HOUSE
STUDY
GROUP bill analysis

HB 1755-88
Rangel, Leland,
Vale, et. al.

SUBJECT: AFDC Education and Employment Act

COMMITTEE: Health and Welfare

VOTE: 7 ayes—Madla*, Florence, Glossbrenner*, Gonzales*, Miller*, Vaughan,
Von Dohlen*

0 nays—

0 present, not voting—

6 absent—J. Wilson, Whitehead, Ezzell, Orr, Untermeyer

WITNESSES: FOR: Dr. Charles Tesar, DPW administrator;
Delurina Hernandez, sociologist with the National Chicana
Foundation, Inc.

AGAINST: None

DIGEST: This bill sets up (but does not fund) a pilot program in the Department
of Public Welfare to train AFDC recipient parents and help these folks
get a good job. The bill authorizes the department to pay educational
institutions to teach marketable skills that may earn more than the
federal minimum wage. Such training might include welding, carpentry,
electronics, data processing, para-professional work and machinist
trades.

After the AFDC recipients are trained, the Texas Employment Commission
and the DPW are to help them find a job and get any needed on-the-job
training. The DPW is directed to establish several "site offices" in
rural and urban areas to administer the program locally. These offices
may contract with unions, employers or public employment programs to
provide on-the-job training or apprenticeships.

The bill also sets up an advisory committee to monitor and direct the
program. This committee is to reflect the ethnic, social and economic
diversity of the state. The Welfare Commission will appoint the eight
members.

To encourage trainees to stay in the program, all welfare benefits
are guaranteed (within certain legal limits) as long as the DPW "determines
necessary to allow the person to adjust to the demands of a self-
sufficient life."

The pilot program expires after six years.

PRO: This approach to welfare reform has been a long time coming and is badly
needed. The program will give AFDC recipients a financial incentive to
learn a trade and get off the welfare rolls.

The poverty cycle is often hard for these AFDC recipients to break, because
as soon as they get a job—usually at minimum wages—they jeopardize
many of their badly needed public assistance benefits.

Well-to-do parents often support their children for years in college and,
often, during the first few months until the children are established in
a job. These parents know it's not logical to push these youngsters out
of the nest until they're ready to fly.

It makes good sense for the state to give AFDC parents the same kind of
support. Sure, it'll cost a little extra money at first. But over the
long haul, this investment will be more than offset by reductions in
the AFDC rolls as people find good jobs.

CON: This bill contains several flaws.

First, it is philosophically questionable whether the way to break the
welfare cycle is to give more benefits. Success usually demands sacrifices.
Yet this bill tries to make it painless by having the state find a school,
find a job and hold the recipients' hands once they're on the job.

The bill is also too open-ended. It allows the DPW to keep trainees on
the welfare rolls, even after these folks get paying jobs. And the department
can keep them on the rolls for as long as it thinks necessary "to allow the
person to adjust to the demands of a self-sufficient life." How long is
that? A month? A year? Five years?

COMMENTARY: Some 90,000 families now receive AFDC payments. About 96 per cent
of these families are headed by the mother.

By law, the DPW is already supposed to try to help AFDC families
maintain financial independence. This bill is designed to create
a specific program to carry out that general goal.

Rep. Rangel tried to put some money in the appropriations bill to
pay for this program. The House voted that amendment down. The
authors are worried that the bill may be adopted without any money
to fund it. Theoretically, the Welfare Department could fund the
program out of certain existing revenues, but there are no assurances
that it would.

Officially, DPW officials are noncommittal on the bill. But unofficially,
it appears they would welcome the program if the Legislature would
fund it.

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