Spanish speaking hispanic significantly affect whether or not a recipient is off

AFDC at wave 2. The log-odds of being off AFDC at wave 2 decrease by 70 percent for black recipients as compared to white recipients and the log-odds of being off AFDC decrease by 45 percent for Hispanic recipients (Spanish speaking) compared to white recipients. Looking at the predicted probabilities shown in Table 3, the probability of being off AFDC at wave 2 for whites with mean characteristics on the other independent variables is .263, as compared to primarily Spanish speaking Hispanics with a probability of .185, and blacks with a probability of only .149.

The second logit model adds having a job at wave 1 as an independent variable. In the second model, we see that having a job has a fairly large effect on being off AFDC at wave 2. The log-odds of being off AFDC increase by 69 percent if a recipient is employed at a job in wave 1. However, even when controlling for employment, the negative effects of being black or primarily Spanish speaking hispanic, and being single without a partner still exist. In this model, the predicted probability of being off AFDC at wave 2 for a black recipient on AFDC who also is engaged in a form of employment at wave 1 is .237 as opposed to the probability of an employed white recipient who has a .380 probability of being off AFDC at wave 2.

The third logit model adds in the variable for highest level of education completed at wave 1. This model shows that even after controlling for having a job, level of education does have a moderate, significant effect on being off AFDC two years later. The log-odds of being off AFDC increase 20 percent per year of education. When education is added to the model, the effect of having a job decreases a bit, though still has a strongly positive effect, and the coefficient for being black remains strongly negative and statistically significant. Therefore, even though all racial/ethnic groups seem to benefit equally from education, blacks would have to attain more education than whites and hispanics in order to overcome additional disadvantages and thus improve their chances of moving off of AFDC. For example, a black recipient with no job and a high school degree has a .135 probability of being off AFDC at wave 2. If she has a college degree, she increases her probability to .263. A similar white recipient with a high school degree begins with a .245 probability of being of AFDC at wave 2 and then increases her chances to .425 if she has a college degree.

## **Educational Participation of AFDC recipients**

The previous section provides evidence that level of education at wave 1 is associated with whether or not a recipient is on AFDC approximately two years later. The higher the level of education at wave 1 of the survey, the greater the probability that a recipient was off AFDC at wave 2 of the survey. Because education is associated with welfare exit in this way, it is necessary to find out whether the majority of recipients are, in fact, able to further their education while receiving benefits. Therefore, the next part of the study seeks to understand the following issues: 1) the degree to which recipients interviewed at wave 1 have taken part in educational activities (regular, vocational school, and ESL) during the two years between interviews, and whether or not those who did were able to complete their program by the second interview; 2) what factors differentiate those who attend school and those who do not; and 3) what factors differentiate students who complete programs within a two year time span from those who are unable to do so.

### *Regular and Vocational School Attendance*

As mentioned earlier, 43 percent of all respondents had less than a high school education, 33 percent had only a high school education, 19 percent had some college, 2 percent had an Associates degree and another 2 percent had at least a 4 year college degree at the first wave of the survey. Table 4 describes the proportion of recipients who furthered their schooling since the wave 1 interview. Out of all recipients interviewed at wave 2 who responded to the question on education (N=1528), only 17 percent (254 respondents) said that they had taken part in “regular school” since wave 1. Similarly, out of all recipients responding, 15 percent attended vocational school at some point since wave 1. However, there were 58 recipients who indicated that they had attended both regular school and vocational school since wave 1. This population made up only 4 percent of the entire sample, but was 23 percent of the 254 recipients who said they attended regular school and 25 percent of the 231 recipients who attended vocational school since wave 1. Therefore, of those who did not attend vocational school as well, only 13 percent attended regular school (196 respondents), and of those recipients who indicated that they did not attend regular school, only about 11 percent (173 respondents)



said that they had attended vocational school instead. Among those recipients born outside of the US, approximately 24 percent attended ESL classes. Of those foreign born recipients, 300 described themselves as primarily Spanish speaking hispanic. Of that group, 30% said they had attended ESL classes.

### *Differences in School Attendance*

This section looks at differences among recipients who attended or did not attend educational programs from wave 1 to wave 2 in order to find out what factors might be related to school attendance. The results from several cross tabulations indicated that factors which seemed to positively influence school attendance in either vocational or regular school were: being younger in age, having only one or two children in the household as opposed to 3 or more, not being limited by a health condition, not being married. Level of education at wave 1 also had some effect on school attendance. A greater percentage of those with some college completed at wave 1 as compared to those with a high school degree or less than a high school degree attended regular school. Similarly, having either a high school level education or some college as opposed to less than a high school degree was positively associated with attending vocational school for the sample of all recipients.

Factors which did not affect school attendance for both models were: having a job at the first interview, the age of the youngest child in the household, the health of the children in the household, and race. Being a minority versus being white did not significantly influence school attendance except in the case of primarily Spanish speaking Hispanics, who were far less likely than other groups to take part in either regular school or vocational school.

### *Regular and Vocational School Completion*

Table 6 compares the highest level of education completed at wave 1 to the highest level of education completed at wave 2 for all recipients who indicated that they took part in “regular” educational activities at some point since wave 1. This table shows that the majority of recipients who attended regular school since the first interview were not able to complete their next degree within two years. Only approximately one-third of

the 79 attendants who had less than a high school education at wave 1 were able to complete a high school degree or GED by wave 2. And although nearly half of the 64 respondents with a high school degree at wave 1 indicated that they did indeed complete some college by wave 2, only 1 person said that she obtained a college degree. Of the 90 recipients who indicated that they had some college at the first interview, 19 percent were able to obtain Associate degrees by wave 2 and another 8 percent obtained 4 year degrees. However, the remaining 73 percent still said that at the second survey “some college” was still only their highest level of education completed. The success rates of those in vocational programs were somewhat higher. As seen in Table 8, out of the 231 women who said that they had attended vocational school since wave 1, 46 percent said they completed their program, 27% said they were still continuing, and another 27% said they had dropped out.

### *Differences in Program Completion*

#### Educational Differences

The amount of education school going recipients had already completed at the first interview had a substantial effect on whether they were able to complete a higher degree in two years. As seen in Table 6, for those in regular school, approximately one-third of those with some college completed at the first survey were able to obtain an associates or bachelors degree by the second wave, as opposed to only 2 percent of those with only a high school diploma at the first interview.

Similarly, for vocational school (see Table 8), completion within two years was very much correlated with how much education recipients began the two year period with. For those with some college under their belts already--possibly having already started the program at or before the first interview, completion in two years appeared to be not too difficult --over 60% completed their programs. However, for those with a high school diploma at the first interview, who presumably did not start classes at or before wave 1, completion rates were lower and drop out rates were higher. Finally, for those with less than high school degrees at wave 1 who attended vocational programs since the first interview, it was very difficult to complete programs two years later-- more dropped out than completed the program.

## Age Differences

Table 8 provides an indication of how recipients of different ages who attended vocational school fared between wave 1 and wave 2. There were no significant differences by age among those who completed vocational degrees. Approximately 47% of those in the 16-25 range and those in the 26-40 year range completed their programs, and rates of continuing and dropping out were also fairly equal (24-26% continued and 27-28% dropped out). The 20 recipients in the 41-55 age group seemed to have somewhat greater proportion still continuing in the program than completing it, but the small sample size prohibits any firm conclusion that older women may take longer to complete vocational programs.

Looking at regular school completion by age in Table 7, we see that there is a fairly large difference between the 16-25 year old group and the 26-40 year old group in regards to completing a high school degree. Data indicates that high school completion within a two year time frame may be more difficult for older women than it would be for younger women. 41% of the younger group gained a high school degree by wave 2 as opposed to only 14% of the older group. However, since the sample size was again relatively small these results must also only be tentative.

## **Educational Attendance and Exit from AFDC**

Although we know from the first section that the probability of no longer being on AFDC at wave 2 increases with level of education at wave 1, the key question for policy is whether or not those who are able to gain educational experience while on welfare have a greater likelihood of being off AFDC in wave 2 than those who do not take part in educational activities. Table 9 describes the results of the cross tabulation between being on or off AFDC at wave 2 and taking part in regular school, vocational school, or ESL since wave 1. For those attending ESL or regular school, the percentage off AFDC at wave 2 is not significantly different from those who did not attend ESL or regular school. However, there were significant differences for those who attended vocational school. 30 percent of those who attended vocational school were off AFDC at wave 2 compared to

only 21 percent of those who did not attend vocational school. Since we know that level of “regular” education at wave 1 is associated with exit from AFDC, the results that attending regular school since wave 1 does not improve chances of being off AFDC at wave 2 is apparently contradictory. However, this discrepancy may simply be because, as we have seen, the majority of recipients in regular school or ESL had not necessarily earned a new credential by wave 2, whereas this was seemingly more so with vocational school attendants.

## **Discussion**

From this study we see several emerging patterns. The first is that the amount of education that recipients have is related to exit from welfare within a two year time frame. The more education a recipient has at the beginning of the two years, the more likely she is to be off welfare two years later. The influence of education holds even after employment, disability, race, marital status, and other possible confounding variables are accounted for. However, this analysis also shows that factors besides level of education which are influential in moving recipients off aid in two years are: being employed while receiving aid, being proficient in English, and being married as opposed to being single without a partner. Unfortunately, this study also confirms that being African American as opposed to being white does in fact have a negative influence on being off aid two years later—even when level of education, employment, marital status, child characteristics, age, and disability are accounted for. The fact that there are no significant racial differences in school attendance and completion indicates that racial/ethnic minorities do not have any less access or more trouble completing educational programs while on AFDC. However, because the negative effect of being black or “another” minority group does not diminish after controlling for original level of education, there may be other factors not accounted for in this study which may be equally important as education in allowing African Americans to leave the welfare system.

However, even though education and English proficiency are one of the main influences on financial independence, a very small percentage of recipients enroll in educational programs. Of those who do enroll, vocational programs as opposed to regular school programs seem to have higher success rates in moving recipients off aid in

a short period of time. Over all, ten percent more vocational school recipients were off AFDC at wave 2 than recipients who did not take part in vocational school activities. However, on a closer look, we can see that pay off may only have occurred for recipients who began that period with some higher education already completed. The analysis showed that two year completion rates for vocational school drop off dramatically the lower the level of education a recipient begins the two-year spell with. This indicates that two years may not be enough time for all recipients to complete vocational school. Furthermore, this study provides evidence that the less regular education recipients have at the beginning of a two-year period in which they enroll in vocational school, not only are recipients less likely to have completed the vocational program, but the more likely they are to have dropped out entirely. Similarly, for recipients who attended regular school while receiving AFDC, no matter what their initial level of education, this study demonstrates that it is very difficult for them to earn a higher degree within two years. Thus it is not surprising that the study also found that regular school attendance made no difference in AFDC exit within a two year window of time.

Current federal and state TANF laws declare that recipients only have a maximum of two consecutive years on aid. This means that not only must recipients begin educational programs immediately upon starting TANF, but they must also be able to finish quickly as well. As of now, the process by which new recipients can be referred to educational programs is by no means fast. Recipients may have to undergo four to six weeks of job search before a case worker determines that they should be referred to education, or those recipients who determine for themselves that education is their best course of action may be weigh-laid by case workers who are pressured into pushing recipients immediately into jobs. By the time recipients enroll in educational programs, precious time available for education may have been wasted. Even once in an educational program, work-fare assignments may take away the amount of time recipients can give to their courses. As of now, very few states allow study and homework time to be counted as work hours, thus student recipients are being forced to work outside jobs while attending school full time in order to comply with TANF laws. Requiring recipients to work while in school makes it even more difficult for them to finish programs within the two-year allotted time frame.

Numerous studies have shown that investing in education for welfare recipients is the most effective way of placing parents on the path toward job stability and financial security. However, through welfare reform, the US government has all but dismissed the crucial role education plays in upward mobility. Federal policymakers need to realize that pushing parents into low-wage jobs as quickly as possible is not beneficial in the long run to families or the nation. On the other hand, promoting higher education not only enables parents to become self sufficient on a long term basis, but ensures that their children have the best chance for a better life.