

REAUTHORIZATION OF THE PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT

WELFARE REFORM'S DISPARATE EFFECTS BASED ON RACE AND ETHNICITY

OVERVIEW

Virtually any policy change can result in unintended effects on different populations and the policy changes in the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) are no exception. To date, few comprehensive studies have focused on the effects of PRWORA implementation on racial and ethnic minorities. However, there is enough evidence to warrant further study and to take new steps to ensure that all participants receive fair and equitable treatment.

Disparate effects do not necessarily imply intentional discrimination. Nonetheless, examples of differential treatment are widespread. They range from private-sector employment practices to state-level policy choices to the exercise of frontline workers' discretion.

Do You Know . . .

- *A study of job interviews found that 55 percent of African-American applicants were interviewed for 5 minutes or less, while all white applicants received interviews of 10 minutes or longer. Black applicants also were more likely than white applicants to be subjected to pre-employment tests.*
- *Former white recipients earn significantly higher wages during the first three months after exiting welfare than former recipients of color. From 1997 to 1999 the median hourly wage for white leavers was \$7.31, for African-American leavers, \$6.88, and for Hispanic leavers, \$6.71.*
- *States in which African Americans make up a higher proportion of welfare recipients are statistically more likely to adopt full-family sanctions, family cap policies, and time limits shorter than the federal government requires.*
 - *Among white families, the percentage exiting welfare due to increased income has been higher than the percentage exiting because of sanctions. For black families, the pattern is reversed. One 1999 Florida Study found that black recipients were three times more likely to be sanctioned than white recipients.*
 - *Out of the current welfare caseload, researchers estimate that approximately 41 percent will exhaust their eligibility under time limits. Approximately two-thirds of these families will be families of color.*

In 1999, the Office of Civil Rights (OCR) in the U.S. Department of Health and Human Services found welfare offices that failed to provide translators for Spanish-speaking immigrants were guilty of discriminating on the basis of national origin. OCR subsequently sent a memo reminding state agencies of PRWORA's non-discrimination policy.

...the Power of Social Work...

- *A study in two rural counties in Virginia found that caseworker discretion had a significant impact on what assistance recipients were offered. Forty-seven percent of white recipients but no African-American recipients received discretionary transportation assistance beyond the gas vouchers available to all recipients and 41 percent of white recipients but no African-American recipients were referred to discretionary educational programs.*
 - *Transportation--White recipient: "I own my own car but it needed a brake job. I contacted [my caseworker] ... She told me she would try to come up with some money to get it fixed." African-American recipient--"She [my caseworker] told me to use gas vouchers to take a cab or ride with a friend until I saved the money to fix the car."*
 - *Education--White recipient: "They encouraged me to get my GED. I hope to graduate in the spring. My worker kept telling me 'You're smarter than you think.' She really convinced me that I could do it." African-American recipient--"the [caseworkers] say: 'Go get a job.' I told them that I only had two parts left on my GED and I wanted to finish, and they said, 'That's not what the program is about.'"*
- *In Illinois, about half of white recipients were referred to educational programs as compared to only 19 percent of African American recipients.*
- *Another study found that 12 percent of white recipients received help with expenses in the first three months after leaving welfare compared to 9 percent of Hispanic leavers and 7 percent of African-American leavers.*
- *There also is evidence that low-income Hispanic parents are less likely to receive the Earned Income Tax Credit (EITC) than their non-Hispanic counterparts, in part due to lack of awareness and language barriers. Low-income Hispanic children and adults also are less likely to have health insurance coverage than low-income white or African-American families.*

NASW RECOMMENDATIONS

- Fund additional research on welfare reform's disparate impact on racial and ethnic minorities, especially in the areas of education and training, work supports and transitional benefits, health care, barriers to employment, and sanctions.
- Require standardized data collection and dissemination of administrative data by race and ethnicity at the federal, state and local levels.
- Ensure that states have clear policies on nondiscrimination and applicable grievance procedures.
- Improve education and training of frontline workers and supervisors, including on cultural sensitivity and nondiscrimination.
- Support better enforcement of federal and state civil rights laws.
- Improve outreach to employers.

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